# MECHANICAL, ELECTRICAL OR PRESSURE SYSTEMS BREAKDOWNEQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

**(For Use with Homeowners Policies)**

Refer to Supplemental Declarations if information is not shown on this form.
***We*** provide coverage under this endorsement subject to the ***terms*** contained in the General Policy Provisions.

## WHAT *WE* PAY FOR

The most ***we*** will pay under this endorsement is $50,000 per occurrence.
Mechanical, Electrical or Pressure Systems Breakdown coverage is subject to a $500 per occurrence deductible.

Policy No. _____.
Named ***Insured***: _____.

## HOW MUCH *WE* PAY

***Equipment breakdown*** coverage is subject to a $50,000 per occurrence limit. ***Equipment breakdown*** coverage is subject to a $500 per occurrence deductible.

## COVERED CAUSES OF LOSS

***We*** pay for direct physical loss to covered property caused by covered causes of loss***equipment breakdown*** as provided by this endorsement.

## CONDITIONS APPLICABLE TO MECHANICAL, ELECTRICAL OR PRESSURE SYSTEMSEQUIPMENT BREAKDOWN

1. Any mechanical, electrical or pressure systems***Equipment breakdown*** is an added covered only against loss from the causescause of loss shown in the underlying property insurance afforded by ***your*** policy. This endorsement, and its extensions of
2. For the coverage, is intended to follow and apply to only those applicable causes of loss shown in provided by this endorsement, the property section of ***your*** policy.
2. The specific ***terms*** and conditions of this endorsement shall take precedence over any other conflicting ***terms*** and conditions stated in any other part of ***your*** policy.
3. The additional ***terms*** and conditions applicable to the coverage extensions shown below shall be in addition to all other ***terms*** and conditions of ***your*** policy.
4. Any specific amounts of insurance shown in this endorsement shall take precedence over any other amounts of insurance or limits of liability shown elsewhere in ***your*** policy.
5. Mechanical, electrical or pressure systems***Equipment breakdown*** coverage does not extend beyond the ***insured premises***.
6. Whenever mechanical, electrical or pressure covered property is found to be in, or exposed to, a dangerous condition, any of ***our*** representatives may immediately suspend the insurance against loss or damage to that covered property. This for the causes of loss covered by this endorsement. Coverage can be done suspended and possibly reinstated by delivering or mailing a written notice of suspension / coverage reinstatement to ***your*** last known address or the address where the covered property is located.

Once suspended, ***your*** insurance can be reinstated only by an endorsement to this policy for that equipment.

If ***we*** suspend ***your*** insurance, ***you*** will get a pro rata refund of premium. But, the suspension will be effective even if ***we*** have not yet made or offered a refund.

## WHAT *WE* PAY FOR

Mechanical, electrical or pressure systems***Equipment breakdown*** means direct damage to covered property as follows::

Direct physical loss or damage both originating within:

1. ~~Mechanical breakdown, including rupture or bursting caused by centrifugal force;~~
2. ~~Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;~~
3. ~~Explosion of steam~~ boilers, ~~steam pipes, steam engines and steam turbines owned~~fired or ~~leased by ***you***, or operated under ***your*** control;~~
4. ~~Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or;~~
5. ~~Loss or damage to hot water boilers or other water heating equipment.~~

## ~~WHAT *WE* DO NOT PAY FOR~~

~~As respects mechanical, electrical or~~unfired pressure ~~system breakdown coverage, the following properties are not covered under the ***terms*** of this endorsement.~~

1. ~~insulating or refractory material;~~
2. ~~underground~~ vessels ~~or pipes;~~
3. ~~sewer pipes, pipes forming a~~ , vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding: waste disposal piping; any piping forming part of a fire protective system ~~or~~; and any water ~~pipes~~piping other than: boiler feed water ~~pipes~~piping between ~~any boiler and its~~ the feed pump ~~or injector,~~and the boiler; boiler condensate return ~~pipes~~piping; or water ~~pipes~~piping forming ~~a~~ part of a refrigerating ~~and~~ or air conditioning ~~vessels and pipes~~ system used for cooling, ~~de~~humidifying or space heating purposes;
4. ~~structure, foundation, cabinet or compartment containing the object;~~ 2. any mechanical, electrical, electronic or fiber optic equipment; and
5. ~~power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube, well casing;~~
6. ~~conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment;~~
7. ~~felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement;~~

caused by, resulting from, or consisting of: mechanical breakdown, electrical breakdown, electronic breakdown, rupture, bursting, bulging, implosion, or steam explosion.

## WHAT *WE* DO NOT PAY FOR

***Equipment breakdown*** will not mean direct physical loss or damage caused by or resulting from any of the following; however, if loss or damage not otherwise excluded results, then ***we*** will pay for such resulting damage:

1. Wear and tear; rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other quality in property that causes it to damage or destroy itself; smog; settling, cracking, shrinking or expansion; nesting or infestation, or discharge or release of waste products or secretions, by birds, rodents or other animals; any accident, loss, damage, cost, claim or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs, or software; scratching and marring;

2. Loss, damage, cost or expense directly caused by, contributed to, resulting from or arising out of the following causes of loss: fire, lightning, combustion explosion, windstorm, hail, weight of snow, ice or sleet, freezing, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement and flood.

## EXTENSIONS OF COVERAGE

1. **Hazardous Substances Remediation:**
   ***We*** pay up to $~~2,500~~3,000 for reasonable expenses ***you*** incur for clean up and disposal of pollutants generated by a covered ~~mechanical, electrical or pressure systems~~***equipment breakdown*** and for repair or replacement of covered property which is damaged, contaminated, or polluted by a released substance declared by an authorized governmental agency to be hazardous to health. This ~~incidental~~ extension of coverage does not increase the amount of insurance ~~stated for the principal coverages~~provided by this endorsement.
2. **Consequential Losses:**
   ***We*** pay up to $~~2,500~~ 3,000 for loss of perishable goods due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by ~~a covered mechanical, electrical or pressure systems~~an ***equipment breakdown*** to personal property. The damaged personal property must be on or within 1,000 feet of the described premises and it must be property owned by ***you*** or property of others for which ***you*** are legally liable. This extension of coverage does not increase the amount of insurance provided by this endorsement.
3. **Expediting Expenses:**
   ~~With~~***We*** will pay for the expediting expenses incurred as a result of an ***equipment breakdown*** with respect to ***your*** damaged covered property~~, ***we***~~. ***We*** will pay the ***reasonable*** ~~and necessary~~ ***extra cost*** to make temporary repairs, expedite permanent repairs~~; or to~~ and expedite permanent replacement.
   ***Reasonable extra cost*** shall mean the extra cost of temporary repair and of expediting the repair of such damaged equipment of the ***insured,*** including overtime and the extra cost of express or other rapid means of transportation.
4. **Refrigerant Contamination:**
   ***We*** pay for loss to personal property contaminated by escaping refrigerant caused by ~~a covered mechanical, electrical or pressure systems~~ an ***equipment breakdown*** to refrigerating, cooling or humidity control equipment at the described premises. The most ***we*** pay is $~~2,500~~3,000 in any single occurrence for loss or damage covered under this coverage extension. This extension of coverage does not increase the amount of insurance provided by this endorsement.
5. **Environmental, Safety and Efficiency Improvements:**
   If property requires replacement due to ~~a Mechanical, Electrical, or Pressure Systems Breakdown~~an ***equipment breakdown***, ***we*** will pay ***your*** additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced.
   However, ***we*** will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This extension of coverage does not increase any of the applicable limits. This extension of coverage does not apply to any property to which Actual Cash Value applies.

All other ***terms*** and conditions remain unchanged.