

# Virginia Surety Company, Inc.

[175 West Jackson Blvd. Chicago, IL 60604]

## Commercial Coverage

### DECLARATIONS PAGE

**Policy Number:** TBD

Policy Period: From 03/01/2021 12:01 a.m. standard time at **your** mailing address as shown above, and continuing until cancelled.

City of Bloomington  
603 W. Division Street  
Bloomington, IL 61701

In return for the payment of the premium, and subject to all terms of this Policy, we agree with you to provide Insurance as stated in this Policy.

Coverage selected for Eligible Persons of the Policyholder:

-Water Line Protection Residential: Rate: \$4.40 Per Customer Per Month

-Sewer Line Protection Residential: Rate: \$6.00 Per Customer Per Month

Form Numbers of Coverage Forms, Endorsements and other forms that are part of this Policy.

NATIONAL-SVLN-INLMAR-060420  
SC-SVLN-INS-BUN1000-VSC-HSIA-1-07.01.20  
SC-SVLN-INS-BUN1000-VSC-HSIA-2-07.01.20  
SC-SVLN-INS-BUN1000-VSC-HSIA-3-07.01.20  
SC-SVLN-INS-BUN1000-VSC-HSIA-4-07.01.20  
SC-SVLN-INS-BUN1000-VSC-HSIA-WSL-E-07.01.20  
SC-SVLN-INS-BUN1000-VSC-HSIA-SSL-E-07.01.20  
SA-IL-SVLN-INLMAR-070920-WS

Countersigned at: \_\_\_\_\_  
This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

**Virginia Surety Company, Inc.**  
[175 West Jackson Blvd. Chicago, IL 60604]

**COMMERCIAL INLAND MARINE CONDITIONS**

The following conditions apply to all coverage parts and endorsements included in this policy. Throughout this policy, the words "You" and "Your" refer to the Named Insured shown on the Declarations Page. The words "We", "Us", and "Ours" refer to the Company providing the insurance.

**LOSS CONDITIONS**

**A. Abandonment**

There can be no abandonment of any property to Us.

**B. Appraisal**

If We and You disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay the chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, We will still retain our right to deny the claim.

**C. Duties in The Event of Loss**

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken;
2. Give Us prompt notice of the loss or damage. Include a description of the property involved;
3. As soon as possible, give Us a description of how, when and where the loss or damage occurred;
4. Take all reasonable steps to protect the Covered Property from further damage and keep a record of Your expenses necessary to protect the Covered Property, for consideration in the

settlement of the claim. This will not increase the Limit of Insurance. However, We will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

5. As often as may be reasonably required, permit Us to inspect the property proving the loss or damage and examine Your books and records.  
Also permit Us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit Us to make copies from Your books and records.
6. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
7. Immediately send Us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
8. Cooperate with Us in the investigation or settlement of the claim.

#### **D. Insurance Under Two or More Coverages**

If two or more of this policy's coverages apply to the same loss or damage, We will not pay more than the actual amount of the loss or damage.

#### **E. Loss Payment**

1. After We receive notice of loss and supporting documentation, We will give notice of our intentions within 30 days.
2. We will not pay more than Your or Your Customer's financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than You. If We pay the owners, such payments will satisfy Your claim against Us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend You against suits arising from claims of owners of property. We will do this at our expense.

5. We will pay for covered loss or damage within 30 days after We receive notice of loss and supporting documentation, if You have complied with all the terms of this Coverage Part and:
  - a. We have reached an agreement with You on the amount of the loss; or
  - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

#### **F. Other Insurance**

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If You do, We will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, We will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether You can collect on it or not. But We will not pay more than the applicable Limit of Insurance.

#### **G. Pair, Sets or Parts**

##### **1. Pair or Set**

In case of loss or damage to any part of a pair or set We may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

##### **2. Parts**

In case of loss or damage to any part of Covered Property consisting of several parts when complete, We will only pay for the value of the lost or damaged part.

#### **H. Recovered Property**

If either You or We recover any property after loss settlement, that party must give the other prompt notice. At Your option, the property will be returned to You. You must then return to Us the amount We paid to You for the property. We will pay recovery expenses

and the expenses to repair the recovered property, subject to the Limit of Insurance.

## **I. Transfer of Rights of Recovery Against Other to Us**

If any person or organization to or for whom We make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to Us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But You may waive Your rights against another party in writing:

1. Prior to a loss to the Covered Property.
2. After a loss to the Covered Property only if, at time of loss, that party is one of the following:
  - a. Someone insured by this insurance; or
  - b. A business firm:
    - i. Owned or controlled by You; or
    - ii. That owns or controls You.

This will not restrict Your insurance.

## **REPORTING CONDITIONS AND PROVISIONS**

When Reporting is shown on the "Schedule of Coverages", You must provide a report to Us in accordance with the reporting provisions and the time periods shown.

As used by this policy, reporting period means the period of time, beginning with the inception of the policy, when You must tell Us, in writing, of the Scheduled Property covered by this policy.

Within 30 days of the end of each reporting period indicated on the "Schedule of Coverages", You must give Us the number of Scheduled Properties to which this Coverage applies during that reporting period.

While You are not required to provide Us with the names and addresses of Customers in Your periodic report, You agree to maintain a complete record of such information. You agree to provide Us with a copy of such complete record(s) at our request.

### **1. Provisions applicable to Cancellation or Non-Renewal**

If You or We cancel or do not renew this policy for any reason, any reports that You owe at time of cancellation or non-renewal are still due. We will adjust the policy in accordance with the policy provisions. You must pay any premium that is due Us for the period up to and including the date of cancellation or non-renewal.

## **2. Failure to Report**

If You fail to report as required, We will not provide coverage for any property for that unreported reporting period. There is no coverage for a particular property unless that property has been reported to Us.

## **3. Final Premium Computation and Adjustment**

We will adjust the policy premium in the following manner:

We will multiply the number of Scheduled Properties shown in the periodic report that You provide by the reporting rate that You and We agree upon and which is shown in the Schedule of Coverages. The result of this calculation is the premium that is due. Such premiums are due immediately.

## **GENERAL CONDITIONS**

### **A. Concealment, Misrepresentation or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by You or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

### **B. Control of Property**

Any act or neglect of any person other than You beyond Your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

### **C. Legal Actions Against Us**

No one may bring a legal action against Us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after You first have knowledge of the direct loss or

damage.

#### **D. No Benefit to Bailee**

No person or organization, other than You or your customer, having custody of Covered Property will benefit from this insurance.

#### **E. Policy Period, Coverage Territory**

We cover loss or damage commencing:

1. During the policy period shown in the Declarations Page; and
2. Within the coverage territory. We only insure Covered Property located in the United States of America.

#### **F. Valuation**

The value of the Covered Property will be Replacement Cost. We will not deduct depreciation. The amount We pay will be the lesser of:

1. The cost to repair or replace Covered Property with materials of like kind and quality to the extent practicable; or
2. The limit that applies to Covered Property.

#### **G. Cancellation**

1. The first Named Insured shown in the Declarations Page may cancel this policy by mailing or delivering to Us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if We cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if We cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to Us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, We will send the first Named Insured any premium refund due. If

We cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if We have not made or offered a refund.

6. If notice is mailed, proof of mailing will be sufficient proof of notice.

## **H. Changes**

This policy contains all the agreements between You and Us concerning the insurance afforded. The first Named Insured shown in the Declarations Page is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by Us and made a part of this policy.

## **I. Examination of Your Books and Records**

We may examine and audit Your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

## **J. Inspection and Surveys**

1. We have the right to:
  - a. Make inspections and surveys at any time;
  - b. Give You reports on the conditions We find; and
  - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions We do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And We do not warrant that conditions:
  - a. Are safe and healthful; or
  - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to Us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations We may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.



## **K. Premiums**

The first Named Insured shown in the Declarations Page:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums We pay.

## **L. Transfer of Your Right and Duties Under This Policy**

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

## **M. Definitions**

- a. "Customer(s)" means Your utility customer whose property address has been reported by You.
- b. "Fungus" means any type or form of fungus; mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungus; any type or form of algae or lichens.
- c. "Loss" means accidental loss or damage.
- d. "Paved Surface" means sidewalks, driveways or roads that are composed of any paved or asphalt surface or another type of commonly used materials including crushed stone or brick.
- e. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes acids, alkalis, and chemicals, asbestos and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- f. "Schedule of Coverages" means the pages labeled "Schedule of Coverages" or other declarations or schedules that apply to this Coverage.
- g. "Scheduled Property" means a property address You have reported to Us.
- h. "Sinkhole Collapse" means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite and similar rock formations. This cause of loss does not include the cost of filling sinkholes (except to the extent that such filling is required to repair Covered Property following a Covered Cause of Loss); or sinking or collapse of land into manmade underground cavities.

# Virginia Surety Company, Inc.

[175 West Jackson Blvd. Chicago, IL 60604]

## SCHEDULE OF COVERAGES SCHEDULED PROPERTY FLOATER

DESCRIBED PROPERTY	LIMIT OF INSURANCE
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<input checked="" type="checkbox"/> Water Line Coverage	\$10,000 per occurrence
<input checked="" type="checkbox"/> Sewer Line Coverage	\$10,000 per occurrence

### Coverage Extensions

Reseeding and Landscaping Expense	Included, subject to \$500 limit.
Restoration of Paved Surfaces	Included

### Optional Coverages

X Amended Property Not Covered Endorsement [xx-xxxxxxxx-xxxx-xxxx-xxxxxx]

### Valuation

Replacement Cost

### Reporting Conditions

The policy is subject to monthly reporting and monthly premium adjustment.

**Reporting rate:** Water Line Coverage: \$ 4.40 per month/per Scheduled Property  
Sewer Line Coverage: \$ 6.00 per month/per Scheduled Property

**Virginia Surety Company, Inc.**  
[175 West Jackson Blvd. Chicago, IL 60604]

## **WATER LINE COVERAGE ENDORSEMENT**

This Endorsement modifies the coverage under the Commercial Inland Marine Policy. Various provisions in this policy restrict coverage. Please read this Endorsement carefully to determine rights, duties and to determine what is and what is not covered.

Capitalized words and phrases used in this Endorsement have special meanings. Refer to the definitions shown in the Commercial Inland Marine Conditions *to determine these special meanings*.

### **A. UTILITIES WATER LINE COVERAGE**

#### **1. Line Coverage**

Water Line Coverage; We will pay for damage consisting of cracking or breaking of Covered Property from any Covered Cause of Loss.

“Covered Property” means waterlines consisting of underground waterlines used for the distribution of potable water, beginning at the point where Your Customer’s waterline connects to Your main public or municipal waterline and ending at the foundation or footprint of the house.

The most that We will pay for waterlines at any Scheduled Property in any one occurrence is the Limit of Insurance indicated on the "Schedule of Coverages".

#### **2. Property Not Covered**

- a. Water meters, water meter pit or water meter vault;
- b. Any building or structure or personal property, other than Covered Property described above;
- c. Any waterline that is not connected to Your water service;
- d. Any waterline(s) or pipe(s) beyond the foundation of the dwelling or the footprint of the dwelling at a Scheduled Property, as may be applicable.
- e. Irrigation systems or back flow preventers;

- f. Any waterline that a Customer shares with a third party, including any waterlines that have been added to a waterline at a Scheduled Property;
- g. Waterlines located underneath the foundation or slab of any building or structure;
- h. Waterlines providing service to any home that is unattended;
- i. Waterlines providing service to any building or structure that is primarily used for any business operation;
- j. Waterlines providing service to any building or structure that is primarily used for any purpose other than residential living;
- k. Water or land;
- l. Swimming pools, hot tubs, fountains and other water features, including their associated piping, equipment and components;
- m. Sanitary Sewer Lines;
- n. Malfunctioning pressure reducing valves.

### **3. Coverage Extensions**

This Endorsement includes the following Coverage Extensions. The limits for Coverage Extensions are included within and are not in addition to the Limits of Insurance.

#### **a. Re-seeding and Landscaping Expense**

We will pay to re-seed a lawn or re-landscape a yard following excavation to uncover a water line due to a Covered Cause of Loss at a Scheduled Property. We will pay the reasonable and necessary amount spent to restore the "yard to its condition immediately before "loss". The most We will pay for this Coverage Extension is \$500.

This is the only coverage that applies to Re-Seeding and Landscaping Expense.

**b. Restoration of "Paved Surfaces"**

If it is necessary to remove "Paved Surfaces" or a portion thereof to repair or replace Covered Property as a result of a Covered "Loss", We will pay to restore those "Paved Surfaces" at a Scheduled Property. We will pay the reasonable and necessary amount spent to restore the "Paved Surfaces" with material of like kind and quality.

This coverage does not apply to any foundation or slab of any building or structure, or any deck or patio of any building or structure that must be broken or removed in order to gain access to any waterline.

This is the only coverage that applies to Restoration of "Paved Surfaces".

**4. Covered Cause of Loss**

Covered Cause of Loss means risk of direct physical loss unless excluded by causes of loss listed in **B. Exclusions**.

**B. EXCLUSIONS**

1. We will not pay for Loss caused directly or indirectly by any of the following causes listed below. Such Loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the Loss.

- a. **Seizure or destruction by order of any governmental authority.**

- But We will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if that fire would be covered under this Coverage Form.

- b. **Nuclear Hazard or radiation, or radioactive contamination, however caused.** But if nuclear reaction or radiation, or radioactive contamination, results in fire, We will pay for the loss or damage caused by that fire.

- c. **War or Military Action**

- i. War, including undeclared civil war;
    - ii. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
    - iii. Insurrection, rebellion, revolution, usurped power or action by governmental authority in hindering or defending against any of these.

**d. Earthquake**

- i. Earthquake, including tremors or aftershocks and any earth sinking, rising or shifting relating to such event;
- ii. Landslide, including any earth sinking, rising or shifting related to such event;
- iii. Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- iv. Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, We will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.  
Volcanic Action means direct physical loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

  - a. Airborne volcanic blast or airborne shock waves;
  - b. Ash, dust or particulate matter; or
  - c. Lava flow.

With respect to Volcanic Action as set forth in iv.a, iv.b, and iv.c, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs 1 through 4 is caused by an act of nature or is otherwise caused.

This exclusion does not apply to Sinkhole Collapse.

**e. Flood and Related Water**

- i. Flood surface water, wave (including tidal wave and tsunami), tides, tidal water, overflow of anybody or water, or spray from any of these, all whether or not driven by wind (including storm surge).

- ii. Mudslide or mudflow;
- iii. Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- iv. Water under the ground surface pressing on, or flowing or seeping through:
  - a. Foundations, walls, floors, or paved surfaces;
  - b. Basements, whether paved or not; or
  - c. Doors, windows or other openings; or
  - d. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph i, iii, or iv, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs i. through iv. is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs i. through iv. results in fire or explosion, We will pay for the loss or damage caused by that fire or explosion.

- f. **Fungus, wet rot, dry rot, bacteria;**
- g. **Ordinance or Law**

The enforcement of any code, ordinance or law that regulates the construction, repair, replacement or use of Covered Property. This exclusion applies to:

- i. Property which was not in compliance with any code, law or ordinance at the time of its installation or any subsequent code, ordinance or law; or
- ii. Undamaged Covered Property which must be moved or replaced solely to comply with such code, ordinance or law.

2. We will not pay for Loss caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss or expense;
- b. Dishonest or intentional acts by:
  - i. You or any of Your partners;
  - ii. Your directors or trustees;
  - iii. Your authorized representatives or employees; or
  - iv. Your customer:
    - a. Whether acting alone or in collusion with others; and
    - b. Regardless of the time when such act occurs.
- c. Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires; mechanical or electrical breakdown of any machinery, including rupturing or bursting caused by centrifugal force.
- d. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by You or operated under Your control.
- e. Discharge, dispersal, seepage, migration, release or escape of Pollutants.
- f. Any cost to move or remove personal property in order to gain access to Covered Property.
- g. Loss or damage that is caused by or results from any work completed by a Customer or any contractor hired by a Customer.

This provision does not apply to any loss caused by any independent contractor approved by Us; or when a Customer, a Customer's contractor, or You, has called the federally mandated national call-before-You-dig number, Dig safe 811, or the state specific call-before-You-dig number prior to any loss or damage and the waterline location has been marked and a ticket has been documented.

- h. Costs to remove plugs or clogs from Covered Property.
- i. Contamination, or alleged contamination, of water by Pollutants, substances or organisms.



### **C. LIMITS OF INSURANCE**

The most We pay for loss in any one occurrence, at any one Scheduled Property, is the Total Limit of Insurance shown on the Schedule of Coverages.

# Virginia Surety Company, Inc.

[175 West Jackson Blvd. Chicago, IL 60604]

## SEWER LINE COVERAGE ENDORSEMENT

Various provisions in this policy restrict coverage. Please read this Endorsement carefully to determine rights, duties and to determine what is and what is not covered.

Capitalized words and phrases used in this Endorsement have special meanings. Refer to the definitions shown in the Commercial Inland Marine Conditions *to determine these special meanings*.

### A. COVERAGE

#### 1. Line Coverage

Sewer Line Coverage; We will pay for damage consisting of cracking or breaking of Covered Property from any Covered Cause of Loss.

“Covered Property” means sanitary sewer lines at the premises of a Scheduled Property beginning at the point where the sanitary sewer line connects to Your public or municipal sewer line and ending at the foundation of the dwelling or the footprint of the dwelling at a Scheduled Property. This includes the reasonable cost to access sanitary sewer lines in order to affect repairs and the cost to back fill soil after repair unless such costs are otherwise excluded or accepted elsewhere in this policy.

The most that We will pay for sewer lines at any Scheduled Property in any one occurrence is the Limit of Insurance indicated on the "Schedule of Coverages".

#### 2. Property Not Covered

- a. Water meters, water meter pit or water meter vault;
- b. Any building or structure or personal property, other than Covered Property;
- c. Any sewer line that is not connected to Your water service;
- d. Any waterline(s) or pipe(s) beyond the foundation of the dwelling or the footprint of the dwelling at a Scheduled Property, as may be applicable.
- e. Irrigation systems or back flow preventers;
- f. Any sanitary sewer line, waste pipe or related component within a "customer" dwelling;
- g. Any septic tank, leach field, or any component or attachment made thereto;
- h. Any building or structure or personal property, other than Covered Property;

- i. Any component or attachment made to any sanitary sewer line including meters, clean outs, pumps, grinder pumps or lift stations;
- j. Any connections or extensions to the sanitary sewer line including basement sumps, sump pumps or storm drains;
- k. Any sanitary sewer line that the customer shares with a third party, including any sanitary sewer lines that have been added to the Customer's sanitary sewer line;
- l. Sanitary sewer lines located underneath the foundation or slab of any building or structure;
- m. Sanitary sewer lines providing service to any dwelling that is unoccupied or vacant, whether or not the dwelling is in the course of construction, renovation or remediation;

### **3. Coverage Extensions**

This Coverage Form includes the following Coverage Extensions. The limits for Coverage Extensions are included within and are not in addition to the Limits of Insurance.

#### **a. Re-seeding and Landscaping Expense**

We will pay to re-seed a lawn or re-landscape a yard following excavation to uncover a water line due to a Covered Cause of Loss at a Scheduled Property. We will pay the reasonable and necessary amount spent to restore the " yard to its condition immediately before "loss". The most We will pay for this Coverage Extension is \$500.

This is the only coverage that applies to Re-Seeding and Landscaping Expense.

#### **b. Restoration of "Paved Surfaces"**

If it is necessary to remove "Paved Surfaces" or a portion thereof to repair or replace Covered Property as a result of a Covered "Loss", We will pay to restore those "Paved Surfaces" at a Scheduled Property. We will pay the reasonable and necessary amount spent to restore the "Paved Surfaces" with material of like kind and quality.

This coverage does not apply to any foundation or slab of any building or structure, or any deck or patio of any building or structure that must be broken or removed in order to gain access to any waterline.

This is the only coverage that applies to Restoration of "Paved Surfaces".

#### 4. Covered Cause of Loss

Covered Cause of Loss means risk of direct physical loss unless excluded by causes of loss listed in **B. Exclusions**.

#### B. EXCLUSIONS

1. We will not pay for Loss caused directly or indirectly by any of the following causes listed below. Such Loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the Loss.
  - a. **Seizure or destruction by order of any governmental authority.**  
But We will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if that fire would be covered under this Coverage Form.
  - b. **Nuclear Hazard or radiation, or radioactive contamination, however caused.** But if nuclear reaction or radiation, or radioactive contamination, results in fire, We will pay for the loss or damage caused by that fire.
  - c. **War or Military Action**
    - i. War, including undeclared civil war;
    - ii. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents;  
or
    - iii. Insurrection, rebellion, revolution, usurped power or action by governmental authority in hindering or defending against any of these.
  - d. **Earthquake**
    - i. Earthquake, including tremors or aftershocks and any earth sinking, rising or shifting relating to such event;
    - ii. Landslide, including any earth sinking, rising or shifting related to such event;
    - iii. Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
    - iv. Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, We will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct physical loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a.** Airborne volcanic blast or airborne shock waves;
- b.** Ash, dust or particulate matter; or
- c.** Lava flow.

With respect to Volcanic Action as set forth in iv.a, iv.b, and iv.c, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs 1 through 4 is caused by an act of nature or is otherwise caused.

**e. Flood and Related Water**

- i.** Flood surface water, wave (including tidal wave and tsunami), tides, tidal water, overflow of anybody or water, or spray from any of these, all whether or not driven by wind (including storm surge).
- ii.** Mudslide or mudflow;
- iii.** Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- iv.** Water under the ground surface pressing on, or flowing or seeping through:
  - a.** Foundations, walls, floors, or paved surfaces;
  - b.** Basements, whether paved or not; or
  - c.** Doors, windows or other openings; or
  - d.** Waterborne material carried or otherwise moved by any of the water referred to in Paragraph i, ii, or is iii, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs i. through iv. is caused by an act of nature or is otherwise caused. An example of

a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs i. through iv. results in fire or explosion, We will pay for the loss or damage caused by that fire or explosion.

**f. Fungus, wet rot, dry rot, bacteria;**

**g. Ordinance or Law**

The enforcement of any code, ordinance or law that regulates the construction, repair, replacement or use of Covered Property. This exclusion applies to:

- i.** Property which was not in compliance with any code, law or ordinance at the time of its installation or any subsequent code, ordinance or law; or
- ii.** Undamaged Covered Property which must be moved or replaced solely to comply with such code, ordinance or law.

**2. We will not pay for Loss caused by or resulting from any of the following:**

- a.** Delay, loss of use, loss of market or any other consequential loss or expense;
- b.** Dishonest or intentional acts by:
  - i.** You or any of Your partners;
  - ii.** Your directors or trustees;
  - iii.** Your authorized representatives or employees; or
  - iv.** Your customer:
    - a.** Whether acting alone or in collusion with others; and
    - b.** Regardless of the time when such act occurs.
- c.** Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires; mechanical or electrical breakdown of any machinery, including rupturing or bursting caused by centrifugal force.
- d.** Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by You or operated under Your control.
- e.** Discharge, dispersal, seepage, migration, release or escape of Pollutants.
- f.** Any cost to move or remove personal property in order to gain access to

Covered Property.

- g.** Loss or damage that is caused by or results from any work completed by a Customer or any contractor hired by a Customer.

This provision does not apply to any loss caused by any independent contractor approved by Us; or when a Customer, a Customer's contractor, or You, has called the federally mandated national call-before-You-dig number, Digsafe 811, or the state specific call-before-You-dig number prior to any loss or damage and the waterline location has been marked and a ticket has been documented.

- h.** Cost to remove plugs or clogs from Covered Property.
- i.** Costs to remove plugs or clogs from Covered Property.
- j.** Contamination, or alleged contamination, of water by Pollutants, substances or organisms.

### **C. LIMITS OF INSURANCE**

The most We pay for loss in any one occurrence, at any one Scheduled Property, is the Total Limit of Insurance shown on the Schedule of Coverages.

# Virginia Surety Company, Inc.

[175 West Jackson Blvd. Chicago, IL 60604]

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

## AMENDED PROPERTY NOT COVERED

This endorsement modifies insurance provided under the following:

UNDERGROUND UTILITIES WATER LINE COVERAGE PART [(xx-xxxxxxx-xxxx-xxxx-xxxx)]

A. When indicated by an "X", the following property excluded in **Section A** Property Not Covered, is deleted.

- Irrigation Systems
- Any waterline shared with a third party, including any waterlines that have been added to the "customer" waterline.
- Waterlines providing service to any home that is unattended unless reasonable care is provided by the "Customer". Reasonable care means, and is limited to, one of the following methods:
  1. Water line is turned off and drained; or
  2. Heat is maintained in the home to prevent freezing.
- Waterlines providing service to any building or structure that is primarily used for any business operation.
- Waterlines providing service to any building or structure that is primarily used for any purpose other than residential living.
- Sanitary Sewer Lines (Refer to Endorsement Sanitary Sewer Lines: [xx-xxxxxxx-xxxx-xxxx-xxxx])
- Waterline other Terms & Conditions:

All other terms, conditions, and exclusions of the policy shall remain unchanged.



# Virginia Surety Company, Inc.

[175 West Jackson Blvd. Chicago, IL 60604]

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

## SEWER LINE COVERAGE

This endorsement modifies insurance provided under the following:

UNDERGROUND UTILITIES SEWER LINE COVERAGE PART [xx-xxxxxxxx-xxxx-xxxx-xxxxxx]

A. When indicated by an "X", the following property excluded in **Section A** Property Not Covered, is deleted.

Any sanitary sewer line that the customer shares with a third party, including any sanitary sewer lines that have been added to the "customer" sanitary sewer line.

Sewer line other Terms & Conditions: \*  
\*This partner covers "Wild Cat" Sewer lines.

### B. REPORTING CONDITIONS AND PROVISIONS

Reporting conditions and provisions are extended to Sanitary Sewer Line Coverage, subject to the following:

Reporting Rate: **\$6.00** per month/per customer

All other terms, conditions and exclusions of the policy shall remain unchanged.

**Virginia Surety Company, Inc.**  
[175 West Jackson Blvd. Chicago, IL 60604]

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

**AMENDATORY ENDORSEMENT  
ILLINOIS**

This endorsement modifies insurance provided under the following:

1. Under the Section "**GENERAL CONDITIONS**", Subsection "**G. Cancellation**" is deleted and replaced by the following:

**Cancellation** -- "You" may cancel this policy by returning the policy to "Us" or by giving "Us" a written notice and stating at what future date coverage is to stop. If this policy has been in effect for less than sixty days and is not a renewal of a policy issued by "Us", "We" may cancel this policy, or one or more of its parts, for any reason by giving written notice of cancellation.

If this policy has been in effect for sixty days or more, or if it is a renewal of a policy issued by "Us", "We" may cancel this policy only if one or more of the following reasons apply:

- a. nonpayment of premium;
- b. the policy was obtained by misrepresentation;
- c. "You" violated any of the terms and conditions of the policy;
- d. the risk originally accepted has measurably increased;
- e. certification to the Director of the loss of reinsurance by "Us" which provided coverage to "You" for all or a substantial part of the underlying risk insured; or
- f. a determination by the Director that the continuation of the policy could place "Us" in violation of the insurance laws of this State.

The notice of cancellation will state the time that the cancellation is to take effect and include the reason for cancellation. The notice will be mailed or delivered at least ten days before cancellation is effective for nonpayment of premium. If the cancellation is due to any reason other than nonpayment of premium, notice will be mailed or delivered at least thirty days before the cancellation is effective.

The notice will be sent to "You" and "Your" broker, if known, at the last mailing addresses known to "Us". If the notice of cancellation is mailed to "You", a U.S. Post Office Certificate of Mailing will be sufficient proof of receipt of the mailing.

"Your" return premium, if any, will be calculated according to "Our" rules. It will be refunded to "You" with the cancellation notice or within a reasonable time. Payment or tender of the unearned premium is not a condition of cancellation.

**Nonrenewal** -- If "We" decide not to renew this policy, "We" will give notice of nonrenewal at least sixty days prior to the expiration of the policy. "Our" notice to "You" will state the reason or reasons for nonrenewal.

The notice will be sent to "You" and "Your" broker, if known, or the agent of record on the policy at the last mailing addresses known to "Us". If the notice of nonrenewal is mailed to "you", a U.S. Post Office Certificate of Mailing will be sufficient proof of receipt of the mailing.

**Renewal** -- If "We" decide to renew this policy with premium increases of 30% or higher, or impose changes in deductible or coverage that materially alter the policy, "We" will mail to "You" written notice of such increase or change in deductible or coverage at least sixty days before the renewal or anniversary date. The sixty day prior notification because of premium increase is not necessary where increases exceeding 30% are due to changed conditions or increased or broadening coverage initiated by "You". "We" will also send a notice to "Your" broker, if known.

A U.S. Post Office Certificate of Mailing is sufficient proof of receipt of the mailing.

2. Under the Section "**GENERAL CONDITIONS**" Subsection "**C. Legal Action against Us**" is amended to include the following:

3. However, this period is extended by the number of days between the date proof of loss is submitted and the claim is denied in whole or in part.

3. Under the Section "**GENERAL CONDITIONS**" Subsection "**M. DEFINITIONS, e.** "Pollutants" is amended to include the following:

Pollution exclusions may not apply to damage caused by heat, smoke or fumes from a hostile fire.