HOME EQUIPMENT BREAKDOWN ENDORSEMENT

If you have purchased this coverage, we agree to provide the following benefits:

AGREEMENT

We provide the insurance described in this form in return for payment of the premium and subject to the terms and conditions set out. This endorsement attached to your Coverage Summary pages shows equipment breakdown as included, the mechanical breakdown exclusion under Loss or Damage Not Insured is hereby deleted and does not apply.

All other terms, conditions, provisions, definitions and exclusions of the policy to which this endorsement applies remain unchanged.

DEFINITIONS

"Equipment Breakdown" as used herein means:

a. Physical loss or damage both originating within:

(1) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:

a. waste disposal piping;

b. any piping forming part of a fire protective system; and

c. any water piping other than:

(1) boiler feed water piping between the feed pump and the boiler;

(2) boiler condensate return piping; or

(3) water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes

(2) All mechanical, electrical, electronic or fiber optic equipment; and

b. Caused by, resulting from, or consisting of:

(1) Mechanical breakdown;

(2) Electrical or electronic breakdown; or

(3) Rupture, bursting, bulging, implosion, or steam explosion.

However, **"Equipment Breakdown"** will not mean:
Physical loss or damage caused by or resulting from any of the following;

Loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freezing, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement and flood.

"Green" as used herein means products, materials, methods and processes certified by a **"Green Authority"** that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.

"Green Authority" as used herein means an authority on "Green" buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), "Green" Building Initiative Green Globes®, Energy Star Rating System or any other recognized **"**Green" rating system.

EXTRA COVERAGES
The following Extra Coverages are added as a part of and not in addition to the limit per loss:

Expediting Expense
We will pay for the expediting expense loss resulting from an "Equipment Breakdown" with respect to your damaged Personal Property. We will pay the reasonable extra cost to:

a. Make temporary repairs;
b. Expedite permanent repairs; and
c. Expedite permanent replacement

Reasonable extra cost shall mean "the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation". **The most we will pay for loss or damage under this Additional Coverage is $3,000.**

Spoilage Coverage
We will pay for loss of perishable goods due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by an "Equipment Breakdown" to Personal Property covered by this policy. **The most we will pay for loss or damage under this Additional Coverage is $3,000.**

Pollutant Clean Up and Removal
We will pay for the pollutant clean up and removal for loss resulting from an "Equipment Breakdown". **The most we will pay for the pollutant clean up and removal under this additional coverage is $3,000**.

SPECIAL LIMITATIONS OF INSURANCE

"Equipment Breakdown" coverage is subject to a $50,000 per Occurrence Limit of Liability.
"Equipment Breakdown" coverage does not extend beyond the "Premises".

DEDUCTIBLE
We will pay only the amount by which any insured loss or damage exceeds the amount of the deductible shown on the Coverage Summary page in any one occurrence.

"Equipment Breakdown" coverage is subject to a $500 per Occurrence Deductible.

EXCLUSIONS
The following Exclusions apply to this endorsement coverage:

WE DO NOT INSURE LOSS OR DAMAGE;

- caused by wear and tear, deterioration, defect, inherent vice, design fault, extremes of temperature or contamination.

BASIS OF PAYMENT
The following **"**Equipment Breakdown" Conditions shall apply to coverage provided by this endorsement:
Loss Settlement

1. We will pay you the amount you spend to repair or replace your Covered Property damaged by an "Equipment Breakdown".

Our payment will be the lesser of:
a. The cost at the time of the "Equipment Breakdown" to repair the damaged Covered Property;
b. The cost at the time of the "Equipment Breakdown" to replace the Covered Property with property of like kind, capacity, size and quality; or
c. The amount you actually spend that is necessary to repair or replace the damaged property.

2. With respect to your Covered Property, if the cost of repairing or replacing only a part of the Covered Property is greater than:
a. The cost of repairing the Covered Property; or
b. The cost of replacing the entire Covered Property on the same site,

We will pay the lesser amount.

The repair parts or replacement Covered Property must be:
a. Of like kind, capacity, size and quality; and
b. Used for the same purpose.

ENVIRONMENTAL, SAFETY AND EFFICIENCY IMPROVEMENTS

If Covered Property requires replacement due to an "Equipment Breakdown", we will pay your additional cost to replace with equipment that is better for the environment, safer or more energy efficient than the equipment being replaced.

However, we will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which Actual Cash Value applies.

Green Environmental and Efficiency Improvements

If Covered Property requires repair or replacement due to an "Equipment Breakdown", we will pay;

a. The lesser of the reasonable and necessary additional cost incurred by the Insured to repair or replace physically damaged Covered Property with equipment of like kind and quality which qualifies as **"Green". "**Like kind and quality" includes similar size and capacity.

b. The additional reasonable and necessary fees incurred by the Insured for an accredited professional certified by a **"Green Authority"** to participate in the repair or replacement of physically damaged Covered Property as **"Green".**

c. The additional reasonable and necessary cost incurred by the Insured for certification or recertification of the repaired or replaced Covered Property as **"Green".**

d. The additional reasonable and necessary cost incurred by the Insured for **"Green"** in the removal, disposal or recycling of damaged Covered Property.

e. Additional Living Expense (if covered within the Policy to which this Equipment Breakdown Enhancement Endorsement – Green Environmental and Efficiency Improvements is attached) loss during the additional time required for repair or replacement of Covered Property, consistent with **"Green",** in the coverages above.

We will not pay more than a maximum limit of $3,000 of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs, and any additional living expense loss incurred as stated above.

Green Environmental and Efficiency Improvements does not cover any of the following:

a. Any loss covered under any other section of this policy.

b. Any cost incurred due to any law or ordinance with which the Insured was legally obligated to comply prior to the time of the "Equipment Breakdown".

These "Equipment Breakdown" Conditions will be part of, and not an addition to, the limit of liability per any one occurrence. This condition does not increase any of the applicable limits. This condition does not apply to any property to which Actual Cash Value applies.