



The many types of equipment covered by Equipment Breakdown Insurance can be categorized into...

FARMOWNERS NEED EQUIPMENT BREAKDOWN COVERAGE

Today, equipment keeps all kinds of farms going... and income flowing. When equipment breaks down, it can bring farm operations and income to a halt.

Most equipment now contains highly-sensitive technology that can be badly damaged by something as common, simple and sudden as a power surge.

Most property coverage excludes equipment breakdown losses, leaving farm owners with a big exposure. Unbudgeted losses from a breakdown can be extremely costly, and in many cases, greatly impact the bottom line.

FARMOWNERS EQUIPMENT BREAKDOWN INSURANCE COVERS MORE THAN THE COST OF REPAIR.

It protects insureds from the costs associated with losses to their farm's equipment. It pays for:

- Direct property loss - the cost to repair or replace the damaged equipment
- Loss of business income and extra expense
- Perishable goods lost as result of breakdown to covered equipment
- Other expenses incurred to limit the loss or speed business restoration

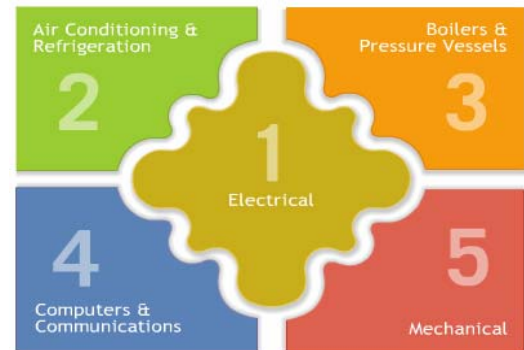
Protection from damage caused by:

- Short circuits/electrical arcing
- Utility power surges
- Mechanical breakdown
- Motor burnout
- Centrifugal Force

Many types of covered equipment:

- Electrical Distribution Systems
- Heating and Cooling Systems
- Refrigeration and Controlled Environments
- Boilers and Pressure Vessels
- Computers & Electronic Equipment
- Mechanical Equipment
- Irrigation Equipment - including Center Pivot, wheels, drive mechanisms, motors and gears
- Vehicle Mounted GPS Equipment

The Five Easy Pieces



See the back for *Five Easy Pieces* loss examples

Why does a Westfield Policyholder need Farmowners Equipment Breakdown coverage?

All farms have equipment breakdown exposures.

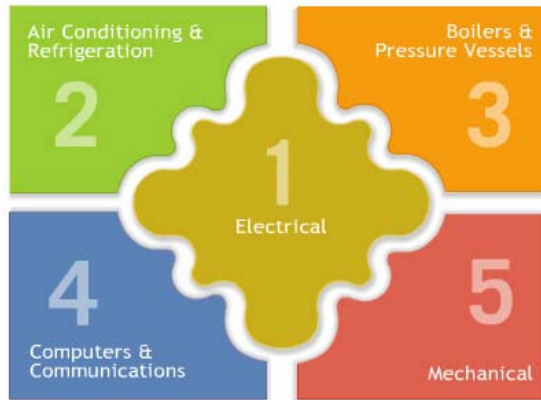
When surveying a farm, look around: grain augers, grain dryers, emergency generators, power panels, pumps, motors and ventilating fans and systems.

Then ask your policyholder:

- If your main circuit breaker panel failed, what impact would this have on farm operations?
- Would you be able to continue operations if your refrigeration system were to fail due to mechanical breakdown? What would it cost to replace this system?
- What's the value of your milking carousels, pivot irrigation and conveyor motors? Do you budget for equipment repair and replacement?
- What would happen if a power surge damaged electronic or computer systems? What if a power surge shorted out a grain dryer or ventilating fan in a grain bin? Could you maintain continuity of operation? What would happen to the wet grain in process or storage?



JUST APPLY THE FIVE EASY PIECES



(1) ELECTRICAL

- ✚ A farmers' co-op had to replace a utility transformer shorted out by a power surge. A rental generator was also needed. The total paid loss was \$78,234.
- ✚ Underground electrical cables serving a farm shorted out, cutting off power to several buildings. A rental generator was installed and operated for several days until the cables could be replaced. The equipment loss was \$112,806. Extra Expense for the rental equipment was \$45,726. The total loss was \$158,532.

(2) AIR CONDITIONING AND REFRIGERATION

- ✚ A fruit farmer lost about 825 lbs. of refrigerant when a failed piston rod caused a compressor breakdown. Total paid loss amounted to \$14,548.
- ✚ A cattle farm cooler used to store vaccines for the farm animals was found not working. The start relay for the compressor had burned out, not allowing the compressor to run. The contents of the cooler spoiled as a result of the lack of refrigeration. The cost to repair the refrigeration unit was \$208, and the remainder of the loss was for spoilage. The total claim was \$10,003.

(3) BOILERS AND PRESSURE VESSELS

- ✚ A boiler used to heat a mushroom farm's growing room overheated due to lack of water, resulting in extensive repairs. Paid loss was \$18,768.
- ✚ A hot water heater at a dairy farm cracked due to excessive scale build-up and lack of maintenance. The cost of a replacement water heater was \$10,029.

(4) COMPUTERS AND RELATED BUSINESS EQUIPMENT

- ✚ Insured had a power surge that caused damage to computers and other business personal property. In addition there was resultant loss of data, total paid loss was \$7,406.
- ✚ Circuit board failure caused controls for automatic dispensing pumps to fail and release more than 483,000 lbs. of liquid cattle feed. Total paid loss was \$31,506.

(5) MECHANICAL

- ✚ The compressor on the bulk milk tank kept going on and off causing insured to lose a load of milk. The damage to the compressor and the resulting loss of milk were covered losses and the total amount paid was \$6,062.
- ✚ A well pump motor was burned out as a result of a voltage problem. The pump was a 1hp submersible unit. The cost to replace the pump was \$3,090.
- ✚ On a corn farm the limit switches on the pivot irrigation system failed, and the units were damaged as the segments moved out of sequence. \$11,278.

