

## EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

(Entries required to complete the Schedule will be shown below or on the "declarations".)

### SCHEDULE

<b>Equipment Breakdown Coverage Per Occurrence Limit</b>	\$ 50,000
<b>Equipment Breakdown Coverage Per Occurrence Deductible</b>	\$ 500

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

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### EQUIPMENT BREAKDOWN COVERAGE

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"We" cover direct physical loss to covered property on the "described location" that is caused by an "equipment breakdown". The Equipment Breakdown Coverage Per Occurrence Limit shown in the Schedule above is the most "we" pay for any one loss, regardless of the number of "equipment breakdowns".

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### DEFINITIONS

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The following definition is added:

"Equipment Breakdown" --

a. "Equipment breakdown" means:

- 1) physical loss or damage both originating within:

a) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:

- (1) waste disposal piping;
- (2) any piping forming part of a fire protective system; and
- (3) any water piping other than:

- (a) boiler feed water piping between the feed pump and the boiler;
- (b) boiler condensate return piping; or
- (c) water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes.

b) all mechanical, electrical, electronic, or fiber optic equipment; and

2) caused by, resulting from, or consisting of:

- a) mechanical breakdown;
- b) electrical or electronic breakdown; or
- c) rupture, bursting, bulging, implosion, or steam explosion.

- b. However, "equipment breakdown" does not mean physical loss or damage caused by or resulting from any of the following. If loss or damage not otherwise excluded results, then "we" will pay for such resulting damage:
- 1) wear and tear;
  - 2) 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;
  - 3) smog;
  - 4) settling, cracking, shrinking or expansion;
  - 5) nesting or infestation, or discharge or release of waste products or secretions, by birds, rodents, or other animals;
  - 6) 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;
  - 7) scratching and marring;
  - 8) loss, damage, cost, or expense directly caused by, contributed to by, resulting from, or arising out of the following causes of loss: fire; lightning; combustion explosion; windstorm; hail; weight of snow, ice or sleet; falling objects; smoke; aircraft or vehicles; riot or civil commotion; vandalism or malicious mischief; theft; sinkhole collapse; volcanic eruption; leakage from fire extinguishing equipment; water; water damage; earth movement; and flood.
- c. "Green" means products, materials, methods and processes certified by a "Green Authority" that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.
- d. "Green Authority" means an authority on "Green" buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), "Green" Building Initiative Green Globes®, Energy Starr Rating System or any other recognized "Green" rating system.

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## PROPERTY COVERAGES

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### INCIDENTAL PROPERTY COVERAGES

The following Incidental Property Coverages are added with respect to the coverage provided by this endorsement:

#### 1. Expediting Expense

When an "equipment breakdown" results in damage to covered property, "we" pay the reasonable cost to:

- a. make temporary repairs;
- b. expedite permanent repairs; and
- c. expedite permanent replacement.

Reasonable cost means the extra cost of temporary repair and of expediting the repair of "your" damaged property, including overtime and the extra cost of express or other rapid means of transportation.

The most "we" will pay for loss or damage under this Incidental Property Coverage is \$3,000. This Incidental Property Coverage does not increase the per occurrence "limit" for Equipment Breakdown Coverage.

#### 2. Refrigerated Property

"We" pay for loss of perishable goods due to spoilage resulting from lack of power, light, heat, steam, or refrigeration caused by an "equipment breakdown" to personal property covered by this policy.

The most "we" will pay for loss or damage under this Incidental Property Coverage is \$3,000. This Incidental Property Coverage does not increase the per occurrence "limit" for Equipment Breakdown Coverage.

### 3. Pollutant Clean Up and Removal

"We" pay for "pollutant" clean up and removal for loss resulting from an "equipment breakdown". The most "we" will pay for loss or damage under this Incidental Property Coverage is \$3,000. This Incidental Property Coverage does not increase the per occurrence "limit" for Equipment Breakdown Coverage.

### PERILS INSURED AGAINST

The coverage provided by this endorsement is not subject to the "terms" under Perils Insured Against.

### EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

The coverage provided by this endorsement is not subject to the "terms" under Exclusions That Apply To Property Coverages.

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### HOW MUCH WE PAY FOR LOSS OR OCCURRENCE

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1. Under Property Coverages, Deductible is deleted and replaced by the following with respect to the coverage provided by this endorsement.

#### Deductible

- 1) The Equipment Breakdown Coverage Per Occurrence Deductible shown in the Schedule above applies to all coverages provided by this endorsement.
- 2) Subject to the "equipment breakdown" "limits" set forth by this endorsement, "we" pay that part of the loss, damage, or expense over the deductible. Only one deductible applies at each location.

2. Under Property Coverages, the Loss Settlement Terms are deleted and replaced by the following with respect to the coverage provided by this endorsement.

**Loss Settlement Terms** -- Subject to the other "terms" shown under How Much We Pay For Loss Or Occurrence and the "terms" of this endorsement, "we" settle losses according to the Replacement Cost Terms.

**Replacement Cost Terms** -- The smaller of the following amounts is used in applying the "terms" under Our Limit:

- 1) the cost, at the time of loss, to replace the lost or damaged part of the property, without deduction for depreciation; or
  - 2) the cost, at the time of loss, to repair the damaged part of the property."
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### POLICY CONDITIONS

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#### CONDITIONS APPLICABLE TO PROPERTY COVERAGES ONLY

The following condition is added with respect to the coverage provided by this endorsement.

#### Environmental, Safety, and Efficiency Improvements

If covered property requires replacement due to an "equipment breakdown", "we" will pay "your" additional cost to replace that property 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 such property with like kind and quality. This condition does not increase any of the applicable "limits". This condition does not apply to any property that is subject to the Actual Cash Value Loss Settlement Terms.

**Green Environmental and Efficiency Improvements**

If Covered Property requires repair or replacement due to an "equipment breakdown", "we" will pay;

- a. The lesser of the reasonable and necessary additional cost incurred by the Insured to repair or replace physically damaged Covered Property with equipment of like kind and quality which qualifies as "Green". "Like kind and quality" includes similar size and capacity.
- b. The additional reasonable and necessary fees incurred by the Insured for an accredited professional certified by a "Green Authority" to participate in the repair or replacement of physically damaged Covered Property as "Green".
- c. The additional reasonable and necessary cost incurred by the Insured for certification or recertification of the repaired or replaced Covered Property as "Green".
- d. The additional reasonable and necessary cost incurred by the Insured for "Green" in the removal, disposal or recycling of damaged Covered Property.
- e. The Loss of Use (if covered within the Policy to which this Equipment Breakdown Enhancement Endorsement is attached) loss during the additional time required for repair or replacement of Covered Property, consistent with "Green", in the coverages above.

"We" will not pay more than a maximum limit of \$3,000 to repair or replace with equipment of like kind and quality inclusive of fees, costs, and any loss of use loss incurred as stated above.

The following Exclusions are added:

The **Green Environmental and Efficiency Improvements** does not cover any of the following:

- a. Any loss covered under any other section of this policy.
- b. Any cost incurred due to any law or ordinance with which the Insured was legally obligated to comply prior to the time of the "equipment breakdown".

These Conditions will be part of, and not an addition to, the limit of liability per loss or any other sublimits of this Policy.

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