October 1, 2014

# Re: Claim No.:

Policy No.:

Date of Loss:

Location of Loss:

Dear Insured:

Based upon the Association’s prior correspondence regarding your claim for coverage under your policy of insurance, this matter has been investigated by the Massachusetts Property Insurance Underwriting Association (hereafter “MPIUA”) under a full reservation of rights/non-waiver agreement.

The purpose of this letter is to advise you that MPIUA’s investigation has been completed and to further advise you that after an evaluation of the information gathered during the investigation in relation to the applicable provisions of your policy, MPIUA must respectfully decline to honor your claim.

During our recent inspection of the property, we found that the wall, ceiling and floor surfaces in the lower level of the house had been removed. Portions of the stall shower in the basement bath had also been removed.

During our inspection of the property, you stated that there have not been any plumbing leaks at the property since it became vacant.

We would refer you to page 4 and 5 of 9 of the DP 00 03 policy form which provides coverage for the property from which we quote in part:

**“A. Coverage A- Dwelling And Coverage B-Other Structures**

We insure against risk of direct loss to property described in Coverages A and B only if that loss is a physical loss to property; however, we do not insure loss:

2. caused by:

b. freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:

(1) fence, pavement, patio or swimming pool;

(2) foundation, retaining wall or bulkhead; or

(3) pier, wharf or dock;

g. constant or repeated seepage or leakage of water or steam over a period of weeks, months or years from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance;

h. (1) wear and tear, marring, deterioration;

(3) smog, rust or other corrosion, mold, wet or dry rot;

If any of these cause water damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we cover loss caused by the water including the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. We do not cover loss to the system or appliance from which this water escaped.

3. excluded under General Exclusions.

Under items 1 and 2, any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.

And,

### “GENERAL EXCLUSIONS

1. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

**c. Water Damage,** meaning:

* + 1. flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
    2. water which backs up through sewers or drains or which overflows from a sump; or
    3. water below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

Direct loss by fire, explosion or theft resulting from water damage is covered.”

We would further refer you to page 6 of 9 of the DP 00 03 policy form entitled **Conditions**, from which we also quote in part:

“ 4. Your Duties after Loss. In case of a loss to covered property, you must see that the following are done:

a. give prompt notice to us or our agent;

b. (1) protect the property from further damage;

(2) make reasonable and necessary repairs to protect the property; and

(3) keep an accurate record of repair expenses;

c. prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;

d. as often as we reasonably require:

1. show the damaged property;”

We regret that we cannot be of service to you relative to this matter.

This advice and any other action undertaken or to be undertaken by us in the course of investigation and/or handling of this claim is not, and should not be construed as a waiver of any of the rights of the insurer with respect to any and all terms, conditions, provisions, exclusions and limitations contained in the policy of insurance.

The Massachusetts Property Insurance Underwriting Association fully reserves unto itself all defenses which heretofore accrue, or which may in the future accrue by reason of the operation of the policy, or reason of non-compliance on behalf of yourself with respect to any and all of the foregoing.

Please be advised that the statute of limitations is two (2) years from the date of loss for property claims. (Section 1 policy claims)

Respectfully,

Claims Adjuster