

Boiler & Machinery  
**INDUSTRY**Edge® | EnergyMax 21<sup>SM</sup>





## EnergyMax 21

Your clients have everything they need to keep their businesses moving forward. They possess the know-how, the human resources and the infrastructure necessary to remain out in front in today's hyper-competitive world. But how well prepared are they for the inevitable – and sometimes literal – monkey wrench in the machinery?

Travelers EnergyMax 21 is a comprehensive package of specific coverages for nearly every equipment loss scenario, driven by a singular goal: maintaining the momentum needed to succeed in the twenty-first century.

Think of it this way: your client's business is an automobile racing team. Management is the driver, infrastructure the car and EnergyMax 21 the pit crew. No matter how much talent is behind the wheel, no matter how much horsepower the engine makes, it's impossible to take the checkered flag with a couple of flat tires and a broken fuel line. Make Travelers EnergyMax 21 part of your client's winning team.

### Many Potential Challenges – One Effective Solution

From air conditioning and refrigeration equipment to computers, production machinery, telecommunications and other business equipment, for every industry from pharmaceutical manufacturers to hotels, Travelers EnergyMax 21 is the answer to some of the most difficult equipment breakdown questions for businesses of all shapes and sizes, including those that have yet to be asked.

### IndustryEdge – A Competitive Advantage

Your clients need the kind of great coverage, responsive claim services, risk management, boiler inspection and engineering services that Travelers delivers. They also need the tools to establish and then maintain a competitive advantage.

Under the banner of Travelers **IndustryEdge** – a suite of specialized insurance products and services customized to the particular needs of a broad spectrum of industries – EnergyMax 21 provides finely-tuned coverage for the complexities of doing business in a rapidly changing world.

### EnergyMax 21 Scalability

Travelers EnergyMax 21 is completely self-contained. That is to say, your clients won't need to choose from a long, confusing laundry list of coverage options. And while customized plans for very specific and high-challenge risks are never a problem, our definition of what is covered is broad; usually a few small tweaks are all that is needed.

The Comprehensive Equipment Breakdown Coverages chart on page five details a broad range of coverages. Elsewhere in this brochure there is an overview of the value added by EnergyMax 21. Still, the only way to completely understand just how well prepared we are to provide security and peace-of-mind for your specific business is to speak to a Travelers Boiler & Machinery Account Executive. To find one near you, call 800.253.1304 or visit [travelers.com/boiler](http://travelers.com/boiler).

## Coverage for Tomorrow ... Today

EnergyMax 21 is to traditional boiler and machinery coverage like an MP3 player is to a phonograph. In this fast-paced, digital age, solutions that worked yesterday were obsolete this morning and almost completely useless this afternoon.

We have the expertise to understand the true scope of your clients' exposures. And – with the combination of **IndustryEdge** and EnergyMax 21 – the right answers to help you put together a business-specific coverage package loaded with truly innovative features that will protect them today and tomorrow, including:

- > “New Generation” Coverage – Up to 125% of replacement value of unrepairable equipment for upgrades to state-of-the-art technologies.
- > Green Coverage Upgrade – An extra 5% – up to \$25,000 – above the covered amount of loss to help make the switch to proven environmentally friendly alternatives.
- > Property Damage Coverage for Fungus – Automatic coverage of \$15,000 per covered location with increased limits available.
- > Selling Price Valuation – Expanded to include all property held for sale.

EnergyMax 21 is one of the most progressive and comprehensive equipment breakdown protection packages available.

Protecting against risks that didn't exist or were not even recognized just a few years ago, EnergyMax 21 moves equipment breakdown coverage solidly into the twenty-first century. Our strategy is to do more than help businesses to avoid interruptions; we focus on helping them become better prepared for the future.

And while EnergyMax 21 covers some very sophisticated equipment and systems, your clients will have no problem understanding the many benefits. To learn more, call 800.253.1304 or visit [travelers.com/boiler](http://travelers.com/boiler).



Low Challenge

High Challenge

Risks	Losses	Solutions
<p><b>BOILERS AND PRESSURE VESSELS</b></p> <p>Nearly all business enterprises, including manufacturing, retail and service, as well as occupancies such as apartments, churches and fraternal organizations depend on boilers to provide heat or to process steam for manufacturing operations.</p> <p>Pressure valves are integral to all compressed air systems. Common applications include sterilization equipment in hospitals and cooking apparatus used by food service operations.</p>	<ul style="list-style-type: none"> <li>&gt; Boiler failure due to scale buildup inside the tubes</li> <li>&gt; Cast iron boiler "burnout" due to malfunction of the low water fuel cutout</li> <li>&gt; Air tank failure from cracking due to external vibration</li> <li>&gt; Hot water heater overheating and rupture due to control error</li> </ul> <p><b>EXAMPLE:</b> A water heater at a popular restaurant ruptured due to control failure and malfunctioning relief valve. The building also suffered water damage.</p> <p>Repair Cost: \$72,000 Lost Business Income: \$42,100</p>	<p>EnergyMax 21 delivers coverage for boilers and pressure vessels as broad as the range of potentially debilitating problems just waiting to grind this key equipment – and your clients' ability to conduct business – to a halt.</p>
<p><b>AIR CONDITIONING AND REFRIGERATION EQUIPMENT</b></p> <p>Air conditioning is essential to businesses for the comfort and health of employees, clients and customers, and in many cases, trouble-free operation of information technology equipment.</p> <p>For most businesses requiring refrigeration for anything more than keeping the coffee creamer cold, any interruption of service is a big problem.</p>	<ul style="list-style-type: none"> <li>&gt; Failure of electric motor due to single phasing</li> <li>&gt; Failure of compressor due to liquid slugging or lack of lubrication</li> <li>&gt; Heat exchanger tube malfunction</li> <li>&gt; Failure of system controls caused by voltage surges</li> </ul> <p><b>EXAMPLE:</b> A 200-ton A/C system servicing an office building froze due to a control failure. A rental unit was brought in until the main unit was back in service.</p> <p>Repair Cost: \$31,000 Rental Expenses: \$11,500</p>	<p>EnergyMax 21 insures against the breakdown of air conditioning and refrigeration systems components, including:</p> <ul style="list-style-type: none"> <li>&gt; Motors</li> <li>&gt; Compressors</li> <li>&gt; Coils</li> <li>&gt; Pressure valves and controls</li> </ul>
<p><b>BUSINESS AND COMPUTER EQUIPMENT</b></p> <p>Today's sophisticated business equipment – from computer-controlled communications systems to building management apparatus – allows enterprises of all types to be extraordinarily productive.</p>	<ul style="list-style-type: none"> <li>&gt; Circuit board failure caused by voltage spike</li> <li>&gt; Failure of control systems due to ground fault</li> <li>&gt; Computer system failure due to poor contacts or lack of maintenance</li> </ul> <p><b>EXAMPLE:</b> At a hydroponics farming operation, an entire crop of cucumbers was lost due to failure of an environmental control computer, damaged by rodent infestation.</p> <p>Replacement Cost: \$1,463 Spoilage Damage and Lost Business Income: \$180,000</p>	<p>Simple truth: sooner or later, most business and computer equipment will break down. EnergyMax 21 provides a broad spectrum of coverage to make sure those nearly inevitable collisions are nothing more than the equivalent of a minor fender bender.</p>
<p><b>ELECTRICAL EQUIPMENT</b></p> <p>With near universal use, it's no surprise that electrical system failures are among the most common and costly types of equipment breakdown losses.</p> <p>And because electricity is the lifeblood of most every other type of equipment, problems often drive other losses and expenses covered by EnergyMax 21.</p>	<ul style="list-style-type: none"> <li>&gt; Motor failure due to single-phase operation or loss of lubrication</li> <li>&gt; Cable or bus duct failure due to loose connections or insulation deterioration</li> <li>&gt; Generator failure due to winding burnout or prolonged overload</li> </ul> <p><b>EXAMPLE:</b> An emergency generator at a hospital failed during a test. The unit needed to be completely rewound. A rental unit was required until repairs were completed.</p> <p>Repair Cost: \$31,000 Rental Expenses: \$8,900</p>	<p>EnergyMax 21 protects against the breakdown of nearly all of the components of modern electrical systems including: motors, generators, transformers, switchgear and other related equipment.</p>
<p><b>MECHANICAL EQUIPMENT</b></p> <p>Most commercial and manufacturing operations rely heavily upon mechanical equipment, and the range of apparatus and systems that fall into this category is truly astonishing.</p> <p>While other plans struggle to keep up with the pace and complexity of covering the ever-growing range of modern machinery, EnergyMax 21 was built for customization to stay one step ahead.</p>	<ul style="list-style-type: none"> <li>&gt; Coupling failure due to overload</li> <li>&gt; Gear tooth failure due to misalignment or inadequate lubrication</li> <li>&gt; Mechanical press frame failure caused by double blanking or overload</li> </ul> <p><b>EXAMPLE:</b> The tail stock on a large lathe at a mid-size machine shop failed due to fatigue, dropping a turbine rotor while it was being machined.</p> <p>Replacement Cost: \$138,900 Extra Operating Expenses: \$25,000</p>	<p>EnergyMax 21 sets the industry standard for the scope of equipment protected against breakdown and loss of income.</p> <p>What's more, EnergyMax 21 was designed with the flexibility to make sure that, when needed, a little fine-tuning doesn't become a major hassle or big expense.</p>



## Comprehensive Equipment Breakdown Coverages

Property Damage	For damage to covered property caused by a “breakdown”
Business Income	For a decrease in net income as the result of a “breakdown”
Extra Expense	If additional operating costs are incurred as the result of a “breakdown”
Spoilage Damage, including Utility Interruption	For spoilage of covered property resulting from a change in controlled conditions that results from a “breakdown” of equipment or equipment owned by a utility supplier
Utility Interruption - Time Element	Loss of income or additional operational expenses incurred because of a “breakdown” to equipment owned by a utility supplier
Civil Authority	Loss of income or additional operational expenses incurred because of the inability of customers to access your client’s business due to civil authority
Dependent Property	Loss of income or additional operating expenses incurred because of a “breakdown” at a non-owned business that supplies, purchases or manufactures products for – or which attracts customers to – your client’s business
Electronic Data or Media	Costs incurred because media is damaged or electronic data is lost or corrupted as a direct result of a “breakdown”
Error in Description	Unintentional errors in the description of a location
Expediting	Costs to expedite the permanent repairs or replacement of damaged property
Fungus, Wet Rot or Dry Rot	Additional damage, loss of income or additional expenses due to fungus, wet rot or dry rot, which is the direct result of a “breakdown”
Hazardous Substance	Additional damage, loss of income or additional expenses due to a hazardous substance which is the direct result of a “breakdown”
Newly Acquired Locations	Automatically provides coverage during a specified time for new locations until they are reported to us
Ordinance or Law	Protection against increased costs due to local ordinances or law, including demolition costs and the increased cost of construction
Refrigerant Contamination	Additional damage to covered property due to refrigerant contamination, which is the direct result of a “breakdown”
Water Damage	Additional damage to covered property due to unanticipated release of water, which is the direct result of a “breakdown”
Green Coverage	Additional costs to utilize green materials and procedures, including expenses to retain existing green certifications
Brands and Labels	Allows for and covers the cost of re-labeling branded goods that have been damaged by a “breakdown”
Extended Warranty or Service Contract	Loss of unused portion of an extended warranty or service contract
New Generation Coverage	Pays up to an additional 25% to replace unrepairable equipment with state-of-the-art technology
Selling Price Valuation	All covered property that is held for sale

## The Strength of Travelers.

Travelers is known for service, stability and innovation. With more than 150 years of experience and strong financial ratings, Travelers is one of the nation's premier insurance companies.



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