

# Loss Bulletin

## Vero Equipment Breakdown Insurance



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### Stockfeed manufacturer forced to replace hammer mill

#### Loss details

##### Nature of business

Stockfeed  
Manufacturer

##### Type of equipment

Hammer mill

##### Age of equipment

17 years

The Insured purchased a second hand pelletizing plant from another Australian company, which they operated over the course of a year.

Unfortunately, the hammer mill suffered a catastrophic loss, with the main rotor shaft effectively disintegrating under the effects of centrifugal force.

The damage to the hammer mill was so extensive that it could not be rebuilt. A settlement was made for a new hammer mill of the same capacity, which the Insured applied to the purchase of a mill of different capacity.

As the Insured had not purchased Business Interruption coverage, the lost production was not able to be included in the settlement.



#### Final loss

**Settlement amount \$117,000**

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