

# SEWER LINE INSURANCE POLICY

Virginia Surety Company, Inc  
175 West Jackson Blvd  
Chicago, IL 60604

Please read this **Policy** and retain it for **Your** records. The purchase of this **Policy** is not mandatory and may be waived.

## DEFINITIONS

• **Administrator** means American Water Resources, Inc., 1410 Discovery Parkway, Alton, Illinois 62002. Toll-Free 1-888-207-5795.

• **Confirmation Letter** means the acknowledgement letter **You** will receive from the **Administrator**. The **Confirmation Letter** will include the following information:

- **Your Name**
- **Your Covered Address**
- **Your Policy Number**
- **Your Effective Date**
- **Your Policy Premium**

• **Customer-Owned Sewer Line** means the section of the lateral sewer service line **You** own that collects and conveys household wastewater from **Your** home to the **Wastewater Collection System**. This **Policy** covers the portion of **Your Customer-Owned Sewer Line** that is the most direct line between the exterior foundation wall of **Your** home and **Wastewater Collection System**.

It does not include any connections or extensions such as lines to or from septic systems, leach fields or non-conforming drain lines and does not include any pumps or other mechanical devices that may be connected to **Your Customer-Owned Sewer Line**. In addition, it does not include any section of the sewer service line owned by others outside of this **Policy** to which **Your Customer-Owned Sewer Line** is attached.

• **Effective Date** means the date coverage begins under this **Policy**, which is thirty (30) days after **Your Enrollment Date**.

• **Enrollment Date** means the date **Your** enrollment is received, processed, and confirmed by the **Administrator**.

• **Service Fee** means the \$50 fee **You** must pay each time the **Administrator** dispatches an authorized service provider to **Your** home to investigate, clear or repair a blockage of **Your Customer-Owned Sewer Line**.

• **Wastewater Collection System** means the sewage collection system owned by **Your** local Wastewater Service Provider to which **Your Customer-Owned Sewer Line** is connected.

• **Wastewater Service Provider** means **Your** local utility company or municipal sewer authority that owns and is responsible for maintaining the **Wastewater Collection System** that receives wastewater from **Your** home.

• **We, Us,** and **Our** means Virginia Surety Company, Inc. 175 West Jackson Blvd., Chicago, IL 60604.

• **You** and **Your** means the **Policy** holder named in the **Confirmation Letter**.

## A. COVERAGE

This **Policy** is between **Us** and **You**. **We** agree to arrange for a contractor to clear or repair a blockage in **Your Customer-Owned Sewer Line** due to normal wear and tear.

## B. ELIGIBILITY

**You** must be a residential homeowner of, and owner of the residence to which the **Customer-Owned Sewer Line** is attached. The **Customer-Owned Sewer Line** must be free of clogs or blockages and in working order prior to **Your Effective Date**.

Homeowners of multi-unit dwellings such as condominiums, town homes or duplexes are eligible only if **You** have ownership and maintenance responsibility for coverage provided under this **Policy** as described under “Section A - Coverage.” This **Policy** is not available to any tenant who rents or leases a single-family residential home.

## C. COVERAGE PERIOD

Coverage under this **Policy** will begin thirty (30) days after **Your Enrollment Date**. **Your** coverage will continue on a monthly basis provided **You** make payments to **Us** for the periodic **Policy** premium.

This **Policy** will renew automatically on a monthly basis and will continue to renew until canceled or non-renewed by **You** or **Us**, or **You** are thirty (30) days past due on any periodic **Policy** payment.

## D. YOUR RESPONSIBILITIES

If **You** suspect there is a blockage, call **Your** Wastewater Service Provider to investigate the source of the problem. In the event **Your** Wastewater Service Provider determines that the blockage is to **Your Customer-Owned Sewer Line**, then **You** must contact the **Administrator** at toll-free 1-888-207-5795 to request a repair. The **Administrator** will arrange to have an approved, independent contractor call **You** to set up a time to come out to **Your** home. After that call the contractor will be dispatched to **Your** home within 24 hours to clear or repair a blockage of **Your Customer-Owned Sewer Line**.

Meaningful service will be initiated within 72 hours from the time **You** call the **Administrator** and completed as soon as reasonably possible. If no meaningful service is initiated within said time limits and **You** have been available during that time, then **You** may engage **Your** own licensed contractor at **Our** expense.

• If the cost to clear or repair a blockage of **Your Customer-Owned Sewer Line** exceeds the **Policy** limit of \$5,000, it is **Your** responsibility to pay any additional costs over \$5,000.

• If a permit is required for a public sidewalk or road opening repair and the cost to repair exceeds the additional **Policy** limit of \$5,000, it is **Your** responsibility to pay any additional costs over \$5,000.

• Any costs in excess of the **Policy** limits will be stated to **You** before work is performed and the **Administrator** will send **You** an invoice for all expenses over any **Policy** limit.

It is also **Your** responsibility to pay the **Service Fee** to the authorized service provider immediately upon completion of service to investigate, clear or repair a blockage of **Your Customer-Owned Sewer Line**.

It is **Your** responsibility to secure permission (right-of-way) associated with gaining access to repair **Your Customer-Owned Sewer Line** that may pass through property that **You** do not own.

In the event **You** need to contact someone about this **Policy** for any reason, please contact **Our Administrator** to make a claim or inquire about coverage.

If **You** are unable to contact or obtain satisfaction from **Us** through **Our Administrator**, **You** may contact the Virginia Bureau of Insurance at P.O. Box 1157, Richmond, VA 23218; telephone number 1-800-371-9741. Written correspondence is preferred so that a record of **Your** inquiry is maintained. When contacting **Your** agent, company, or Bureau of Insurance, have **Your Policy** number available.

## E. LIMIT OF LIABILITY

The maximum amount **We** will pay for any covered repair under the **Policy** is \$5,000 per occurrence. Before the sewer line is repaired, if a permit is required, the **Administrator** will arrange for proper permitting before work will commence. The **Administrator**, one time only, will arrange for filling in, raking, and reseeding to the repaired area once the repair work is completed. All repairs to **Your Customer-Owned Sewer Line** will comply with local code requirements.

Any subsequent service **We** provide to clear or repair a blockage of **Your Customer-Owned Sewer Line** that occurs within 60 days of a prior-covered blockage service, will be considered as part of that prior-covered blockage service and limited to the \$5,000 per occurrence limit.

If a permit is required to commence work on **Your Customer-Owned Sewer Line** and requires a public sidewalk or public road to be cut, excavated and repaired, known as a public “Sidewalk or Road Opening,” this **Policy** provides an additional limit of \$5,000 for a public Sidewalk or Road Opening. Only expenses directly related to a Sidewalk or Road Opening are paid under this separate limit. This additional limit, if applicable, does not add any additional coverage to the basic \$5,000 per occurrence limit to clear or repair a blockage of **Your Customer-Owned Sewer Line**.

**You** will not, unless at **Your** own expense, engage a contractor or otherwise incur costs to clear or repair a blockage of **Your Customer-Owned Sewer Line** on **Our** behalf.

## F. THIS POLICY DOES NOT COVER

- A Customer-Owned Sewer Line 1) not connected to a public or municipal sewer system; 2) with a connection to or from a septic system, tank or leach field; 3) with a connection to or from any non-conforming drain line such as a basement or storm drain system.
- A blocked Customer-Owned Sewer Line 1) incurred or existing prior to **Your Policy Effective Date**; 2) caused by the actions or negligence of **You** or third parties; 3) caused by natural disasters, or acts of nature, including, but not limited to, earthquakes, floods, landslides, sinkholes or any other insurable cause.
- Any section of the sewer service line owned by others outside of this **Policy** to which **Your Customer-Owned Sewer Line** is attached.
- Blocked lift stations, ejector pumps, grinder pumps or any other mechanical devices connected to **Customer-Owned Sewer Line**.
- Any portion of **Customer-Owned Sewer Line** located inside or under **Your** home.
- Any blockage service required as a result of any local, city or state agency inspection of **Your Customer-Owned Sewer Line**.
- Any damage to the inside of **Your** home due to the backup of **Your Customer-Owned Sewer Line**.
- Restoration of trees, shrubs, structures, or sidewalks, driveways, or other paved surfaces.
- Restoration of non-public sidewalks/roadways or public sidewalks/roadways that are not required by permit to be repaired.
- Removal of debris necessary to access and clear or repair a blockage of **Your Customer-Owned Sewer Line**, including but not limited to temporary structures, old cars, trash, storage, rocks or materials.
- Any rental dwellings for which the **Policy** enrollment is in the name of the tenant or any dwellings used for commercial purposes. (Unit owners please refer to “Section B - Eligibility”.)
- Updating non-blocked lines to meet code, law or ordinance requirements or changes thereto.
- Movement of working sewer lines for any reason.
- Any consequential, incidental or special damages **You** incur, regardless of whether they are caused by delays, failure to service or for conditions beyond the control of the **Administrator**. For example, this **Policy** does not cover 1) the cost of cleaning up, repairing or replacing property (other than clearing or repairing a blockage of **Your Customer-Owned Sewer Line** and basic site restoration as provided above) which is damaged due to the backup of **Your Customer-Owned Sewer Line**; 2) costs and expenses incidental to the backup of **Your Customer-Owned Sewer Line** such as loss of time, loss of use of **Your** home and other property, costs to stay at a hotel or to rent a home and costs to move and store property outside **Your** home; 3) any cost or expense relating to the clean-up or remediation of any hazardous substance or pollutant, including but not limited to asbestos, asbestos fibers or products containing asbestos; and 4) damages **You** incur due to any special circumstances or conditions.

## G. PREMIUM AND/OR PROVISION CHANGES

**We** reserve the right to modify **Your Policy** premium and/or the **Policy** provisions with thirty (30) days written notice to **You** prior to implementation. **You** may terminate coverage by giving written notice at any time prior to the effective date of the change.

**You** grant the **Administrator** the right to obtain **Your** customer of record information from Virginia American Water limited to **Your** name, address and telephone or other contact number. This information will be provided to Virginia Surety Company, Inc., the issuer of this insurance **Policy** and will be kept confidential by the **Administrator** and **Us**. This information will not be sold to any outside marketing companies.

#### H. CANCELLATION

This **Policy** shall be:

1. Cancelable by **You** at any time by calling 1-888-207-5795 or by mailing a cancellation request to American Water Resources, Inc., Attention: **Administrator**, 1410 Discovery Parkway, Alton, Illinois 62002. If **You** cancel, the effective date of cancellation is the date American Water Resources, Inc. receives **Your** request. **You** have thirty (30) days from **Your Enrollment Date** to cancel and receive a full refund of any premium payments made. If **You** cancel more than thirty (30) days after **Your Enrollment Date** **You** will receive a pro-rata refund of the current **Policy** premium, less the cost of any service performed under this **Policy**.
2. This **Policy** shall be non-cancelable by **Us**, except for:
  - a) Nonpayment of **Policy** premiums; or
  - b) Fraud or misrepresentation; or
  - c) The event that **Your** property is not eligible for coverage under this **Policy**, **Our** only obligation is to refund any premium payments made by **You** to **Us**. Once **We** have paid **You** this refund, the **Policy** will be voided as of **Your Enrollment Date**.

3. **Your Policy** will be subject to cancellation once **You** are thirty (30) days past due on any payment for this **Policy**. If **Your Policy** has been cancelled due to non-payment, **You** may re-enroll and receive a new **Enrollment Date** and new **Effective Date**.

Any refund as a result of the cancellation of the **Policy** by either **You** or **Us**, will be determined on a pro-rata basis of the current **Policy** premium, less the cost of any service performed under this **Policy**. If **You** are owed a refund, it will be processed via the payment method **You** chose to pay for the **Policy**.

Notice of cancellation by **Us** will be in writing and will include the reason and effective date of cancellation.

#### I. TRANSFER OF POLICY

**You** may neither transfer this **Policy** to a new owner of the covered property nor transfer this **Policy** to a different residence owned by **You**.

#### J. POLICY PAYMENT ARRANGEMENTS

Payment of **Policy** premium may be done in the following way:

**You** authorize the **Administrator** to arrange for the required periodic premium payment to be added to **Your** Virginia American Water bill. **Your Policy** will be subject to cancellation once **You** are thirty (30) days past due on any premium payment. **Your** payment to Virginia American Water will first be applied to **Your** utility fees and lastly to **Your Policy** premium. Failure to make payment for the **Policy** will not affect continuation of **Your** water utility service.

AMNR