



MECHANICAL, ELECTRICAL OR PRESSURE SYSTEMS BREAKDOWN

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.

Policy No. _____.

Named *Insured*: _____.

COVERED CAUSES OF LOSS

We pay for direct physical loss to covered property caused by covered causes of loss.

CONDITIONS APPLICABLE TO MECHANICAL, ELECTRICAL OR PRESSURE SYSTEMS BREAKDOWN

1. Any mechanical, electrical or pressure systems breakdown is covered only against loss from the causes of loss shown in the underlying property insurance afforded by *your* policy. This endorsement, and its extensions of coverage, is intended to follow and apply to only those applicable causes of loss shown in 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. 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 can be done by delivering or mailing a written notice of suspension 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 breakdown means direct damage to covered property as follows:

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 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.
6. If covered electrical equipment requires drying out as a result of moisture; *we* pay for the direct expenses of such drying out.

WHAT WE DO NOT PAY FOR

As respects mechanical, electrical or 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 part of a fire protective system or water pipes other than feed water pipes between any boiler and its feed pump or injector, boiler condensate return pipes or water pipes forming a part of refrigerating and air conditioning vessels and pipes used for cooling, dehumidifying or space heating purposes;
4. structure, foundation, cabinet or compartment containing the object;
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;
8. any other *mobile machinery* including farm equipment, implements, tools and any other *motorized vehicles*, including *recreational motor vehicles*, used at any time or in any manner in *farming operations*; and
9. any *farm animals* or *poultry* and any *farm produce and supplies* including tobacco, crops and plants, whether growing, cut or baled or otherwise harvested or processed.

EXTENSIONS OF COVERAGE

1. **Hazardous Substances Remediation:**

We pay up to \$25,000 for reasonable expenses *you* incur for clean up and disposal of pollutants generated by a covered mechanical, electrical or pressure systems 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 coverage does not increase the amount of insurance stated for the principal coverages.

2. **Consequential Losses:**

We pay up to \$25,000 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 breakdown. 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.

3. **Utilities Interruption:**

We pay for loss to *your* covered property by power interruption as the direct result of damage to *your* covered property on or within 1,000 feet of the described premises caused by a covered mechanical, electrical or pressure systems breakdown.

4. **Expediting Expenses:**

With respect to damaged covered property, *we* pay the reasonable and necessary extra cost to make temporary repairs, expedite permanent repairs; or to expedite permanent replacement.

5. **Refrigerant Contamination:**

We pay for loss to personal property contaminated by escaping refrigerant caused by a covered mechanical, electrical or pressure systems breakdown to refrigerating, cooling or humidity control equipment at the described premises. The most *we* pay is \$25,000 in any single occurrence for loss or damage covered under this coverage extension.

6. **Loss of Income**, meaning loss of income resulting directly from the necessary interruption of *your* business by a covered mechanical, electrical or pressure systems breakdown, is covered for up to a 30 day period. The deductible does not apply to this agreement.

Under this agreement, income is defined as the sum of:

- a. net profit;
- b. payroll expenses;
- c. taxes;
- d. interest;
- e. rents and all other necessary operating expenses incurred by the business.

We pay up to \$25,000, or any larger amount shown on the Declarations, for the loss of income which shall be the income *your* business could be reasonably expected to have earned during the period of interruption had no loss occurred less the income *your* business actually earned during that period. In no event will *we* pay more than the reduction in income less charges and expenses which do not necessarily continue during the period. Coverage also applies to expenses *you* incur to reduce loss of income, not otherwise covered by any other agreement in this policy, but only to the extent that they actually reduce *your* loss of income.

You shall make every reasonable effort to resume complete or partial operation as soon as possible and, where practicable, use substitute facilities and property.

We do not pay for any loss of income:

1. resulting from suspension, lapse or cancellation of any lease, license, contract or order.
2. caused directly or indirectly by enforcement of any local or state ordinance or law regulating the construction, repair or demolition of buildings or structures.
3. caused directly or indirectly by interference at the premises by strikers or other persons with rebuilding, repairing or replacing property or with the resumption or continuation of operations.

All other *terms* and conditions remain unchanged.