

Loss Bulletin



Vero Equipment Breakdown Insurance

Alarm failure

Loss details

Nature of business

Supermarket

Type of equipment

Electric cable for refrigeration control board

The electrical power supply cable to the refrigeration control panel overheated and burnt out, resulting in the refrigeration plant and associated temperature alarm system shutting down.

The temperature alarm system was designed to dial out to a security company should the temperature within the refrigerators rise above a predetermined temperature.

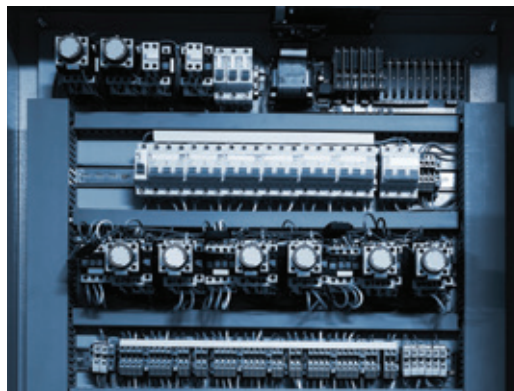
The alarm system also had a back up battery with a life of 30 mins in case of power outage. However, as it took longer than 30 mins for the temperature to rise to the alarm temperature the battery was flat and the alarm therefore incapable of alerting the monitoring company.

Despite good risk management procedures being in place, this previously unforeseen event resulted in the spoilage of stock contained within all of the insureds refrigeration chambers in the single event – a total loss.

Final loss

Repairs to the electricity supply cable came to \$1,642

Deterioration of Specified Stock totalled nearly \$95,000



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