



Automatic Sprinkler System Malfunctions

Automatic sprinkler systems are an essential element of fire protection today. If they are properly inspected, tested and maintained, they typically will respond as expected in the event of a fire. However, whether the system is responding to a fire or simply malfunctions and inadvertently discharges water in the absence of a fire, the resulting water damage can be extensive. Although such malfunctions are rare, they do occasionally happen, perhaps due to a manufacturing defect, to pranksters who “try out” the system by holding a lighted match to the sprinkler head, or from accidentally hitting or damaging the head causing a discharge. In more serious cases when the fire department is called to extinguish a fire, resulting water damage can be widespread throughout the building.

The good news is that both water damage caused by fire responders in extinguishing the fire as well as an inadvertent discharge of the system are covered by many commercial property insurance policies, including standard forms of the Insurance Services Office. In the case of an inadvertent discharge, standard commercial property insurance typically covers the collapse of a tank constituting part of the sprinkler system as well as the cost to repair damage to the system if the damage results in sprinkler leakage or if it is caused by freezing. In addition, the cost to tear out and replace any part of the building to repair the damage to the system is also covered.

In addition, insurance policies require that insureds take specific steps after a loss to mitigate the damage. They include giving prompt notice of loss, protecting property from further damage, providing an inventory of damaged property, and making damaged property available for inspection. Another point to keep in mind is that insurers may attach a Protective Safeguards Endorsement that automatically suspends coverage if the sprinkler system is not operational and the insured fails to notify the insurer. Even when this endorsement is not attached, coverage could still be in question as the nonoperational sprinkler system may be considered an increase in hazard within the knowledge and control of the insured. Insureds should notify the insurer if the system is down for any reason and strive to get it back in operation quickly.



Safety is a serious concern in water damage losses, and the following actions should be avoided:

- Using an ordinary household vacuum cleaner to remove water, or using electrical appliances while on wet floors.
- Entering rooms with standing water if the electricity is still on or where ceilings are sagging from retained water, as they could collapse.

Following a water damage loss, timeliness is critical, and a major concern is mold. Mold can develop within 24 to 48 hours if property remains wet, and immediate steps need to be taken to prevent mold formation.

The following is a checklist of steps that should be taken to reduce the extent of damage:

- Before entering the flooded area, make certain that the power has been turned off in that part of the building.
- Immediately shut off the sprinkler system. All sprinkler and standpipe systems have control valves designed to shut off water from water source to sprinkler system.
- Contact your agent or insurer and give notice of the loss and damage. Your insurance company usually can provide the names of contractors who can provide emergency services and help with mold prevention.
- Follow the insurance company's directives regarding emergency repairs and mitigation.
- Remove water by mopping and blotting. If the damage is significant, consider using a water extraction company for immediate help.
- Wipe furniture dry. Whenever possible, move wet items to a dry, well-ventilated area.

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- Stand up wet furniture cushions for drying and place small pieces of wood or aluminum foil under furniture legs.
- Remove wet fabrics and dry them as soon as possible.
- Move rugs and pull up areas of wet carpet as soon as possible.
- Increase air circulation by opening closet and cabinet doors, moving furniture away from walls and running fans and dehumidifiers.
- Don't discard damaged items without approval of the insurance company.
- Keep an accurate record of all repairs and expenses, including receipts.
- Photograph the damaged property.

