

## UNDERGROUND SERVICE LINE ENDORSEMENT

### Farm Coverage

(This endorsement applies to dwellings insured under Coverage A and farm service buildings under Coverage E as identified on the "declarations" page this form is attached. The most "we" pay under this endorsement is limited to the per occurrence "limit" shown on the "declarations" for this coverage.)

Subject to all terms of this endorsement, "we" will pay for direct physical loss or damage to "service line covered property" that is caused by a "service line occurrence" at the "insured premises".

### PROPERTY DEFINITIONS

The following definitions are added:

1. "Service line covered property" means any exterior underground piping or wiring, including permanent connections, valves or attached devices, and any piping or wiring extending no more than thirty-six inches above the surface of the ground at either end, that provides the following services to the "insured premises":

- a. communications, including cable transmission, data transmission, internet access and telecommunications;
- b. electrical power;
- c. heating, including geothermal, natural gas and propane;
- d. water; or
- e. waste disposal, excluding livestock or poultry.

"Service line covered property" 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 "service line covered property" ends at the precise location where "your" responsibility for such repair or replacement ends. However, in no event will a "service line covered property" extend beyond the point of connection to any line "you" are not legally responsible for.

"Service line covered property" 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 into, through, or under another dwelling, related private structure, farm service building, concrete feedlot, or structure;
- c. piping or wiring that is no longer in use;

- d. septic systems, including leach fields, septic tanks, pumps, motors, or piping that runs from the septic tank to the leach fields. However, "we" do pay for loss or damage to covered waste disposal piping running from "your" dwelling to a septic tank;
  - e. sprinkler systems, including piping, valves, pumps, motors or heads;
  - f. water wells, including well pumps, pressure tanks, motors, or switches;
  - g. heating and cooling systems, including heat pumps or radiant heating that is in or under a driveway or sidewalk;
  - h. any foundation or drainage system (including field tile or tubes) used to remove or drain ground or surface water;
  - i. any livestock or poultry waste system including waste lines that service any related structure, farm service building, silo or digester system;
  - j. sewage grinder pumps or sump pumps.
2. "Service line occurrence" means an arcing or a break, collapse, leak, rupture, or tear of a "service line covered property", not otherwise excluded. A "service line occurrence" may be caused by, but is not limited to, the following perils:
- a. artificially generated electrical current;
  - b. damage caused as a direct result from a backhoe, shovel, or other form of excavation;
  - c. freezing, frost heave, or ground thawing after freeze;
  - d. mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;
  - e. pressure from rocks, roots of trees, plants, shrubs, or other vegetation;
  - f. rust or other corrosion;
  - g. vermin, insects, rodents, or animals;
  - h. wear and tear, marring, deterioration, or hidden decay;

- i. weight of animals, farm products, equipment, people, or vehicles; or
- j. implosion of a service line caused by excessive force or vacuum.

“Service line occurrence” does not include blockage or low pressure of a “service line covered property” when there is no physical damage to the “service line covered property”.

All “service line occurrences” that are the result of the same event will be considered one “service line occurrence”.

## PROPERTY COVERAGES

The following coverage is added:

### Underground Service Line Coverage

“We” provide coverage for:

1. Damages to “service line covered property”  
“We” pay for direct physical damage to “your” “service line covered property” that is the direct result of a “service line occurrence”.
2. Excavation Costs  
With respect to “your” “service line covered property” that is damaged as the result of a “service line occurrence”, “we” pay the necessary and reasonable excavation costs that are required to repair or replace the damaged “service line covered property”.
3. Outdoor Property  
“We” pay for “your” outdoor property, including driveways, lawns, patios, pavements and sidewalks that services “your” “insured premises”, that is damaged as a result of a “service line occurrence” or that is damaged during the excavation of “your” “service line covered property” following a “service line occurrence”. Trees, shrubs, and bushes are excluded from this coverage.
4. Additional Living Costs and Loss of Rent  
Coverage as described under Coverage D, is extended to the coverage provided by this endorsement. The “limit” shown on the “declarations” for Coverage D does not apply to the coverage provided by this endorsement. For coverages described in 1. through 4. above, “our” per occurrence limit is the most “we” pay for loss, damage, or expense arising from any one “service line occurrence”, regardless of the number of “service line occurrences”.

## EXCLUSIONS THAT APPLY TO UNDERGROUND SERVICE LINE COVERAGE

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

1. “We” do not pay for loss or damage caused by or resulting from any of the following causes of loss:
  - a. explosion;
  - b. fire, water, or other means used to extinguish a fire; or
  - c. lightning, windstorm or hail, smoke, aircraft, riot or civil commotion, theft, or breakage of glass.
2. “We” do not pay for loss or damage to a “service line covered property” that is damaged while it is being installed, dismantled, or repaired. However, this exclusion shall not apply if a covered “service line occurrence” necessitated such installation, dismantling, or repair.
3. “We” do not pay to clean up, test for or remove any contaminant, hazardous waste or sewage.
4. “We” do not pay additional costs incurred for loss or increased usage of natural gas, propane, water, or any other service caused by or resulting from a “service line occurrence”.

## HOW MUCH WE PAY FOR LOSS OR CLAIM

The Deductible section is deleted and replaced by the following with respect to the coverage provided by this endorsement:

1. Deductible
  - a. unless a higher deductible is indicated as applying to this endorsement, a \$500 deductible applies to all coverages provided by this endorsement.
  - b. subject to the “limit” set forth by this endorsement, “we” pay only that part of the loss, damage, or expense over the deductible. The deductible applies per any one “service line occurrence”.

## **LOSS SETTLEMENT PROVISIONS THAT APPLY TO UNDERGROUND SERVICE LINE COVERAGE**

Unless a larger amount for Service Line Coverage is indicated on the “declarations”, the most “we” will pay for each occurrence is limited to \$5,000. This “limit” includes the reasonable expenses incurred by “you” in the repair or replacement of the underground service line.

With respect to the coverage provided by this endorsement, the following loss settlement provisions apply:

1. “Our” payment for damaged covered property will be the smallest of:
  - a. the “limit” that applies to this endorsement;
  - b. the cost to repair the damaged property;
  - c. the cost to replace the damaged property on the same location; or
  - d. the necessary amount actually spent to repair or replace the damaged property.
2. Except as described under the Environmental, Safety and Efficiency Improvements condition set forth by this endorsement, “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.
3. “You” are responsible for the extra cost to alter or relocate “service line covered property”, unless such alteration or relocation is required by law or ordinance.

## **OTHER CONDITIONS**

The following condition is added with respect to the coverage provided by this endorsement.

### **Environmental, Safety and Efficiency Improvements**

If “service line covered property” requires replacement due to a “service line occurrence”, “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 to increase the capacity or size of the materials and “we” will not pay more than 150% of what the cost would have been to repair or replace the materials with like kind and quality. This condition does not increase the “limit” that applies to this endorsement.