

Water Damage Deductible Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement provides the terms of coverage if coverage is selected on the Declarations Page.

To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. This endorsement does not change any other provision of the insurance policy to which it is affixed. This endorsement is a part of this insurance policy and takes effect on the effective date of this insurance policy unless another effective date is shown.

Words and phrases that appear in *italics* in the remainder of this form have special meaning. Refer to Section I. Definitions of the policy form and / or this endorsement.

A. The following is added to Section F., Deductible:

Water Damage Deductible

- a. We will not pay for direct physical loss of or direct physical damage to Covered Property caused by or resulting from water damage until the amount of loss or damage in any one occurrence exceeds the Water Damage Deductible shown in the Declarations. We will then pay the amount of covered loss or damage in excess of that Deductible, up to the applicable Limit of Insurance.
- b. The Water Damage Deductible applies to loss or damage as described in the water damage definition below.

B. The following is added to Section H., Property Loss Conditions:

Water Damage Deductible Condition

- a. If two or more deductibles apply to the same loss or damage in the same *occurrence*, the total deductible for all losses in any one *occurrence* shall be the highest deductible amount that applies to the *occurrence*.
- b. Nothing in this endorsement implies or affords coverage for any loss or damage that is not covered, is limited or is excluded elsewhere under this Policy

C. Solely for the purposes of this endorsement and the application of the Water Damage Deductible, water damage means covered loss or damage caused by or resulting from:

- 1. Water that escapes due to the bursting or breakage of plumbing system pipes, equipment or fixtures;
- 2. Water that escapes from processing equipment, refrigeration systems, cooling or heating systems, or plumbing systems, provided the water is intended to be contained in such equipment or systems;
- 3. Water that escapes from any fire protection equipment including sprinkler systems, tanks, water mains, hydrants, valves, pipes and any other equipment its component parts whether used solely for fire protection or jointly for fire protection and any other purpose; or
- 4. Water that escapes from any water storage or containment system at the "scheduled premises"; or
- 5. Water Damage caused by or resulting from the breakage of pipes, fixtures or equipment when such bursting or breakage is caused by or results from the freezing of pipes, fixtures or equipment at "scheduled premises".

However, Water Damage will not mean:

- a. Damage to the system or appliance from which the water or steam escaped;
- b. *Flood*;
- c. Sewer or Water Back Up;
- d. Wind Driven Precipitation, if endorsed to policy.

All other terms and conditions, insured coverage and exclusions of this policy remain unchanged, including other applicable limits, sub-limits and deductibles, and apply in full force and effect to the coverage provided by this policy.