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Your guide to HSB Insurance & Other Offerings

April 16, 2026

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Agenda

- **Boiler & Pressure Vessel Only Coverage – Master Policy**
- **Comprehensive Equipment Breakdown Coverage:**

  UNC Charlotte, Cates Avenue Steam Plant & Central Utility Plant of NCSU, NCDA Agricultural Science Center, TE Neal Steam Plant of NC A&T University
- **IoT Sensor Technology**

Property policies don't cover everything

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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

Additional Coverage—Equipment Breakdown

ACCIDENT
Accident means a fortuitous event that causes direct physical damage to Covered Equipment.

a. Mechanical breakdown, including rupture or bursting by centrifugal force;
b. Artificially generated electrical current, that disturbs electrical devices, appliances or wires;
c. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
d. Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
e. 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.

Boiler & Pressure Vessel Only Coverage – Master Policy

Boiler & Pressure Vessel Only Master Policy

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The State of NC Master Boiler Policy covers Boilers and Pressure Vessels for covered "Accident(s)" to covered equipment.

"Boiler and Pressure Vessels" are defined as:

a. Boilers
b. Steam Piping
c. Piping that is part of a closed loop used to conduct heat from a boiler
d. Condensate tanks
e. Unfired Pressure Vessels which, during normal usage, operate under vacuum pressure, other than weight of contents (ie: unfired hot water storage tank)

Boiler & Pressure Vessel Only Master Policy

An “Accident” means a fortuitous event that causes direct physical damage to “covered equipment”. The event must be one of the following:

1. ~~Mechanical Breakdown, including rupture or bursting caused by centrifugal force~~
2. ~~Artificially generated electrical current, including electrical arcing that damages electrical devices~~
3. Explosion, other than combustion explosion, of steam boilers, steam piping, steam engines or steam turbines
4. An event inside steam boilers, steam engines or steam turbines that damages such equipment
5. An event inside hot water boilers or other water heating equipment that damages such equipment
6. Bursting, cracking or splitting

Boiler & Pressure Vessel Only Master Policy

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Common Causes:

- Control failure
- Scale buildup
- Low water condition
- Vibration
- Operator error

Accidental breakdown:

- Heating boilers
- Process boilers
- Pressure vessels
- Cookers
- Sterilizers
- Vulcanizers

EB coverage covers extra expense incurred due to an equipment breakdown such as renting units to restore operations.

Boiler & Pressure Vessel Only Master Policy

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NCDOL Changes that affect how certificate fees for inspections are billed:

Chapter 13 – Section .0110 – Code No. 13 NCAC 13 .0213 (Certificate and Inspection Fees)

(a) "An owner or user, or insurance company, shall pay a **$50 certificate and processing fee** to the North Carolina Department of Labor for certificate inspections performed by an Insurance Inspector."

As a result, any object inspected by one of our representatives will receive an invoice for the prepaid certificate fee including a **$5 handling charge** for each object from HSB to recoup these certificate fees.

Please note jurisdictional inspections of boilers and pressure vessels are completed as part of your insurance coverage. The cost of the inspection is included in the premium you pay. However, the $55 certificate fee and handling charge outlined above is addition to the premium.

Boiler & Pressure Vessel Only Master Policy

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Letter HSB sends along with the invoice:

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National Service Center
The Hartford Steam Boiler Inspection and Insurance Company

P.O. Box 61509
King of Prussia, Pennsylvania 19406-0909
http://www.hsb.com

Dear Insured;

A representative of The Hartford Steam Boiler Inspection and Insurance Company recently completed an inspection of pressure equipment at your facility.

The Hartford Steam Boiler Inspection and Insurance Company has already paid the certificate fees associated with the inspection on your behalf to the jurisdiction in which your facility is located. Jurisdictional inspections of boilers and pressure vessels are completed as part of your equipment breakdown coverage. The cost of the inspection is included in the premium you pay for this coverage. However, the certificate fees associated with the inspection are not.

Most jurisdictions in the United States directly invoice owners of boilers and pressure vessels for their operating certificates. California, Hawaii, Kentucky, New Jersey, New York, New York City, North Carolina, South Dakota, Vermont, and the municipalities of Los Angeles do not. These jurisdictions require the insurance company of record to pay the certificate fees on behalf of their insureds. These same jurisdictions allow the insurance companies to recoup this expense.
A handling fee of $10.00 will be added to your certificate fee invoice for processing.
We value your business with The Hartford Steam Boiler Inspection and Insurance Company. If you have any questions regarding the details of these invoices, please contact us at 800-472-1866 x63914.

Sincerely,

Customer Service Representative

The Hartford Steam Boiler Inspection and Insurance Company

To learn more about HSB, visit us at www.hsb.com

HSB Inspection Hotline

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Contact Us

HSB Inspection Hotline

Hours: 8:00 a.m. to 8:00 p.m. EST, Monday through Friday

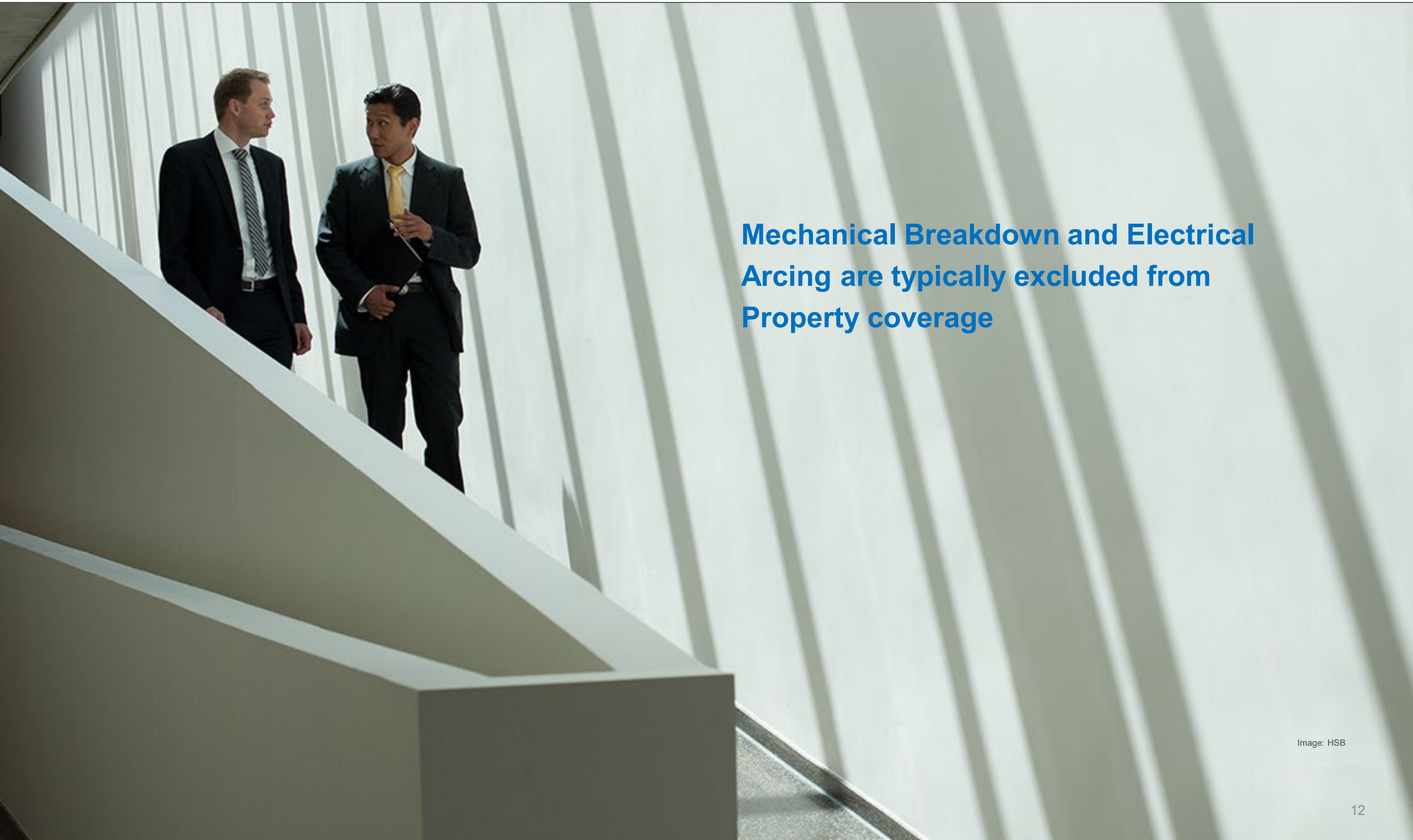
Please have policy information available when contacting us

Phone 1-800-333-4677
Email NSCInsp_Hotline@HSB.com

- Information Needed:
- Please identify yourself as a member of State of NC Insurance program
- Location Address of facility to be inspected
- Name and Phone Number of contact at facility
- HSB Policy Number: 4908308
- Other pertinent information: Urgency of request, reason for inspection needed, etc.

Comprehensive Equipment Breakdown Coverage

Comprehensive Equipment Breakdown Coverage



Mechanical Breakdown and Electrical Arcing are typically excluded from Property coverage

Image: HSB

Comprehensive Equipment Breakdown Coverage

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An “Accident” means a fortuitous event that causes direct physical damage to “covered equipment”. The event must be one of the following:

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Comprehensive Equipment Breakdown Coverage Exposures

1. Electrical
2. Air Conditioning & Refrigeration
3. Boilers & Pressure Vessels
4. Computers & Communications
5. Mechanical
6. Renewable/Alternative Energy
7. Production

Comprehensive Equipment Breakdown Coverage

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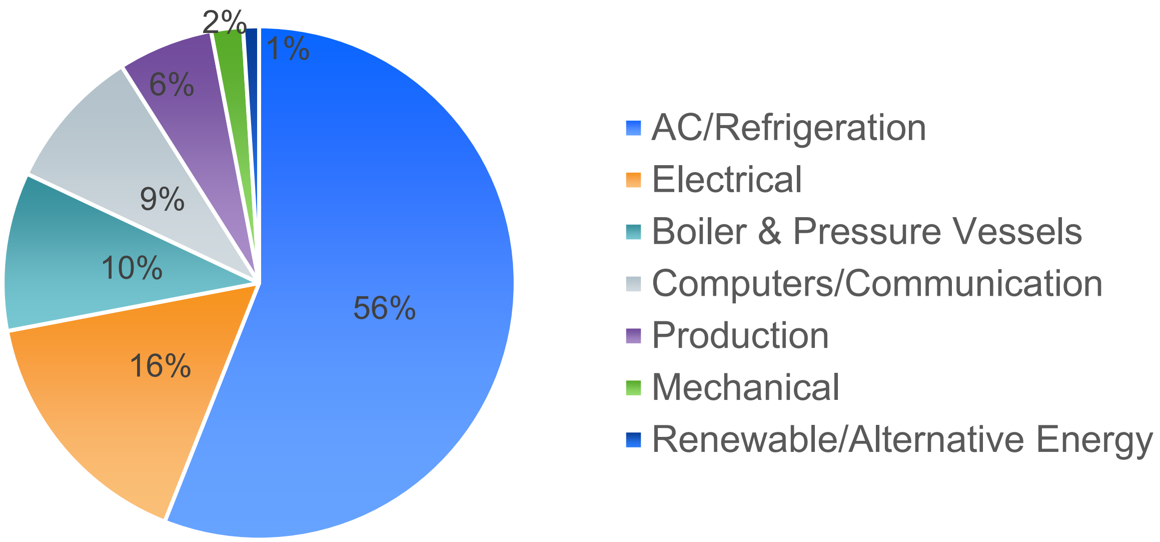
Which equipment group do you think has more claims than any of the other equipment groups?

a) Electrical
b) Air conditioning & refrigeration
c) Boilers & pressure vessels
d) Computers & communication
e) Mechanical
f) Renewable/alternative energy
g) Production

Comprehensive Equipment Breakdown Coverage



Comprehensive Equipment Breakdown Coverage
Electrical

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- Poses risks to building owners and tenants.
- Electrical systems constitute a sizable percentage of a property's total value.
- Panels and cables are all interconnected so a short circuit in one part can spread and damage a large part of the system.

EB coverage covers damage to electrical systems and other costs, such as renting generators or relocating tenants.

Comprehensive Equipment Breakdown Coverage Electrical

Common Causes:

- Supply line surge
- Excessive moisture
- Insulation deterioration
- Poor workmanship
- Operator error or abuse
- Loose connection

Accidental breakdown:

- Power transformers
- Electric motors
- Switchboards
- Distribution Panels
- Circuit breakers
- Cables
- Bus ducts

Comprehensive Equipment Breakdown Coverage
Electrical

Retail Store

Property Damage:
$29,479

Deductible:

$ 1,000

Total Claim Paid : $28,479

Comprehensive Equipment Breakdown Coverage
Air Conditioning & Refrigeration


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- Contain components prone to breakdown.
- Refrigeration breakdown can result in business interruption and spoilage that may exceed the property loss.
- Lack of air conditioning can result in lost sales.

EB coverage helps pay for expenses that result from an equipment breakdown, such as business interruption, spoilage, or renting temporary equipment.

Comprehensive Equipment Breakdown Coverage
Air Conditioning & Refrigeration

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Common Causes:

- Control failure
- Vibration
- Refrigerant slugging
- Scale buildup
- Wear of internal parts
- External blows

Accidental breakdown:

- Air conditioning motors
- Refrigeration motors
- Compressors
- Fans
- Switchboards
- Coils
- Pipes and vessels

Comprehensive Equipment Breakdown Coverage
Air Conditioning & Refrigeration

Donut Shop

Property Damage:
$23,493

Deductible:

$1,000

Total Claim Paid :
$22,493

Comprehensive Equipment Breakdown Coverage
Computers & Communication

- This technology depends on surge sensitive circuitry.
- Businesses and business income come to a halt when this equipment goes down.
- Large repair or replacement bills are common when critical systems break down.

EB coverage protects against losses due to power surges, interruption, and electrical fluctuations.

Comprehensive Equipment Breakdown Coverage
Computers & Communication

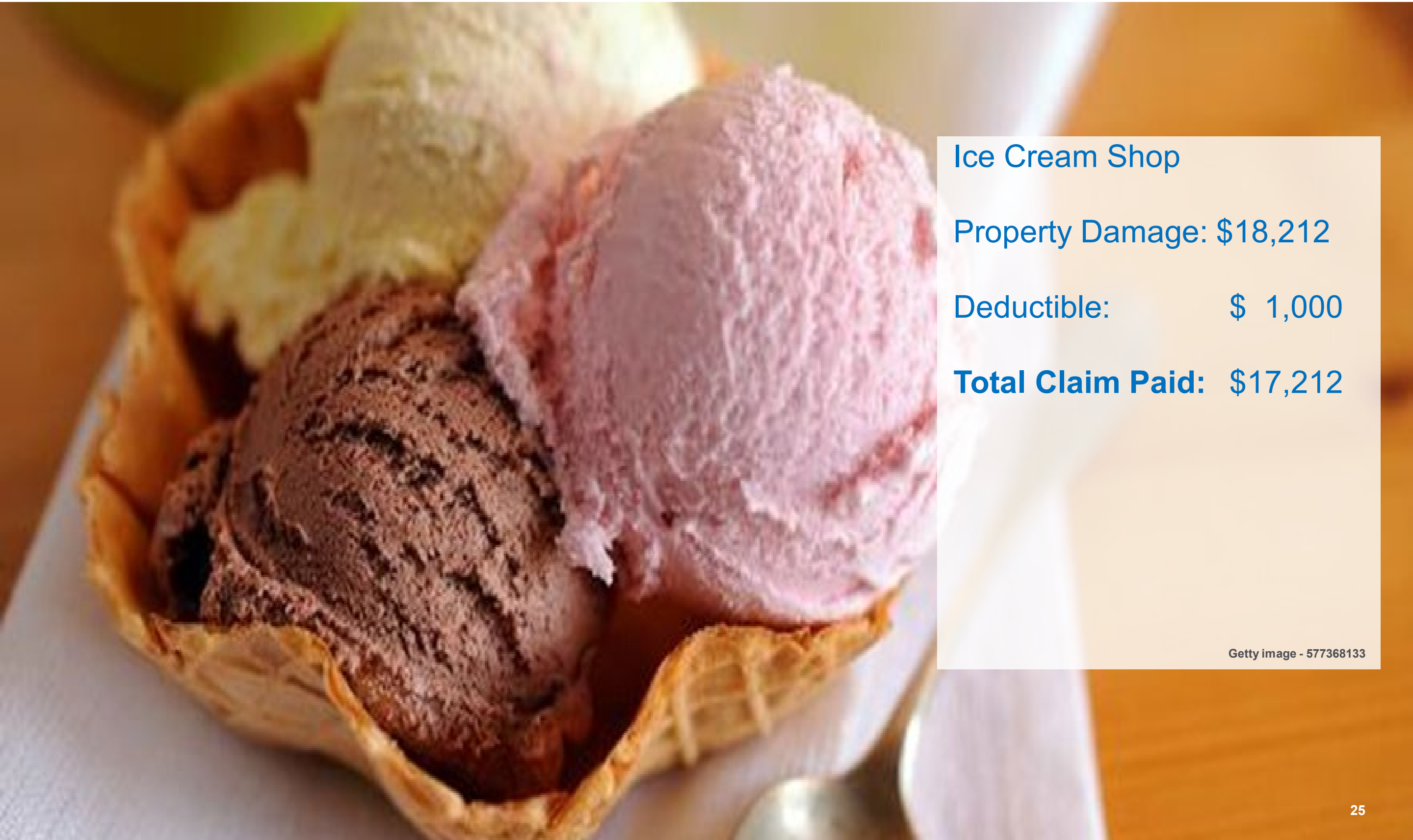
Common Causes:

- Electrical line surges
- Overload conditions
- Excessive moisture
- Loose connections
- Operator error or abuse

Accidental breakdown:

- Environmental control
- Communications equipment
- Computing equipment
- Diagnostic equipment

Comprehensive Equipment Breakdown Coverage
Computers & Communication



Ice Cream Shop

Property Damage: $18,212

Deductible: $ 1,000

Total Claim Paid: $17,212

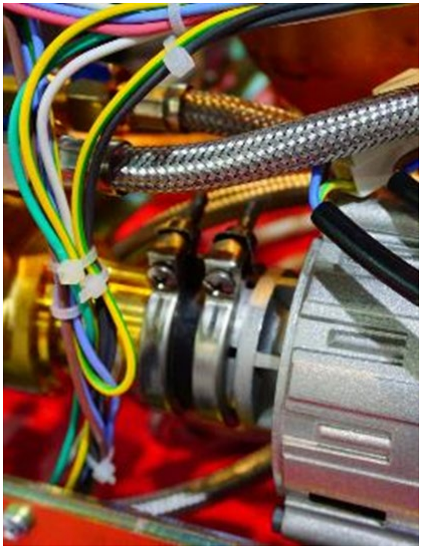
Getty image - 577368133

Comprehensive Equipment Breakdown Coverage
Mechanical

- Virtually every type of business has mechanical equipment exposures.
- Much of this equipment is mission critical to business operations.
- Common causes of loss include oil contamination, misalignment, metal fatigue, and operator error.

EB coverage covers the cost to repair or replace damaged equipment due to a breakdown as well lost income and business interruption.

Comprehensive Equipment Breakdown Coverage Mechanical



Common Causes:

- Lack of Lubrication
- Oil Contamination
- Misalignment
- Overload
- Vibration
- Operator Error

Accidental breakdown:

- Pumps
- Fans
- Blowers
- Engines
- Turbines
- Compressors

Comprehensive Equipment Breakdown Coverage Mechanical

Office Building

Property Damage:
$165,506

Extra Expense

$44,995

Deductible:

$1,000

Total Claim Paid:
$209,501

Comprehensive Equipment Breakdown Coverage
Renewable/Alternative Energy

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- Businesses adopting renewable or alternative energy to combat rising energy costs.
- Renewable and alternative energy typically employ a wide range of electrical and mechanical equipment.
- As demand for more efficient equipment grows so does the lead time to repair and replace it.

EB coverage covers the cost to expedite repair or replacement parts or equipment.

Comprehensive Equipment Breakdown Coverage
Renewable/Alternative Energy

Common Causes:

- Power surges
- Operator error
- Mechanical failure

Accidental breakdown:

- Wind turbines
- Solar panels
- Geothermal pumps

Comprehensive Equipment Breakdown Coverage
Renewable/Alternative Energy

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Medical Clinic

Property Damage:

$12,870

Deductible:

$1,000

Total Claim Paid:

$11,870

IoT Sensor Technology

Meshify Defender Slim^{TM}: Small, mighty, and powered by Amazon's shared IoT network

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Thinnest water and freeze sensor we've ever created

- Equivalent to 3 credit cards!
- Fits under any appliance or narrow space, not obtrusive

Connected through Amazon's own IoT network

- Same network used by Amazon Echo and Ring security cameras
- Resilient long-range connectivity, even when Wi-Fi is offline, or location doesn't have Amazon devices
- Device activation in 3 minutes or less!

Robust and cost-effective for diverse occupancies

- Designed to support residential homes, multi-family, and small commercial environments
- 5-year battery life

Robust Connectivity: In pilot, losses have been prevented... even at locations where there were no Sidewalk devices!

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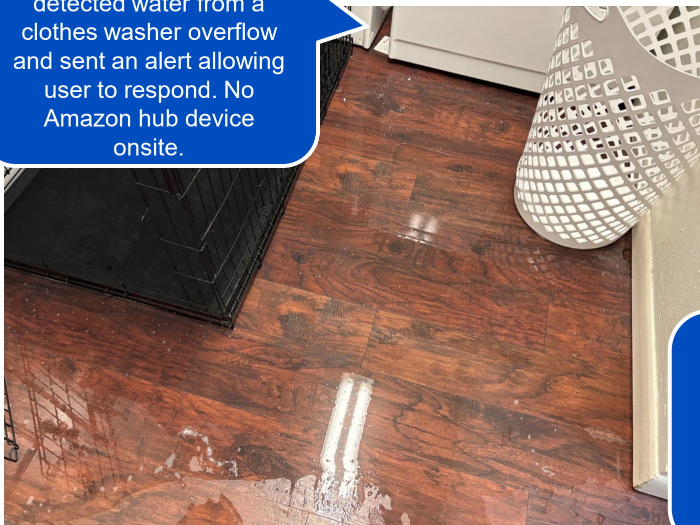
Sensor on 1st floor detected water from a clothes washer overflow and sent an alert allowing user to respond. No Amazon hub device onsite.



Sensor in basement detected water overflow from 1st floor and sent an alert allowing the user to respond. No Amazon hub device onsite.

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Thank you