

WATER 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 Water Line** means the section of the single water supply line **You** own that runs from **Your** home to the connection owned by **Your** water utility company or municipality.

- If the meter is located inside **Your** home, it is the section of the water supply line from **Your** property line to the inlet side of the meter.
- If the meter is located outside **Your** home, it is the section of the water supply line from the outlet side of the meter to the shut-off valve inside **Your** home.

It does not include any connections/extensions such as water lines to sprinklers and/or irrigation meters **You** may own or any section of the water supply line owned by others outside of this **Policy** to which **Your Customer-Owned Water 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**.

• **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 repair a leak in **Your Customer-Owned Water 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 Water Line** is attached. The **Customer-Owned Water Line** must be free of leaks 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 water leak, call **Your** water utility company or municipality to investigate the source of the problem. In the event **Your** utility company determines that the leak is to **Your Customer-Owned Water 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. The contractor will contact **You** within 12 hours for emergency service, or by 5:00 pm the next business day for all other service, to arrange for repair of **Your Customer-Owned Water 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 a permit was acquired that requires repair to sidewalks located in public easements, and the cost to repair the sidewalk exceeds the maximum benefit of \$500, it is **Your** responsibility to pay any additional costs over \$500.
- If repair cost to the **Customer-Owned Water Line** exceeds the **Policy** limit of \$5,000 per occurrence, it is **Your** responsibility to pay any additional costs over \$5,000. Any costs in excess of the **Policy** limit will be stated to **You** before work is performed and the **Administrator** will send **You** an invoice for all expenses over any **Policy** limit.

Beyond the previously outlined exceptions, **You** will not be charged any deductible in conjunction with a covered repair. It is **Your** responsibility to secure permission (right-of-way) associated with gaining access to repair **Your Customer-Owned Water 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 water 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 Water Line** will comply with local water code requirements.

Any subsequent repair made within sixty (60) days of the prior-covered repair will be considered as a part of the original covered repair and limited to the \$5,000 per occurrence limit. If a permit was acquired to commence work on covered water lines and requires a sidewalk, located in public easement, to be repaired, the **Policy** will provide repair of said sidewalk up to \$500. Cost to repair sidewalks applies toward the **Policy** limit of \$5,000 per occurrence. **You** will not, unless at **Your** own expense, engage a contractor or otherwise incur costs to repair the **Customer-Owned Water Line** on **Our** behalf.

F. THIS POLICY DOES NOT COVER

- **Damage to Your Customer-Owned Water Line incurred or existing prior to the Policy Effective Date.**
- **Damage to Your Customer-Owned Water Line caused by the actions or negligence of You or third parties.**
- **Damage to Your Customer-Owned Water Line caused by natural disasters, or acts of nature, including, but not limited to, earthquakes, floods, landslides or sinkholes or any other insurable cause.**
- **Any section of the water supply line owned by others outside of this Policy to which Your Customer-Owned Water Line is attached.**
- **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 repairing a leak or break of Your Customer-Owned Water Line and basic site restoration as provided above) which is damaged due to the leak or break of Your Customer-Owned Water Line; 2) costs and expenses incidental to the leak or break of Your Customer-Owned Water 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; and 3) damages You incur due to any special circumstances or conditions.**
- **Restoration of trees, shrubs, paved surfaces, or structures, for any reason.**

- **Any damage to finished or unfinished walls or surfaces inside Your home necessary to access and repair Your Customer-Owned Water Line.**
- **Leak repairs to any interior pipes beyond the shut-off valve inside Your home.**
- **Restoration of sidewalks not located in public easement. Also, restoration of sidewalks located in public easement but not required on the permit.**
- **Removal of debris necessary to access and repair Your Customer-Owned Water Line, including, but not limited to, old cars, trash, storage, rocks or materials.**
- **Movement of the meter at the time of repair, unless required by local code.**
- **Any rental dwellings for which the 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-leaking pipes to meet code, law or ordinance requirements or changes thereto.**
- **Movement of working pipes and/or lines.**

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.