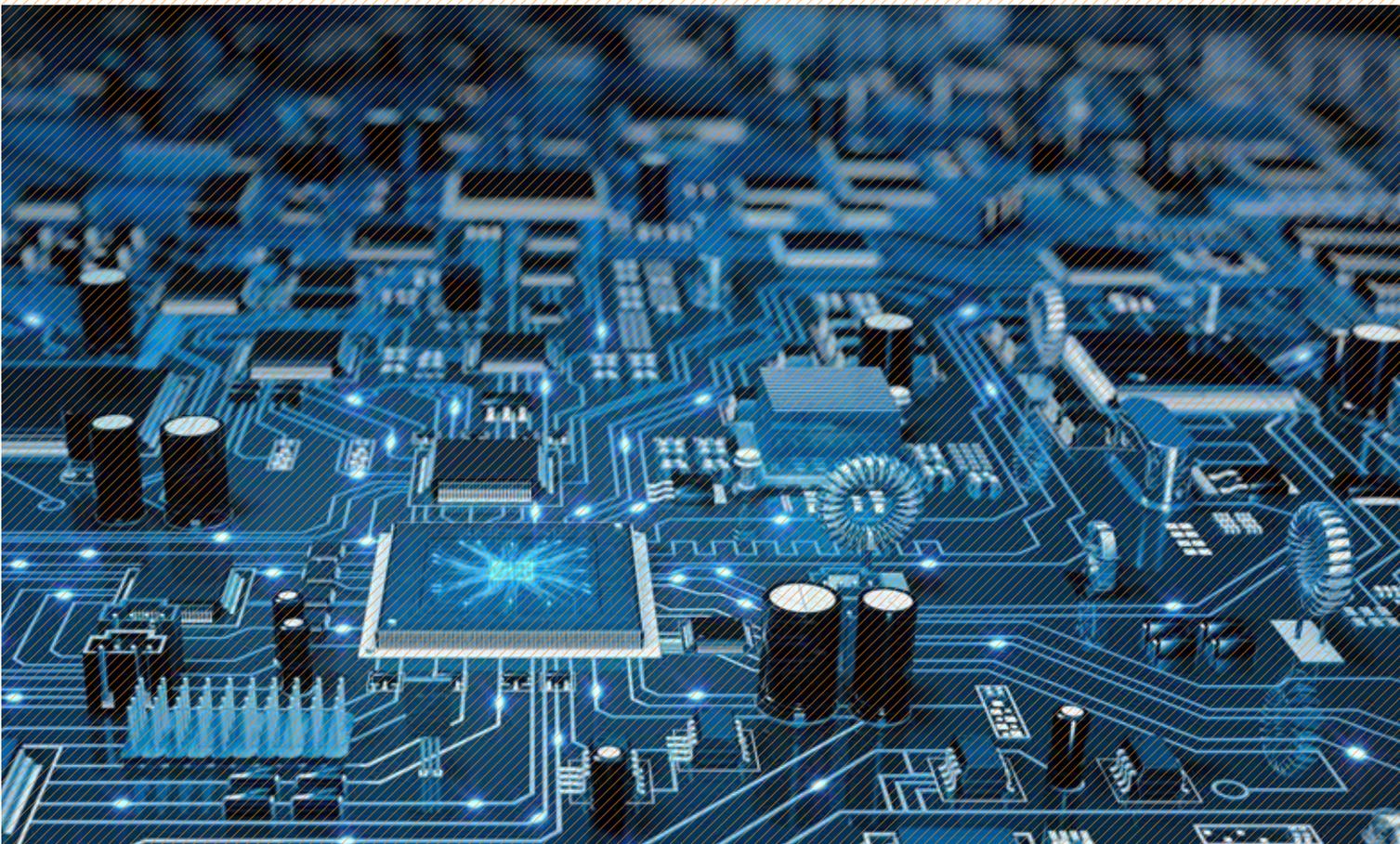


Risk Solutions

TechAdvantage™

The new equipment
breakdown standard

The Boiler Inspection and
Insurance Company of Canada



HSB BI&I

Munich RE 

Technology transforms exposures and risk

We live and work in a world where technological change is constantly creating new forms of equipment and applications for them. While technological transformation brings many benefits, it changes the risk model dramatically:

Micro-circuitry is now used in almost all types of equipment. It is so sensitive that damage, invisible to the human eye, can cause equipment to simply stop working.

Portable business equipment, such as laptops and devices, are now carried in pockets or briefcases across cities, provinces and international borders. As equipment with fragile components travels, breakdown risks increase.

Cloud computing is not fail-safe:

- Almost 60 percent of small to mid-sized businesses using the Cloud reported that at least one interruption to their cloud service prevented their company from functioning.¹
- Business data stored in the cloud is at risk of being lost when there is a cloud service interruption due to an equipment breakdown.

Bad news travels fast.

In today's social sharing world, a business interruption caused by an accident can lead to bad publicity and compromise a company's reputation.



Enter TechAdvantage™

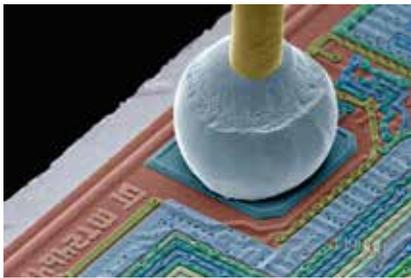
TechAdvantage™ from The Boiler Inspection and Insurance Company of Canada is the result of three years of proprietary research, claims analysis and consultation with equipment manufacturers and technology companies. It is the most innovative equipment breakdown coverage ever offered in the Canadian marketplace.

New Coverages

- 1 Microelectronics coverage
- 2 Off-premises transportable equipment coverage for property damage, business income, extra expense and data restoration
- 3 Cloud computing service interruption coverage
- 4 Data restoration to include data lost in the cloud due to an accident
- 5 Public relations coverage



1 Microelectronics coverage for invisible risks



6 million transistors would fit in the period at the end of this sentence.

Until now, equipment breakdown coverage has required evidence of physical damage. TechAdvantage™ adds a second cause of loss for failures when physical damage is not detectable. Coverage is triggered when covered equipment suddenly stops functioning and replacing that equipment or a part containing electronic circuitry restores functionality.

Have you ever owned an electronic device, computer or printer that mysteriously stopped working?

The same thing happens to business equipment and machinery with electronic controls, including:

- Heating and cooling equipment such as boilers, air conditioning, hot water and refrigeration systems
- Computers, servers, scientific research, diagnostic, and medical equipment
- Communications systems such as telephones, networks, security systems, inventory and point of sale systems
- CNC and production equipment

2 Off-premises transportable equipment coverage



Equipment is getting smaller and more portable.

The miniaturization of technology has spawned another important trend: equipment is more portable, and more frequently used off-premises where it is exposed to greater risk of damage.

All kinds of mobile equipment are at risk, from newer technology such as laptops and devices, to more conventional objects such as compressors and generators.

Now, off-premises coverage is provided on transportable equipment for property damage, business income, extra expense and data restoration, anywhere in Canada and USA.

3 Cloud service interruption



By 2020 80% of small businesses will be cloud users.

Cloud computing services have been added to service interruption coverage. This pays for lost business income and extra expense when an insured's cloud service provider experiences an outage due to equipment breakdown.

This coverage is of growing importance.

The number of businesses using cloud services is forecast to more than double by 2020 to nearly 80%. In a survey of businesses conducted by HSB and the Ponemon Institute, 48% said they had experienced an interruption of cloud services. Of those, 56% reported that at least one such interruption prevented their company from functioning.¹

¹ HSB | Ponemon Study among small to mid sized businesses using cloud services

4 Data restoration to include data lost in the cloud due to an accident



Our analysis of equipment breakdown claims has shown growing data restoration losses, both in severity and frequency.

We already cover data lost due to an accident. However, a business's data stored in the cloud is also increasingly at risk. In response, we have added data restoration coverage for data lost when it is stored and managed by a cloud computing service provider.

Data stored in the cloud is increasingly at risk of being lost.

5 Public relations coverage



TechAdvantage™ even includes coverage for services from reputation management professionals, such as a PR firm, when an equipment breakdown poses a risk to a business's good standing. It pays for professional public relations services to help manage a client's reputation that is at risk when a breakdown causes a business income loss.

Digital technology means bad news travels fast.

Additional Coverages

In addition, TechAdvantage™ provides other coverage benefits including:

- **Environmental and Efficiency coverage**
Pays up to 150% of the loss payable for upgrades to more energy efficient or environmentally friendly equipment
- **Green coverage**
Up to \$50,000 in addition to our energy efficiency upgrade coverage
- **Brands and labels coverage**
Pays for the cost of removing labels or stamping of salvaged merchandise
- **Anchor location contingent business income**
- **Contingent business interruption**

Optional Coverages

TechAdvantage™ can be bundled with the following optional coverages:

- **Data compromise**
Pays for notifying affected individuals and valuable professional help to respond promptly and properly to preserve business reputation after a data breach.
- **Identity recovery**
Combines identity theft insurance with services that help business owners restore their personal credit history and identity records to pre-theft status.

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This is a summary of coverages.
For all coverages, terms, conditions
and exclusions, refer to the actual
insurance policy.

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NOT IF, BUT HOW