
SERVICE LINE COVERAGE

The following Property coverage is added to your "residence" or dwelling policy.

The words "you" and "your" mean the person or persons named as the insured on the Declarations. This includes your spouse if a resident of your household. The words "we", "us" and "our" mean the Company providing this insurance.

AGREEMENT

In return for your payment of the required premium, we provide the coverage described in this endorsement during the policy period. This coverage is subject to the terms of this endorsement and all applicable provisions of your policy including but not limited to Declarations, Conditions, Definitions and Exclusions, except as provided below. Coverage provided under this endorsement does not increase any "limit" of liability in your policy.

DEFINITIONS

Words and phrases that have special meaning are defined terms and are shown in quotation marks in this endorsement. Defined terms may appear differently throughout the remainder of your policy.

The following definitions are added:

1. "Covered service line"

- a. "Covered service line" means exterior underground piping and wiring, including permanent connections, valves or attached devices providing one of the following services to your "insured premises":
 - (1) communications, including cable transmission, data transmission, internet access and telecommunications;
 - (2) compressed air;
 - (3) drainage;
 - (4) electrical power;
 - (5) heating, including geothermal, natural gas, propane and steam;
 - (6) waste disposal; or
 - (7) water.
- b. A "covered service line" must be owned by you or you must be responsible for its repair or replacement as required by law, regulation or service agreement. Should repair or replacement be your responsibility, a "covered service line" ends at the precise location where your responsibility for such repair or replacement ends. However, in no event will a "covered service line" extend beyond the point of connection to the main service or utility line.
- c. "Covered service line" does not include:
 - (1) piping or wiring that is not connected and ready for use;
 - (2) 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; or
 - (3) that part of piping or wiring that runs through or under the "residence" or related private structure. However, this clause **c.(3)** shall not apply to piping or wiring that runs under:
 - (a) a driveway or walkway; or
 - (b) a structure, such as a deck, not immediately above a foundation and raised sufficiently from the ground that such piping or wiring can be accessed without damaging or dismantling any structure.

2. **“Earth movement”** means:
 - a. earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
 - b. landslide, mudslide or mudflow;
 - c. subsidence or sinkhole collapse;
 - d. tsunami or volcanic action; or
 - e. any other naturally occurring earth movement including earth sinking, rising or shifting.

3. **“Insured premises”** means your “residence” at the location shown on the Declarations and related private structures and grounds at that location used by your household for residential purposes.

4. **“Limit”** means the amount of insurance that applies.

5. **“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”.

6. **“Residence”** as respects coverage under this endorsement, means a one to four family house, or a one or two family mobile home permanently affixed to a foundation, owned by you and used for residential purposes. “Residence” does not mean a condominium unit.

7. **“Service line failure”** means a leak, break, tear, rupture, collapse or electrical arcing of a “covered service line” not otherwise excluded by this endorsement. A “service line failure” may be caused by, but is not limited to, the following perils:
 - 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 vehicles, equipment, animals or people;
 - e. vermin, insects, rodents or other animals;
 - f. artificially generated electrical current;
 - g. freezing or frost heave;
 - h. external force from a shovel, backhoe or other form of excavation; or
 - i. tree or other root invasion.

“Service line failure” does not include blockage or low pressure of a “covered service line” when there is no physical damage to the “covered service line”.

COVERAGES

The following coverages are added, subject to the “limit” provided under the Conditions section of this endorsement:

1. **Damage to “Covered Service Line”** -- We pay for physical loss or damage to your “covered service line” that is the direct result of a “service line failure”.

2. **Excavation Costs** -- With respect to your "covered service line" that is damaged as the result of a "service line failure", we pay the necessary and reasonable excavation costs that are required to repair or replace the damaged "covered service line".
3. **Expediting Expenses** -- With respect to your "covered service line" that is damaged as the result of a "service line failure", we pay the reasonable extra cost to:
 - a. make temporary repairs; and
 - b. expedite permanent repairs or permanent replacement.
4. **Additional Living Costs/Additional Living Expense/Increased Expenses and Loss of Rent(s)/Fair Rental Value/Loss of Rental Income** -- Coverage for Additional Living Costs/Additional Living Expense/Increased Expenses and Loss of Rent(s)/Fair Rental Value/Loss of Rental Income in your policy is extended to the coverage provided by this Service Line Coverage.
5. **Outdoor Property** -- We 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

The following exclusions are added:

1. We do not pay for loss or damage to:
 - a. septic systems, including leach fields, septic tanks, pumps, motors or piping that runs from the septic tank to the leach fields, other than loss or damage to covered waste disposal piping running from your "residence" or related private structure to a septic tank;
 - b. water wells, including well pumps or motors;
 - c. heating and cooling systems, including heat pumps; or
 - d. sprinkler system pumps, motors or heads.
2. We do 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.
3. We do not pay to clean up or remove pollutants, hazardous waste or sewage.
4. We do not pay under this endorsement for loss or damage caused by or resulting from any of the following perils:
 - a. fire; or water or other means used to extinguish a fire;
 - b. explosion;
 - c. lightning; windstorm or hail; smoke; aircraft; riot or civil commotion; theft; breakage of glass;
 - d. 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
 - e. "earth movement", except for "earth movement" that results from the ground thawing after a freeze.
5. We do not pay additional costs incurred for loss or increased usage of water, natural gas, propane or any other service caused by or resulting from a "service line failure".

CONDITIONS

The following conditions are added:

1. Limit of Liability

The "limit" of liability under this endorsement is dependent upon the age of your "residence" located on the "insured premises" shown in the Declarations.

The most we pay for loss, damage or expense arising from any "one service line failure" is:

- a. \$10,000 for all damaged "covered service lines" if your "residence" is less than 50 years old; or
- b. \$2,500 per damaged "covered service line" if your "residence" is 50 years old or older. However, if the damaged "covered service line" was newly installed or replaced in its entirety within 50 years of the "service line failure", the "limit" shown in **a.** above will apply.

All Coverages listed in the Coverages section of this endorsement are subject to the Limits of Liability shown above.

The maximum "limit" per occurrence under this endorsement is \$10,000 regardless of whether a single "covered service line" or multiple "covered service lines" are damaged by "one service line failure".

2. Deductible

We pay only the part of the total payable loss that exceeds \$500, subject to the applicable "limit". No other deductible applies to this coverage.

3. Environmental, Safety and Efficiency Improvements

If a "covered service line" requires replacement due to a "service line failure", we 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 do not pay to increase the size or capacity of the materials and we do 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" of liability that applies to this endorsement.

4. Loss Settlement

Losses under this endorsement will be settled as follows:

- a. Our payment for damaged covered property will be the smallest of:
 - (1) the applicable "limit" of liability;
 - (2) the cost to repair the damaged property;
 - (3) the cost to replace the damaged property with like kind, quality and capacity on the same "insured 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.