



Service Line Coverage

Protecting homeowners from costly exposures

HSB Canada, part of Munich Re, is a technology-driven company built on a foundation of specialty insurance, engineering, and technology, all working to drive innovation in a modern world, to keep you ahead of risk.

Costly exposure for homeowners

Most homeowners are not aware that they own and are responsible for the repair or replacement of service lines on their property – the pipes and wiring that bring water, electricity, natural gas, propane, data, communications and other services to their home.

Homeowners insurance policies exclude the most common causes of a service line failure leaving homeowners exposed to repairs that can easily cost thousands, damage their property and displace their family while repairs are made.

What is Service Line Coverage?

Service Line coverage provides payment for damage to piping, wiring and outdoor property when caused by a service line failure.

A service line is exterior, underground piping and wiring including permanent connections, valves or attached devices providing a service to the residence premises.

Coverage is provided for damaged piping for which you are legally responsible but that extends off the residence premises. This coverage ends at the precise location where your legal responsibility for repair or replacement ends.

Covered services include:

- Water supply
- Waste disposal
- Electrical power
- Heating
(including hot water, natural gas, propane, steam and geothermal)
- Communications
(including cable and data transmission, internet access and telecommunications)
- Drainage system
- Compressed air

Service Line coverage applies to the portion of the piping or wiring the homeowner owns or is responsible for as required by law, regulation or service agreement. Coverage ends at the point of connection to the main utility line.

What is a service line failure?

A “service line failure” is physical damage, meaning a leak, break, tear, rupture, collapse or arcing of a “covered service line”. Covered causes of a service line failure include but are not limited to the following:

- Wear and tear, marring, deterioration or hidden decay
- Rust or other corrosion
- Mechanical breakdown, latent defect or inherent vice
- Weight of vehicles, equipment, animals or people
- Vermin, insects, rodents or other animals
- Artificially generated electrical current
- Freezing or frost heave
- External force from a shovel, backhoe or other form of excavation
- Tree or other root invasion

Highlights of coverage, terms and conditions

Target business

- Homeowners policyholders
- Coverage is available for
 - Homeowner policy forms (excluding condominiums, mobile homes and contents-only policies)
 - Dwelling fire policy forms

Coverage

- Physical damage to a covered service line that is the direct result of a service line failure.
- Includes first-party costs for outdoor property, such as trees, shrubs, plants, lawns, walkways or driveways damaged during excavation of a covered service line following a service line failure.
- Hotels, meals, rent, or other living expenses when a homeowner or family must leave its residence because of a covered loss, or for generators and other temporary equipment needed to remain in their home.
- Includes expediting expenses

Limits of liability

\$10,000 per occurrence

Deductible

\$500, or follow the homeowners policy deductible





Exclusions

Coverage is not provided for:

- Relocation of existing piping or wiring
- Well pumps and motors
- Flood and earth movement
- Backing up or escape of water from a sewer, sump or septic tank
- Damage that occurs while being installed, dismantled or repaired
- Coverage is subject to underlying property policy exclusions

Other conditions

The environmental, safety and efficiency improvements condition pays up to an additional 50% to replace with materials that are better, safer or more efficient for the environment.

Offering methods

Included as an additional homeowners coverage or packaged in a coverage enhancement endorsement.

Premium

Priced per residence

Services

Claim adjustment services, form design, underwriter and broker training, and marketing support services.

Availability

Through HSB partner insurers as an enhancement to their homeowners policies.