



Answers to your questions about farm equipment breakdown coverage

Q: What does Equipment Breakdown cover?

A: It covers the perils of mechanical, electrical and pressure systems breakdown, which are restricted/excluded perils in the underlying form. Equipment breakdown coverage usually covers the farm dwelling and its contents along with barns, stables, other structures and farm personal property.

Q: What are some examples of covered property?

A: Refer to the underlying form to review covered property. Exclusions from covered property are listed in the definitions section of the equipment breakdown endorsement under exclusions from "Farm Personal Property."

Examples of Covered Farm Equipment	
Generator	Irrigation pumps
Silo unloaders	Blowers for silos
Automatic waterers	Manure pumps
Barn cleaners/floor scrapers	Computerized feeders
Pipeline milkers	Sawmill equipment
Windmills for pumping water	Electric motors
Vacuum pumps	Fans/blowers
Non-portable grain dryers	Feed conveyors
Hay conveyors/elevators	Scales
Compressors	Alarm systems
Fuel pumps	Bulk milk tanks
Milking parlors	

Examples of Covered Farm Dwelling Equipment	
Central air systems, including compressors, condensers and air handling units	Heating equipment, including boilers and heat pumps
Electrical panels	Home security systems
Ventilating systems and exhaust fans	Fired water heaters
Well pumps	Air and water filtration systems
Central vacuum systems	Chair lift or elevator
Sauna equipment	Swimming pool equipment
Televisions and stereos	Washer and dryers
Computers	Garage door openers
Sump pumps	Fans

Q: What is the difference between Farmowners Equipment Breakdown and a warranty contract?

A: A warranty typically is not offered by an insurance company, and the owner would have to keep track of the warranty. A warranty may pay for a part, but not repair of the equipment or business interruption.

In addition, a warranty usually will apply only when the piece of equipment is being used for its specific/intended use. It will not cover loss due to human error and typically applies to one piece of equipment and can be expensive.

Q: What is the Environmental, Safety and Efficiencies Improvements condition and how does it work?

A: This coverage allows the insured to upgrade equipment with more environmentally friendly, efficient equipment. The equipment breakdown endorsement will pay up to 125%, up to a maximum of \$3,000, of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs, and any loss of use.

Equipment breakdown coverage applies to covered property which has suffered a covered equipment breakdown as defined by the endorsement. It is not limited to one piece of equipment and provides a broad range for losses inclusive of electrical, mechanical and pressure systems breakdown.

Q: What are some of the most frequent types of "farmowner" losses?

A: Frequent types of farmowner losses include air conditioning equipment, high tech farm equipment, computers, pumps and motors.

Q: Is an outdoor wood burner included in the equipment breakdown endorsement?

A: If the wood burner is covered on the underlying policy then the equipment breakdown endorsement would cover mechanical and electrical components of the wood burner.

Q: You mentioned that vermin are covered. In our Homeowner program, vermin are not covered.

A: The damage to wires, covers, insulation, etc. by vermin is not covered. However, if it causes covered electrical equipment to either mechanically or electrically breakdown then coverage would be provided.

Answers to your questions about farm equipment breakdown coverage, *continued*

Q: Is this coverage at repair/replacement value or actual cash value?

A: The coverage follows the valuation of the underlying farmowners policy.

Q: Is a water conditioning system covered?

A: The electrical and mechanical components of the system would be covered; however, domestic piping and other portions of the water conditioning system are not covered by equipment breakdown endorsement as typically this is a property coverage.

Q: Is a hot tub outside the dwelling considered covered property?

A: Yes, if the hot tub is considered covered property by the underlying form, it would be covered for electrical and mechanical equipment breakdown.

Q: Is a GPS attached to a piece of mobile equipment considered covered property?

A: Yes, the GPS would be covered if it experiences a covered mechanical or electrical breakdown as defined in the equipment breakdown endorsement.

Q: Does the Equipment Breakdown Endorsement cover mobile equipment?

A: No. Excluded from "Farm Personal Property" are tractors/front-end loaders, combines, bag-filling apparatus, pickers, bulldozers, backhoes, tow motors/forklifts, trucks/snowplows/snowblowers.

However, the endorsement will provide coverage for any computerized or electronic equipment installed in, or mounted on mobile equipment, used for:

1. Monitoring crop yield;
2. Managing the application of farm chemicals, fertilizers or seeds; or
3. Global positioning or steering of equipment.

Q: Is there ever a reason why a GPS system wouldn't be covered?

A: The GPS unit must be on the premise for equipment breakdown coverage to be applied for a loss resulting from a covered equipment breakdown.

Q: What is the benefit of adding equipment breakdown coverage to my Farmowners policy?

A: The unique exposures of electrical, mechanical and pressure systems breakdown have led to coverage gaps. The equipment breakdown endorsement addresses the peril of equipment breakdown to the Farm property policy. By adding the equipment breakdown enhancement endorsement, loss caused by, resulting from, or consisting of an electrical or electronic breakdown, mechanical breakdown or pressure systems breakdown will be covered.

Q: Are irrigation systems covered under the Equipment Breakdown Endorsement?

A: Pumps, motors and other electrical/electronic elements or controls are considered covered property.

Q: What is covered in barns and outbuildings?

A: Covered property as defined by the underlying form is considered covered by equipment breakdown. Examples of covered property include shop equipment, compressors, motors, HVAC systems, equipment commonly found in the dwelling (appliances, etc.)

Q: Are methane digesters covered under the Equipment Breakdown Endorsement?

A: Yes, the electrical and mechanical parts of a methane digester are covered by equipment breakdown. Keep in mind, equipment breakdown coverage follows the definition of covered property in the underlying form.

Q: Does the age and/or construction of the dwelling, barns, outbuildings make a difference?

A: No.

Q: Does coverage extend to a second dwelling; e.g., a seasonal dwelling?

A: Yes, if the second dwelling is a covered location under the Farm Property Policy.

Q: Are livestock/poultry covered under the Equipment Breakdown Endorsement if a covered breakdown occurs?

A: Refer to the underlying form with regard to livestock and poultry. In some cases, equipment breakdown coverage affords up to \$25,000, an aggregate/per-policy period limit.

Q: Does the coverage apply to a computer that crashes due to a computer virus?

A: No, computer viruses are not covered under equipment breakdown.

Q: If an equipment breakdown loss and fire (property) loss occur at the same time, will two deductibles apply?

A: No, the higher of the two deductibles will apply if it is considered the same occurrence.

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