

Your “Premier”
choice for...

Specialty Commercial Lines



EQUIPMENT BREAKDOWN POLICY

What is an Equipment Breakdown (EB) Policy?

- EB compliments your property policy by covering off some key exclusions, such as:
- Explosion and rupture of pressure vessels
 - Mechanical breakdown of equipment
 - Electrical breakdown including arcing

EB covers both physical AND indirect damage (business interruption and spoilage) losses

Who needs an Equipment Breakdown Policy?

- Any entity that has electrical and / or heating exposures

Target classes

- All types of operations and organizations such as: commercial buildings, warehousing, office, recreation, farming, hospitality, retail, transport, education, supermarkets, and many more....

Features and Benefits

- Specialized Equipment Breakdown Policy
- Options to include - Business Interruption, Office Services Coverage, Service interruption
- Where required by law, we can arrange to provide jurisdictional inspections

14 Additional Coverage Extensions

1. Ammonia Contamination	\$100,000
2. Brands and Labels	\$100,000
3. By-Laws	\$500,000
4. Claims Preparation Costs	\$100,000
5. Data Coverage	\$25,000
6. Debris Removal	\$100,000
7. Environmental, Safety and Efficiency Improvements	Included
8. Errors & Omissions	\$100,000
9. Expediting Expenses	\$100,000
10. Extra Expenses	\$50,000
11. Hazardous Substances	\$100,000
12. Newly Acquired Location	\$1,000,000
13. Spoilage (\$1,000 deductible applies separately to Spoilage coverage)	\$10,000
14. Water Damage	\$100,000

Stand Alone Policy

- No requirement to have other policies with Premier
- **Basic coverage starts as low as \$200**

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Real-time quotes & instant policy documents in less than 5 minutes

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Receive 25% commission on all policies issued through PRESTO

Why Premier?

- An MUA that’s a true niche program specialist not a generalist – providing in-house underwriting and claims expertise that is second to none

Application and Contact Information

[Download application now](#)

[Contact an Underwriter now](#)

Visit our website for details on all the unique programs offered by Premier. All our applications, policy forms, brochures and other useful documents can be downloaded from our website. www.premiergroup.ca

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Claims Examples – Equipment Breakdown

Occupancy: Mall



Cause of loss: mechanical equipment

A pump motor in an elevator at a mall was low on hydraulic fluid which caused the motor to overwork and break.

Cost to replace the motor & its components: \$7,945

Occupancy: Food Retail

Cause of loss: Food spoilage and equipment repairs

The motor of a compressor in a freezer fails, ultimately causing meat to thaw and spoil.

Failure of the compressor caused a change in temperature to the freezer.

Food spoilage costs are incurred in addition to equipment repair costs.

Cost to replace food: \$25,000

Cost to repair freezer: \$7,400



Occupancy: Farm



Cause of loss: equipment failure

Breakdown within a storage tank under pressure. All goods had to be discarded due to rapid change in temperature leading to spoilage.

Cost to replace thermostat: \$900

Cost to replace spoiled goods: \$1,800

Occupancy: Business owner

Cause of loss:

A rupture occurred on a section of a boiler tube connected to the main boiler equipment of the insured. Further investigation as to the cost of breakdown revealed that failure was consistent with excessive oxygen in the boiler feedwater due to insufficient temperature. A temporary boiler unit was rented in order to resume business operations and mitigate loss.

Cost to repair the boiler: \$131,230



Occupancy: Business owner



Cause of loss:

A transformer located in a fenced compound exploded shutting down the power to the entire operating section of the insured. In order to maintain operations, the insured rented a large diesel-powered generator to supply power to the plant. This was later replaced with a rental transformer. The rental transformer remained on site until the new transformer was received.

An inspection and testing of the transformer indicated a high level of Ethylene which suggests arcing and the cause of the unit to short-circuit resulting in its failure.

Costs to replace transformer: \$114,787

<p>Protect your clients!</p> <p>Obtain an “Instant Quote” and “Issue Policy” right from your desktop</p> <p>PRESTO QUOTE → POLICY ISSUE</p>	<ul style="list-style-type: none"> • Real-time quotes & instant policy documents in less than 5 minutes • Limits up to \$25,000,000 (contact Premier Underwriter for higher limits) • Sign Up Today and access PRESTO - visit Premier’s website www.premiergroup.ca <p>Receive 25% commission on all policies issued through PRESTO</p>
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**Coverage is subject to the policy terms, conditions and exclusions – please refer to policy documents. This document is produced strictly to illustrate where coverage may be afforded by way of example – specific circumstances may alter the availability of coverage.*