



**CHRISTIAN
BROTHERS
SERVICES**

2010 Spring Webinar Series

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**Christian Brothers Services
Risk Management Services**

**Managing the Risk
Of
Equipment Breakdown**

February 18, 2010

2010 SPRING WEBINAR SERIES

Opening Prayer

**Creator God, through your world
and people that surround us, we
pray that we may grow more aware
this day of your life giving presence.
Open our minds and hearts to apply
the knowledge from today's
webinar for the good of all.
We ask these things in Jesus' Name.
Amen**

Christian Brothers Services
Risk Management Services

**Managing the Risk
of Equipment Breakdown**



Brian Udy
Vice President
Business Development

2010 SPRING WEBINAR SERIES

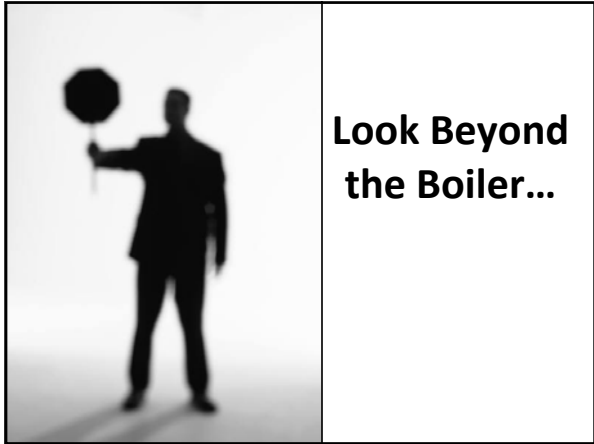


**Navigate
The
Challenge**

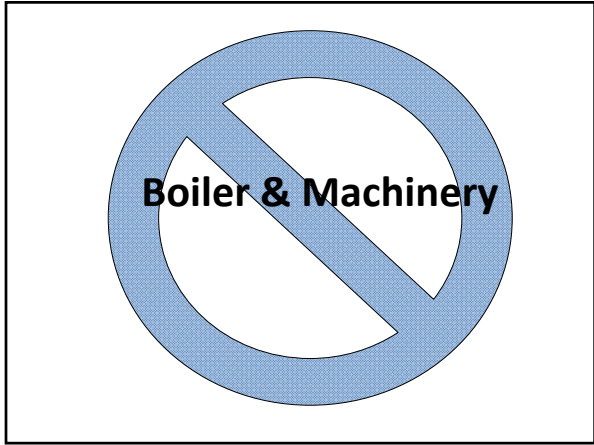


**Exposure is Present
Regardless of Size**

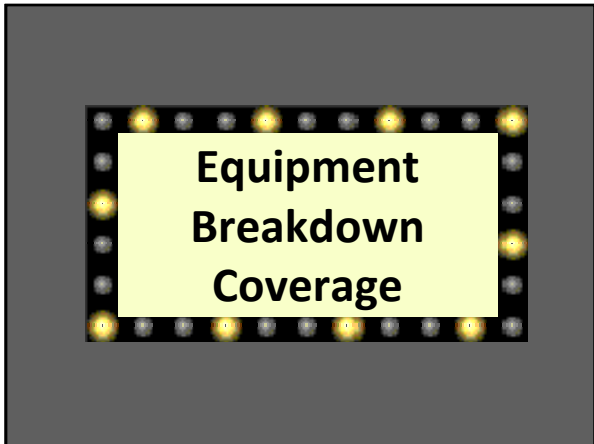




**Look Beyond
the Boiler...**



Boiler & Machinery



**Equipment
Breakdown
Coverage**

The World has Changed...



**New Technology
Deserves
New Answers**

High Tech Landscape

All Types of Computers

Phone Systems

Retail Scanners

Computer Controlled
Equipment

Hand Held Order
Equipment



Smart Buildings



- Elevators Talk
- Machines Think
- Buildings Turn Themselves On and Off
- Computers Control Equipment
- Equipment is Interconnected and Interdependent



**Breakdown
Risks Have
Grown**



**They Don't Make It
Like They Used To**

**What You
Can't See Can
Hurt You**



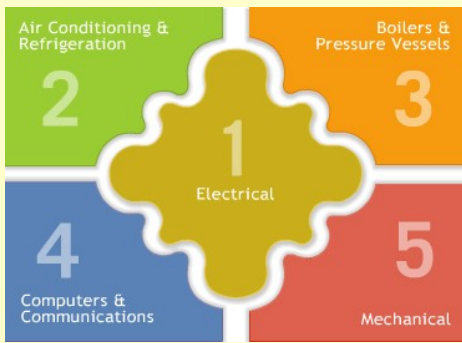
**Hard To Access.....
Costly To Repair.**



**Who Needs
It?**



Apply the Five Easy Pieces




1
Electrical

Accidental Breakdown of:
Power transformers, electric motors, switchboards, distribution panels, circuit breakers, cables, bus ducts

Common Causes of These Accidents:

1. Supply line surge
2. Excessive moisture
3. Insulation deterioration
4. Poor workmanship
5. Operator error or abuse
6. Poor contacts

Electrical Failures Lead To Fires

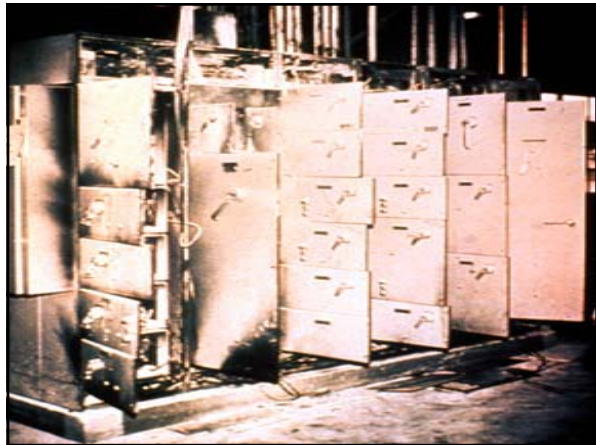


Transformers



Distribution Panel (MEA)



















Loss Example

School Location:
Pennsylvania
Transformer/Switch
Gear
Total Loss: \$70,000



Air Conditioning &
Refrigeration

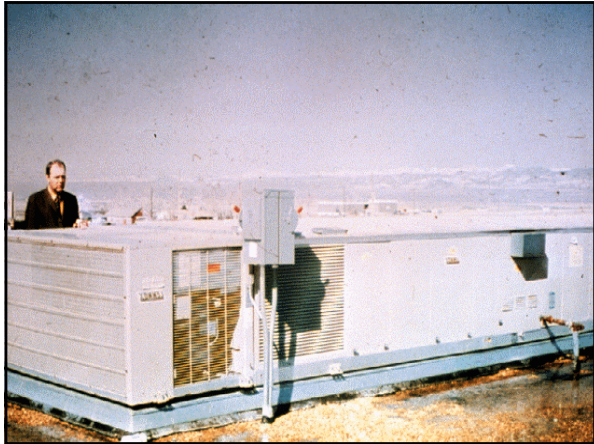
2

Accidental Breakdown of:
air conditioning & refrigeration
motors, compressors, fans,
switchboards, coils, pipes and
vessels

Common Causes of These Accidents:

1. Control Failure
2. Vibration
3. Refrigerant Slugging
4. Scale buildup
5. Rapid Weather Change
6. Wear of internal parts
7. External blows








What's At Stake?

- No A/C
- No Cool Air
- No Donations

High Rise Senior Home
Air Conditioning
\$100,351



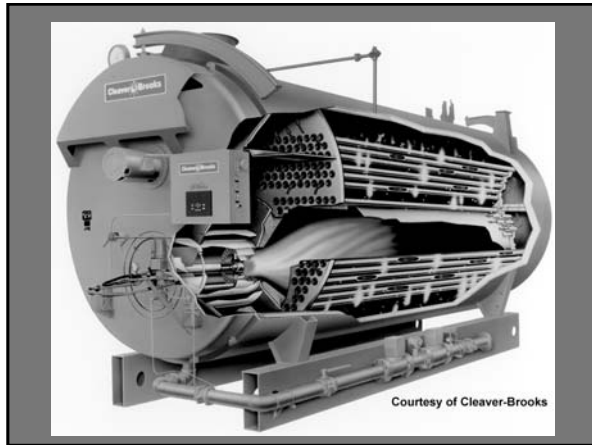
Accidental Breakdown of:
Heating or process boilers,
pressure vessels, cookers,
sterilizers, and vulcanizers

Common Causes of These Accidents:

1. Control Failure
2. Scale Buildup
3. Freezing
4. Low Water Condition
5. Vibration
6. Operator Error
7. Cold Water Slugging

Boilers &
Pressure Vessels

3







Fire Tube Boiler

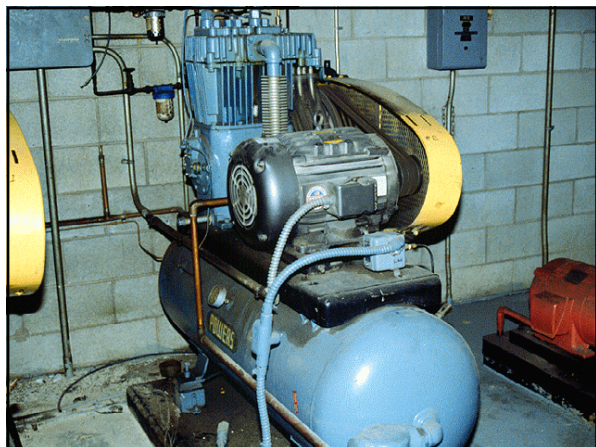






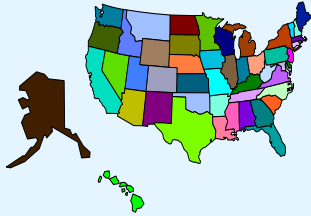
**Rare,
but
catastrophic**





Inspection Services

- Jurisdictional Inspections
- Affects Boilers and/or Pressure Vessels
- Required by Law in all 50 States
- Built in to Coverage



What's At Stake?

- Repair Crews
- Empty Pews
- A lot to Lose



Church Boiler Steam Pipe
\$45,000

Loss Example

School Location:

New York

Boiler Replacement

Total Cost: \$123,664



4
Computers & Communications

Accidental Breakdown of:
Environmental control, communications, and computing equipment

Common Causes of These Accidents:

1. Electrical line surges
2. Insulation deterioration
3. Overload conditions
4. Excessive moisture
5. Poor contacts or connections
6. Operator error or abuse

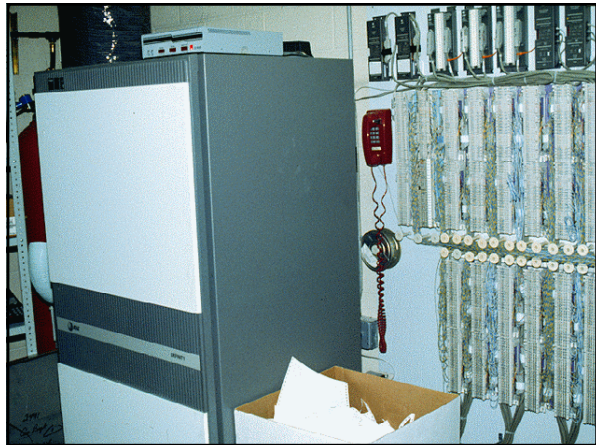
Office Equipment





Phone Systems









Loss Example

Office Building Location:
ILLINOIS
Telephone System
Total Cost: \$87,000

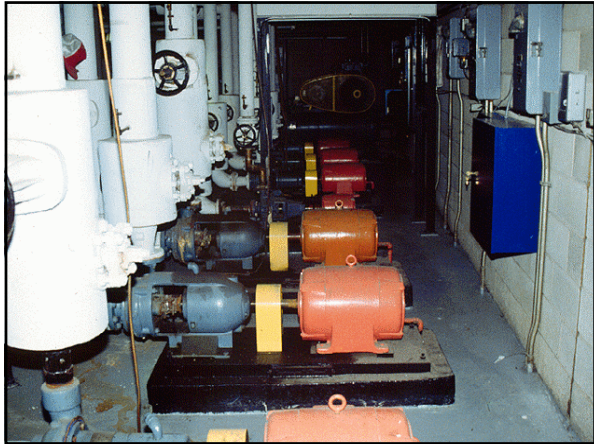


Accidental Breakdown of:
Pumps, fans, blowers, engines,
turbines, compressors, and gear
sets

Common Causes of These Accidents:

1. Oil Contamination
2. Misalignment
3. Overload
4. Surging
5. Vibration
6. Overspeed
7. Bearing Wear
8. Operator Error







Centrifugal Fan



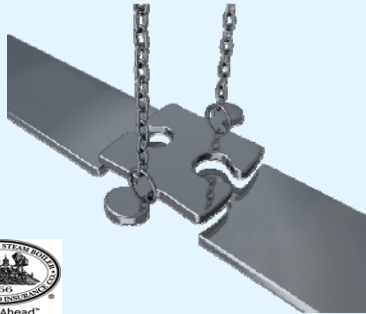
Commercial Mixer







Christian Brother Services with the help of
Equipment Breakdown Bridges the Gap



Property Policies Don't Cover
Everything

Property Coverage
Standard Exclusions:

- Mechanical Breakdown
- Electrical Arcing
- Explosions of Steam Boilers, Piping, Engines, Turbines
- Loss or damage to Steam Boilers
- Loss or damage to Hot Water Boilers

Equipment Insurance
1. Covered Causes of Loss

a. "Accident" means the direct physical loss as follows:

- (1) Mechanical Breakdown, including rupture or bursting by centrifugal force
- (2) Artificially generated electrical current, that disturbs electrical devices, appliances or wires
- (3) Explosions of Steam Boilers, Piping, Engines, Turbines caused by or resulting from any condition or event inside such equipment
- (4) Loss or damage to Steam Boilers caused by or resulting from any condition or event inside such equipment
- (5) Loss or damage to Hot Water Boilers, or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment

Member Benefits

- Coverage for Modern Business Systems
- Fills Gaps
- Covers Critical Equipment
- Covers Indirect Exposures
- Includes Inspection Service

Webinar Handouts

- Heating boiler start-up checklist
- Air conditioning pre-season checklist
- Surge protection
- Cold weather and freeze alert

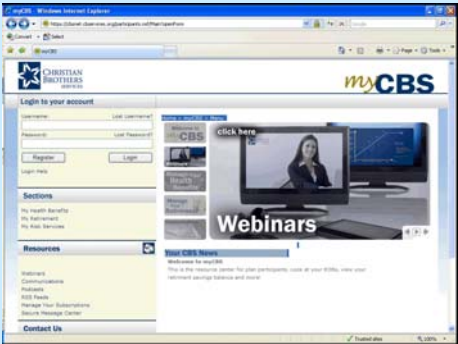


For more information on Christian Brothers Services

Risk Management Services
or
for a link to handouts for
today's webinar e-mail:

Laura Hart at
Laura.hart@cbservices.org





The screenshot shows a web browser window displaying the myCBS website. The page includes a login area with fields for username and password, a 'Log In' button, and a 'Forgot Password' link. Below the login area is a 'Sections' menu with links for 'My Health Benefits', 'My Retirement', and 'My Risk Services'. A 'Resources' section lists 'Webinars', 'Contributions', 'Policies', '401(k) Plans', 'Manage Your Subscriptions', and 'Investment Center'. A 'Contact Us' link is also visible. The main content area features a 'Webinars' section with a video player and a 'click here' link. The browser's address bar shows the URL 'https://www.cbservices.org/participants/myCBSuserPage'.

