



## All Systems Go Plus® with TechAdvantage® Loss bulletin

HSB Canada, part of Munich Re, is a technology-driven company built on a foundation of specialty insurance, engineering, and technology, all working to drive innovation in a modern world, to keep you ahead of risk.

**TechAdvantage® from HSB is a revolutionary new standard for equipment breakdown coverage. It responds to new exposures posed by rapidly progressing technologies with bold new coverages not offered by any other Canadian equipment breakdown insurer.**

### Microelectronics coverage for invisible risks

#### Refrigeration system

A school identified spoiled frozen food products in a large walk-in freezer and found that its refrigeration system was not operating. During reasonable attempts to restore the system, the firmware of an electronic circuit control board was reloaded but did not return the equipment to operation. There was no evidence of detectable physical

damage to the circuit board. When the circuit board was replaced, the refrigeration system was returned to service.

- Direct damage: \$1,100
- Spoilage: \$18,000

#### Telephone system

A hotel experienced phone system failure and could not make or receive calls. Two circuit boards were found not functioning. Upon removal, there was no evidence of detectable physical damage. The investigation confirmed undetectable physical damage to the two circuit boards but found no other damage to the phone system. Parts were not available and the phone system was replaced.

- Replacement cost: \$28,000



#### **Computer server**

An online retailer experienced a sudden shutdown of its website. The problem was isolated to a motherboard in a computer server. A visual examination of the motherboard revealed no evidence of detectable physical damage. However, when the motherboard was replaced, the computer server and website were restored.

- Direct damage: \$1,200
- Business interruption: \$18,000

#### **Off-premises transportable equipment coverage**

##### **Portable medical equipment**

An outpatient care department of a nursing home provides transition services to patients returning home. While setting up portable ventilation equipment off-premises, an internal control board developed an electrical short. A rental unit was required to provide uninterrupted patient care.

- Direct damage: \$2,100
- Extra expense: \$4,000

#### **Laptop computer**

An insurance billing centre for a hospital has employees working from home, maintaining medical records. A laptop computer used to enter patient information experienced a mechanical breakdown to its hard drive. A batch of data was lost and needed to be recreated.

- Direct damage: \$600
- Data restoration: \$8,000

#### **Video equipment**

A company's media department was creating a video at an off-site location. The video production camera in use stopped operating. The camera was found to have an electrical short in an electronic control board. To meet deadlines, a third party videographer was hired.

- Direct damage: \$1,200
- Extra expense: \$6,500

#### **Cloud service interruption**

##### **Hotel**

A hotel could not process online reservations when its contracted data centre suffered electrical arcing to its underground utility power supply cable. The hotel suffered a reduction to occupancy during the service outage.

- Business interruption: \$8,500

##### **Physiotherapy centre**

A physiotherapist's office was unable to access data resulting in a loss of income. Its contracted data centre suffered an arcing event to its primary switchgear. Bringing all servers back on line took an extended period of time.

- Business interruption: \$37,000

#### **Data restoration for data lost in the cloud due to an accident**

##### **School**

A school presented a claim for lost electronic student records. An investigation determined that the school's cloud computing provider experienced a mechanical breakdown to one of its hard drives.

- Data restoration: \$35,000

##### **Accounting firm**

An accounting firm lost data stored in the cloud due to a mechanical breakdown to a hard drive at the cloud computing service provider.

- Data restoration: \$16,000
- Online merchant

An online merchant lost data stored in the cloud due to a server problem at its cloud computing service provider. The provider disclosed that there was a loss of redundant sources of power caused by an electrical arcing event in the provider's electrical switchgear.

- Data restoration: \$45,000



## Public relations coverage

### Restaurant

A small restaurant sustained a power surge which caused electrical damage to its walk-in refrigerator. The restaurant was closed and lost business for seven days. When service was restored, the insured advertised its reopening through a local radio station. The electrical damage to the refrigeration system was a covered accident. Business interruption losses were paid, enabling the advertising loss to be settled under public relations coverage.

- Direct damage: \$6,000
- Business interruption: \$14,000
- Public relations: \$5,000

### Hotel

A hotel's boiler experienced a mechanical breakdown, causing the business to close for ten days and incur business income losses. The insured ran an advertisement to announce the reopening of the hotel.

- Direct damage: \$15,000
- Business interruption: \$45,000
- Public relations: \$5,000

### Dentist

A boiler at a dental practice developed a crack, causing extensive water damage to the building. The business had to shut down for two weeks for restoration. Upon reopening, the insured ran an advertisement announcing the reopening of the business.

- Direct damage: \$49,000
- Business interruption: \$18,000
- Public relations: \$5,000