



**SERVLINE**  
by HomeServe<sup>®</sup>

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# PROPOSAL

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## SERVLINE UTILITIES PROTECTION

*We pay for high water bills caused by customer leaks*

HOMESERVE USA  
7134 Lee Highway, Chattanooga, TN 37421  
1 (866) 974-4801, info@servline.com, www.servline.com

Prepared For

### COOSA WATER AUTHORITY

4707 Blue Ridge Hwy  
Blairsville, GA 30512

Proposal Issued: October 21, 2022

Proposal Valid:

30 Days from Issue Date

*This proposal shows the premiums for the general coverage described, but in no way changes or affects any terms, conditions or exclusions of policies as actually issued. Premiums shown are based on information furnished to the company. Insurance for the ServLine program is issued to utilities and placed through HomeServe USA Repair Management Corp. (HSRM), a licensed insurance agency. In California, HSRM does business as HomeServe NA Insurance Services (California License # 0F79326). ServLine is a registered trademark.*

## EXECUTIVE SUMMARY – UTILITY & COMMUNITY PROTECTION

### COOSA WATER AUTHORITY

We understand that you are tirelessly working to improve and supply the best overall product while also often thanklessly striving to offer excellent customer service.

### DESPITE ALL YOUR EFFORT – CUSTOMER LEAKS STILL CAUSE

- Financial Strain
  - Administrative *and* Customer Burden
  - Issues to Undermine Public Perception
- 

### MEET SERVLIN BY HOMESERVE

ServLine is a full-service customer leak solution. We pay for high water bills caused by customer leaks by insuring the Utility. More specifically, by insuring the Leak Protection Program and then administering it on your behalf.

- Financial Assistance
- Administrative Support & Customer Relief
- Public Relations Credibility



# PROGRAM COMPARISON SIDE BY SIDE – LAP & LPP

## COMPARISON TERMS

- LAP: Leak Adjustment Policy
- LPP: Leak Protection Program
- Frequency: Determined by the number of times an adjustment can be filed in a given time
- Qualifications: Determined by whether or not there is a limit that must be met prior to allowing for an adjustment
- Benefits are reflective of your current Leak Adjustment Policy & data
- Benefits are determined by how customer leaks are being adjusted. Unprovided benefits will not be covered

### COOSA WATER AUTHORITY - CURRENT LAP

#### BENEFIT FREQUENCY

- 1 Occurrence/12-month
- 2 Consecutive billing cycles allowed per occurrence

#### BENEFIT QUALIFIER

No Qualification Applies

#### ADDITIONAL COVERED BENEFITS

- Dripping/ Leaking Faucets
- Running Toilets/ Commodes
- Water Heaters
- Unattended Homes
- Faulty Customer Plumbing

### SERVLIN LEAK PROTECTION PROGRAM (LPP)

#### BENEFIT FREQUENCY

- 1 Occurrence/ 12-month
- 2 Consecutive billing cycles allowed per occurrence  
*Ex. 1 billing cycle (month bill), 2 billing cycles (months)*

#### BENEFIT QUALIFIER

No Qualification Applies

#### ADDITIONAL COVERED BENEFITS

- Dripping/ Leaking Faucets
- Running Toilets/ Commodes
- Water Heaters
- Unattended Homes
- Faulty Customer Plumbing



# PROPOSED SAMPLE LEAK PROTECTION PROGRAM POLICY (LPP)

## COOSA WATER AUTHORITY

### PROPOSED SAMPLE LEAK PROTECTION PROGRAM POLICY

Coosa Water Authority is changing our Leak Adjustment Policy effective DATE 1, 2022.  
The following are qualifications for leak adjustments for the Coosa Water Authority:

1. It is the customer's responsibility to keep his plumbing system in good working order.
2. No customer shall receive more than one (1) leak adjustment that could incorporate a maximum of two (2) billing cycles during any twelve (12) month period.
3. Adjustments on water bills will NOT be made on the following:
  - a. Residential Customers who do not have their own water meter.
  - b. *Commercial or Industrial Customers. (OPTIONAL)*
  - c. Premises left or abandoned without reasonable care for the plumbing system.
  - d. Leaks on irrigation systems or irrigation lines, leaks in water features such as fountains, etc., leaks on any water lines coming off the primary water service line, plumbing leaks in any structure other than the primary residence.
  - e. Negligent acts such as leaving water running.
  - f. Excess water charges not directly resulting from a qualifying plumbing leak.
  - g. Filling of swimming pools or leaks in swimming pools.
  - h. Watering of lawns or gardens.
  - i. *Master-metered multi-habitational accounts. (OPTIONAL)*
4. In the event of a qualifying leak adjustment, the customer will be responsible for paying their average bill. The average bill will be calculated using the previous twelve (12) months' bills, excluding the high bills pertaining to the qualifying leak. The leak adjustment amount will be reimbursed up to Coosa Water Authority's chosen protection limit less the customer's average bill.
5. The Coosa Water Authority shall not be obligated to make adjustments of any bills not submitted for adjustment within ninety (90) days from the billing date.
6. Customers must present proof that a leak has been repaired before an adjustment will be made. (i.e. copy of invoice for materials or bill from plumber)
7. In any case where a customer might incur a leak before there is three (3) months of average usage, an adjustment will not be made until they have established three (3) months of average usage.
8. Any enrolled customer may decline to participate in our ServLine Leak Protection Program by calling Phone Number. Any customer declining to participate in the program will be responsible for the full amount of their water bill with no adjustments being made. Our new Coosa Water Authority ServLine Program is the only way qualifying leak adjustments will be made for leaks occurring after DATE 1, 2022.





**SERVLINE**  
by HomeServe®

## LEAK PROTECTION PROGRAM

*Imagine what you could do if you were paid for every customer's high water bill – and no longer had to manage their frustration over having to pay for it.*



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# WATER LEAK PROTECTION

Limit of Protection	Commercial Rate Single-Occupancy	Commercial Rate Multiple-Occupancy
\$500 (Per Occurrence)	\$4.70	\$9.40
\$1,000 (Per Occurrence)	\$5.60	\$11.20
\$2,500 (Per Occurrence)	\$6.50	\$13.00

Deductible	Waived
Reporting Conditions	Customer Schedule
Reporting & Adjustment Period	Monthly

## Special Terms and Conditions

- Coverage will be designed to reflect Coosa Water Authority's Leak Protection Guidelines and eligibility established with ServLine.
- Master Metered Habitational (Residential Only) \$2.50 per unit
  - Limit Applies to Property Only and does not apply to units directly.
- Charges will be applied to the customers' utility bill.
- Limit of protection to be selected by the Utility.

*Note: 10% Discount on rates if the above coverages are offered by electing to include in your base rate rather than on the utility bill.*





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APPENDIX



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## LEAK PROTECTION PROGRAM DEFINITIONS

- **Water Leak Protection**  
Water Leak Protection covers excess water bills caused by a qualifying leak on the customer's side of the meter/point of responsibility. Developed in cooperation with ServLine and set according to the Utility's newly established Leak Protection Guidelines.
- **Sewer Leak Protection**  
Sewer Leak Protection covers excess sewer bills in the event of a qualifying leak at the customer's point of responsibility. Developed in cooperation with ServLine and set according to the Utility's newly established Leak Protection Guidelines.
- **Residential**  
Residential is defined as 2" meters or less with a single residential unit occupied as a residency. A qualifying unit must have a single meter to which it can be accounted for independently.
- **Commercial**  
Commercial is defined as 2" meters or less with business or agricultural occupancy excluding master-metered habitational. A qualifying unit must have a single meter to which it can be accounted for independently.  
Single Occupancy - Building has one business occupying space.  
Multiple Occupancy - Building has more than one business occupying space.
- **Master-Metered Habitational**  
Multi-Unit residential property with a master-meter measuring usage for all units.
- **Farms**  
Residential Farm: Any farm that is a hobby or that does not derive additional income. There is no Agriculture meter or separate metered structures on the property and meets residential definition of the insurance company.  
  
Commercial Farm: Any Farm that has an Agriculture meter/meter that services barns, cattle troughs, or other structures. Any Farm who derives income from the activities of the farm.
- **Rates w/ Data**  
The rates furnished in this Proposal are determined by the data you have provided. It is mutually understood that the data produced, along with your explanation of how to interpret what is included in your data is done so in good faith and is complete and true to the best of your knowledge. All other factors have been determined in partnership with ServLine.
- **Leak Protection Program**  
The ServLine Leak Protection Program enhances your current Leak Adjustment Policy and acts as a superseding document which will overlay your existing policy with the given enhancements. All qualifying customer leaks would adhere first to your ServLine Leak Protection Program and then would be addressed by your existing Leak Adjustment Policy. As a recommendation - Your Leak Adjustment Policy would be updated to address unqualifying leaks rather than qualifying customers who choose to decline protection.





# SUMMARY FOR LEAK PROTECTION PROGRAM

## BILLING

Agency Monthly Reporting

## PROJECT SCOPE & PROCESS

- Approval of ServLine
- Program Implementation
- Utility Staff Training
- Announcement Materials
- Setup and Integration
- ServLine Administers Leak Protection Program
- ServLine Handles Claims, Payments and Customer Service

## TERMS AND CONDITIONS

Terms and conditions outlined in the quote may differ from the specifications submitted; please review the specific coverage part for details on coverage and exclusions.

Average claims payment is between 10 - 20 Days.  
Claims volume is due to change with seasons or other unforeseen events.  
Pricing does not include taxes.

Reports & Premium due by the 15th of the month following a reporting period.  
Example: Participating customers for month of January would be due no later than February 15th.  
Premium payments include all participating customers and are not dependent on customer payment to the utility nor pending claims payments.

*This quote is valid for thirty (30) days from the date of this letter.  
All rates are per participating customer per month.*

## THANK YOU

Thank you for your interest in becoming a valuable client of ServLine. We exist to make your Utility stronger and help you achieve your goals. One of our chief goals is to serve you and to earn the privilege of being one of your favorite service providers. The ServLine team is always looking to establish long-term meaningful relationships with the opportunity to serve your Utility and your customers with integrity and excellence.

## DISCLAIMER

This proposal shows the premiums for the general coverage described, but in no way changes or affects any terms, conditions or exclusions of policies as actually issued. Premiums shown are based on information furnished to the company.





## TERRORISM RISK INSURANCE ACT

*We are under mandate to present and offer the final two pages of this proposal. The following is terrorism insurance coverage. Please either accept or decline if you proceed with ServLine.*

*Note: This is a separate coverage that insures payment for losses that occur as the result of a certified act of terrorism. Please inquire for additional information.*



## TERRORISM RISK INSURANCE ACT OF 2002 DISCLOSURE

The "Terrorism Risk Insurance Act of 2002" establishes a program within the Department of Treasury in which the Federal Government will share the risk of loss from terrorist attacks with the insurance industry. Federal participation will be triggered when the Secretary of the Treasury certifies an act of terrorism, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism committed by an individual(s) acting on behalf of any foreign interest, provided the terrorist act results in aggregate losses in excess of \$5 million. With respect to insured losses resulting from a certified act of terrorism, the Federal Government will reimburse individual insureds for 90% of the losses in excess of the insurer's retention, which is based on a specified percentage of the insurer's earned premium for the year preceding the loss. Insured losses covered by the program are capped at \$100 billion per year unless subsequent action of Congress changes that amount; this provision serves to limit insurers' liability for losses. All insurers providing commercial property insurance are required to participate in the program to the extent of offering and making available coverage for certified acts of terrorism in accordance with the terms and conditions of coverage which apply to other perils.

Terrorism Premium: \$ 1% of premium

This quote outlines coverages and does not necessarily include all coverages requested on the application provided. Only coverages outlined above will be provided.



**NAME OF APPLICANT: COOSA WATER AUTHORITY**  
**DATE OF NOTICE: OCTOBER 21, 2022**

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as reauthorized and amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury - in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS REAUTHORIZED AND AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Acceptance or Rejection of Terrorism Insurance Coverage (Please Initial and Sign):

I hereby elect to purchase Terrorism coverage for certified acts of terrorism for a prospective premium of \$ 1% of premium

I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Policy Holder Name

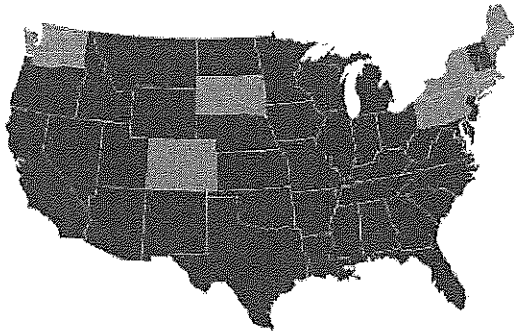
Date

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## CLIENTS & PARTNERS

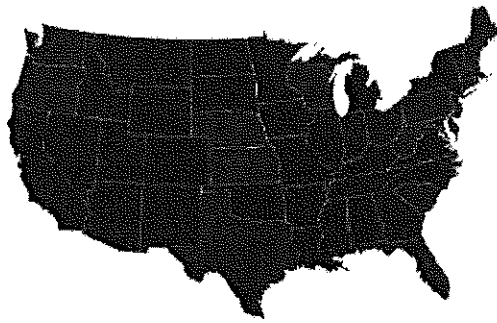


● *Active & Interested Utilities*

## ASSOCIATION PARTNERS INCLUDE

National Rural Water Association (NRWA), Tennessee Association of Utility Districts (TAUD), Georgia Rural Water Association (GRWA), North Carolina Rural Water Association (NCRWA), Alabama Rural Water Association (ARWA), Alliance of Indiana Rural Water Association (AIRWA), Illinois Rural Water Association (IRWA), Iowa Rural Water Association (IRWA), Rural Water Association of Arizona (RWAA), Arkansas Rural Water Association (ARWA), California Rural Water Association (CRWA), Michigan Rural Water Association (MRWA), Delaware Rural Water Association (DRWA), Kentucky Rural Water Association (KRWA), Maryland Rural Water Association (MRWA), New Mexico Rural Water Association (NMRWA), Mississippi Rural Water Association (MRWA), Ohio Rural Water Association (ORWA), Virginia Rural Water Association (VRWA), Rural Water Association of Utah (RWAU), Idaho Rural Water Association (IRWA), New York Rural Water Association (NYRWA), Nevada Rural Water Association (NVRWA), Montana Rural Water Systems (MRWS), Louisiana Rural Water Association (LRWA).

● *Active Rural Water Association Partner*



## INSURANCE PROVIDERS INCLUDE

Hanover Insurance Company, Virginia Surety Company, Inc.



THANK YOU

