



RIGHT COVERAGE
REAL REWARDS

HOME SYSTEMS BREAKDOWN COVERAGE

COSTLY EXPOSURE FOR HOMEOWNERS

American homes keep getting bigger. They're also better equipped. As homes have changed, so have the complexity and value of the equipment it takes to keep them comfortable. Homeowners policies typically do not cover mechanical or electrical equipment breakdowns. As a result, homeowners can end up footing the bills for breakdowns.

HIGHLIGHTS OF COVERAGE, TERMS AND CONDITIONS

COVERAGE

Direct physical damage to "covered home systems" caused by a sudden and accidental mechanical or electrical breakdown.

COVERED HOME SYSTEMS

Examples of covered equipment include:

- Central air conditioning systems
- Conventional and solar water heaters
- Electrical service panels
- Emergency generators
- Central vacuums
- Pool or spa filtration, pumps and heating equipment... and more
- Boilers
- Radiant floor heating
- Home security systems
- Well pumps
- Chair lifts and elevators
- Furnaces and heat pumps
- Renewable heating
- Ventilating systems and fans
- Air and water filtration systems
- Sauna equipment

LIMITS OF LIABILITY

\$50,000 per accident.

LOSS OF USE

Coverage for additional living expenses and fair rental value is available if your home becomes uninhabitable due to a covered loss.

ENVIRONMENT SAFETY AND EFFICIENCY IMPROVEMENTS

If a covered system must be replaced, there is additional coverage to replace with a system of like kind and quality that is better for the environment, safer, or more energy or water efficient.

SPOILAGE

Pays up to \$500 for loss of perishable goods stored in a built-in food or wine storage unit at the time of a covered loss to that unit.

DEDUCTIBLE

\$1,000



Exclusions include loss to equipment which doesn't fit the definition of a "covered home system", or wear and tear, unless it results in a breakdown. Also damage resulting from perils normally covered by the homeowners policy such as lightning, power surge or brownout, are subject to separate coverage terms under the policy and have no additional coverage if not considered home systems breakdown "accidents."



YOU COMPARE - HOME SYSTEMS BREAKDOWN VS. WARRANTIES AND SERVICE CONTRACTS

Protection offered by warranties and service contracts can be limited. Most warranties offer protection for a specific piece of equipment and are only available for a specified period of time. In addition, they may not pay for all parts, labor or shipping costs. Warranties that cover an entire house can be expensive. Service contracts are often intended for seasonal maintenance.

Home systems breakdown coverage is designed to cover major equipment and systems in your home and provide you with financial protection in the event of a major loss. Home systems breakdown covers accidental breakdown, even if caused by human error, improper installation or lack of maintenance. Loss of use is included, and there is no age restriction for equipment.

FEATURES	HOME WARRANTY CONTRACT EXAMPLE	HOME SYSTEMS BREAKDOWN
PRODUCT INTENT	Maintenance/warranty coverage.	Intended for major loss events, designed to be an extension of the homeowners policy.
COVERAGE TRIGGER	Equipment failure.	Sudden and accidental breakdown.
COST	Base cost for specified equipment types of \$400+ per year plus add-on cost per piece of equipment.	Included with select homeowners policies.
DEDUCTIBLE	N/A. However an average service fee of \$60 per trade applies.	\$1,000 per accident.
COVERED EQUIPMENT	One individual product or, if whole home warranty, specifically listed equipment	All major equipment and systems attached to the home or other structure. Does not require naming covered equipment. The only requirements are that the equipment be covered property under Coverage A or B of the homeowners policy and uses/transmits energy or operates under vacuum or pressure.
LOSS OF USE	Not covered.	Covered.
EXPEDITING EXPENSE	Not covered.	Covered.
USE OF NETWORK CONTRACTOR	Required.	Not required - you select your own repair company.
AGE RESTRICTION ON EQUIPMENT	Yes.	No – provides protection for all covered equipment regardless of age.

This is a summary of coverages. For all coverage, terms, conditions and exclusions, refer to the actual insurance policy. If there is a conflict between this summary and the policy, the policy provisions will apply.