

Form #SLC-HVH (Rev. January 29, 2018)
Service Line Coverage Endorsement

This endorsement is subject to the terms and conditions of the policy to which it is attached and to the following additional terms, conditions, exclusions and definitions.

In return for the additional premium you have paid we agree to extend Section One – Property Insurance as follows.

All of the terms and conditions of the attached policy apply to this extension.

DEFINITIONS

For the purposes of this endorsement only, the following definition is added:

Underground Service Line

Underground piping and wiring, including permanent connections, valves or attached devices, as described below, which are located on the **residence premises** and are owned by **you** or for which **you** are legally liable for their repair or replacement.

- (a) water piping that connects from the **dwelling** or **detached private structure** to a (i) public water supply system; (ii) private well system; (iii) cistern or retention pond; or (iv) heating system that is located outside the **dwelling** or other **detached private structure**;
- (b) Steam piping that connects from the **dwelling** or **detached private structure** to a heating system that is located outside the **dwelling** or **detached private structure**;
- (c) ground loop piping that connects to a heat pump;
- (d) sewer piping that connects from the **dwelling** or **detached private structure** to a: (i) public sewer system; or (ii) private septic system;
- (e) drain piping that connects from the **dwelling** or **detached private structure**;
- (f) power line or electrical wiring; or
- (g) communication or data transmission wiring, including but not limited to telephone, cable internet or fibre optic wiring.

COVERAGE

If the declarations page indicates that this endorsement applies at a location **we** insure, **your policy** is extended to include the following Coverage.

If an initial leak, break, tear, rupture, collapse or electrical arcing of **your underground service line** causes other leaks, breaks, tears, ruptures, collapse or electrical arcing of **your underground service line**, all will be considered one incident of loss under this **policy**.

All leaks, breaks, tears, ruptures, collapse or electrical arcing of **your underground service line** that are the result of the same event will be considered one incident of loss under this **policy**.

COVERAGE 1 – Physical damage to underground service line

We cover the **underground service line** against physical loss or physical damage caused by a leak, break, tear, rupture, collapse or electrical arcing which occurs during the **period of insurance**.

COVERAGE 2 – Excavation costs

If there is a leak, break, tear, rupture, collapse or electrical arcing of **your underground service line** **we** will pay the necessary and reasonable excavation costs required to carry out repairs or replacement of the **underground service line**.

COVERAGE 3 – Additional expenses

If there is a leak, break, tear, rupture, collapse or electrical arcing of **your underground service line** **we** will pay the necessary and reasonable extra costs **you** incur to make temporary repairs and expedite any permanent repairs or replacement of such **underground service line**.

COVERAGE 4 – Additional Living Expenses

If a loss covered under this endorsement makes a part of the **dwelling** uninhabitable **we** will pay, up to the additional living expenses limit of insurance shown in the **declarations page**, any necessary and reasonable increase in living expenses, including moving expenses, if necessary, incurred by **you** so that **your** household can maintain its normal standard of living.

The period of time covered is not limited by the expiration of this **policy**.

There is no deductible for this coverage.

COVERAGE 5 – Rental value

If a loss covered under this endorsement makes a part of the **dwelling** uninhabitable **we** will pay, up to the additional living expenses limit of insurance shown in the **declarations page**, the fair rental value of that part of the **dwellings** rented or held for rental by **you**. However this shall not include any expense that does not continue while the **dwelling** is uninhabitable.

The period of time covered is not limited by the expiration of this **policy**.

We do not cover loss or expense due to cancellation of a lease or agreement.

COVERAGE 6 – Outdoor property

We will replace or repair **your** permanently installed outdoor equipment, trees, shrubs, plants, lawns, walkways or driveways which are damaged as a direct result of:

1. a leak, break, tear, rupture, collapse or electrical arcing of **your underground service line**; or
2. the necessary excavation work required to carry out repair or replacement of **your underground service line** as a result of a leak, break, tear, rupture, collapse or electrical arcing of such **underground service line**.

EXCLUSIONS

The exclusions shown in the attached **policy** do not apply to this endorsement.

The following exclusions apply to the whole of this endorsement.

We do not cover loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with the following, regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to loss, damage, cost or expense:

1.
 - a. earthquake, tsunami;
 - b. volcanic eruption, lava flow, volcanic ash, volcanic dust or shock waves emanating from the volcanic blast;
 - c. land shock waves or tremors before, during or after an earthquake or a volcanic eruption;
 - d. snowslide, landslide, mine subsidence, mudflow, earth sinking, rising, shifting or any other earth movement other than the thawing of the ground.
 - e. fire; and resultant damage caused by water or other means used to extinguish a fire;
 - f. lightning;
 - g. explosion;
 - h. impact by aircraft, spacecraft or land vehicle;
 - i. riot or civil commotion;
 - j. vandalism or malicious acts;
 - k. windstorm or hail;
 - l. flood, surface water, spray, waves, tidal waves, waterborne objects all whether driven by wind or not;
 - m. backing up or escape of water from a sewer, sump or septic tank, storm drain, drain, eaves trough or downspout; or
 - n. theft.
2. blockage or low pressure of an **underground service line** or any failure to such **underground service line** that is not a leak, break, tear, rupture, collapse or electrical arcing.
3. the cost or increased cost to alter or relocate **underground service lines**, unless such alteration or relocation is required by law or ordinance.

PROPERTY NOT COVERED

We do not cover:

1. septic systems including leach fields, sewage lagoons, septic tanks, pumps, motors or piping that runs from the septic tank to the leach fields;
2. water wells, including pumps and motors;
3. heating and cooling systems, including heat pumps;
4. irrigation or sprinkler systems;
5. an **underground service line** that is damaged while it is being installed, dismantled or repaired;
6. clean up or removal pollutants, hazardous waste or sewage.
7. 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;
8. that part of piping or wiring that runs through or under the **dwelling** or **detached private structure**;
9. piping that is connected to outdoor property, including but not limited to sprinklers, irrigation systems, swimming pools, hot tubs and decorative ponds;
10. piping or wiring that is not connected and ready for use; or
11. piping or wiring that is connected to any building other than a **dwelling** or **detached private structure**.

HOW WE DEAL WITH YOUR CLAIM

Your insured losses will be settled as follows:

1. For each incident of loss described in Coverage 1, 2, 3 and 6 above we will pay the lesser of:
 - a. CAD10,000. This limit of **our** liability is a combined amount which applies to all of the coverages described above;
 - b. the cost to repair the damaged property;
 - c. the cost to replace the damaged property on the same "premises" or
 - d. the necessary amount actually spent to repair or replace the damaged property.

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. For each incident of loss we will pay for that portion of any covered loss or damage which exceeds CAD1,000.

2. For each incident of loss described in Coverage 4 and 5 above we will pay, up to the additional living expenses limit of insurance shown in the **declarations page**, for:
 - a. any necessary and reasonable increase in living expenses, including moving expenses, if necessary, incurred by **you** so that **your** household can maintain its normal standard of living;
 - b. the fair rental value of that part of the **dwelling**s rented or held for rental by **you**. However this shall not include any expense that does not continue while the **dwelling** is uninhabitable.

In determining the fair rental value due consideration shall be given to the rental experience of that part of the **residence premises** before the date of the leak, break, tear, rupture, collapse or electrical arcing of **your underground service line** and the probable experience had the loss not occurred.

Any payment for loss or increased cost of living as described above shall be for the shortest time required to repair or replace the **underground service line**.