

Service Line Coverage

Saskatchewan Mutual Insurance Company
279 3rd Avenue North
Saskatoon, SK S7K 2H8
www.saskmutual.com 1-800-667-3067



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The following additional coverage is added to Section I – Homeowners and Seasonal Homeowners and Section III – Secondary, Seasonal and Rental Dwelling Property Coverages.

AGREEMENT

We will provide the insurance described in this endorsement in compliance with all applicable provisions (including but not limited to Conditions, Definitions and Exclusions) of your “Personal Insurance Policy” wording booklet. The most we will pay for loss, damage or expense under this endorsement arising from any “one service line failure” is \$10,000.

DEFINITIONS

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 “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) (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) 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;
 - (2) That part of piping or wiring that runs through or under the dwelling or other structure; or
 - (3) Piping or wiring that is not connected and ready for use.
2. “Earth movement” means:
 - a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
 - b. Landslide, mudslide or mudflow;

Service Line Coverage

- 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. "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:
- 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 or low pressure of a "covered service line" when there is no physical damage to the "covered service line."

COVERAGES

The following coverages are added, subject to the limit provided under the Agreement section of this endorsement:

1. **Damages to "Covered Service Line"**
We will 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 will 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 will pay the reasonable extra cost to:
 - a. Make temporary repairs; and
 - b. Expedite permanent repairs or permanent replacement.
4. **Additional Living Expenses**
Coverage for Additional Living Expense and Fair Rental Value, as described under Coverage D – Additional Living Expenses, is extended to the coverage provided by this endorsement.

Service Line Coverage

5. Outdoor Property

We will 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.”

EXCLUSIONS

The following exclusions are added:

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; or
 - d. Sprinkler system pumps, motors or heads.
2. We will 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 will not pay to clean up or remove pollutants, hazardous waste or sewage.
4. We will not pay under this endorsement for loss or damage caused by or resulting from any of the following causes of loss:
 - 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 will 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.”

DEDUCTIBLE

Subject to the limit provided under the Agreement section of this endorsement, we will pay only that part of the loss that exceeds \$1,000. No other deductible applies to this coverage.

Service Line Coverage

CONDITIONS

The following conditions are added:

1. **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 for people 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 condition does not increase the limit that applies to this endorsement.

2. **Loss Settlement**

Losses under this endorsement will be settled as follows:

- a. Our payment for damaged covered property will be the smallest of:
 - (1) The limit of liability 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.
- b. 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.
- 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.