



2018 Equipment Breakdown Enhancement Endorsement Revisions

We are pleased to announce that we have enhanced our Equipment Breakdown Enhancement Endorsement to provide superior equipment breakdown protection against mechanical, electrical and pressure systems breakdown for our Habitational and Restaurant programs. Designed to broaden coverage, these enhancements provide additional coverage not otherwise available. Specifically, we are introducing the following coverage enhancements:

- We are introducing a new **Temperature Fluctuation** coverage. Under this coverage, we will provide \$5,000 for loss of perishable goods caused by or resulting from any condition or event to Covered Property which can be resolved by calibrating, resetting, tightening, adjusting or cleaning of the Covered Property.
- We are introducing a new **Unauthorized Instruction** coverage. Under this coverage, we will pay for loss or damage to an insured's computer equipment caused by an unauthorized instruction which results in an equipment breakdown under the new Unauthorized Instruction coverage.
- We are introducing a new **Risk Improvement** coverage. Under this coverage, if Covered Property suffers direct physical loss or damage due to an equipment breakdown, we will pay for the insured to improve the power quality of the electrical system or equipment at the loss location where the equipment breakdown occurred. Coverage is limited to 10% of the loss amount paid or \$10,000, whichever is less.

With the introduction of these changes, we will also be introducing Habitational and Restaurant specific endorsements (SP 157H and SP 157). There are no coverage differences between the two forms; all differences are merely editorial in nature.

NOTE: there is no impact to the existing rates for these coverages. The jurisdictions impacted are: Arizona (R), Connecticut (R), Georgia (R), Massachusetts (H/R), Minnesota (H/R), Nevada (R), North Carolina, (R), Pennsylvania (H/R), Virginia (H/R).

Filings in all other states are currently pending approval. We will send out future announcements as other states are approved. For our New York producers, we anticipate approval of our New York filings in the fourth quarter of 2018.