



Equipment Breakdown Coverage for Homeowners

Hannahstow Mutual Insurance Company is pleased to offer an affordable alternative to costly product and home warranty plans - **Equipment Breakdown coverage through your Homeowners Insurance Policy.** Whether you are a renter or a high-value home owner, we have your Equipment Breakdown exposures covered.

The modern home contains many expensive systems and appliances subject to Equipment Breakdown. These include:

- High-Energy Electrical Service Panels
- High-Efficiency Home Heating and Central A/C Systems
- Heat Pumps
- Garage Door Openers
- Well Water Pumps
- Exhaust/Ceiling Fans
- Water Heaters
- Swimming Pool Equipment
- Sump Pumps
- Garbage Disposals
- Home Security Systems
- Lighting and Home Environment Monitoring
- Kitchen Refrigerators
- Freezer Units
- Televisions/Plasma/LCD
- DVD Players
- Surround Sound Systems
- Computer and Peripheral Equipment
- Microwaves
- Ovens
- Dishwashers
- Clothes Washers and Dryers

Even items that you typically think of as disposable; such as, televisions, computers, microwaves and DVD players could benefit from this coverage as a result of an electrical power surge.

“If it uses electric power, it is most likely subject to Equipment Breakdown.”

Often this equipment requires sophisticated diagnostic tools and skilled technicians to oversee a potential repair. Equipment Breakdown coverage protects you against unexpected repair or replacement costs due to a Mechanical,

Electrical or Pressurized Systems Breakdown. In addition to coverage, Loss Prevention information and Loss Adjustment services are customized at a fraction of the cost of limiting Home Warranty products. Best of all, this additional coverage follows the terms and conditions of your insurance policy.

Did You Know?

Thirty-eight percent of all Equipment Breakdown losses are Mechanical in nature. Until now, along with Electrical Breakdown, these losses were typically excluded under your Homeowners Policy!

<u>Equipment Breakdown</u>	<u>% of Losses</u>
Electrical Breakdown	46%
Mechanical Breakdown	38%
Pressure Equipment	16%

Typical Losses

A domestic water 230-volt deep well pump short-circuited to ground. Upon being pulled from the well to determine its condition, it was concluded that cost to repair the motor was greater than the cost of replacement.

Cost of Replacement: \$1,260
Loss of Use: \$186

A power surge caused by the electric utility resulted in arcing damage to the electronic components of a panel television and electric motor of an air conditioning system. Replacement and repairs required service by separate technicians.

Cost of Repairs: \$3,750

A personal computer (PC) used to control multiple systems (HVAC, lighting and irrigation) within the home and grounds sustained electrical damage from a power surge. Replacement of the computer and the unique programming was required.

Property Damage: \$2,975

An air conditioning system suffered an ice buildup in the evaporator due to a cracked compression fitting. The ice plugged the condensate drain causing water to flow into the control cabinet, short-circuiting the solid state controls for the air conditioning system and furnace.

Cost to Repair: \$2,800

