



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE LINE COVERAGE - FORM 3202

This endorsement is added under SECTION I - OPTIONAL COVERAGES.

DEFINITIONS

Solely for the purposes of this endorsement, the following definitions are added:

"Covered Service Line" means underground piping and wiring, including permanent connections, valves or attached devices, providing one of the following services to "your" "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.

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.

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 other structure; or
- (c) 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" not otherwise excluded by this endorsement. A service line failure may be caused by, but is not limited to, the following perils:

- (1) Wear and tear, marring, deterioration or hidden decay;
- (2) Rust or other corrosion;
- (3) Mechanical breakdown, latent defect or inherent vice;
- (4) Weight of vehicles, equipment, animals or people;
- (5) Vermin, insects, rodents or other animals;
- (6) Artificially generated electrical current;
- (7) Freezing or frost heave;
- (8) External force from a shovel, backhoe or other form of excavation; or
- (9) Tree or other root invasion.

Service line failure does not include blockage or low pressure of a "covered service line".



COVERAGES

"We" will pay for the following subject to the Amount of Insurance stated in the Declarations:

(1) **DAMAGES TO "COVERED SERVICE LINE"**

"We" will pay for direct physical 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 a result of a "service line failure", "we" will pay the necessary and reasonable excavation costs required to repair or replace the damaged "covered service line".

(3) **LOSS OF USE**

If a covered loss under this endorsement makes "your" "premises" uninhabitable, coverage is extended to ADDITIONAL LIVING EXPENSE and FAIR RENTAL VALUE, under COVERAGE D - LOSS OF USE.

(4) **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.

(5) **OUTDOOR PROPERTY**

"We" will pay for "your" outdoor property, including but not limited to trees, shrubs, plants, lawns, walkways and driveways that are 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".

(6) **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 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 coverage does not increase the limit that applies to this endorsement.

LOSS OR DAMAGE NOT INSURED

(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, other than loss or damage to covered waste disposal piping running from "your" "dwelling" or other structure to a septic tank;
- (b) water wells, including well pumps or motors;
- (c) heating and cooling systems, including heat pumps;
- (d) irrigation or sprinkler systems pumps, motors or heads;
- (e) 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; or
- (f) clean up or remove "pollutants", hazardous waste or sewage.

(2) "We" will not pay for loss or damage caused by or resulting from any of the following causes of loss:

- (a) fire; and resultant loss or damage caused by water or other means used to extinguish a fire;
- (b) explosion;
- (c) lightning;
- (d) windstorm or hail;
- (e) smoke;
- (f) impact by aircraft, spacecraft or land vehicles;
- (g) riot or civil commotion;
- (h) breakage of glass;
- (i) theft;
- (j) "flood", "surface waters", all whether driven by wind or not; or the backing up or escape of water from a sewer, sump or septic tank; or
- (k) "earth movement" except for "earth movement" that results from the ground thawing after a freeze.

(3) "We" will not pay any 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".

SPECIAL CONDITIONS

For the purposes of this endorsement, the following exclusions in "your" policy do not apply:

- (1) wear and tear, gradual deterioration, marring, deterioration or hidden decay;
- (2) rust or other corrosion;
- (3) mechanical breakdown, latent defect or inherent vice;
- (4) weight of equipment, animals or people;
- (5) artificially generated electrical current; or
- (6) extremes of temperature including freezing.



AMOUNT OF INSURANCE

The most "we" will pay for loss, damage or expense under this endorsement arising from any "one accident" is the amount shown on the Declarations.

This is additional insurance.

BASIS OF SETTLEMENT

The amount "we" will pay for damaged covered property will be the least of:

- (1) the Amount of Insurance that applies to this endorsement;
- (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.

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.

In determining the cost of repairs or replacement, "we" will not pay or include the increased cost to alter or relocate "covered service lines", unless such alteration or relocation is required by law or ordinance.

DEDUCTIBLE

"We" will pay only that part of the loss that exceeds the Service Line Coverage deductible shown in the Declarations. No other deductible applies to this coverage.

All other terms and conditions under this policy remain unchanged.