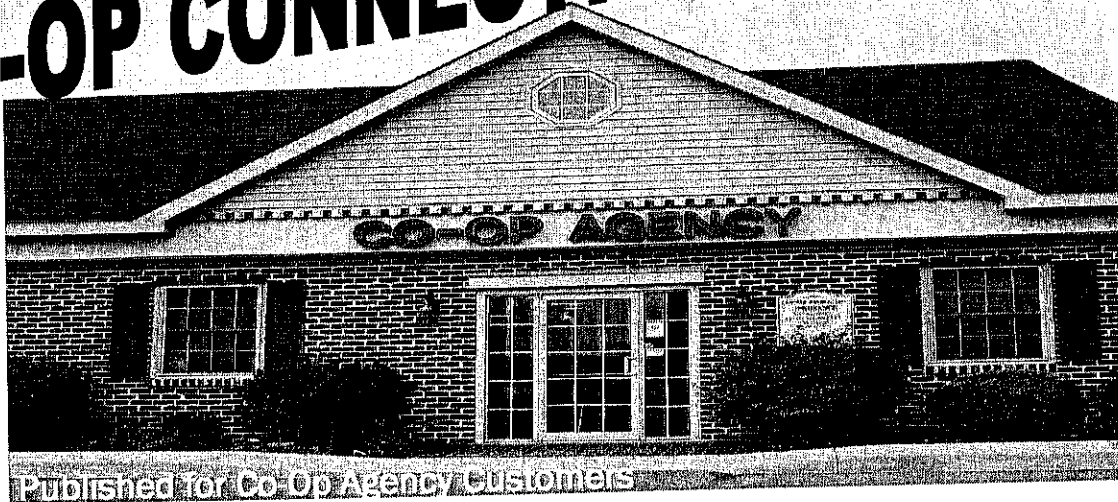


CO-OP CONNECTION

January 2010



DOES MY BUSINESS NEED EQUIPMENT BREAKDOWN COVERAGE?

Every business depends on equipment to keep their operations going and their business flowing. Most equipment today contains sensitive and fragile technology that is easily damaged.

Property insurance excludes the risks unique to equipment in your business so all businesses need to review their need for equipment breakdown coverage. Equipment breakdown (formally known as boiler & machinery) insurance covers many types of equipment. The primary types of equipment and risks covered by equipment breakdown are as follows:

1. Electrical Distribution Systems
2. Air Conditioning & Refrigeration Systems
3. Heating and Hot Water Systems
4. Computers & Communications
5. Mechanical Equipment

If you don't think you need this coverage, ask these questions:

1. If you had no electrical power, could you stay open? How much income or product would you lose?
2. What is the value of your air conditioning system, refrigeration, freezers and ice machines?
3. Do you rely on heat and hot water in your business, what if you lost service.
4. If your phones or computers were damaged by a power surge, what would it cost to replace these systems? Would you be able to service customers?

Equipment Breakdown coverage pays for the cost to repair or replace business equipment, machinery, or technology that breaks down due to causes such as power surges, short circuits and mechanical breakdown. It can also cover business income losses that occur when a breakdown interrupts your operations. Contact us to find out more information about this important coverage.

Check your Homeowners Policy—Is it covered

When looking for insurance for your home, price is important but so is coverage. Most people find out that something is not covered after the loss has occurred and by that time, it is too late. A homeowner policy form has coverage that is considered standard form but endorsements can be added to enhance coverage. Below are some examples of coverage that you may want to consider adding to your policy.

Back up of sewer and drains— covers direct physical loss to property caused by water which backs up through sewers or drains.

Equipment Coverage— accident that results in direct physical damage to covered equipment for mechanical or electrical breakdown.

Earthquake—direct physical damage to property caused by earthquake.

Fungi, Wet or Dry Rot—coverage for loss caused by fungi, wet or dry rot, or bacteria.

Identity Theft— pays some of the expenses incurred as a result of identity theft.

Personal Injury—protects you in the event your are sued due to slander, libel, defamation of character etc.

Volunteer Wrongful Acts—pays on behalf of an insured the amounts they become legally responsible to pay due to wrongful act in their capacity as a volunteer.

Scheduling Personal Property—coverage listing specific items such as jewelry, guns antiques etc.

Personal Property used for Business—covers personal property such as computer equipment at the residence but used primarily for business.

Other policies and coverage that can be written:

Flood insurance

Home Based Business Pursuits

Home Day Care Liability

Review your homeowner policy coverage to see if you have the coverage you need.

Contact us at **Co-Op Agency, Inc.** to review your policy or answer questions regarding the coverages listed above.

What would you choose?

A 40 year-old male in excellent health has decided to purchase a \$500,000 life insurance policy to protect his family and business.

Option 1:

A 30 year level term policy with an annual premium of \$745/year. If he is still living at the age of 70, the death benefit will end and he does not get back any of the \$22,350 he spent in premiums. ($\$745 \times 30 \text{ years} = \$22,350$)

Option 2:

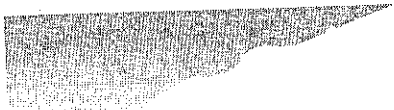
A 30 year level term policy with a Return of Premium (ROP) rider with an annual premium of \$935/year. If he is still living at the age of 70, the death benefit will end but he gets **ALL** of his premium, **\$28,050**, refunded to him. The refund is guaranteed (never higher, never lower) and income tax free. ($\$935 \times 30 \text{ years} = \$28,050$)

Which option would you choose? \$22,350 and get **nothing** back or \$28,050 and get it **all** back? What type of term insurance do you own on yourself? The **Co-Op Agency** represents several life insurance companies and will provide you with the most competitive premiums and innovative products available.

Contact Steve Becker @ 800-800-5989 x 4907 for more information.

CHECK THE CO-OP AGENCY WEBSITE

Our agency website has been updated recently. Two videos have been added: one pertaining to Auto Insurance and the other Home Owners Insurance. Take a few minutes of your time and go to www.coopagency.com and watch the videos.



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Co-Op Connection

Co-Op Agency Mission Statement

Provide superior customer service, viable insurance markets, and risk management solutions, with a professional and knowledgeable staff, committed to integrity and teamwork, focusing on the customer's needs.

REMEMBER: Co-Op Agency can service all your Personal or Business Insurance needs. Auto, Homeowners, Life Insurance, Health Insurance, Annuities, Property, Casualty

www.coopagency.com