Frankenmuth Insurance Expands Home Coverages with Equipment Breakdown

When home equipment breaks down, repairs are expensive and urgent. With Frankenmuth Insurance's equipment breakdown coverage, your Personal Lines customers now have an affordable option that keeps their out-of-pocket costs low and speeds up repairs.

Revisions

We have introduced the following new rule:

- Equipment breakdown enhancement: The coverage option will be available for Home Protector, Ultra Home Guardian, renters, and condominium unit owners policies. Coverage is provided up to a limit of $100,000 for physical loss or damage to equipment caused by mechanical, electrical, and pressure system breakdown. This coverage is subject to a $500 deductible.
- Additional coverages associated with equipment breakdown provide up to $10,000, including:
  - Refrigerated products
  - Expediting expense
  - Pollutant cleanup and removal
  - Off-premises coverage

- Equipment breakdown will also pay up to 150% of the cost to repair or replace covered property with green equipment that is better for the environment, safer, or more efficient.
- Equipment breakdown is not available to policies with dwelling under construction endorsements, manufactured home endorsements (Michigan only), or the HO-0002 policy (Michigan only).

The following rule revisions have been made:

- Loss history discount: Along with flood, identity theft, and boat/sports vehicle losses, equipment breakdown losses will not be considered for this premium adjustment.

Equipment breakdown coverage provides peace of mind at a low cost:

Home Protector and Ultra Home Guardian:

- $38 for policies with Coverage A up to $500,000
- $73 for policies with Coverage A between $500,001 and $1 million
- $172 for policies with Coverage A greater than $1 million

Renter and condominium:

- $25 for all policies

We have introduced the following new forms:

- 19353, Equipment Breakdown Enhancement Endorsement: This endorsement is used with Home

Protector, renters, or condominium unit owners policies.
- 19354, Equipment Breakdown Enhancement Endorsement: This endorsement is used with Ultra Home Guardian policies.

More information

Two meetings are scheduled for agents to learn more about our homeowners equipment breakdown product. The meetings will be held via Microsoft Teams, which can be joined online without the need to download the app. Feel free to join the session that fits your schedule:

Tuesday, November 2, 2021, 2-2:45 p.m.
Click here to join the meeting
Audio-only phone number: +1 401-868-1077,,434565534#

Friday, November 5, 2021, 10-10:45 a.m.
Click here to join the meeting
Audio-only phone number: +1 401-868-1077,,972023744#

Effective Dates

Beginning immediately, equipment breakdown coverage is available for quoting new business and endorsing onto renewals for effective dates on or after January 1, 2022.

An additional communication will be sent when marketing materials are available to support agency and policyholder understanding of this coverage.

If you have any questions, feel free to contact your Personal Lines field manager or underwriter.