

This endorsement changes the policy
 -- PLEASE READ THIS CAREFULLY --

SERVICE LINE COVERAGE

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, the **declarations**, and **your** policy.

Coverage provided under this endorsement does not increase any **limit** of liability in **your** policy.

DEFINITIONS

With respect to the coverage provided by this endorsement, 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 residence** or related private structure:
 - 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. 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.

4. **Recognized environmental standards program** means one of the following:

- a. the United States Environmental Protection Agency ENERGY STAR® program;
- b. the U.S. Green Building Council LEED® program;
- c. FORTIFIED® homes certified by the Insurance Institute for Business & Home Safety (IBHS); or
- d. any nationally or internationally recognized environmental standards program designed to achieve energy savings and related objectives of the type included in the programs listed above.

5. **Residence** as respects coverage under this endorsement, means a one- to four-family house used mainly for family residential purposes.

6. **Service line failure** means a leak, break, tear, rupture 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, sag or low pressure of a **covered service line** when there is no physical damage to the **covered service line**.

PROPERTY COVERAGES

The following coverages are added, subject to the Service Line Coverage **limit** of liability unless otherwise specified below:

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 and Loss of Rent --** Coverage for Additional Living Costs and Loss of Rent, as defined under Coverage D, 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**.

covered service line that must be repaired or replaced as a direct result of a **service line failure**.

6. **Green --**

a. With respect to **your covered service**

line, we pay your additional cost:

- 1) to repair **your** damaged **covered service line** using equipment, materials and service firms required or recommended by a **recognized environmental standards program**, if repair is the least expensive option as described in **HOW MUCH WE PAY FOR LOSS OR CLAIM, 4**.
Loss Settlement Terms below;
- 2) to replace **your** damaged **covered service line** using equipment, materials and service firms required or recommended by a **recognized environmental standards program**, if replacement is the least expensive option as described in **HOW MUCH WE PAY FOR LOSS OR CLAIM, 4**. Loss Settlement Terms below;
- 3) to dispose of **your** damaged **covered service line**, if practicable, through a recycling process.

b. As used in this coverage, additional costs mean those beyond what would have been payable under this endorsement in the absence of this Green coverage.

c. This coverage is subject to the following provisions:

- 1) this coverage applies in addition to any coverage that may apply under the Environmental, Safety and Efficiency Improvements condition of this endorsement, or any other applicable coverage.
- 2) this coverage only applies to a

d. The most **we** pay under this Green coverage for loss, damage or expense arising out of any **one service line failure** is \$10,000.

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**.

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**.

3. **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.

4. **Loss Settlement Terms** -- 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 below, **you** are responsible for the extra cost of replacing damaged property with property of a better kind or quality or 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.

HOW MUCH WE PAY FOR LOSS OR CLAIM

1. The **limit** of liability under this endorsement is dependent upon the age of **your residence** 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.

Coverages listed in the Property Coverages section of this endorsement are subject to the **limits** of liability shown above.

CONDITIONS

The following condition is added.

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 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** of liability that applies to this endorsement. ALL OTHER PROVISIONS OF THIS POLICY APPLY.