

The Importance of Equipment Breakdown Coverage

Part 2

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Last month I discussed the critical need for businesses in printing or the graphic arts to purchase Equipment Breakdown insurance. Equipment Breakdown insurance can cover virtually anything mechanical or electrical such as:

- Air conditioning and refrigeration units
- Boilers and pressure vessels
- Printing Equipment
- Cash registers
- Computer-controlled machinery
- Electrical distribution systems
- Elevators and escalators
- Fans, motors and pumps
- Inventory control systems
- Medical diagnostic and treatment equipment
- Multiline and private branch (PBX) telephone systems
- Security and fire detection systems
- Washers and other laundry equipment

Equipment Breakdown insurance includes:

- Property damage coverage
- Business income and expense coverage (if purchased with a package)
- Expediting expenses coverage for temporary repairs so that permanent repairs or replacement can be made
- Debris removal, preservation of property, pollutant cleanup, drying out coverage
- Extensions for ordinance or law, newly constructed or acquired property, property off-premises
- Jurisdictional inspections – required by law in many states
- Professional loss control representatives to help identify hazards and make the workplace safer
- Perishable goods

Covered Losses include:

- Operator / human error
- Improper startup / shutdown (seasonal)
- Failure of safety devices
- Foreign materials
- Supply line surges

If you have questions about how your firm's insurance would respond to these types of losses, we can help. As always, should you need a professional assessment of your firm's exposures to loss and ways to reduce your firm's total cost of risk, please contact Tim McClendon at Hertel McClendon, L.L.P. Phone: (817) 514-9520. Email: tmclendon@hertelmclendon.com



Tim McClendon is a Certified Insurance Counselor, licensed risk manager and a Certified Work Comp Advisor with over 30 years experience in the insurance industry. Hertel McClendon, L.L.P. is the plan administrator for the PIA MidAmerica Workers' Compensation Safety Group underwritten by Utica National Insurance Company exclusively for PIA members.