

SERVICE LINE ENHANCEMENT ENDORSEMENT

| Schedule of Limits and Deductibles | |
|---|----------|
| Service Line Coverage Per Occurrence Limit | \$10,000 |
| Service Line Coverage Per Occurrence Deductible | \$500 |

The **FO-2 Ed 1.0**, **FO-3 Ed 1.0** and **FO-20 Ed 1.0** are amended to include the following "terms" outlined herein. All other "terms" of the policy apply, except as amended by this endorsement.

SERVICE LINE COVERAGE

"We" cover direct physical loss to "service line covered property" that is caused by a "service line occurrence" at the "residence". Service Line Coverage extends to any additional living costs and loss of rent coverage provided in the underlying policy to which this endorsement attaches. The Service Line Coverage Per Occurrence Limit shown in the Schedule of Limits and Deductibles above is the most "we" pay for any one loss, regardless of the number of "service line occurrences".

DEFINITIONS

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

1. "Green" as used herein means products, materials, methods and processes certified by a "green authority" that:
 - a. conserve natural resources;
 - b. reduce energy or water consumption;
 - c. avoid toxic or other polluting emissions; or
 - d. otherwise minimize environmental impact.
2. "Green authority" as used herein means an authority on "green" buildings, products, materials, methods or processes certified and accepted by one of the following organizations:

- a. Leadership in Energy and Environmental Design (LEED®);
- b. Green Building Initiative Green Globes®;
- c. Energy Star Rating System; or
- d. any other recognized "green" rating system.

3. "Service Line Covered Property" as used herein means any piping or wiring that provides the following services to an "residence"; electrical power, heating, natural gas, waste disposal, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission.

However, "service line covered property" does not include any piping or wiring that is not underground.

4. "Service Line Occurrence" as used herein means loss or damage caused by:
 - a. wear and tear;
 - b. rust or other corrosion, decay, deterioration, hidden or latent defect;
 - c. collapse, but not including sinkhole or subsidence collapse;
 - d. electrical and mechanical or pressure systems breakdown; or
 - e. freeze.

"Service line occurrence" will only apply to causes of loss listed above. However, "service line occurrence" will include any excavation costs associated with the repair or replacement of "service line covered property".

HOW MUCH WE PAY FOR LOSS OR CLAIM

With respect to the coverage provided by this endorsement only, 2. **Deductible** is deleted and replaced with:

2. Deductible

- a. the Service Line Coverage Per Occurrence Deductible shown in the Schedule above applies to all coverages provided by this endorsement.
- b. subject to the Service Line Coverage Per Occurrence Limit set forth by this endorsement, "we" pay that part of the loss, damage, or expense over the deductible. Only one deductible applies at each location.

LOSS SETTLEMENT PROVISIONS

With respect to the coverage provided by this endorsement only, the Loss Settlement Provisions is deleted and replaced with:

Subject to the other "terms" shown under How Much We Pay For Loss Or Claim and the "terms" of this endorsement, "we" settle losses according to the Replacement Cost Terms.

Replacement Cost Terms -- The smaller of the following amounts is used in applying the "terms" under Our Limit:

- a. the cost, at the time of loss, to replace the lost or damaged part of the property, without deduction for depreciation;
- b. the cost, at the time of loss, to repair the damaged part of the property; or
- c. the amount "you" actually spend that is necessary to repair or replace damaged property.

OTHER CONDITIONS

With respect to the coverage provided by this endorsement only, the following Other Condition is added:

Green Environmental, Safety, and Efficiency Improvements -- If "service line covered property" requires repair or replacement due to a "service line occurrence", "we" will pay:

- a. 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.
- b. the additional reasonable and necessary fees incurred by the "insured" 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 the "insured" for certification or recertification of the repaired or replaced "service line covered property" as "green".
- d. the additional reasonable and necessary cost incurred by the "insured" for "green" in the removal, disposal or recycling of damaged "service line covered property".
- e. the additional living costs and loss of rent (if covered within the policy to which this Service Line Enhancement Endorsement 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 inclusive of fees, costs, and any additional living costs and loss of rent loss incurred as stated above.

This Other Condition will be part of, and not in addition to, the Service Line Coverage Per Occurrence Limit or any other sub-limits of this policy.