

WATER EXCLUSION ENDORSEMENT

1. In Form 5, item a. under the definition of "specified perils" is deleted and replaced by the following:

- a. accidental discharge or overflow of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance. (Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.)

However, "we" do not pay for loss:

- 1) caused by continuous or repeated seepage or leakage;
- 2) on the "insured premises" caused by accidental discharge or overflow which comes from off the "insured premises"; or
- 3) to the system, heater, or appliance from which the liquid or steam escapes.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of **Water** exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

2. In Form 2 and Form 4, under Perils Insured Against, Accidental Discharge or Overflow of Liquids or Steam is deleted and replaced by the following :

Accidental Discharge or Overflow of Liquids or Steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance. However, "we" do not pay for loss:

- a. caused by continuous or repeated seepage or leakage;

- b. if the "residence" has been vacant for more than 30 days in a row just before the loss. A "residence" being built is not vacant;

- c. caused by freezing, except as provided under the peril of Freezing;

- d. on the "insured premises" caused by accidental discharge or overflow which comes from off the "insured premises"; or

- e. to the system, heater, or appliance from which the liquid or steam escapes. ("We" do pay the reasonable cost of removing and replacing only those parts of the building or mobile home needed to repair the system, heater, or appliance.)

In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of **Water** exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

3. In Form 3, under Perils Insured Against, Coverage A -- Residence and Coverage B -- Related Private Structures, Seepage or Leakage is deleted and replaced by the following:

Seepage or Leakage -- "We" do not pay for loss caused by repeated or continuous seepage or leakage of liquids or steam from within a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance.

However, "we" do pay for loss caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance on the "insured premises". In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

When loss is caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance on the "insured premises", "we" also pay the reasonable cost of removing and replacing those parts of the building or mobile home needed to repair the system, heater, or appliance. "We" do not pay for loss to the system, heater, or appliance from which the liquid or steam escapes.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of **Water** exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

4. In Form 3, under Perils Insured Against, Coverage C -- Personal Property, under Accidental Discharge or Overflow of Liquids or Steam is deleted and replaced by the following:

Accidental Discharge or Overflow of Liquids or Steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance. However, "we" do not pay for loss:

- a. caused by continuous or repeated seepage or leakage;

- b. if the "residence" has been vacant for more than 30 days in a row just before the loss. A "residence" being built is not vacant;
- c. caused by freezing, except as provided under the peril of Freezing;
- d. on the "insured premises" caused by accidental discharge or overflow which comes from off the "insured premises"; or
- e. to the system, heater, or appliance from which the liquid or steam escapes. ("We" do pay the reasonable cost of removing and replacing only those parts of the building or mobile home needed to repair the system, heater, or appliance.)

In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of **Water** exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

5. In Form 1, Form 2, Form 3, Form 4 and Form 5, the following is added to the first paragraph under Exclusions That Apply To Property Coverages:

These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.

6. In Form 1, Form 2, Form 3, Form 4 and Form 5, under Exclusions That Apply To Property Coverages, Water Damage is deleted and replaced by the following:

Water

- 1) "We" do not pay for loss caused by:

- a) flood;
- b) surface water;
- c) waves, including but not limited to tidal wave and tsunami;
- d) tides;
- e) tidal water;
- f) overflow of any body of water; or
- g) spray from a) through f) above;

whether driven by wind or not.

This includes, but is not limited to, tidal surge, storm surge, and storm tide.

- 2) "We" do not pay for loss caused by water that:

- a) backs up through sewers or drains; or
- b) overflows or otherwise discharges from:

- (1) a sump, sump pump, or related equipment; or
- (2) any other type of system designed to remove subsurface water which is drained from the foundation area.

- 3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.

- 4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.

- 5) The exclusions set forth in 1) through 4) above:

- a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and

- b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

- (1) overtops;
- (2) escapes from;
- (3) is released from; or
- (4) is otherwise discharged from;

a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

- 6) "We" do pay for direct loss to covered property caused by fire or explosion (other than volcanic explosion) resulting from an event excluded in 1) through 4) above.

- 7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.

7. In Form 5, the following is added to Water under Exclusions That Apply to Property Coverages

- 8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "insured premises" when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

- 9) These exclusions do not apply to loss to property covered under Coverage C while such property is away from an "insured premises" or a location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Exclusions That Apply To Property Coverages does not apply.

8. In Form 5, under Exclusions That Apply To Property Coverages, the last paragraph under item 2. is deleted and replaced by the following:

"We" do pay for loss not otherwise excluded caused by liquids or steam which escape from a plumbing, heating, air conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance on the "insured premises" resulting from a cause or event excluded under exclusions 2.f. through 2.j. above. This includes the reasonable cost of removing and replacing those parts of the building or mobile home needed to repair the system, heater, or appliance. This does not include loss to the system, heater, or appliance from which the liquid or steam escapes.

In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

9. In Form 5, under Exclusions That Apply To Property Coverages, the following is added to item 3. Seepage or Leakage:

However, "we" do pay for loss caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance on the "insured premises". In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

When loss is caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance on the "insured premises", "we" also pay the reasonable cost of removing and replacing those parts of the building or mobile home needed to repair the system, heater, or appliance. "We" do not pay for loss to the system, heater, or appliance from which the liquid or steam escapes.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of **Water** exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

10. When this policy includes endorsement ML-32, under following exclusions apply In addition to the Exclusions That Apply To Property Coverages , Seepage or Leakage in that endorsement is deleted and replaced by the following:

Seepage or Leakage -- "We" do not pay for loss caused by repeated or continuous seepage or leakage of liquids or steam from within a plumbing, heating, air-conditioning, or automatic sprinkler system; water heater; or domestic appliance.

Except as provided above, "we" pay for loss caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic sprinkler system; water heater; or domestic appliance on the "insured premises". With respect to this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

When loss is caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic sprinkler system; water heater; or domestic appliance on the "insured premises", "we" also pay the reasonable cost of removing and replacing those parts of the building or mobile home necessary to make repairs. "We" do not pay for loss to the system, heater, or appliance from which the liquid or steam escapes.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of **Water** exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.