

Why get Equipment Breakdown coverage from The Charter Oak Fire Insurance Company through the FPMA program?

What is Equipment Breakdown Coverage?

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Equipment Breakdown coverage protects the heart of your property: the equipment, machinery and systems that operate your houses. This equipment can be damaged by unique causes; that's why you need unique coverage to protect it. Equipment Breakdown coverage pays for damage caused by such things as electrical arcing, mechanical break-down, power surges, centrifugal force and more.

Not all insurance is equal.

Sure, you have Property Insurance. But most policies don't cover a motor burnout, a short circuited electrical system, or a mechanical failure. Most property insurance policies don't replace the income you lose as a result of equipment breakdown. Neither will warranties nor maintenance contracts. But these are exactly the things Equipment Breakdown insurance covers. The Equipment Breakdown coverage we provide protects a broad range of equipment, including many types of modern technology as our policies are specifically designed for student housing.

Which equipment is covered?

Just look around you. Your property contains all kinds of costly equipment.

- Furnace
- Air conditioning system
- Electrical system
- Boilers
- Telephone System
- Fire detection and security systems
- Communication systems
- Water heaters/tanks
- Refrigeration



What costs are covered?

Equipment Breakdown coverage is much broader than most people realize as it covers much more than the mechanical equipment located in the facility. The policy coverages include the following:

- Overall Policy Limit of \$5,000,000 which extends to the covered equipment and the resulting damage to the building and business personal property.
- Business Income and Extra Expense up to full policy limit.
- Service Interruption Coverage up to \$1,000,000
- Spoilage of Perishable Goods up to \$100,000
- Data Restoration up to \$100,000
- \$1,000,000 Ordinance & Law Coverage for increased costs of construction to comply with current building codes

Examples of common claims:

- Boiler Explosions
- Mechanical Breakdown of A/C, refrigerator and other similar compressors
- Power Surge damage to mechanical circuit boards, refrigeration equipment, fire alarm systems, telephone equipment and compressors
- Electrical Arcing damage to building electrical systems

Loss Prevention Services

Knowledge of what causes breakdowns - and how to prevent them. The Equipment Breakdown coverage we provide has been designed in conjunction with Charter Oak. Their engineers understand the kind of equipment used in fraternity and sorority houses - and what can go wrong with it. What's more, they work with us to help you prevent equipment breakdown.

Our equipment breakdown policy includes inspection services at no additional cost. Local Volunteers will work directly with Charter Oak to ensure that any problems are identified and dealt with through thorough inspections. And if there is a problem, they consistently provide excellent claim service to help you resume operations quickly.

For more information about Equipment Breakdown Coverage, contact Rob Meraz, Senior Claims Consultant, at rmeraz@holmesmurphy.com or Mary K Mashek, Senior Claims Consultant at mmashek@holmesmurphy.com.