

## Equipment Breakdown Coverage for Homeowners Loss Examples

An insured's 3-ton rooftop package gas unit suffered a mechanical failure of the compressor motor due to an intrinsic electrical short. Total cost for replacement of the 13-seer 3-ton compressor was \$2,921. Less the \$500 deductible, Mutual Boiler Re paid \$2,421.

An insured's refrigeration unit overheated. This loss involved a mechanical breakdown of the compressor caused by an internal part breaking. The total estimated cost to repair the refrigeration unit was \$575.63. The total loss of food product was \$187.40. Less the \$500 deductible, the total claim payment to the insured was \$263.03 (sum of the balance of cost to repair refrigeration unit and cost of food loss).

An insured's furnace experienced an electrical breakdown to the fan motor, circuit board. After corroborating with the repair company, repairs were based on the age of the unit. Total cost for repair of a heating unit of like kind and quality was \$1,540. Less the \$500 deductible, Mutual Boiler Re paid \$1,040. When replacement was completed, the insured returned to normal operating status.

An insured experienced a covered loss involving various electronic equipment ranging from a refrigerator and stereo equipment to AM/FM alarm clock. Based on a number of repair reports and estimates, the property was confirmed to be damaged by a power surge. Mutual Boiler Re accepted \$600 for a five-disc CD player, \$135 for a television, \$35 for CD player/alarm, \$15 for AM/FM clock radio, \$17 for a power-supply adapter, \$700 for refrigerator repair, \$296 for microwave repair, \$202 for dishwasher repair, \$309.65 for garage door opener replacement, \$400 for computer repair, \$170.18 for heating, ventilation and air conditioning (HVAC) repair and \$358.87 for spoilage. The total claim submitted was \$3,240.70. Less the \$500 deductible, Mutual Boiler Re paid \$2,740.70 to cover the loss.

During a family vacation, a storm caused a power outage. A laptop computer and cell phone were charging when the outage occurred. When power was restored, a voltage spike damaged the items beyond repair and required their replacement. Mutual Boiler Re paid \$3,750 to cover the loss.

An insured sustained damages to the inducer fan motor on a furnace. The inducer fan motor incurred an internal electrical failure. Repairs cost \$948. Less the \$500 deductible, Mutual Boiler Re paid \$448 to cover the loss.

An insured's television incurred a covered electrical breakdown to the media box and power supply. Total repair costs were \$1,495.86. Less the \$500 deductible, Mutual Boiler Re paid \$995.86 to cover the loss.

The insured's five-sectional cast-iron boiler dry fired from a low-water condition. Several sections on the boiler cracked. Total replacement cost for the boiler was \$6,500. Less the \$500, Mutual Boiler Re paid \$6000 to cover the loss.

An insured sustained damages to the HVAC unit. The compressor incurred a locked rotor condition. Total replacement cost for the compressor was \$3,800. Less a \$500 deductible, Mutual Boiler Re paid \$3,300.

**Mutual Boiler Re®**

*Member of the FM Global Group*