October 1, 2014

RE: Claim No.:

 Location of Risk:

 Policy No.:

 Date of Loss:

Dear Insured:

As you are aware, this office has been investigating the cause and determining the value of loss and damage at the captioned property.

Loss and damage was reported as water damage to the property at \_\_\_\_\_\_\_\_\_, MA on or about \_\_\_\_\_\_\_\_\_. The loss notice indicated that there is water damage \_\_\_\_\_\_\_\_.

So there will be no questions, you should understand that we will proceed to investigate the cause and origin of the above captioned loss and to establish loss and value, but do not at this time admit the liability of any parties involved. Only at the completion of our investigation will the question of liability be treated.

We would refer you to page 5 of 13 of the DP-00 03 policy form which provides coverage for your property, from which we quote in part:

“PERILS INSURED AGAINST

 **A. Coverage A – Dwelling And Coverage B – Other Structures**

 **1.** We insure against risk of direct physical loss to property described in Coverages **A** and **B.**

 **2.** We do not insure, however, for loss:

 **a.** Excluded under General Exclusions;

 **b.** Involving collapse, except as provided in Other Coverage **10.** Collapse; or

 **c.** Caused by:

 **(1)** Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:

 **(a)** Maintain heat in the building; or

 **(b)** Shut off the water supply and drain all systems and appliances of water;

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

For purposes of this provision a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

 **(2)** Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:

 **(a)** Fence, pavement, patio or swimming pool;

 **(b)** Footing, foundation, bulkhead, wall, or any other structure or device, that supports all or part of a building or other structure;

 **(c)** Retaining wall or bulkhead that does not support all or part of a building or other structure; or

 **(d)** Pier, wharf or dock;

 **(3)** Theft of property not part of a covered building or structure;

 **(4)** Theft in or to a dwelling or structure under construction;

 **(5)** Wind, hail, ice, snow or sleet to:

 **(a)** Outdoor radio and television antennas and aerials including their lead-in wiring, masts or towers; or

 **(b)** Trees, shrubs, plants or lawns;

 **(6)** Vandalism and malicious mischief, theft or attempted theft, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, theft or attempted theft, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;

 **(7)** 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.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

 **(8)** Any of the following:

 **(a)** Wear and tear, marring, deterioration;

 **(b)** Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;

 **(c)** Smog, rust or other corrosion, mold, wet or dry rot;

 **(d)** Smoke from agricultural smudging or industrial operations;

 **(e)** Discharge, dispersal, seepage, migration release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against named under Coverage **C.**

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;

 **(f)** Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings; or

 **(g)** Birds, vermin, rodents, insects or domestic animals.

**Exception To c.(8)**

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage **A** or **B** resulting from an accidental discharge or overflow of water or steam from within a:

 **(i)** Storm drain, or water, steam or sewer pipe, off the Described Location; or

 **(ii)** Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the Described Location. This includes the cost to tear out and replace any part of a building, or other structure, on the Described Location, but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the Described Location.

We do not cover loss to the system or appliance from which this water or steam escaped.

For the purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or roof drain, gutter, down spout or similar fixtures or equipment.

General Exclusion **A.3.** Water Damage, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of ground do not apply to loss by water covered under **c.(8)** above.

Under **2.b.** and **c.** above, any ensuing loss to property described in Coverages **A** and **B** not excluded or excepted in this policy is covered.”

We would further refer you to page 8 of 13 of the DP-00 03 policy form entitled General Exclusions, from which we also quote in part:

“ A. 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. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

 **3. Water Damage**

Water Damage means:

 **a.** Flood, surface water, waves, tidal water, overflow of a body of water or spray from any of these, whether or not driven by wind;

 **b.** Water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or

 **c.** Water or water-borne material 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;

caused by or resulting from human or animal forces or any act of nature.

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

This advice and any other action undertaken, or to be undertaken by us in the course of this 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 operation of same, or reason of noncompliance 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