



AMERICAN RESOURCES INSURANCE COMPANY, INC.

Mechanical Breakdown Coverage

Through a partnership with our reinsurer, American Resources is offering Mechanical Breakdown Coverage to eligible Insureds.

Attach form CP-AR-BM01 to provide mechanical breakdown coverage to property or CPP policies.

Attach form CP-AR-BM02 to provide mechanical breakdown coverage to BOP policies.

RATE: Charge a rate of .048 per \$100 in Total Insured Value (TIV). This rate is not subject to package modification factors, IRPM or any other rate modifying factors present on the policy. TIV is defined as the sum of the building, business personal property and business income limits included in the policy. For rating purposes, insureds which choose the Actual Loss Sustained option for business income shown above, use the rating basis for this endorsement as the limit for business income.

ELIGIBILITY: The following risks are not eligible for automatic coverage and must be submitted to the reinsurer for special acceptance:

- If one "Location" is a referral then the entire policy becomes a referral policy.
- Any policy with a location that is subject to the Referral Risk Classes exhibit.
- Any policy with a location classified as Printing that has a Total Insured Value (TIV Definition) greater than \$1,000,000
- Any policy that has a location classified as Health Services that has a Total Insured Value (TIV Definition) greater than \$3,000,000
- Any other policy that has a location with a Total Insured Value (TIV Definition) greater than \$10,000,000
- Any policy, regardless of class or value, with any sublimit for Equipment Breakdown that exceeds \$25,000 as respects the following coverages:
 - Expediting Expenses
 - Hazardous Substances
 - Spoilage
 - Data Restoration
 - \$1,000,000 as respects Business Income From Dependent Properties Coverage
 - A "Location" with a total generating capacity greater than 250 kilowatts based on the nameplate rating of the equipment. This includes solar, wind, and any other type of facility for generating power. This does not include equipment intended to generate electricity solely on an "emergency basis".
- Any policy which has had an equipment breakdown loss greater than \$25,000
- Any policy which has had two or more equipment breakdown losses in a 24 month period
- Any policy with locations outside the United States
- Any policy which due to loss control information or claim's information requires individual underwriting due to the exposure.



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Referral Risk Classes

- Cement Manufacturing
- Electronics Manufacturing
- Heavy Manufacturing
- Lumber & Wood Products Manufacturing
- Primary Metals Manufacturing
- Plastics Manufacturing
- Pulp & Paper Manufacturing
- Rubber Manufacturing
- Chemicals/Oil/Gas Manufacturing, Extraction
- Mining