

EQUIPMENT BREAKDOWN SUPPLEMENT MANUAL RULES Farm Mutual Program

EQUIPMENT BREAKDOWN Equipment Breakdown coverage is available only when property (Section I) coverage is written through an affiliated mutual company. Coverage may be endorsed to a mutual home or mutual farm policy.

The following types of exposures must be referred to underwriter for review by reinsurer:

- Any account that generates electric power, unless the electric power is generating solely for emergency purposes and the power generating equipment is less than or equal to 100kw in capacity must be referred to underwriter for review.
- Any account that has had loss experience that exceeds \$15,000 for any one equipment breakdown loss in the past three years or three or more equipment breakdown claims in the past three years.

HOMEOWNERS EQUIPMENT BREAKDOWN

Coverage is provided for damage to covered property caused by breakdown of covered equipment. Coverage is also provided for additional living expense as provided by the policy which results from a breakdown of covered equipment.

The deductible that applies to equipment breakdown coverage is the same as the deductible for other perils applicable to the damaged property.

Limits:

The following limits apply to Homeowner Equipment Breakdown:

Direct Damage	Property limit maximum of \$15,000,000
Hazardous Substance	\$50,000
Perishable Goods	\$3,000

	Deductible			
	\$500	\$750	\$1,000	\$2,500
Coverage A Limit				
\$0-\$249,999	\$10	\$9	\$8	\$6
\$250,000-\$499,999	\$7	\$15	\$14	\$12
\$500,000-\$999,999	\$25	\$22	\$21	\$18
\$1,000,000 and over	\$40	\$35	\$34	\$29

Endorsement: Attach Homeowner Equipment Breakdown Coverage, 99-531.

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FARMOWNERS EQUIPMENT BREAKDOWN

Coverage is provided for damage to covered property caused by breakdown of covered equipment. Coverage is also provided for additional living expense as provided by the policy which results from a breakdown of covered equipment.

Limits: The following limits apply to Farm Equipment Breakdown:

Direct Damage	Limit applicable to covered property up to \$15 mil
Business Income/Extra Expense	Included in direct damage; follows property
Pollutants	Limit applicable to covered property up to \$250,000
Perishable Goods	Limit applicable to covered property up to \$250,000
Expediting Expense	Included in Direct Damage
Utility Interruption/Time Element	Included in BI/EE
Loss to Livestock/Poultry	Limit applicable to covered property up to \$25,000
Data or Media	Included in Direct Damage
Portable Covered Equipment	Included in Direct Damage
Irrigation Equipment	Included in Direct Damage
Drying Out	Limit applicable to covered property up to \$25,000
Transportable Electrical Equip	Limit applicable to covered property up to \$25,000

Premium: Sum all coverage limits for coverages A through G to determine the premium.

Coverage A-G Limit	Deductible				
	\$500	\$1,000	\$2,500	\$5,000	\$10,000
\$0-\$499,999	\$35	\$34	\$32	\$28	\$23
\$500,000-\$999,999	\$54	\$52	\$48	\$42	\$35
\$1,000,000-\$1,999,999	\$80	\$77	\$71	\$63	\$52
\$2,000,000 and over	\$120	\$115	\$106	\$94	\$78

Endorsement: Attach Farm Equipment Breakdown Coverage 99-532.