



Equipment Breakdown Protection

The Frank Cowan Company Equipment Breakdown Protection Coverage combines unlimited* equipment breakdown coverage with optional Data Compromise and Identity Recovery.

This product has become even broader with the addition of state-of-the-art coverages:

1. Microelectronics coverage for non-detectable damage

Until now, equipment breakdown coverage has required evidence of physical damage.

However, today's business equipment contains microelectronics – miniaturized circuitry with parts so tiny, damage is virtually undetectable. Microelectronics now drive heating and cooling systems, electronic and production equipment.

We add a second cause of loss – Electronic Circuitry Impairment, for failures when physical damage is not

detectable. Coverage is triggered when covered equipment suddenly stops functioning, and replacing that equipment or part containing electronic circuitry restores functionality.

2. Off premises transportable equipment

Equipment has become more compact, portable and more frequently used off-premises, where it is exposed to greater risk of damage. All kinds of mobile equipment are at risk, from newer technology such as laptops and devices, to more conventional objects such as compressors and generators.

Off-premises coverage is provided on transportable equipment for property damage, business income, extra expense and data restoration, anywhere in Canada and USA.

3. Cloud computing service interruption

Cloud computing services have been added to service interruption coverage, paying for lost business income and extra expenses when an insured's cloud service provider experiences an outage due to equipment breakdown.

4. Data restoration includes data lost in the cloud due to a breakdown

We already cover data lost due to an accident at the business owner's location. However, a business's data stored in the cloud is also increasingly at risk. In response to this new business risk, we have added data restoration coverage for data lost when it is stored and managed by a cloud computing provider.

5. Public relations

We also include coverage for services from reputation management professionals, such as a PR firm, when an equipment breakdown poses a risk to a business's good standing. Coverage pays for professional public relations services to help manage a client's reputation that is at risk when a breakdown causes business interruption.

Frank Cowan Company Equipment Breakdown Protection provides broad state-of-the-art coverages including:

Electronic Circuitry Impairment (ECI) – adds second cause of loss in addition to breakdown

Unlimited* Direct Damage – pays for cost to repair or replace equipment damaged by a covered breakdown or ECI

Unlimited* Business Interruption/Extra Expense – pays for Income or Extra Expense loss due to an interruption resulting from a breakdown or ECI

Unlimited* Spoilage – pays for spoilage of food or other perishables following a breakdown; including coverage for perishable goods damaged by service interruption

Unlimited* Service Interruption – extends Income and Extra Expense to breakdown of equipment owned by a supplier contracted to supply a service listed in the policy

Contingent Business Interruption – pays for lost business income and extra expenses when a supplier or customer experiences a breakdown, to \$25,000

Unlimited* Expediting Expenses – pays for temporary repairs, or expenses incurred to expedite permanent repairs

Unlimited* By-Laws – pays for additional costs to comply with by-laws as a result of a breakdown or ECI

Unlimited* Anchor Location – pays for Income or Extra Expense loss due to an interruption resulting from a breakdown at a nearby 'anchor' location that draws clients to an insured's location

Unlimited* Newly Acquired Locations – Automatic coverage or 90 days

Hazardous Substances – extra cost to repair or replace insured property contaminated by hazardous substances released due to a breakdown or ECI, to \$100,000

Errors and Omissions – locations not described in the policy or are inadvertently omitted, to \$100,000

Data Restoration – for data that is lost or damaged (including data lost or damaged in the Cloud) due to a breakdown, to \$25,000

Environmental and Efficiency – pays up to 150% of the loss payable for upgrades to more energy efficient or environmentally friendly equipment

Green Coverage – helps restore recognized environmental standards to equipment and property, to \$25,000

Off Premises Transportable Equipment – covers transportable equipment for property damage, business income, extra expense and data restoration due to a breakdown or ECI, anywhere in Canada and USA, to \$10,000

Public Relations – pays for professional public relations services to help manage the insured's reputation which may be at risk when a breakdown or ECI causes a business income loss, to \$5,000

Brands and Labels – pays for the cost of removing labels or stamping of salvaged merchandise, to \$100,000

Data Compromise – pays for notification expenses and case management services for individuals affected by a data breach, up to \$100,000 annual aggregate

Identity Recovery – coverage for the insured affected by identity theft, to \$15,000 annual aggregate

*There is no limit of insurance applicable to direct damage, spoilage, business interruption/extra expense or service interruption for qualified risks.

This handout is intended to provide general information only. Please refer to the policy document for complete details. The policy terms, conditions and limitations shall apply in all instances. FCC-HSP 0217