

Water Escape and Rupture and Your Insurance Contract

What is water escape and rupture?

Your SGI CANADA Home Pak policy provides coverage for damage to your property from water escape and rupture – but there are some important things you should know.

Water escape means accidental discharge or overflow of water or steam from a plumbing, heating, fire sprinkler or air conditioning system, household appliance, aquarium, waterbed, a swimming pool or hot tub or their attached equipment, or a public watermain.

Rupture means damage to a plumbing, heating, fire sprinkler or air conditioning system within your dwelling caused by sudden and accidental bursting, tearing apart, cracking, burning or bulging of the system, due to the pressure of, or lack of, water or steam.

What is covered under water escape and rupture?

Water escape and rupture claims could include such things as the malfunction of a dishwasher, a broken water line, a broken toilet tank, and a hot water heater tank rupture.

What is not covered under water escape and rupture?

Although your Home Pak policy covers many water escape and rupture situations, there are some instances where coverage will not be provided. They include damage caused by:

Seepage

Seepage problems can arise from such things as cracks in basement floors or walls, or from faulty, blocked or deteriorated weeping tile. It is the responsibility of the property owner to take appropriate action to remedy any problems of this nature in order to protect themselves from such a loss.

Continuous or repeated leakage

Leakage problems can arise due to faulty pipes or systems that have not been installed, maintained or repaired properly. Again, it is the responsibility of the property owner to correct any problems of this nature in order to protect themselves from such a loss.

Sewer backup

Sewer backup is sold as optional coverage and may be subject to certain conditions, limitations or exclusions. Your broker can explain how your particular policy works.

Appliances in an unheated building

Damage caused by the freezing of an outdoor swimming pool or hot tub (and the attached equipment of either), or any part of a plumbing, heating, fire sprinkler or air conditioning system or household appliance not in a heated building, is not covered.

Rust, corrosion or deterioration

Damage to any part of a household plumbing, heating, fire sprinkler or air conditioning system, or to a household appliance due to rust, corrosion or deterioration, is not covered. Once again, it is the responsibility of the property owner to correct any problems of this nature in order to protect themselves from such a loss. However, should the rust, corrosion or deterioration result in a rupture, this would be covered.

Flood

No insurance contract covers flood damage.

Losses not of a sudden and accidental nature

Your Home Pak insurance policy is designed to only cover losses that are sudden and accidental in nature.

Unoccupied dwellings during the heating season

If you are going to be away from your premises during the normal heating season for more than 10 days in a row, you must either shut off the water supply and drain all pipes, attached fixtures and appliances, or have a reliable person come in daily to check the heating or have your dwelling electronically monitored 24 hours a day by a company that monitors and responds to a low temperature signal. If this is not done, your insurance policy will not cover any loss or damage caused by freezing or resulting water damage.



Vacant homes

Your insurance policy will not pay for water escape and rupture claims if your dwelling has been vacant for more than 30 days. It is important that you notify your insurance broker when your dwelling becomes vacant, as there may be other coverage restrictions regarding vacancy that may apply.

Under construction

Your insurance policy will not pay for water escape and rupture claims if your dwelling is under construction.

If you require more information about water escape and rupture coverage, or any other aspect of your SGI CANADA Home Pak policy, contact your insurance broker.

