

## SERVICE LINE COVERAGE

### AGREEMENT:

If the Declaration Page shows that the Service Line Coverage applies “we” will provide the insurance described in this form in compliance with all applicable provisions (including but not limited to Conditions, Definitions and Exclusions) of “your” residential insurance policy. The most “we” will pay for loss, damage or expense under this form arising from any “one service line failure” is \$10,000. There is a waiting period for coverage. No claim incurred during the first thirty (30) days following the effective date is covered under the coverage provided by this form.

### DEFINITIONS:

The following definitions are added:

**“Covered Service Line”** means underground piping and wiring, including permanent connections, valves or attached devices, as described and limited below.

1. A “covered service line” must be one of the following:
  - (a) “water” piping that connects from the “dwelling” or detached private structure to a:
    - i) public “water” supply system;
    - ii) private well system;
    - iii) cistern or retention pond; or
    - iv) heating system located outside the “dwelling” or detached private structure;
  - (b) steam piping that connects from the “dwelling” or detached private structure to a heating system located outside the “dwelling” or detached private structure;
  - (c) ground loop piping that connects to a heat pump;
  - (d) sewer piping that connects from the “dwelling” or detached private structure to a:
    - i) public sewer system; or
    - ii) private septic system;
  - (e) drain piping that drains “water” away from the “dwelling” or detached private structure;
  - (f) power line or electrical wiring; or
  - (g) communication or data transmission wiring, including but not limited to telephone, cable, internet and fiber optic wiring.
2. The “covered service line” must be:
  - (a) located on the “premises”; and
  - (b) owned by “you” or “you” must be legally liable for its repair or replacement.
3. “Covered service line” does not include:
  - (a) that part of piping or wiring that runs through or under a body of “water”, including but not limited to a swimming pool, pond or lake;
  - (b) that part of piping or wiring that runs through or under the “dwelling” or detached private structure;
  - (c) piping that is connected to outdoor property, including but not limited to sprinklers, irrigation systems, swimming pools, hot tubs and decorative ponds; or
  - (d) piping or wiring that is not connected and ready for use.

**“Earth Movement”** means:

1. earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
2. landslide, mudslide or mudflow;
3. subsidence or sinkhole collapse;
4. tsunami or volcanic action; or
5. any other naturally occurring earth movement including earth sinking, rising or shifting.

**“One Service Line Failure”** means: If an initial “service line failure” causes other “service line failures,” all will be considered “one service line failure.” All “service line failures” that are the result of the same event will be considered “one service line failure.”

**“Service Line Failure”** means a leak, break, tear, rupture, collapse or arcing of a “covered service line”. “Service line failure” does not include blockage or low pressure of a “covered service line”.

#### **COVERAGES:**

The following coverages are added, subject to the limit provided under the Agreement section of this form:

- (a) **Damages to “Covered Service Line”**  
“We” will pay for physical damage to “your” “covered service line” that is the direct result of a “service line failure.”
- (b) **Excavation Costs**  
With respect to “your” “covered service line” that is damaged as the result of a “service line failure,” “we” will pay the necessary and reasonable excavation costs that are required to repair or replace the damaged “covered service line.”
- (c) **Expediting Expenses**  
With respect to “your” “covered service line” that is damaged as the result of a “service line failure,” “we” will pay the reasonable extra cost to:
  - a. make temporary repairs; and
  - b. expedite permanent repairs or permanent replacement.
- (d) **Additional Living Expenses**  
Coverage for Additional Living Expenses and Fair Rental Value, as described under Coverage D, is extended to the coverage provided by this Service Line Coverage.
- (e) **Outdoor Property**  
“We” will pay for “your” outdoor property, including but not limited to trees, shrubs, plants, lawns, walkways and driveways, that is damaged as a result of a “service line failure” or that is damaged during the excavation of “your” “covered service line” following a “service line failure.”

#### **EXCLUSIONS:**

- 1. The following exclusions are added:
  - (a) “We” will not pay for loss or damage to:
    - i) septic systems, including leach fields, septic tanks, pumps, motors or piping that runs from the septic tank to the leach fields;
    - ii) “water” wells, including well pumps or motors;
    - iii) heating and cooling systems, including heat pumps; or
    - iv) irrigation or sprinkler systems.
  - (b) “We” will not pay for loss or damage to a “covered service line” that is damaged while it is being installed, dismantled or repaired. However, this exclusion shall not apply if a covered “service line failure” necessitated such installation, dismantling or repair.
  - (c) “We” will not pay to clean up or remove pollutants, hazardous waste or sewage.
  - (d) “We” will not pay for loss or damage caused by or resulting from any of the following perils:
    - i) fire; or “water” or other means used to extinguish a fire;
    - ii) explosion;
    - iii) lightning; windstorm or hail; smoke; aircraft; riot or civil commotion; theft; breakage of glass;
    - iv) “flood”, surface “water”, waves, tides, tidal waves, overflow of any body of “water”, or their spray, all whether driven by wind or not; or “water” that backs up or overflows from a sewer, drain or sump; or
    - v) “earth movement,” except for “earth movement” that results from the ground thawing after a freeze.

**DEDUCTIBLE:**

Subject to the limit provided under the Agreement section of this form, "we" will pay only that part of the loss that exceeds \$500 or the deductible indicated on the coverage page. No other deductible applies to this coverage.

**CONDITIONS:**

The following conditions are added:

**1. Environmental, Safety and Efficiency Improvements**

If a "covered service line" requires replacement due to a "service line failure," "we" will pay "your" additional cost to replace with materials that are better for the environment, safer for people, or more energy or "water" efficient than the materials being replaced. However, "we" will not pay to increase the size or capacity of the materials and "we" will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not increase the limit that applies to this form.

**2. Loss Settlement**

Losses under this form will be settled as follows:

- a. Our payment for damaged covered property will be the smallest of:
  - (1) The limit of liability that applies to this form;
  - (2) The cost to repair the damaged property;
  - (3) The cost to replace the damaged property on the same "premises"; or
  - (4) The necessary amount actually spent to repair or replace the damaged property.
- b. Except as described in Environmental, Safety and Efficiency Improvements above, "you" are responsible for the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
- c. "You" are responsible for the extra cost to alter or relocate "covered service lines," unless such alteration or relocation is required by law or ordinance.

If any of the following causes of loss are excluded by "your" policy, then those exclusions do not apply to this form:

- a. Wear and tear, marring, deterioration or hidden decay;
- b. Rust or other corrosion;
- c. Mechanical breakdown, latent defect or inherent vice;
- d. Weight of equipment, animals or people;
- e. Artificially generated electrical current; or
- f. Freezing.

**3. Other Insurance Clause:**

If there is other insurance that applies to a loss or claim, or would have applied if this coverage did not exist, this coverage will be considered excess insurance and there will be no payment for any loss or claim until the amount of such other insurance is used up.

**All other terms and conditions of the policy to which this coverage applies remain unchanged.**