

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****SERVICE LINE ENDORSEMENT**

This endorsement changes coverage provided by the following:

**TRUE HO 03 – HOMEOWNERS 3 SPECIAL FORM**

Read the entire endorsement carefully to determine rights, duties and what is and is not covered.

**Service Line coverage is subject to a \$10,000 per Occurrence Limit of Liability.**

**Service Line coverage is subject to a \$500 per Occurrence Deductible.**

**AGREEMENT**

We will provide the insurance described in this endorsement in return for the premium and compliance with all applicable provisions of this policy. Coverage provided by this endorsement does not increase any limit of liability indicated and described on the declarations page.

**DEFINITIONS**

With respect to the coverage provided by this endorsement only, the following DEFINITIONS are added:

1. “Green” means:
  - a. Products;
  - b. Materials;
  - c. Methods; and
  - d. Processes which have been certified by a “green authority”. They must conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.
2. “Green authority” means an authority on “green”:
  - a. Buildings;
  - b. Products,
  - c. Materials;
  - d. Methods; or
  - e. Processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), Green Building Initiative Green Globes®, Energy Star Rating System or any other recognized “green” rating system.
3. “Dwelling” means:
  - a. The one-family residence where you reside; or
  - b. The two-, three- or four-family residence where you reside in at least one of the family units.
4. “Service line occurrence” means physical loss or damage to Service Line Covered Property caused by:
  - a. Wear and tear;
  - b. Rust or other corrosion, decay, deterioration, hidden or latent defect;
  - c. Weight of equipment, animals or people;
  - d. Electrical and mechanical or pressure systems breakdown; or
  - e. Freeze.

However, “service line occurrence” does not mean an obstruction or improper pressure of Service Line Covered Property when there is no physical damage to Service Line Covered Property.

“Service line occurrence” will only apply to causes of loss listed above. If any of the above causes of loss are excluded by your policy, then those exclusions do not apply to this endorsement.

**PROPERTY COVERAGES**

The following Property Coverages or Coverages are added, subject to the Service Line Coverage Per Occurrence Limit and Service Line Coverage Per Occurrence Deductible shown above unless otherwise specified below:

**1. Service Line Coverage**

We cover direct physical loss to Service Line Covered Property servicing the "dwelling" that is caused by a "service line occurrence" located on the "insured location" shown in the Declarations. The Service Line Coverage Per Occurrence Limit is the most we pay for any one loss, regardless of the number of "service line occurrences".

**a. Service Line Covered Property**

- (1) Any underground piping or wiring that provides the following services to the "dwelling":
  - (a) Electrical power;
  - (b) Heating;
  - (c) Natural gas;
  - (d) Waste disposal;
  - (e) Compressed air;
  - (f) Water;
  - (g) Steam;
  - (h) Internet access;
  - (i) Telecommunications services;
  - (j) Wide area network; or
  - (k) Data transmission.
- (2) Service Line Covered Property must:
  - (a) Be located on the "insured location";
  - (b) Provide a service to the "dwelling"; and
  - (c) Be owned by you or you must be legally liable for its repair or replacement as required by law, regulation or service agreement.

**b. Service Line Property Not Covered**

We will not pay for loss or damage to:

- (1) Septic systems, including leach fields, cesspools, septic tanks, pumps, motors or piping that run from the septic tank to the leach field, however; underground piping from the "dwelling" to septic tank is considered Service Line Covered Property;
- (2) Water wells, including well casings, pitless unit, pumps or motors;
- (3) Piping or wiring that runs through or under a swimming pool, pond, lake or stream;
- (4) Piping or wiring that runs through or under the "dwelling";
- (5) Piping or wiring not connected or ready for use;
- (6) Wiring that provides electricity to outdoor property, including but not limited to, light fixtures and electric fencing;
- (7) Underground storm drain pipes, including but not limited to; French drains, channel drains, or other underground drainage pipes or systems, used to direct water or surface water away from the "dwelling";
- (8) Piping that delivers water to outdoor property, including but not limited to: sprinklers, irrigation systems, swimming pools, hot tubs, fountains or ponds; or

(9) Fuel tanks, including but not limited to, oil, gasoline, kerosene or propane tanks.

## 2. Excavation Costs

We will pay for the excavation costs that are required to repair or replace the damaged Service Line Covered Property as a result of a "service line occurrence".

## 3. Expediting Expense

We will pay for the expediting expense costs incurred resulting from a "service line occurrence" with respect to your damaged Service Line Covered Property. We will pay the reasonable extra cost to:

- a. Make temporary repairs;
- b. Expedite permanent repairs; and
- c. Expedite permanent replacement.

The most we will pay for loss or damage under this coverage is \$500.

## 4. Outdoor Property

We cover trees, shrubs, plants, lawns, driveways and walkways on the "residence premises" as a result of a "service line occurrence" or the repair or replacement of Service Line Covered Property. The most we will pay for loss or damage under this coverage is \$500.

## 5. Loss of Use

If your policy provides coverage for Additional Living Expense or Fair Rental Value we will extend coverage under this endorsement for Additional Living Expense or Fair Rental Value as described under that coverage. The most we will pay for loss or damage under this **Additional Coverage** is \$500.

## CONDITIONS

With respect to this endorsement only, the following Conditions are added:

### 1. Green Environmental

If "Service Line Covered Property" requires repair or replacement due to a "Service Line Occurrence", we will pay:

- a. The lesser of the reasonable and necessary additional cost incurred by you to repair or replace physically damaged Service Line Covered Property with equipment of like kind and quality without deduction for depreciation which qualifies as "green". Like kind and quality includes similar size and capacity.
- b. The additional reasonable and necessary fees incurred by you for an accredited professional certified by a "green authority" to participate in the repair or replacement of physically damaged "Service Line Covered Property" as "green".
- c. The additional reasonable and necessary cost incurred by you for certification or recertification of the repaired or replaced "Service Line Covered Property" as "green".
- d. The additional reasonable and necessary cost incurred by you for "green" in the removal, disposal or recycling of the damaged "Service Line Covered Property".
- e. The Additional Living Expenses or Fair Rental Value (if covered within the policy to which this Service Line Enhancement Coverage is attached) loss during the additional time required for repair or replacement of "Service Line Covered Property", consistent with "green," in the coverages above.

However, we will not pay more than 150% of what the cost would have been to repair or replace such property with like kind and quality without deduction for depreciation inclusive of fees, costs, and any additional living expenses or fair rental value loss incurred as stated above.

### 2. Safety and Efficiency Improvements

If "Service Line Covered Property" requires repair or replacement due to a "Service Line Occurrence", we will pay the additional cost to repair or replace that property with equipment that is better for the environment, safer or more efficient than the equipment being repaired or replaced.

However, we will not pay more than 150% of what the cost would have been to repair or replace such property with like kind and quality.

These Conditions will be part of, and not in addition to, the Service Line Coverage Per Occurrence Limit of Liability per loss or any other sublimits of this policy.

**3. Loss Settlement**

**a. Loss Settlement Terms**

Subject to the other terms shown under Section I – Conditions and the terms of this endorsement, we settle losses according to the Replacement Cost Terms.

**b. Replacement Cost Terms**

The smaller of the following amounts is used in applying the terms under the Service Line Coverage Per Occurrence Limit:

- (1) The cost, at the time of loss, to replace the lost or damaged part of the property, without deduction for depreciation; or
- (2) The cost, at the time of loss, to repair the damaged part of the property, without deduction for depreciation.

**SERVICE LINE COVERAGE LIMITATION**

With respect to this endorsement only, the following Service Line Coverage Limitation is added:

We will not pay for direct physical loss to Service Line Covered Property from a “service line occurrence” that begins before or within 30 days after the inception date of this endorsement.

All other terms, provisions, and conditions of the policy remain the same.