

# Home Systems Protection



Traditional homeowner's policy covers a great deal – but what it leaves out can sometimes cost customers thousands of dollars. For example: What happens if a furnace or central air conditioning unit breaks down? Or a costly appliance? Or TV or computer?

Home Systems Protection has been designed to plug those common insurance gaps with the broadest breakdown coverage available. This insurance allows homeowners to:

- Protect systems like heating, cooling, water and power.
- Cover appliances, equipment and devices for communications, security and entertainment.

## *Less expensive than warranties*

Home Systems Protection offers whole-house coverage for far less money than alternatives such as home warranty programs, specific equipment warranties or maintenance contracts. It's also much simpler than trying to maintain a patchwork of expensive and opaque warranties. Unanticipated costs from equipment breakdown can quickly burden a family's finances.

Home Systems Protection allows families to avoid these potential expenses by bundling protection into the insurance they're already paying for.

## *Covers damage you can't even see*

Computers with microscopic circuits control the functions of virtually all home equipment sold today – so trying to obtain warranty coverage can be harder because damage is difficult to see. But with Home Systems Protection, hard-to-detect breakdowns to these microelectronics are paid for thanks to the included Electronic Circuitry Impairment (ECI) coverage, which extends the traditional physical damage trigger to include disruptions at the sub-microscopic level.

## *Solid insurance protection for a growing risk*

Home Systems Protection is increasingly seen as an important piece of a family's financial protection. The benefits go beyond repair or replacement of damaged property – if a furnace or boiler has a breakdown in the middle of winter and the family needs to secure lodging for a few nights until a replacement is installed it is covered under Additional Living Expense. There is even insurance coverage up to \$1,000 to keep a home certified as 'Green!'

The sensitivities engineered into modern systems and appliances make them more prone to sudden breakdown than ever before. Home Systems Protection takes a good deal of the financial vulnerability and worry out of the equation without placing nit-picky demands on the insured. If it is a breakdown, it is covered!

## *Some examples of covered items:*

- Boilers and furnaces
- Air conditioning systems
- Refrigerators and freezers
- Electrical panels, circuit breakers, wiring
- Emergency generators
- Geothermal and solar installations
- Well pumps
- Security systems and electronic gates
- Pool and spa equipment
- Kitchen and laundry appliances
- Home theater and audio systems
- Computers, tablets and smartphones
- Health monitoring systems
- Home exercise equipment

Coverage Highlights continued on next page

# Coverage Highlights

<b>Limit:</b>	\$50,000 or \$1,500 for equipment 15 years or older
<b>Home System Breakdown:</b>	“Home system breakdown” means an “equipment breakdown” or “electronic circuitry impairment.”
<b>Equipment Breakdown:</b>	<p>‘Equipment breakdown’ means a sudden and accidental:</p> <ol style="list-style-type: none"> <li>1. mechanical breakdown;</li> <li>2. electrical breakdown; or</li> <li>3. bursting, cracking or splitting of “covered home equipment” that results in direct physical damage and requires repair or replacement of all or part of the damaged “covered home equipment”.</li> </ol> <p>None of the following is an “equipment breakdown”:</p> <ul style="list-style-type: none"> <li>• rust, corrosion, erosion, deterioration or gradual loss of efficiency or functionality;</li> <li>• leakage or seepage at or from any connection, valve, fitting, shaft or seal;</li> <li>• cosmetic or other damage that does not impair functionality.</li> </ul> <p>(see policy form for full list)</p>
<b>Electronic Circuitry Impairment:</b>	“Electronic circuitry impairment” means an accidental event involving “electronic circuitry” within “covered home equipment” that causes “covered home equipment” to suddenly lose its ability to function as it had been functioning immediately before such event.
<b>Damage to Covered Home Equipment:</b>	We will pay for direct physical damage to “covered home equipment” that is the result of a “home system breakdown” ... on or off the “residence premises.” We will consider “electronic circuitry impairment” to be physical damage to “covered home equipment.”
<b>Covered Home Equipment:</b>	<p>‘Covered home equipment’ means property covered under Coverage A – Residence, Coverage B – Related Private Structures or Coverage C – Personal Property</p> <ol style="list-style-type: none"> <li>1. that generates, transmits, or utilizes energy; or</li> <li>2. which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.</li> </ol>
<b>Cyber Event</b>	An equipment breakdown and/or an electronic circuitry impairment that is caused by a cyber or cyber related event is within the coverage definition.
<b>Expediting Expense, Loss of Use:</b>	Included in the Home Systems Protection Limit
<b>Spoilage:</b>	\$1,000 Sublimit
<b>Pollutant Clean-up:</b>	\$1,000 Sublimit
<b>Green Coverage:</b>	\$1,000 Sublimit (see policy for details and definitions)
<b>Exclusions:</b>	Property perils covered in underlying form, including Fire & EC perils
<b>Other Exclusions, Limitations:</b>	Please refer to policy for a full description of policy coverage, terms, conditions, exclusions
<b>Deductible:</b>	\$500