

Pull out your current property policy or equipment breakdown endorsement and check the box next to each feature you can confirm it includes — anything unchecked is worth a quick conversation with your advisor.

STANDARD

OFTEN LIMITED

IF NEEDED

— Standard: should be included · Often limited: frequently sublimited or excluded · If needed: depends on your operations

POLICY FEATURE	WHAT TO CONFIRM	PRIORITY
☐ Equipment Breakdown (Direct Damage)	Pays to repair or replace equipment after sudden electrical or mechanical failure — excluded from most property policies.	STANDARD
☐ Electrical Arcing & Power Surge	Covers damage from short circuits and surges — the leading cause of breakdown losses.	STANDARD
☐ Business Income & Extra Expense	Confirm breakdown losses trigger business income — some policies need it added.	STANDARD
☐ Spoilage	Covers perishable stock lost when refrigeration fails — often a small sublimit.	OFTEN LIMITED
☐ Expediting Expenses	Pays for rush shipping and overtime to repair faster — usually capped.	OFTEN LIMITED
☐ Utility Interruption	Covers losses when off-site power or water fails — often has a waiting period.	OFTEN LIMITED
☐ Data Restoration	Covers recreating data after a computer or server breakdown — usually sublimited.	OFTEN LIMITED
☐ Hazardous Substance Cleanup	Covers cleanup of refrigerants or chemicals released by a breakdown.	IF NEEDED
☐ Code Upgrades & Green Upgrades	Pays to replace with equipment that meets current code or efficiency standards.	IF NEEDED
☐ Boiler & Pressure Vessel Inspections	Many carriers provide required jurisdictional inspections.	IF NEEDED
☐ Solar, Battery & Generator Equipment	Confirm on-site energy systems are scheduled and covered.	IF NEEDED

COMMON GAP IN THIS COVERAGE

The gap most often missed with equipment breakdown is assuming the property policy covers it. Standard property forms exclude mechanical and electrical breakdown, and electrical problems alone cause about half of these claims. The bigger loss is often the downtime and spoiled stock, not the repair — and many endorsements cap spoilage and expediting costs at small amounts. Confirm breakdown is added, that it triggers business income, and that spoilage limits fit your peak inventory.

IMPORTANT — PLEASE READ

This checklist is a free educational tool from Cory Washington & Co. to help you review your own coverage and have a more informed conversation with a licensed insurance professional. It is general information only — not insurance, legal, or financial advice, and not a recommendation to buy, change, or cancel any policy. The Standard / Often Limited / If Needed labels describe general market patterns for this coverage — not a personalized recommendation or needs analysis for your specific operations. Coverage terms, availability, limits, and requirements vary by policy, carrier, and state, and only the language in your actual policy governs what is and isn't covered. Checking or leaving blank any item above does not indicate that you are adequately insured or under-insured. Using this checklist does not create a client, agency, or fiduciary relationship. Always consult a licensed professional about your specific situation.