

PLEASE READ THIS ENDORSEMENT CAREFULLY, AS IT MODIFIES THE POLICY.

SERVICE LINE COVERAGE

With respect only to the coverage provided by this endorsement, “your” policy is amended to provide the coverage described below.

SECTION I – ADDITIONAL PROPERTY COVERAGES are amended as indicated.

The following Additional Property Coverage is added.

1. Service Line Repair Agreement

“We” agree to pay for the repair or replacement of a “covered service line” arising from a “service line failure” occurring during the “policy period”. The “service line failure” must result from “property damage” sustained to a “covered service line”. The repair or replacement of a “covered service line” includes the expense:

- a. To excavate or to obtain access to the “covered service line”;
- b. To remediate the property following the repairs, including replacement of trees, shrubs, grass, walkways, driveways, and other outside property. “We” will not replace full-grown trees and shrubs with plants of their equivalent age and dimensions, but will replace those plants with new, like-kind trees and shrubs of less than three years old;
- c. To make temporary repairs; or
- d. To expedite permanent repairs or permanent replacement.

Coverage for Additional Living Expense and Fair Rental Value, as described under **Coverage D – Loss of Use**, is extended to this **Additional Property Coverage 1. Service Line Repair Agreement**.

DEFINITIONS

The following Definitions are added:

1. “Covered service line” means underground piping or wiring, including permanent connections, valves or attached devices, as described and limited below.
 - a. A “covered service line” must be one of the following:
 - (1) Water piping that connects from the dwelling to a public water supply system or private well system;
 - (2) Sewer piping that connects from the dwelling to a public sewer system or private septic system;
 - (3) Ground loop piping that connects to a heat pump;
 - (4) Power line or wiring that provides electrical service to the dwelling or other structure;
 - (5) Steam piping that connects from the dwelling to a heating system located outside the dwelling;
 - (6) Power line or wiring to or from solar panel generating equipment, including line or wiring leading to a junction or transformer owned by the utility company; or
 - (7) Telephone or cable company wiring serving a dwelling, garage, or other structure covered by the policy.
 - b. A “covered service line” must:
 - (1) Be located on the “residence premises”;
 - (2) Provide a service to the dwelling or other structure, as covered under **Coverage A – Dwelling** or **Coverage B – Other Structures**; and
 - (3) Be owned by “you” or “you” must be legally liable for its repair or replacement.

- c. A “covered service line” does not include:
 - (1) That part of piping that runs through or under a body of water, including but not limited to, a swimming pool, pond or lake;
 - (2) That part of piping or wiring that runs through or under the dwelling or other structure;
 - (3) Piping that delivers water to outdoor property, including but not limited to, sprinklers, irrigation systems, swimming pools, hot tubs and decorative ponds;
 - (4) Piping or wiring that is not connected to a dwelling and ready for use; or
 - (5) Storm water or sump pump drain piping.
- 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. “One service line failure” means any single “service line failure” and all other “service line failures” arising from:
 - a. The first “service line failure”; or
 - b. The repair of the first “service line failure”, including excavation, digging, or cutting processes.

Multiple “service line failures” occurring in a seven-day period will be presumed to be “one service line failure”, unless “you” can prove that the “service line failures” are wholly unrelated in cause.
- 4. “Property damage” means physical injury to or destruction of tangible property. “Property damage” does not include loss of use unless the property has been physically injured or destroyed.
- 5. “Service line failure” means a fracture, tear, rupture, collapse, cutting or electric arcing of a “covered service line”, whether caused by the affirmative act of a person or not. “Service line failure” does not include a flow blockage or low pressure of a “covered service line”, unless directly resulting from the physical defects identified in the prior sentence. A flow blockage or low pressure caused by tree or plant roots is not a “service line failure”, unless the roots have fractured or ruptured the “covered service line”.

EXCLUSIONS

The following Exclusions are added:

- 1. “We” will 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;
 - b. Water wells, including well pumps or motors;
 - c. Heating and cooling systems, including heat pumps; or
 - d. Irrigation or sprinkler systems.

This exclusion does not apply to the buried tubing leading to a heat pump.
- 2. “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.
- 3. “We” will not pay to clean up or remove any discharged contaminant, hazardous waste, or sewage, unless caused by the repair or replacement of the “covered service line”.
- 4. “We” will not pay for repair of a “covered service line” under this **Additional Property Coverage 1. Service Line Repair Agreement** for “property damage” caused by or resulting from any of the following causes of loss:
 - 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
 - e. “Earth movement”, except for “earth movement” that results from the ground thawing after a freeze.

DEDUCTIBLE is amended to include the following:

A single deductible of \$500 for “one service line failure” applies to this coverage. No other policy deductible applies.

SECTION I – CONDITIONS

The following Conditions are added:

1. Limit Of Insurance

“We” will pay no more than \$10,000 for reasonable expenses incurred in the repair or replacement of the “covered service line”.

A single \$10,000 limit of insurance applies to “one service line failure”. The limit of insurance may not be multiplied by other “service line failures” occurring as a part of or concurrent to “one service line failure”.

2. 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 or more efficient than the materials being replaced.

However, “we” will not pay more than 125% 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 endorsement.

3. Loss Settlement

Losses under this **Additional Property Coverage 1. Service Line Repair Agreement** will be settled as follows:

a. The most “we” will pay for loss, damage or expense arising from any “one service line failure” is the smallest of:

(1) The limit of insurance that applies to this **Additional Property Coverage 1. Service Line Repair Agreement**;

(2) The amount actually spent to repair the “covered service line”; or

(3) The amount actually spent to replace the “covered service line” on the same premises.

b. Except as described in Environmental, Safety and Efficiency Improvements above, “you” are responsible for the extra cost of replacing the “covered service line” 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.

4. No Duplication Of Coverage

“We” will not pay for repair or replacement of a “covered service line” under both this endorsement and under any coverage afforded by the primary policy or any other form of this policy. “You” must elect to receive payment under this endorsement or the coverage offered under any other policy form or endorsement, but not both.

All other terms and conditions of this policy apply, except any exclusion in the policy which is incompatible with the coverage afforded by this endorsement does not apply.