

Vero Equipment Breakdown

What's at Risk? (Clubs & Pubs)



Clubs, Pubs, Function Centres, Leagues Clubs, Sports Grounds

Equipment examples

- Gaming machines
- Audio visual equipment
- Kitchen equipment
- Exhaust fans
- Refrigeration
- Ice machines
- Hot water system
- Electric LED signs
- Stadium lights & internal lighting
- Scoreboards
- Air conditioning & centralised chillers
- Emergency generators
- Electrical wiring & switchboards
- Pumps & irrigation systems
- Computers & servers
- Phone systems
- Office printers, photocopiers
- CCTV & security systems
- Point of sale & cash register
- Electronic safe
- Goods lifts

What's at Risk?

Why You Need Equipment Breakdown Insurance

Equipment Breakdown Insurance – More Than Just Repairs

Equipment Breakdown insurance helps protect you against the costs of unforeseen breakdowns, as well as Income Protection & Spoilage:

- **Physical Damage:** the cost to repair or replace damaged equipment, including labour costs. Repair or replacement with new-for-old parts and equipment is prioritised.
- **Cost to replace spoiled refrigerated goods (optional cover):** Should a breakdown, loss of refrigerant, operation of a circuit breaker or certain types of power outages result in a loss of refrigerated goods, this covers the cost of disposal and replacement of spoiled goods - or costs to mitigate the spoilage if possible.
- **Loss of Gross Profits, Payroll & Increased Costs (optional cover):** if a breakdown leads to your business losing trade & income, or to costs incurred to mitigate such loss due to the breakdown.
- **Service interruption:** extends business interruption optional cover(s) due to loss of electricity & other services caused by a breakdown of the utility or landlord's equipment.
- **Contribution towards Equipment Upgrades:** If a piece of equipment is upgraded following a breakdown, an additional contribution can be provided towards the cost.

For Many Types of Equipment:

Electrical Infrastructure

Overlooked as a critical exposure, electrical equipment is all interconnected. Often impacted by short-circuits, brown outs or surge events (eg. when power is restored after a power outage), multiple pieces of equipment are often damaged in the one single event. The impact on the business is magnified, as the cost to repair and replace equipment adds up while at the same time the business often cannot trade.

Air Conditioning & Refrigeration

Air conditioning systems contain many parts that can break down and result in costly repairs. A chiller unit can cost hundreds of thousands, refrigerant can be many thousands in addition to this, even in small systems.

Failure in refrigeration can also lead to spoilage of refrigerated stock, and loss of trade.

Electronic Equipment

Electronic components are present in almost all equipment in clubs, pubs & function centres. This includes internet access; payment, food & beverage ordering systems; audio visual and entertainment systems; scoreboards; pokies; security systems; and facilities management system. These electronics are particularly vulnerable to damage resulting from power surges.

Loss Examples

The following are actual losses.



A section of an underground cable supplying mains power to a club suffered a breakdown. The power fluctuations resulting from the damaged cable also caused further damage to other electrical equipment in the club - including golf cart charging units, lighting, air conditioning and fire alarm equipment.

Total Cost: \$91,100



After a routine generator test, the autoswitch failed to switch the club's power back to the grid.

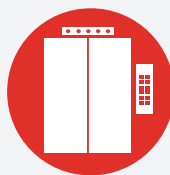
They made temporary repairs to restore power in the hope to keep trading for the day, however they soon found the electrical issues had also damaged a number of pokies as well.

Total Cost: \$91,000



A club had installed a "Voltage Power Optimisation" system to reduce electricity usage. It was found inoperable during a routine check - the thyristors & silicon controller rectifiers had electrically failed. The manufacturer had gone out of business, leaving it obsolete with no parts available, so a brand new unit was ordered and installed.

Total Cost: \$104,100



A 15 yr old lift was having issues with its motor overdriving, then underdriving, forcing the club to shut it down. The problem was with the inverter and because parts were no longer available, a different inverter was installed. The new inverter wasn't compatible with the original lift controls, so a new bespoke control board was also required.

Total Cost: \$63,200



A burning smell alerted a function center to an electrical fault with their outdoor LED sign. A power supply failed without tripping the circuit, resulting in a cascading voltage feed which burnt out the LED panels. Due to the number of parts required, repairs weren't economical and the sign was replaced in full.

Total Cost: \$49,800

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