

## COVERAGE EBR – RESIDENTIAL EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

### INSURING AGREEMENT

If the Declaration Page shows that Coverage EBR – Residential Equipment Breakdown Enhancement Endorsement applies “we” agree that coverage is extended to include Equipment Breakdown, as defined and limited herein, as follows:

“Equipment Breakdown” coverage is subject to a \$100,000 per Occurrence Limit of Liability; and

“Equipment Breakdown” coverage is subject to a \$1,000 per Occurrence Deductible.

### DEFINITIONS

The following DEFINITIONS are added:

“Equipment Breakdown” as used herein 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:
  - b. waste disposal piping;
  - c. any piping forming part of a fire protective system; and
  - d. any water piping other than:
    - i. boiler feed water piping between the feed pump and the boiler,
    - ii. boiler condensate return piping, or
    - iii. water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes, or
  - e. 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.

However, “Equipment Breakdown” will not mean:

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:

All losses excluded in the underlying coverage forms noted above; and

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 or 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.

“Green” as used herein 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.

“Green Authority” as used herein 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 Star Rating System or any other recognized “Green” rating system.

### EXTENSIONS OF COVERAGE

The following EXTENSIONS OF COVERAGE are added:

1. Expediting Expense: "We" will pay for the expediting expense loss resulting from an "Equipment Breakdown" with respect to "your" damaged Personal Property. "We" will pay the reasonable extra cost to:
  - a. Make temporary repairs;
  - b. Expedite permanent repairs; and
  - c. 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". The most "we" will pay for loss or damage under this Additional Coverage is \$10,000. This will be a part of and not an addition to the limit per loss.

2. Spoilage Coverage: "We" will 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 Additional Coverage is \$10,000. This will be a part of and not an addition to the limit per loss.
3. Pollutant Clean Up and Removal: "We" will pay for the pollutant clean up and removal for loss resulting from an "Equipment Breakdown". The most "we" will pay for the pollutant clean up and removal is \$10,000. This will be a part of and not an addition to the limit per loss.

## PERILS EXCLUDED

When found in this policy the following PERILS EXCLUDED are modified:

1. (f) by centrifugal force, mechanical or electrical breakdown or derangement in or on the "premises"; and
2. (g) by rupture, bursting, bulging, implosion, or steam explosion

## BASIS OF CLAIMS PAYMENT

The following BASIS OF PAYMENT is added for "Equipment Breakdown: "We" will pay "you" the amount "you" spend to repair or replace "your" Covered Property damaged by an "Equipment Breakdown". "Our" payment will be the lesser of:

1. The cost at the time of the "Equipment Breakdown" to repair the damaged Covered Property;
2. The cost at the time of the "Equipment Breakdown" to replace the Covered Property with property of like kind, capacity, size, and quality; or
3. The amount "you" actually spend that is necessary to repair or replace the damaged property.

As respects "your" Covered Property, if the cost of repairing or replacing only a part of the Covered Property is greater than:

- a. The cost of repairing the Covered Property; or
- b. The cost of replacing the entire Covered Property on the same site,

"We" will pay the lesser amount.

The repair parts or replacement Covered Property must be:

- a. Of like kind, capacity, size, and quality; and
- b. Used for the same purpose.

## CONDITIONS

The following CONDITION is added for "Equipment Breakdown 1. Green Environmental, Safety, and Efficiency Improvements:

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

1. The additional cost to repair or replace that property with equipment that is better for the environment, safer, or more efficient than the equipment being repaired or replaced;
2. 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".

3. The additional reasonable and necessary cost incurred by the Insured for certification or recertification of the repaired or replaced Covered Property as "Green";
4. The additional reasonable and necessary cost incurred by the Insured for "Green" in the removal, disposal or recycling of damaged Covered Property; and
5. The Loss of Use (if covered within the Policy to which this Equipment Breakdown Enhancement Endorsement – Green Environmental and Efficiency Improvements is attached) loss during the additional time required for repair or replacement of Covered Property, consistent with "Green", in the coverages above.

However, "we" will not pay more than 150% of what the cost would have been to repair or replace such property with like kind and quality inclusive of fees, costs, and any loss of use loss incurred as stated above.

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