

Farmowners Equipment Breakdown Coverage Frequently Asked Questions



Q: What does Equipment Breakdown cover?

A: Farmowners Equipment Breakdown coverage protects equipment against the perils of mechanical, electrical and pressure systems breakdown, which are restricted/excluded perils in the underlying form. Equipment Breakdown coverage also covers the farm dwelling and its contents along with barns, stables, other structures and farm personal property.

Q: What is the difference between Farmowners Equipment Breakdown coverage and a warranty contract?

A: A warranty typically is not offered by an insurance company; therefore, the owner is responsible for keeping track of the warranty. Warranties are often limited and expensive. Unlike warranties, Equipment Breakdown coverage protects against loss due to human error and covers business interruption.

Q: What are some of the most frequent types of “farmowner” losses?

A: Frequent types of farmowner losses include air conditioning equipment, high tech farm equipment, computers, pumps and motors.

Q: Is a GPS attached to a piece of mobile equipment considered covered property?

A: Yes, the GPS would be covered if it experiences a covered mechanical or electrical breakdown as defined in the equipment breakdown endorsement. The GPS unit must be on the premise for Equipment Breakdown coverage to be applied for a loss resulting from a covered equipment breakdown.

Q: Does the equipment breakdown enhancement endorsement cover mobile equipment?

A: No. Excluded from “Farm Personal Property” are tractors/front-end loaders, combines, bag-filling apparatuses, pickers, bulldozers, backhoes, tow motors/forklifts, trucks/snowplows/snowblowers. However, the endorsement will provide coverage for any computerized or electronic equipment installed in, or mounted-on mobile equipment, used for:

- 1) Monitoring crop yield;
- 2) Managing the application of farm chemicals, fertilizers or seeds; or
- 3) Global positioning or steering of equipment.





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Q: What is the benefit of adding Equipment Breakdown coverage to my farmowners policy?

A: The unique exposures of electrical, mechanical and pressure systems breakdown have led to coverage gaps. The equipment breakdown endorsement addresses the peril of equipment breakdown to the farm property policy. By adding the equipment breakdown enhancement endorsement, loss caused by, resulting from, or consisting of an electrical or electronic breakdown, mechanical breakdown or pressure systems breakdown will be covered.

Q: Are irrigation systems covered under the equipment breakdown endorsement?

A: Pumps, motors and other electrical/electronic elements or controls and mechanical parts are considered covered property.

Q: Are methane digesters covered property under the equipment breakdown endorsement?

A: Yes, the electrical and mechanical parts of a methane digester are covered by equipment breakdown. Keep in mind, Equipment Breakdown coverage follows the definition of covered property in the underlying form.

Q: Does coverage extend to a second dwelling; e.g., a seasonal dwelling?

A: Yes, if the second dwelling is a covered location under the farm property policy.

Q: Is livestock/poultry covered under the equipment breakdown endorsement if a covered breakdown occurs?

A: Refer to the underlying form with regards to livestock and poultry. In some cases, Equipment Breakdown coverage affords up to \$25,000, an aggregate/per-policy period limit.

Q: What are some examples of covered property?

A: Examples of covered property include:

- Automatic waterers
- Circuit breaker panels
- Computerized feeding systems
- Conveyors
- Generators
- Heating and cooling systems
- Milking parlors and collection equipment
- Refrigeration compressors
- Silo unloaders
- Well pumps

