

## CAUSES OF LOSS FORM – FARM PROPERTY

Words and phrases that appear in quotation marks have special meaning. Refer to the Definitions section of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

### A. Covered Causes Of Loss

Covered Causes Of Loss means the causes as described and limited under either Paragraph B. or C. or D. below in accordance with a corresponding entry of either Basic or Broad or Special, respectively, on the Declarations opposite each coverage or property to which this insurance applies. Covered Causes of Loss are also limited by the exclusions in Section E.

However, certain property is covered only for particular causes of loss, as listed under the following items: the Coverage Extension to Coverage A; Paragraphs 1.b., 1.c.(2), 1.i., 1.k., 1.l., 1.m., 1.n. and 1.o. of Coverage E; Covered Property; Paragraphs 1.a. and 1.b.(2) of Coverage F; Covered Property; Paragraph G. of the Coverage Extensions to Coverage F; and Paragraph B. of the Coverage Extensions to Coverage G.

### B. Covered Causes Of Loss – Basic

Subject to the provisions in Paragraph A., when Basic is shown in the Declarations, Covered Causes of Loss means the following:

#### 1. Fire Or Lightning

We will not pay for loss of or damage to buildings, or contents usual to a tobacco barn, if that loss or damage:

- a. Results from the use of open fire for curing or drying tobacco in the barn; and
- b. Occurs during, or within the five-day period following, open-fire curing or drying.

#### 2. Windstorm Or Hail, but not including:

- a. Frost or cold weather;
- b. Ice (other than hail), snow or sleet, whether driven by wind or not; or
- c. Loss of or damage to:
  - (1) The interior of any building or structure, or the property inside a building or structure, caused by rain, snow, sleet, sand or dust, whether driven by wind or not, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sleet, sand or dust enters; or

- (2) Watercraft or their trailers, furnishings, equipment or outboard engines or motors unless within a fully enclosed building.

#### (3) Under Coverage E or Coverage F:

- (a) "Livestock" or "poultry" when caused by running into streams, ponds or ditches, or against fences or other objects; or from smothering; or resulting directly or indirectly from fright;
- (b) "Livestock" or "poultry" when caused by freezing or smothering in blizzards or snowstorms; or
- (c) Dairy or farm products in the open other than hay, straw or fodder.

#### 3. Explosion, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages of such a vessel from which the gases of combustion pass.

But under Coverages E, F and G this Cause of Loss does not include loss or damage caused by or resulting from:

- a. Explosion of alcohol stills, steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- b. Electric arcing;
- c. Rupture or bursting of water pipes;
- d. Rupture, bursting or operation of pressure relief devices; or
- e. Rupture or bursting due to expansion or swelling of the contents of any building or structure caused by or resulting from water.

#### 4. Riot Or Civil Commotion, including:

- a. Acts of striking employees while occupying the "insured location"; and
- b. Looting occurring at the time and place of a riot or civil commotion.

#### 5. Aircraft, meaning only loss or damage caused by or resulting from:

- a. Contact of an aircraft, spacecraft or self-propelled missile with Covered Property or with a building or structure containing Covered Property; or
- b. Objects falling from aircraft.

- 6. Vehicles**, meaning only loss or damage caused by contact of a vehicle, or of an object thrown up by a vehicle, with Covered Property or with a building or structure containing Covered Property.

This Cause of Loss does not include loss or damage to:

- a. "Livestock"; or
- b. A fence, driveway or walk.

However, we will provide coverage under this Cause of Loss if the fence, driveway or walk is appurtenant to a covered "dwelling" and the vehicle that caused the loss or damage was not owned or operated by a resident of the "dwelling".

- 7. Smoke**, causing sudden and accidental loss or damage, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This Cause of Loss does not include loss or damage by smoke from agricultural smudging or industrial operations.

**8. Vandalism**

This Cause of Loss does not include loss of or damage to:

- a. A building or structure, or its contents, if the building or structure has been "vacant" for more than 60 consecutive days immediately before the loss;
- b. Any electronic equipment that reproduces, receives or transmits audio, visual or data signals that is operated by power from the electrical system of a motor vehicle or mobile agricultural vehicle, unless it is:

- (1) Covered Property; and
- (2) Permanently installed in the motor vehicle or mobile agricultural vehicle; or

- c. While in or upon a motor vehicle or mobile agricultural vehicle, any tape, wire, record, disc or other media for use with any electronic equipment that reproduces, receives or transmits audio, visual or data signals and that is operated by power from the electrical system of the motor vehicle or mobile agricultural vehicle.

**9. Theft**, including:

- a. Attempted theft and loss of property from a known location when it is likely that the property has been stolen. However, with respect to property covered under Coverage E or F, coverage for attempted theft and loss of property from a known location applies only to property other than "livestock", "poultry", bees, fish, worms and other animals.

This Cause of Loss does not include loss caused by or resulting from:

- (1) Under Coverage A, theft in or from a "dwelling" under construction, or of materials and supplies for use in such construction, until the "dwelling" is completed and is being lived in;

- (2) Under Coverage B or G, theft in or from a building or structure under construction, or of materials and supplies for use in such construction, until the building or structure is completed and is being used;

- (3) Under Coverage A, B or C, theft:

- (a) From that part of your principal residence, including its grounds and appurtenant structures, which you rent to someone who is not an "insured";

- (b) With respect to household personal property away from the "insured location", of:

- (i) Property at any residence owned by, rented to, or occupied by, an "insured", except while an "insured" is temporarily residing there.

But property of a student who is an "insured" is covered at a residence away from home provided the student has been there at any time during the 45 days immediately preceding the loss;

- (ii) Any watercraft, its furnishings, equipment or outboard engines or motors; or

- (iii) Trailers, semitrailers or campers;
- (4) Under Coverage E or F, the acceptance of counterfeit money, fraudulent post office or express money orders, or checks or promissory notes not paid upon presentation;
- (5) Theft of any electronic equipment that reproduces, receives or transmits audio, visual or data signals that is operated by power from the electrical system of a motor vehicle or mobile agricultural vehicle, unless it is:
- (a) Covered Property; and
- (b) Permanently installed in the motor vehicle or mobile agricultural vehicle;
- (6) While in or upon a motor vehicle or mobile agricultural vehicle, theft of any tape, wire, record, disc or other media for use with any electronic equipment that reproduces, receives or transmits audio, visual or data signals and that is operated by power from the electrical system of the motor vehicle or mobile agricultural vehicle;
- (7) Unauthorized instructions to transfer property to any person or to any place;
- (8) Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense; or
- (9) Dishonest or criminal acts (including theft) by you or any "insured", any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (a) Applies whether or not an act occurs during your normal hours of operation;

- (b) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
- b. With respect to "livestock", "poultry", bees, fish, worms and other animals covered under Coverage E or F, loss caused by attempted theft of "livestock", "poultry", bees, fish, worms and other animals.

This Cause of Loss does not include theft of "livestock", "poultry", bees, fish, worms and other animals:

- (1) On the basis of acceptance of counterfeit money, fraudulent post office or express money orders, or checks or promissory notes not paid upon presentation;
- (2) On the basis of unauthorized instructions to transfer "livestock", "poultry", bees, fish, worms and other animals to any person or to any place; or
- (3) On the basis of voluntary parting with any "livestock", "poultry", bees, fish, worms and other animals by you or anyone else to whom you have entrusted such property if induced to do so by any fraudulent scheme, trick, device or false pretense.

Under this Theft Cause of Loss, Paragraph B.9., we also will not pay, under:

- a. Coverage E or F, for property that is missing, where the only evidence of the missing property is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property; and
- b. Coverage G, for the disappearance of portable buildings or structures where there is no physical evidence to show what happened to the property.

10. **Sinkhole Collapse**, meaning loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This Cause of Loss does not include:

- a. The cost of filling sinkholes; or

- b. Sinking or collapse of land into man-made underground cavities.

**11. Volcanic Action**, meaning direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a. Airborne volcanic blast or airborne shock waves;
- b. Ash, dust or particulate matter; or
- c. Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

This Cause of Loss does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the Covered Property.

**12. Collision – Coverages E And F Only**

**a. Causing Damage To Covered Farm Machinery**

We will pay for loss of or damage to covered farm machinery caused by collision or overturn of that machinery. Collision means accidental contact of the farm machinery with another vehicle or object.

Under this Cause of Loss we will not pay for loss or damage:

- (1) To tires or tubes unless the damage is coincidental with other damage to the farm machinery or implement; or
- (2) Caused by foreign objects taken into any farm machine or mechanical harvester.

**b. Causing Death Of Covered "Livestock"**

We will pay for loss of covered "livestock" caused by:

- (1) Collision or overturn of a vehicle on which the "livestock" are being transported. Collision means accidental contact of that vehicle with another vehicle or object; or
- (2) "Livestock" running into or being struck by a vehicle while the "livestock" are crossing, moving along or standing in a public road.

But we will not pay for loss if a vehicle owned or operated by an "insured":

- (1) Collides with the vehicle on which the "livestock" are being transported; or
- (2) Strikes "livestock" crossing, moving along or standing in a public road.

**c. Causing Damage To Other Farm Personal Property**

We will pay for loss of or damage to covered "farm personal property" (other than that described in Paragraph a. or b. above) in or upon a motor vehicle, caused by collision or overturn of that vehicle. Collision means accidental contact of the motor vehicle with another vehicle or object.

**13. Earthquake Loss To "Livestock"**

**14. Flood Loss To "Livestock"**

We will pay for loss or damage to "livestock" caused by or resulting from flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge).

**C. Covered Causes Of Loss – Broad**

Subject to the provisions in Paragraph A., when Broad is shown in the Declarations, Covered Causes of Loss means the Covered Causes of Loss under Paragraph B. Covered Causes Of Loss – Basic, plus the following:

**15. Electrocution Of Covered "Livestock"**

**16. Attacks On Covered "Livestock" By Dogs Or Wild Animals**

This Cause of Loss does not include loss or damage:

- a. To sheep; or
- b. Caused by dogs or wild animals owned by you, your employees or other persons residing on the "insured location".

**17. Accidental Shooting Of Covered "Livestock"**

This Cause of Loss does not include loss or damage caused by you, any other "insured", your employees or other persons residing on the "insured location".

**18. Drowning Of Covered "Livestock" From External Causes**

This Cause of Loss does not include loss resulting from the drowning of swine under 30 days old.

**19. Loading/Unloading Accidents**, meaning sudden, unforeseen and unintended events causing or necessitating death of covered "livestock" and occurring while they are being unloaded from or loaded onto vehicles used or to be used to transport them.

This Cause of Loss does not include loss caused by or resulting from disease.

## 20. Falling Objects

But we will not pay for loss or damage to:

- a. Personal property in the open;
- b. The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object; or
- c. The falling object itself.

## 21. Weight Of Ice, Snow Or Sleet causing damage to a building or to any property inside a building.

But under this Cause of Loss we will not pay for loss by pressure or weight of water in any form, whether driven by wind or not, to any:

- a. Foundation or retaining wall;
- b. Pavement or patio;
- c. Awning;
- d. Fence;
- e. Outdoor equipment;
- f. Swimming pool; or
- g. Bulkhead, dock, pier or wharf.

## 22. Sudden And Accidental Tearing Apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective system, or an appliance for heating water.

Under this Cause of Loss we will not pay for loss or damage caused by or resulting from freezing.

## 23. Accidental Discharge Or Leakage Of Water Or Steam from within a plumbing, heating, air conditioning or other system or appliance that is located on the "insured location" and contains water or steam.

Under this Cause of Loss we will pay for loss of or damage to covered personal property provided that Broad is shown in the Declarations for the coverage applicable to that personal property. If any part of a building or structure to which Coverage A, B or G applies must be torn out and replaced so that repairs can be made to the damaged system or appliance, we will also pay the necessary costs involved, provided that Broad is shown in the Declarations for the coverage applying to that building or structure.

We will not pay:

- a. For loss or damage caused by discharge or leakage from a sump or related equipment and parts, including overflow due to sump pump failure or excessive volume of water;

- b. The cost to repair any defect that caused the loss or damage;

- c. For loss or damage caused by discharge or leakage in a building or structure "vacant" for more than 60 consecutive days immediately before the loss;

- d. For loss or damage caused by or resulting from freezing; or

- e. For loss or damage caused by or resulting from discharge or leakage from roof drains, gutters, downspouts or similar fixtures or equipment.

## 24. Freezing of a plumbing, heating, air conditioning or automatic fire protective system or of a household appliance but only if you have used reasonable care to:

- a. Maintain heat in the building or structure; or
- b. Shut off the water supply and drain all systems or appliances of water.

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

A plumbing system does not include a roof drain, gutter, downspout or similar fixtures or equipment.

## 25. Sudden And Accidental Damage from artificially generated electrical current – applicable only to Coverages A, B, C and D.

This Cause of Loss does not include loss of or damage to:

- a. Tubes, transistors or integrated circuitry that is a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus. Integrated circuitry includes, but is not limited to, chips, transformers, resistors, diodes, wafers and rectifiers; or
- b. Laser or infrared devices used to operate or assist in the operation of any appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

## D. Covered Causes Of Loss – Special

Subject to the provisions in Paragraph A., when Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this Policy.

1. We will not pay for loss or damage caused by or resulting from:

a. Fire, if that loss or damage is sustained by buildings or contents usual to tobacco barns as the result of using open fire for curing or drying tobacco in the barn, and occurs:

- (1) While tobacco is being fired; or
- (2) Within the five-day period following tobacco firing in the barn;

b. Collapse, except as provided in the Additional Coverage entitled Collapse. But if collapse results in a Covered Cause of Loss at the "insured location", we will pay for the loss or damage caused by that Covered Cause of Loss;

c. Windstorm or hail to:

- (1) Dairy or farm products in the open;
- (2) Watercraft or their trailers, furnishings, equipment or outboard engines or motors, unless within a fully enclosed building;

d. Rain, snow, ice or sleet to personal property in the open;

e. Rain, snow, sleet, sand or dust, whether driven by wind or not, to the interior of any building or structure or the property inside a building or structure, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sleet, sand or dust enters;

f. Freezing, thawing, or pressure or weight of water or ice, whether or not driven by wind, to any:

- (1) Footing, foundation, bulkhead, wall or any other structure or device that supports all or part of any property covered under Coverage A, B or G;
- (2) Retaining wall or bulkhead that does not support all or part of a building or structure;
- (3) Pavement or patio;
- (4) Fence;
- (5) Swimming pool; or
- (6) Dock, pier or wharf;

g. Discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective system or from within a household appliance:

(1) That occurs on the "insured location", but is caused by discharge that takes place off the "insured location";

(2) Caused by or resulting from freezing. This provision does not apply if you have used reasonable care to:

- (a) Maintain heat in the building or structure; or
- (b) Shut off the water supply and drain all systems or appliances of water.

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

(3) Due to any cause other than freezing and occurring in a building or structure "vacant" for more than 60 consecutive days immediately before the loss;

h. Any of the following occurrences, if they take place in buildings or structures covered under Coverage G or if the property destroyed or damaged is "farm personal property":

(1) Explosion of alcohol stills, steam boilers, steam pipes or steam engines, if you own, lease or operate them;

(2) Conditions or events (other than explosions) inside hot water boilers or other heating equipment, to the extent that they cause loss or damage to these boilers or equipment;

(3) Rupture, bursting or operating of pressure relief devices; or

(4) Rupture or bursting due to expansion of the contents of any building or structure, if the expansion is caused by or results from water.

But this exclusion does not apply to loss or damage caused by or resulting from explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass;

- i. Under Coverage A, B or C, theft from that part of your principal residence, including its grounds and appurtenant structures, which you rent to someone who is not an "insured";
- j. Under Coverage B or C, theft in or from a building or structure under construction, or of materials and supplies for use in such construction until the building or structure is completed and is being used;
- k. Under Coverage C, theft of the following household personal property away from the "insured location":
  - (1) Property at any residence owned by, rented to or occupied by an "insured", except while an "insured" is temporarily residing there.

But we will pay for loss by theft of the property of a student who is an "insured" from a residence away from home, provided the student was there at any time during the 45 days immediately preceding the loss.
  - (2) Any watercraft, its furnishings, equipment or outboard engines or motors; or
  - (3) Trailers or campers;
- l. Unauthorized instructions to transfer property to any person or to any place;
- m. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense;
- n. Theft of or vandalism to:
  - (1) Any electronic equipment that reproduces, receives or transmits audio, visual or data signals that is operated by power from the electrical system of a motor vehicle or mobile agricultural vehicle, unless it is:
    - (a) Covered Property; and
    - (b) Permanently installed in the motor vehicle or mobile agricultural vehicle; or

- (2) While in or upon a motor vehicle or mobile agricultural vehicle, any tape, wire, record, disc or other media for use with any electronic equipment that reproduces, receives or transmits audio, visual or data signals and that is operated by power from the electrical system of the motor vehicle or mobile agricultural vehicle;

- o. Vandalism, if the building or structure was "vacant" for more than 60 consecutive days immediately before the loss;
- p. Dishonest or criminal acts (including theft) by you or any "insured", any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1) Applies whether or not an act occurs during your normal hours of operation;
- (2) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered;
- q. Transport of "farm personal property", except to the extent of the coverage afforded under Covered Causes of Loss – Basic and Broad;
- r. Any cause included in the following list if that loss or damage is sustained by farm machinery:
  - (1) Collision or overturn of farm machinery or equipment, to the extent of any loss of or damage to the tires or inner tubes of such machinery or equipment. But we will pay for the loss of or damage to the tires or inner tubes if the same accident causes other covered loss to the same machinery or equipment.
  - (2) Foreign objects being taken into any farm machine or mechanical harvester;

- s. Artificially generated electric current, including electric arcing, that disturbs any electrical devices, appliances or wires; or under Coverages A, B, C and D, any tubes, transistors or integrated circuitry that is a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus, or laser or infrared devices used to operate or assist in the operation of any appliances, fixtures, computers, home entertainment units or other types of electronic apparatus. Integrated circuitry includes, but is not limited to, chips, transformers, resistors, diodes, wafers and rectifiers.

But:

- (1) Under Coverages A, B, C and D, we will pay for loss of or damage to electric devices, appliances or wires, provided the damage is sudden and accidental.
  - (2) If artificially generated electric current results in fire, we will pay for the loss or damage caused by that fire;
- t. Smoke, vapor or gas from agricultural smudging or industrial operations, to any building, structure or personal property;
- u. The following causes of loss to any building, structure or personal property:
- (1) Wear and tear;
  - (2) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
  - (3) Smog;
  - (4) Settling, cracking, shrinking or expansion;
  - (5) Nesting or infestation, or discharge or release of waste products or secretions, by birds, vermin, rodents, insects or domestic animals;
  - (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
  - (7) Dampness or dryness of atmosphere;
  - (8) Changes in temperature or extremes of heat or cold, including freezing. But this exclusion does not apply to freezing of a plumbing, heating, air conditioning or automatic fire protective system or freezing of a household appliance, if you have used reasonable care to:
    - (a) Maintain heat in the building or structure; or

- (b) Shut off the water supply and drain all systems or appliances of water.

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

**(9) Marring or scratching.**

But if an excluded cause of loss that is listed in Paragraphs u.(1) through u.(9) results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

**2. We will not pay:**

- a. Under Coverage E or F, for property that is missing, where the only evidence of the missing property is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property;
- b. Under Coverage G, for the disappearance of portable buildings or structures where there is no physical evidence to show what happened to the property.

**3. We will not pay for loss or damage caused by or resulting from any of the following, Paragraphs 3.a. through 3.c. But if an excluded cause of loss that is listed in Paragraphs 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.**

- a. Weather conditions. But this exclusion applies only if weather conditions contribute in any way with a cause or event excluded in Paragraph E. Exclusions to produce the loss or damage.
- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- c. Faulty, inadequate or defective:
  - (1) Planning, zoning, development, surveying, siting;
  - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
  - (3) Materials used in repair, construction, renovation or remodeling; or
  - (4) Maintenance;  
of part or all of any property on or off the "insured location".



4. We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

Under Paragraphs 1., 2., 3. and 4., any ensuing loss to property described in Coverages A and B not precluded by any other provision in this Policy is covered.

#### E. Exclusions

The following exclusions apply when any or all of the Covered Causes of Loss, Basic, Broad or Special, are specified in the Declarations.

We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes 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.

##### 1. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

- a. Regulating the construction, use or repair of any property; or
- b. Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (1) An ordinance or law that is enforced even if the property has not been damaged; or
- (2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

##### 2. Earth Movement

- a. Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- b. Landslide, including any earth sinking, rising or shifting related to such event;

- c. Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- d. Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions that cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

This exclusion applies regardless of whether the Earth Movement, as described in Paragraphs a. through d. above, is caused by an act of nature or is otherwise caused.

But:

- (1) If Earth Movement, as described in Paragraphs a. through d. above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion; or
  - (2) If:
    - (a) Loss or damage to farm machinery, vehicles and equipment covered for the Special Causes of Loss; or
    - (b) Loss to "livestock";is caused by earthquake, as described in Paragraph a. above, this Earth Movement Exclusion does not apply to such loss or damage.
- e. Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire or volcanic action, we will pay for the loss or damage caused by that fire or volcanic action.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (1) Airborne volcanic blast or airborne shock waves;
- (2) Ash, dust or particulate matter; or
- (3) Lava flow.

With respect to coverage for Volcanic Action as set forth in Paragraphs e.(1), e.(2) and e.(3), all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to Covered Property.

### 3. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Form.

### 4. Intentional Loss

We will not pay for loss or damage arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

### 5. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

### 6. Utility Services

The failure of power, communication, water or other utility service supplied to the "insured location", however caused, if the failure:

- a. Originates away from the "insured location"; or
- b. Originates at the "insured location", but only if such failure involves equipment used to supply the utility service to the "insured location" from a source away from the "insured location";

except as provided under Coverage C.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

### 7. Neglect

Neglect, meaning neglect of an "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

### 8. War And Military Action

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### 9. Water

- a. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- b. Mudslide or mudflow;
- c. Water that backs up or overflows or is otherwise discharged from a sewer or drain;
- d. Water that backs up or overflows or is otherwise discharged from a sump, sump pump or related equipment;
- e. Water under the ground surface pressing on, or flowing or seeping through:
  - (1) Foundations, walls, floors or paved surfaces;
  - (2) Basements, whether paved or not; or
  - (3) Doors, windows or other openings; or
- f. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a., c., d. or e., or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs a. through f., is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But:

(1) If any of the above, in Paragraphs a. through f., results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage; or

(2) If loss or damage to:

(a) Farm machinery, vehicles and equipment covered for the Special Causes of Loss; or

(b) "Livestock";

is caused by water as described in Paragraph a. above, this Water Exclusion does not apply to such loss or damage.

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# FARM PROPERTY – BARN, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Form the words "you" and "your" refer to the Named Insured shown in the Declarations. If the Named Insured shown in the Declarations and spouse are members of the same household, the words "you" and "your" also refer to the spouse. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions Section of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

## SECTION I – COVERAGES

### COVERAGE G – BARN, OUTBUILDINGS AND OTHER FARM STRUCTURES

#### A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the "insured location" described in the Declarations, or elsewhere as expressly provided below, caused by or resulting from any Covered Cause of Loss.

##### 1. Covered Property

All of the following are Covered Property under Coverage G of this Coverage Form, provided a Limit Of Insurance is shown in the Declarations for the specific type of property:

- Farm buildings and structures other than "dwellings", including attached sheds and permanent fixtures;
- Silos individually described in the Declarations or on a schedule, whether or not attached to buildings;
- Portable buildings and portable structures;
- All fences (except field and pasture fences), corrals, pens, chutes and feed racks;
- Outdoor radio and television equipment, antennas, masts and towers, including any guy wires and lead-in wiring;

f. Improvements and Betterments. Improvements and betterments are additions, alterations, fixtures or installations made part of the described building, but do not include items that may be legally removed by an "insured". If you are a tenant, we cover your use interest in the improvements and betterments you make at your expense to a building you do not own at the "insured location"; and

##### g. Building Materials and Supplies:

- For use in building, altering or repairing farm buildings or structures; and
- Kept on or adjacent to the "insured location".

## 2. Property Not Covered

Covered Property does not include:

- Land (including land on which a building or structure is located);
- Water;
- Field or pasture fences;
- Foundations, if below ground, of buildings or structures;
- Pilings, piers, wharves or docks;
- The cost of excavations, grading, filling or backfilling; or
- Private power and light poles, except as provided in the Section II – Coverage Extensions, Private Power And Light Poles.

## B. Coverage G Conditions

Coverage G is subject to the following Loss Conditions as well as to the Farm Property Conditions (see the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions) and the Common Policy Conditions.

## LOSS CONDITIONS

### 1. Fences, Corrals, Pens, Chutes, Feed Racks

The most we will pay in any one occurrence of loss of or damage to covered fences, corrals, pens, chutes and feed racks is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the value of all covered fences, corrals, pens, chutes and feed racks you own as of the time of loss.

## 2. Portable Buildings And Portable Structures

The most we will pay in any one occurrence of loss of or damage to portable buildings or portable structures is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the value of all portable buildings and portable structures you own as of the time of loss.

But this condition does not apply to any portable building or portable structure individually covered under its own Limit Of Insurance shown in the Declarations.

## 3. Valuation – Property Other Than Improvements And Betterments

- a. If the Replacement Cost Basis option is not expressly indicated in the Declarations, we will, in the event of loss or damage to Covered Property, settle at the actual cash value, as of the time of loss, of the destroyed or damaged part of the structure, but we will not pay more than the amount necessary for repair or replacement.

The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

- b. If the Replacement Cost Basis option is expressly indicated in the Declarations, loss valuation will be determined as provided below:

- (1) The basis for loss settlement will be determined by the ratio of the applicable Limit of Insurance for the specific building or structure to the full replacement cost of the destroyed or damaged Covered Property. When determining the full replacement cost, the values of the following will be disregarded:

- (a) Excavations, footings;
- (b) Foundations; and
- (c) Piers and other structures or devices that support all or part of Covered Property and are below the undersurface of the lowest basement floor; or, where there is no basement, those below the surface of the ground inside the foundation walls; also underground flues, pipes, wiring and drains.

- (2) If the Limit of Insurance on the damaged building or structure is at least 80% of its full replacement cost as of the time of loss, we will settle the loss based on the smallest of the following amounts:

- (a) The cost to replace the damaged part of the building or structure with material of like kind and quality and for like use;
- (b) The amount actually and necessarily spent to repair or replace the building or structure; or
- (c) The applicable Limit of Insurance.

If the structure is rebuilt at a new premises, the cost described in Paragraph B.3.b.(2) is limited to the cost that would have been incurred if the structure had been rebuilt at the original premises.

The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

- (3) If the Limit of Insurance on the damaged building or structure is less than 80% of its full replacement cost as of the time of loss, we will settle on the basis of (a) or (b) below, whichever is larger:

- (a) The actual cash value, as of time of loss, of the damaged part of the building or structure; or
- (b) A proportion of the cost to repair or replace the damaged part of the building or structure, without deduction for depreciation. This proportion will equal the ratio of the applicable Limit of Insurance to 80% of the cost of repair or replacement. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, we will not pay more than the applicable Limit of Insurance, regardless of whether Paragraph (a) or (b) above applies.

- (4) If your loss qualifies for payment on a replacement cost basis, but the cost of repair or replacement is more than either \$5,000 or 5% of the applicable Limit of Insurance, the only basis on which we will settle pending completion of repair or replacement is actual cash value, as of time of loss, of the damaged part of the building or structure. In case of such a loss, you can make an initial claim for payment on the actual cash value basis, and later make a supplementary claim for replacement cost payment. If you elect to exercise this option, you must notify us of your intention in writing within 180 days of the occurrence of the loss.

The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

#### 4. Valuation – Improvements And Betterments

- a. If repair or replacement is done at the expense of the "insured" within 12 months after the loss, we will settle the loss on the basis of actual cash value as of time of loss.
- b. If repair or replacement is not done within 12 months after loss, we will settle on the basis of a proportion of the cost of repair or replacement. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property. The applicable proportion will equal the ratio of Paragraph (1) below to Paragraph (2) below:
  - (1) The period of time from the loss or damage to the expiration of the lease.
  - (2) The period of time from the installation of the improvements to the expiration of the lease.

Lease means the lease, whether written or oral, in effect at the time of the loss.

If your lease contains a renewal option and if you exercise that option, the expiration of the renewal option period will replace the expiration of the lease in Paragraphs (1) and (2) above.

- c. If repair or replacement is done at the expense of others for the use of the "insured", we provide no insurance.

#### 5. Valuation – Glass Replacement

We will settle on the basis of the cost to replace damaged glass with safety glazing material, if required by law.

### SECTION II – COVERAGE EXTENSIONS

#### A. Private Power And Light Poles

We will pay up to \$1,000 in any one occurrence as an additional amount of insurance for direct physical loss of or damage to private power and light poles, outside wiring, including any guy wires and lead-in wiring and attachments. Attachments include attached switch boxes, fuse boxes, and other electrical equipment mounted on poles you own at the "insured location". The \$1,000 limit applies in excess of any applicable Deductible.

If specific private power and light poles are shown in the Declarations, the Limits of Insurance shown for them will be in addition to the \$1,000 limit.

#### B. New Construction

1. We will pay up to \$100,000 for direct physical loss of or damage to new, permanent farm structures at the "insured location", including materials and supplies for use in their construction.
2. This Coverage Extension applies only:
  - a. To structures that are not otherwise covered under this or any other policy; and
  - b. To loss caused by aircraft, explosion, fire, lightning, riot or civil commotion, smoke, vandalism, vehicles, windstorm or hail.
3. Insurance on each farm structure covered under this Coverage Extension will end as soon as any of the following takes place:
  - a. You report values to us. (We will charge you an additional premium for values reported from the date construction begins or the materials and supplies are delivered.)
  - b. 60 days have elapsed since the first date of delivery of the materials and supplies.
  - c. This Policy expires.
4. This Coverage Extension is part of, not in addition to, the applicable Limit of Insurance.

### SECTION III – ADDITIONAL COVERAGES

#### A. Extra Expense

If a Limit Of Insurance is shown in the Declarations for Extra Expense Coverage, we will pay, up to that Limit of Insurance, the actual and necessary expenses you incur to resume normal farming operations interrupted as the result of direct physical loss of or damage to Covered Property by a Covered Cause of Loss.

Coverage for such extra expense is not limited by the expiration of this Policy. But, we will not pay extra expense you incur after the period required for repair, rebuilding or replacement of Covered Property.

Extra Expense Coverage does not include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of, "pollutants".

No deductible applies to this Additional Coverage.

#### B. Water Damage

In the event of water (or steam) damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we:

1. Will also pay the necessary cost of tearing out and replacing any part of a covered building or structure so that the damaged system or appliance can be repaired, provided that Special Causes of Loss is shown in the Declarations for Coverage G under which the building or structure is covered; but

2. Will not pay the cost to repair any defect which caused water or steam to escape from a system or appliance containing water or steam.

In this Additional Coverage, a plumbing system does not include a sump, sump pump or related equipment.

This Additional Coverage will not increase the Limit of Insurance provided in this Coverage Part.

#### C. Other Additional Coverages

For other Additional Coverages, see the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

### SECTION IV – OTHER PROVISIONS

#### A. Covered Causes Of Loss, Exclusions And Limitations

See the Causes Of Loss Form – Farm Property for Basic, Broad or Special coverage as shown in the Declarations.

#### B. Limits Of Insurance

See the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

#### C. Deductible

See the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

# FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS

## A. Additional Coverages

### 1. Debris Removal

- a. We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- b. Except as provided in Paragraph d. below, the most we will pay under this Additional Coverage is 25% of:
  - (1) The amount we pay for the direct physical loss of or damage to Covered Property; plus
  - (2) The deductible in this Policy applicable to that loss or damage.
- c. This Additional Coverage does not apply to costs to:
  - (1) Extract "pollutants" from land or water; or
  - (2) Remove, restore or replace polluted land or water.
- d. Debris removal expense is included in the Limit of Insurance applying to the damaged property. But if:
  - (1) The amount payable for the sum of direct physical loss or damage and debris removal expense exceeds the applicable Limit of Insurance; or
  - (2) The debris removal expense exceeds the amount payable under the 25% limitation in Paragraph b. above;an additional 5% of the Limit of Insurance applying to the damaged property will be available to cover debris removal expense.

### 2. Reasonable Repairs

We will pay the reasonable cost to make necessary repairs to protect Covered Property from further damage after a loss insured against has occurred.

Payment under this Additional Coverage will be subject to, not in addition to, the Limit of Insurance applying to the property being repaired.

### 3. Damage To Property Removed For Safekeeping

We will pay for loss to Covered Property damaged by any cause during or up to 30 days after its removal from a building endangered by a Covered Cause of Loss.

Payment under this Additional Coverage will be subject to, not in addition to, the Limit of Insurance applying to the property being removed.

### 4. Fire Department Service Charge

We will pay the liability you have assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect Covered Property from a Covered Cause of Loss. But we will not pay fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

The amount we pay under this Additional Coverage will be in addition to any Limit of Insurance that applies under this Coverage Form.

No deductible applies to this Additional Coverage.

### 5. Collapse

The following Additional Coverage applies when Broad or Special Covered Causes of Loss is specified in the Declarations:

#### a. With respect to buildings:

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose;
- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse;
- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building;



- (4) A building that is standing or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- b. We will pay for direct physical loss or damage to Covered Property, caused by collapse of a building or any part of a building that is covered under a Farm Property Coverage Form or that contains property covered under a Farm Property Coverage Form, if the collapse is caused by one or more of the following:
- (1) The "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
  - (2) Decay that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
  - (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
  - (4) Weight of people or personal property;
  - (5) Weight of rain that collects on a roof; or
  - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in Paragraphs b.(1) through b.(5), we will pay for the loss or damage even if use of defective material or methods in construction, remodeling or renovation, contributes to the collapse.

The criteria set forth in Paragraphs a.(1) through a.(4) do not limit the coverage otherwise provided under the Causes Of Loss Form – Farm Property for the causes of loss listed in Paragraphs b.(1), b.(4) and b.(5).

- c. With respect to the following property:
- (1) Foundations and retaining walls;
  - (2) Underground pipes, flues and drains;
  - (3) Cesspools and septic tanks;
  - (4) Walks, roadways, patios and other paved surfaces;
  - (5) Awnings;

- (6) Fences;
  - (7) Outdoor equipment including yard fixtures;
  - (8) Swimming pools; and
  - (9) Bulkheads, docks, piers and wharves;
- if the collapse is caused by a cause of loss listed in Paragraphs b.(2) through b.(6), we will pay for loss or damage to that property only if:
- (1) Such loss or damage is a direct result of the collapse of a building insured under a Farm Property Coverage Form; and
  - (2) The property is Covered Property under a Farm Property Coverage Form.
- d. This Additional Coverage will not increase the Limits of Insurance provided in this Coverage Part.

#### 6. Pollutant Clean Up And Removal

We will pay your expense to extract "pollutants" from land or water at the "insured location" if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage, for each location listed in the Declarations as an "insured location", is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this Policy.

#### 7. Glass Or Safety Glazing Material

- a. We cover:
- (1) The breakage of glass or safety glazing material which is part of a covered building or structure, storm door or storm window;
  - (2) The breakage of glass or safety glazing material which is part of a covered building or structure, storm door or storm window when caused directly by earth movement; and

- (3) The direct physical loss or damage to Covered Property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building or structure, storm door or storm window.

b. This coverage does not include loss or damage:

- (1) To Covered Property which results because the glass or safety glazing material has been broken, except as provided in:

(a) Paragraph a.(3) above of this Glass Or Safety Glazing Material Additional Coverage; or

(b) Paragraph 5.b.(1) of the Collapse Additional Coverage, in connection with the abrupt collapse of a building or part of a building when such collapse is caused by breakage of building glass; or

- (2) On the "insured location" if the covered building or structure has been "vacant" for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided in a.(2) above. A building or structure being constructed is not considered "vacant".

c. This Additional Coverage does not increase the Limit of Insurance that applies to the damaged property.

## B. Farm Property Conditions

In addition to the Common Policy Conditions and the conditions in the individual Coverage Forms, the following apply:

### Loss Conditions

#### 1. Abandonment

There can be no abandonment of any property to us.

## 2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that the selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- Pay its chosen appraiser; and
- Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

## 3. Duties In The Event Of Loss Or Damage

a. In the event of loss or damage to Covered Property, we have no duty to provide coverage under this Policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.

(4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

(5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.

(6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

(7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

(8) Cooperate with us in the investigation or settlement of the claim.

b. We may examine any "insured" under oath, while not in the presence of any other "insured" and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an "insured's" books and records. In the event of an examination, an "insured's" answers must be signed.

#### 4. Insurance Under Two Or More Coverages

If two or more of this Policy's Coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

#### 5. Legal Action Against Us

No one may bring a legal action against us under a Coverage Form to which this condition applies, unless:

a. There has been full compliance with all of the terms of this Coverage Form; and

b. The action is brought within two years after the date on which the direct physical loss or damage occurred.

#### 6. Loss Payment

a. In the event of loss or damage covered under a Coverage Form to which this condition applies, at our option we will either:

(1) Pay the value of lost or damaged property;

(2) Pay the cost of repairing or replacing the lost or damaged property, subject to Paragraph b. below;

(3) Take all or any part of the property at an agreed or appraised value; or

(4) Repair, rebuild, or replace the property with other of like kind and quality, subject to Paragraph b. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in the Coverage Form or any applicable provision that amends or supersedes the Valuation Condition.

b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

c. We will not pay you more than your financial interest in the Covered Property.

d. We will give notice of our intentions within 30 days after we receive the proof of loss.

e. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, provided you have complied with all the terms of the Coverage Form, and

(1) We have reached agreement with you on the amount of loss; or

(2) An appraisal award has been made.

f. We may adjust losses with the owners of lost or damaged property if other than you. Our payment for such losses will only be for the owners' account. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

g. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

## 7. Pair, Sets Or Parts

### a. Pair Or Set

In case of loss or damage to any part of a pair or set, we may:

- (1) Repair or replace any part to restore the pair or set to its value before the loss; or
- (2) Pay the difference between the value of the pair or set before and after the loss.

### b. Parts

In case of loss of or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

## 8. Other Insurance And Service Agreement

a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under the applicable Coverage Form. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under the Coverage Form bears to the limits of insurance of all insurance covering on the same basis.

b. If there is other insurance covering the same loss or damage, other than that described in Paragraph 8.a. above, we will pay only the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

c. In the settlement of loss or damage to farm machinery, vehicles or equipment covered under Coverage E that you have borrowed or rented, Paragraph b. of this condition will not apply.

d. If loss or damage is also covered by a service agreement, any amounts payable for such loss or damage under the applicable Coverage Form will be excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service or warranty agreement, even if it is characterized as insurance.

## 9. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

## 10. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- a. Prior to loss.
- b. After a loss, only if at the time of loss that party is one of the following:
  - (1) Someone insured by this insurance;
  - (2) A business firm:
    - (a) Owned or controlled by you; or
    - (b) That owns or controls you; or
  - (3) Your tenant.

This will not restrict your insurance.

## 11. Unoccupancy And Vacancy

a. If a building or structure is "vacant" or "unoccupied" beyond a period of 120 consecutive days, the amount we would otherwise pay for loss or damage to the building or structure and its contents will be automatically reduced by 15%, unless we extend the period of "vacancy" or "unoccupancy" by endorsement made a part of the applicable Coverage Form.

b. In addition to the penalty described in Paragraph a. above, "vacancy" results in certain exclusions or limitations applicable to certain causes of loss. See Causes Of Loss Form – Farm Property.

E

## General Conditions

### 1. Concealment, Misrepresentation Or Fraud

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This insurance;
- b. The Covered Property;
- c. Your interest in the Covered Property; or
- d. A claim under this insurance.

### 2. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this insurance at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

### 3. Liberalization

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to any Farm Property Coverage Form that is affected by the liberalization and is a part of this Policy.

### 4. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this insurance, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
  - (1) Pays any premium due under the affected Coverage Forms at our request if you have failed to do so;
  - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and

- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of the affected Coverage Forms will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of the Coverage Forms involved:

- (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this Policy, we will give written notice to the mortgageholder at least:
  - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
  - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this Policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this Policy.

### 5. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

### 6. Policy Period

We cover loss or damage commencing during the policy period shown in the Declarations.

### C. Definitions

The following words and phrases have a special meaning throughout the Farm Property Coverage Forms:

1. "Agritainment" means an agricultural or aquacultural related activity or enterprise that is primarily operated on the "insured location":
  - a. For the purposes of tourism or entertainment; and

- b. Engaged in for monetary or other compensation.
2. "Agricultural property" means property owned by an "insured" used primarily in connection with the operation of any "agriculture". "Agricultural property" does not include buildings, structures, land, water and growing crops (other than growing crops held for nursery stock and ready for sale).
3. "Business property" means property pertaining to any trade, profession or occupation other than farming. "Business property" does not include "agricultural property".
4. "Dwelling" means a building used principally for family residential purposes, and includes mobile homes and modular and prefabricated homes.
- "Dwelling" does not mean a building used in such agricultural operations as storage of farm produce, "livestock" or "poultry".
5. "Farm personal property" means equipment, supplies and products of farming or ranching operations, including but not limited to feed, seed, fertilizer, "livestock", other animals, "poultry", grain, bees, fish, worms, produce and agricultural machinery, vehicles and equipment.
6. "Insured" means you and, if you are an individual, the following members of your household:
- a. Your relatives;
  - b. Any other person under the age of 21 who is in your care or in the care of a member of your household who is your relative;
  - c. A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:
    - (1) 24 and your relative; or
    - (2) 24 and in your care or in the care of a member of your household who is your relative.
7. "Insured location" means any location, including its private approaches, described in the Farm Property Declarations.
8. "Livestock" means cattle, sheep, swine, goats, horses, mules and donkeys.
9. "Money" means currency, coins and bank notes in current use and having a face value; also scrip, stored value cards and smart cards, travelers' checks, register checks and money orders held for sale to the public.
10. "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.
11. "Poultry" means fowl kept by you for use or sale.
12. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or other property and includes:
- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  - b. Evidences of debt used in connection with credit or charge cards, which cards are not issued by you.
- But "securities" does not include "money".
13. "Specified causes of loss" means the following as defined in either Paragraph a. or b.:
- a. When either **Basic** or **Broad Covered Causes of Loss** is specified in the Declarations, "specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
    - (1) Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
      - (a) The cost of filling sinkholes; or
      - (b) Sinking or collapse of land into man-made underground cavities.
    - (2) Falling objects does not include loss or damage to:
      - (a) Personal property or "agricultural property" in the open;
      - (b) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object; or
      - (c) The falling object itself.

(3) Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the "insured location" and contains water or steam.

b. When **Special Covered Causes of Loss** is specified in the Declarations, "specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

(1) Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (a) The cost of filling sinkholes; or
- (b) Sinking or collapse of land into man-made underground cavities.

(2) Falling objects does not include loss or damage to:

- (a) Personal property or "agritainment property" in the open;
- (b) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object; or

(c) The falling object itself.

(3) Water damage means:

- (a) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the "insured location" and contains water or steam; and

(b) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the "insured location" and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in Paragraph (3)(a) or (3)(b) of this definition of "specified causes of loss", such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

14. "Unoccupancy" or "unoccupied" means the condition of:

- a. A "dwelling" (except while being constructed) not being lived in; or
- b. Any other building or structure (except while being constructed) not being used;

even if it contains furnishings or other property customary to its intended use or occupancy.

15. "Vacancy" or "vacant" means the condition of a building or structure (except while being constructed) not containing sufficient furnishings or other property customary to its intended use or occupancy.

#### D. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the lesser of the following:

- 1. The applicable Limit Of Insurance shown in the Declarations; or
- 2. The applicable Special Limit of Insurance described under Section A of each applicable Coverage.

#### E. Deductible

We will not pay for loss, damage or expense in any one occurrence until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss, damage or expense in excess of that Deductible, up to the applicable Limit of Insurance or Special Limit of Insurance.

In the event that you sustain, from the same occurrence, losses or expenses in excess of the applicable Deductibles under two or more Coverages, only the highest applicable Deductible amount will apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## S SINGLE FARM PROPERTY PER-OCCURRENCE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS,  
DEFINITIONS  
MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM  
LIVESTOCK COVERAGE FORM  
A

The **Deductible** Section is replaced by the following:

We will not pay for loss ("loss"), damage or expense in any one occurrence until the amount of loss ("loss"), damage or expense exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss ("loss"), damage or expense in excess of that Deductible, up to the applicable Limit of Insurance or Special Limit of Insurance.  
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In the event that you sustain, from the same occurrence, losses ("losses"), damages or expenses in excess of the otherwise applicable Deductibles under two or more Coverage Forms of this Farm Coverage Part, only the highest applicable deductible amount will apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

FARM COVERAGE PART including any attached endorsement that may provide specialized coverage on computers, but not including the FARM LIABILITY COVERAGE FORM

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by any of the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
- a.** Any of the following, whether belonging to any "insured" or to others:
    - (1)** Computer hardware, including microprocessors, or other "electronic data processing equipment" as may be defined elsewhere in this policy;
    - (2)** Computer application software, including "electronic media and records" as may be defined elsewhere in this policy;
    - (3)** Computer operating systems and related software;
    - (4)** Computer networks;
    - (5)** Microprocessors (computer chips) not part of any computer system; or
    - (6)** Any other computerized or electronic equipment or components; or
  - b.** Any other products or any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph 1.a. above;  
due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
- B.** If an excluded cause of loss as described above in Paragraph A. results in:
- 1.** A "specified cause of loss" under the Special Causes of Loss; or
  - 2.** A Covered Cause of Loss under the Basic or Broad Causes of Loss;
- we will pay only for the loss ("loss") or damage caused by such "specified cause of loss" or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs A.1.a. or b. above to correct any deficiencies or change any features.

# COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

## A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

## B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

## C. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

## D. INSPECTIONS AND SURVEYS

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

## E. PREMIUMS

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

## F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

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## MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 CAUSES OF LOSS FORM – FARM PROPERTY  
 COMMERCIAL PROPERTY COVERAGE PART  
 FARM LIABILITY COVERAGE FORM  
 FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS,  
 DEFINITIONS  
 LIVESTOCK COVERAGE FORM  
 MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM

- A.** When this endorsement is attached to the Standard Property Policy **CP 00 99** the terms Coverage Form and Coverage Part in this endorsement are replaced by the term Policy.
- B.** If partial loss ("loss") or damage to Covered Property is caused by or results from fire, Paragraph **a.**, of the **Loss Payment** Loss Condition is replaced by the following:

### LOSS PAYMENT

In the event of partial loss ("loss") or damage caused by or resulting from fire, and covered by this Coverage Part, at your option, we will either:

1. Pay you an amount of money equal to the damage done; or
2. Repair the damage, so that the property is in as good a condition as before the fire.

But we will not pay more than the Limit of Insurance.

- C.** The following provision replaces:
1. Paragraph **c.** of the **Loss Payment** Loss Condition in the Commercial Property Coverage Part;
  2. Paragraph **d.** of the **Loss Payment** Loss Condition in the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions and Paragraph **c.** of the **Loss Payment** Loss Condition in the Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form; and

- 3.** Paragraph **c.** of the **Loss Payment** Loss Condition in the Capital Assets Program (Output Policy) Coverage Part:

In the event of loss ("loss") or damage covered under this Coverage Part, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:

1. Accept your claim;
2. Deny your claim; or
3. Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent informing you that we need more time to determine whether your claim should be accepted or denied and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

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- D. Except as provided in E. below, the **Appraisal Loss Condition** is replaced by the following:

#### **APPRAISAL**

If we and you disagree on the value of the property or the amount of loss ("loss"), either may make written demand for an appraisal of the loss ("loss"). In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, we or you may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss ("loss"). If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding.

Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

- E. The **Appraisal Condition** in:

1. Business Income (And Extra Expense) Coverage Form **CP 00 30**;
2. Business Income (Without Extra Expense) Coverage Form **CP 00 32**; and
3. Capital Assets Program Coverage Form (Output Policy), **OP 00 01**, Paragraph **A.7. Business Income And Extra Expense**;

is replaced by the following:

#### **APPRAISAL**

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, we or you may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or the amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

- F. The **Legal Action Against Us Condition** is replaced by the following:

#### **LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 10 years after the date on which the direct physical loss ("loss") or damage occurred.

- G. Paragraph F. above does not apply to the:

1. **Legal Action Against Us Loss Condition** in the Legal Liability Coverage Form;
2. **Legal Action Against Us Condition** applicable to Coverages C and D in the Mortgageholders Errors And Omission Coverage Form; or
3. **Legal Action Against Us Loss Condition** in the Farm Liability Coverage Form.

- H. **Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations**

1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.
2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply subject to all other provisions of the Act:
  - a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December thirty-first of the year next preceding the date the insurer becomes insolvent; provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all of its affiliates as calculated on a consolidated basis.

- b. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable limit of insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this policy.

- I. For the Commercial Property Coverage Part, the following exclusion and related provisions are added to Paragraph B.1. **Exclusions** in the Causes Of Loss Forms and to any Coverage Form or policy to which a Causes Of Loss Form is not attached:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Coverage Part and the loss arose out of domestic violence. Such coverage will be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating both:

- a. The cause of the loss; and
- b. A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.

3. If we pay a claim pursuant to Paragraph I.2., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.

- J. The **Intentional Loss Exclusion** in the Causes Of Loss Form – Farm Property, Mobile Agricultural Machinery And Equipment Coverage Form and Livestock Coverage Form is replaced by the following:

1. We will not pay for loss ("loss") or damage arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss ("loss").

In the event of such loss ("loss"), no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss ("loss").

2. However, this exclusion will not apply to deny coverage to an innocent co-"insured" who did not cooperate in or contribute to the creation of the loss ("loss"), provided the loss ("loss") is otherwise covered under this Coverage Form and the loss ("loss") arose out of domestic violence. Such coverage will be provided only if the innocent co-"insured" files a police report and completes a sworn affidavit indicating both:

- a. The cause of the loss ("loss"); and
- b. A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss ("loss").

3. If we pay a claim pursuant to Paragraph J.2., our payment to the innocent co-"insured" will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss ("loss") for which the innocent co-"insured" has received payment. In no event will we pay more than the Limit of Insurance.

- K. The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Loss Condition:

If we pay an innocent co-"insured" for loss ("loss") arising out of an act of domestic violence by another "insured", the rights of the innocent co-"insured" to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss ("loss"), the innocent co-"insured" may not waive such rights to recover against the abuser.

- L. Paragraph K. above does not apply to the **Transfer Of Rights Of Recovery Against Others To Us** Loss Condition in the Farm Liability Coverage Form.

- M.** The following is added with respect to the Additional Coverages of Debris Removal and Pollutant Clean Up And Removal, and relates only to the requirement to report expenses to us within 180 days of the specified occurrence:

If you fail to report the expenses to us within the 180-day timeframe, such failure will not invalidate a claim under Debris Removal or Pollutant Clean Up And Removal unless such failure operates to prejudice our rights.

- N.** When the:

1. Replacement Cost Optional Coverage in the Commercial Property Coverage Part;
2. **Valuation** Loss Condition in the Capital Assets Program (Output Policy);
3. Coverage **A Valuation** Loss Condition in the Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form; or
4. **Valuation – Property Other Than Improvements And Betterments** Loss Condition in the Farm Property – Barns, Outbuildings And Other Farm Structures Coverage Form

applies, the following is added with respect to these provisions and relates only to the requirement to notify us of your intent to submit an additional claim (for the difference between the actual cash value and replacement cost) within 180 days after the loss or damage occurs:

If you fail to notify us of your intent within the 180-day timeframe, such failure will not invalidate the claim unless such failure operates to prejudice our rights.

- O.** For the Capital Assets Program (Output Policy) Coverage Part, the following exclusion and related provisions are added to Paragraph **C.2. Exclusions**:

1. We will not pay for loss or damage arising out of any act an insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no insured is entitled to coverage, even insureds who did not commit or conspire to commit the act causing the loss.

2. However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Coverage Part and the loss arose out of domestic violence. Such coverage will be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating both:

- a. The cause of the loss; and

- b. A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.

3. If we pay a claim pursuant to Paragraph **O.2.**, our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.

- P.** The **Transfer Of Your Rights And Duties Under This Policy** Common Policy Condition is replaced by the following:

**1. Transfer By Beneficiary Deed**

If you convey real property insured under this policy to a person (known as a grantee beneficiary) designated under a beneficiary deed, which has been properly recorded prior to your death, that person will have your rights and duties with respect to the insured real property, but only for the period from the date of your death until the first of the following occurs:

- a. A period of 30 days from the date of your death;
- b. The date that alternative coverage is obtained on your property; or
- c. The end of the policy period as shown in the Declarations.

**2. Transfer By Other Means Following Death**

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties, but only with respect to that property. Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MISSOURI CHANGES – POLLUTION**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART  
FARM UMBRELLA LIABILITY POLICY  
STANDARD PROPERTY POLICY

In this Coverage Part or Policy, any exclusion, limitation or other provision relating to pollutants ("pollutants"), or any amendment to or replacement of such exclusions, limitations or other provisions, applies whether or not the irritant or contaminant has any function in or on your business, operations, premises, site or location.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 STANDARD PROPERTY POLICY

### **A. Cap On Certified Terrorism Losses**

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

### **B. Application Of Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

# S MISSOURI CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. When this endorsement is attached to the Standard Property Policy **CP 00 99**, the term Commercial Property Coverage Part in this endorsement also refers to the Standard Property Policy.

B. With respect to the:

Commercial General Liability Coverage Part  
Commercial Property – Legal Liability Coverage  
Form **CP 00 40**

Commercial Property – Mortgageholders Errors  
And Omissions Coverage Form **CP 00 70**

Crime And Fidelity Coverage Part

Employment-Related Practices Liability Coverage  
Part

Equipment Breakdown Coverage Part

Farm Liability Coverage Form

Liquor Liability Coverage Part

Pollution Liability Coverage Part

Products/Completed Operations Liability Coverage  
Part

Medical Professional Liability Coverage Part;

the following **Cancellation** and **Nonrenewal** Provisions apply:

Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the actual reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium;

b. 30 days before the effective date of cancellation if cancellation is for one or more of the following reasons:

(1) Fraud or material misrepresentation affecting this policy or a claim filed under this policy or a violation of any of the terms or conditions of this policy;

(2) Changes in conditions after the effective date of this policy which have materially increased the risk assumed;

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- (3) We become insolvent; or
- (4) We involuntarily lose reinsurance for this policy;
- c. 60 days before the effective date of cancellation if we cancel for any other reason.

#### **Nonrenewal**

The following is added and supersedes any provision to the contrary:

- a. We may elect not to renew this policy by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the actual reason for nonrenewal, at least 60 days prior to the effective date of the nonrenewal.
- b. If notice is mailed, proof of mailing will be sufficient proof of notice.

#### **C. With respect to the:**

Capital Assets Program (Output Policy) Coverage Part

Commercial Inland Marine Coverage Part

Commercial Property Coverage Part

Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions Coverage Form

Farm – Livestock Coverage Form

Farm – Mobile Agricultural Machinery And Equipment Coverage Form;

Paragraphs 1., 2., 3., 4. and 6. of the **Cancellation** Common Policy Condition are replaced by the following:

#### **Cancellation, Nonrenewal And Decreases In Coverage**

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel, nonrenew, reduce in amount or adversely modify this policy by mailing or delivering to the first Named Insured written notice of this action at least:
  - a. 10 days before the effective date of this action if due to nonpayment of premium or evidence of incendiarism; or
  - b. 30 days before the effective date of this action if for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

#### **4. Notice of:**

- a. Cancellation will state the effective date of cancellation. The policy period will end on that date.
- b. Any other action will state the effective date of that action.

#### **6. If notice is mailed, proof of mailing will be sufficient proof of notice.**

#### **D. With respect to all Coverage Parts addressed in this endorsement, Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:**

#### **5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium:**

- a. We will compute return premium pro rata and round to the next higher whole dollar when this policy is:

- (1) Cancelled by us or at our request;
- (2) Cancelled because you no longer have a financial or insurable interest in the property or business operation that is the subject of this insurance;
- (3) Cancelled but rewritten with us or in our company group; or
- (4) Cancelled after the first year, if it is a prepaid policy written for a term of more than one year.

- b. When this policy is cancelled at the request of the first Named Insured (except when Paragraph a.(2), a.(3) or a.(4) applies), we will return 90% of the pro rata unearned premium (or 75% of the pro rata unearned premium for the Equipment Breakdown Coverage Part), rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multiyear prepaid policy, we will return the full annual premium for the subsequent years.

The refund will be less than 90% of the pro rata unearned premium (or less than 75% of the pro rata unearned premium for the Equipment Breakdown Coverage Part) if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this policy.

# MISSOURI AMENDATORY ENDORSEMENT

Form IL 02 74 (Ed. 09/08) is amended as follows:

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C. 2. a. of MISSOURI CHANGES – CANCELLATION AND NONRENEWAL is amended by the following:

C. With respect to the: **A**  
Farm Property - Other Farm Provisions Form- Additional Coverages, Conditions, Definitions  
Coverage Form

## CANCELLATION, NON-RENEWAL AND DECREASES IN COVERAGE

2. We may cancel, nonrenew, reduce in amount or adversely modify this policy by mailing or delivering to the first Named Insured written notice of this action at least: **M**
- a. 30 days before the effective date of this action if due to nonpayment of premium or evidence of incendiarism; or

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**THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.**

## LOSS CONDITION - VALUATION

This endorsement modifies insurance provided by the

FARM PROPERTY - FARM DWELLING, APPURTENANT STRUCTURES AND  
HOUSEHOLD PERSONAL PROPERTY COVERAGE FORM

FARM PROPERTY - BARN, OUTBUILDINGS AND OTHER FARM STRUCTURES  
COVERAGE FORM

THE LOSS CONDITION VALUATION FOR COVERAGE A, B & C (FORM FP0012)  
AND THE LOSS CONDITIONS AND VALUATION-PROPERTY OTHER THAN  
IMPROVEMENTS AND BETTERMENTS COVERAGE G (FORM FP0014) IS REPLACED  
BY THE FOLLOWING:

## LOSS CONDITION - VALUATION

In the event of loss of or damage to covered property, we will  
settle at actual cash value as of the time of loss, but we will not  
pay more than the amount necessary for repair or replacement.

The cost of repairs or replacement does not include the increased  
cost attributable to enforcement of any ordinance or law regulating  
the construction, use or repair of any property.

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