

# Farm and Ranch Liability Program

## GENERAL ELIGIBILITY GUIDELINES - FARM AND RANCH LIABILITY COVERAGE

The **FARM AND RANCH LIABILITY PROGRAM** is intended to provide coverage for the principle farm premises and all additional farm premises listed that are being maintained by the insured.

Rating is based on the **TOTAL ACRES** of all locations.

**The TOTAL ACRES will also include the following:**

- (a) Non-Farm Residence Premises shown on the declarations
- (b) Farm Land with or without buildings rented to others and shown on the declarations
- (c) Farm Land leased/rented from others for the insured's own farming purposes and shown on the declarations.

### Classifications - All Farm Premises

- Not more than 40 acres
- 41 to 200 acres
- 201 to 500 acres
- 501 to 1,000 acres
- 1,001 to 5,000 acres
- 5,001 to 10,000 acres
- 10,001 to 15,000 acres
- 15,000 acres or more

**\*\*\*A 50% reduction in the base rate liability premium applies when all locations are rented to others.**

**NOTE: When no livestock exposure is indicated, the risk will qualify for a reduce rate.  
Form FMH-7040 – Livestock Liability Coverage Excluded applies.**

An **ADDITIONAL FARM RESIDENCE PREMISES** shall be rated as follows:

- 1. When there are additional dwellings **used by the insured, rate for each additional dwelling.**
- 2. When there is a dwelling that is **rented to others, rate for each additional rental dwelling.**

## Farm Premises and Operations Coverage - Form FMH-7001

This coverage applies on all farm risks including a Farm Corporation, Partnership, Trust or Limited Liability Company. Coverage is limited to the locations listed on the policy declaration.

## Personal Liability Coverage - Form FMH-7012

Personal Liability Coverage for an owner-operator, resident spouse and resident individuals maintaining the farm premises must be added for an additional charge.

**Form FMH-7012 Personal Liability Coverage** applies

**Note:** If two or more persons co-own and operate a farm and maintain separate households on the farm premises, a single policy may be issued to cover these persons as named insureds.

Compute a separate Personal Liability premium for each household.

# Farm and Ranch Liability Program

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## Personal Injury

### Personal Injury (Included with Personal Liability Coverage)

## Mandatory Coverage

The following is a general description of the coverage provided by Form FMH-7001. The coverage part states the complete conditions.

### Coverage L - Bodily Injury Liability and Property Damage Liability

Coverage L pays on behalf of the insured for damages due to bodily injury and property damage arising out of the ownership, maintenance or use of the insured premises.

### Coverage M - Medical Payments

Coverage M pays medical expenses, incurred by persons who are not insureds, for bodily injury related to the insured premises.

### Coverage N – Farm Chemicals, Fertilizer and Waste Limited Liability

This coverage provides on an occurrence basis sub-limit for the insured's liability arising out of the discharge, dispersal, spill, release, or escape of Agricultural Chemicals, Fertilizer or Waste including cost of clean up subject to the conditions of the endorsement. There is an aggregate limit for any one policy year.

### Damage to Property of Others

Coverage is provided by the base policy for Physical Damage to the Property of Others for a limit of \$1,000 per occurrence. This limit can be increased up to a maximum of \$5,000.

### Coverage O - Fire Legal Liability

Coverage O pays for property damage to premises rented by the insured. The included each occurrence limit is \$50,000. Higher Coverage O each occurrence limits are available.

## Limits of Liability

### Per Occurrence Limit

The minimum limits for each coverage are:

Coverage L	\$100,000	Per Occurrence
Coverage M	\$2,000	Per Person
	\$25,000	Per Accident

Higher per occurrence and per person limits are available.

### Annual Aggregate Limit

An annual aggregate limit applies to the sum of all payments made during an annual policy term. The Farm and Ranch Liability Program contemplate a general aggregate limit equal to twice the per occurrence limit.

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The following ARE UNACCEPTABLE for binding without prior underwriting approval:

1. Manufacturing, processing, freezing or dehydrating operations.
2. Commercial poultry, cattle or hog feeding operations.
3. Roadside stands if other than home grown unaltered produce sold. (No homemade or re-sale)
4. Show horse, race horse, riding academies, trail rides or boarding stables.
5. Financially irresponsible persons.
6. Persons having poor moral habits or poor safety habits.
7. Persons cancelled and/or declined by another carrier. (not applicable in Missouri)
8. Persons known to have livestock out on a frequent basis.
9. Persons having poor claim history or who are claim conscious.
10. Persons owning exotic animals or animals known to be of a vicious nature.
11. Premises where dogs are kenneled for others or raised for sale to the public.
12. Premises in poor physical condition regarding buildings, fences or machinery.
13. Premises where commercial business activities are conducted, unless specifically excluded.
14. Premises where recreational, tourist or bed & breakfast facilities are provided.
15. Rest homes, nursing homes, or similar occupancy.
16. Business pursuits other than farming in excess of \$30,000 gross annual receipts.
17. Non-Incidental custom farming operations.
18. Custom farming operations with gross annual receipts in excess of \$150,000.
19. Farm premises on which an airport or landing strip is located.
20. Farm premises having unusual hazards such as a quarry, gravel pit, logging operation or saw mill.
21. Risk with a trampoline on the premises.
22. Risk with more than one milk contamination loss in last 5 years.
23. New business for persons owning any 3-wheeled ATV.
24. Risk with a swimming pool containing any diving board or a slide over 6 feet high.

## PREMIUM ROUNDING RULE

The following rules always apply to Direct Bill Policies.

### Premium Rounding Rule

All premiums shown on the policy and endorsements shall be rounded to the nearest dollar.

### Waiver of Premiums

Additional or return premiums of less than \$7.00 that result from a mid-term policy change may be waived. However, a return premium of less than \$7.00 must be paid if requested by the insured.

## PREMIUM DETERMINATION - FARM AND RANCH LIABILITY COVERAGE

### Rating Basis

The rating basis shown for each classification is used to calculate the premium for the various Farm and Ranch Liability exposures.

When the rating basis is "receipts", the rate for the applicable classification applies per \$1,000 in gross annual receipts of the insured for the covered exposure.

# Farm and Ranch Liability Program

## Required Coverage

Coverage is required for the following exposures if they exist:

1. All domestic employees of the named insured not covered or required to be covered by Workers' Compensation Insurance. A charge is required for domestic employees in excess of two (2).
2. All farm premises of the named insured.

## Calculation of Premium

The premium is calculated based of the rates that have been filed with the applicable state. Please refer to quoting software.

## Minimum Premium

The total annual premium based on the sum of the final calculation shown for each classification is subject to a \$100 Minimum Premium in this Farm and Ranch Liability program.

The exception to this Minimum Premium applies when both Property & Liability coverage are written as a package with an identical policy number. In this case, the \$100 Minimum Premium applies to the total policy premium of both policies combined.

## CLASSIFICATIONS - FARM AND RANCH LIABILITY COVERAGES

### Classifications that apply to Farm and Ranch Liability

#### Residences

Exposure	Rating Basis
Initial Residence - one family . . . . .	Included
Additional Residence – Insured . . . . .	each
This applies to secondary, owner-occupied dwellings.	
Residence - Not Occupied by an Insured. . . . .	each

#### Additional Insureds

Exposure	Rating Basis
Additional Insured . . . . .	each
Interests permitted are limited to a family corporation, farm managers, or a person or organization with an interest in the insured's location.	
Form FMH-7070 – Additional Insured	
Additional Insured – Leased or rented property . . . . .	each
Form FMH-7071 – Additional Insured – Leased or rented property	

# Farm and Ranch Liability Program

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## Incidental Business Pursuits – on premises (Total Receipts cannot exceed \$30,000)

Exposure	Rating Basis
Business Activities for on premise exposures: .....	gross receipts

Form FMH-7074 – Incidental Business Activities

## Incidental Business Pursuits – off premises (Total Receipts cannot exceed \$30,000)

Exposure	Rating Basis
Business Activities For the following exposures: .....	gross receipts

Form FMH-7074 – Incidental Business Pursuits

## Care Provided for Others

Exposure	Rating Basis
Services provided at the Initial Residence for up to 3 Persons .....	per policy

Form FMH-7084 - Care Provided for Others Coverage

## Employer’s Liability - Domestic Employees

Exposure	Rating Basis
Employer’s Liability - Domestic Employees (in excess of two) .....	each

This applies only when employers’ liability coverage for domestic employees is not provided or required to be provided by a Workers’ Compensation Policy.

## Watercraft

Exposure	Rating Basis
Less than 26 ft., 50-100 h.p.	per boat
Less than 26 ft., over 100 h.p.	per boat
26-40 ft., under 50 h.p.	per boat
26-40 ft., 50-100 h.p.	per boat
26-40 ft., over 100 h.p.	per boat
Over 40 ft., under 50 h.p.	per boat
Over 40 ft., 50-100 h.p.	per boat
Over 40 ft., over 100 h.p.	Refer to Company

## Sailboats without Auxiliary Power

26-40 ft.	per boat
Over 40 ft.	Refer to Company

# Farm and Ranch Liability Program

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**Personal Watercraft (Unacceptable for Binding on New Business)**

Jet Skis each  
 Endorsement FMH-7031 – Watercraft

**Uninsured Boaters Coverage**

Coverage Z, Uninsured Boaters Coverage, pays for compensatory damages that an insured is legally entitled to recover because of injuries caused by an accident arising out of an uninsured boat. There is no additional premium charge for Uninsured Boaters Coverage.

**The limit for Coverage Z – Uninsured Boaters Coverage is \$100,000 Per Accident.**

Form FMH-7031 – Liability Coverage Owned Watercraft

**Custom Farming**

**Exposure Rating Basis**

Custom Farming – does NOT include Custom Spraying (Receipts in excess of \$5,000)  
 Custom Farming (each \$1,000 Gross Annual Receipts) . . . . . gross receipts

Custom Spraying – sub-limit per occurrence – Annual Aggregate 2x’s sub-limit  
 Custom Spraying . . . . . flat

Form FMH-7025 – Custom Spraying for Agricultural Purposes

**Seed Sales – does NOT include Completed Operations/Erroneous Delivery and Mixture**

Seed Sales . . . . . gross receipts

Form FMH 7074 – Incidental Business

**Seed Sales – WITH Completed Operations/Erroneous Delivery and Mixture Coverage**

Seed Sales . . . . . gross receipts

Form FMH 7075 – Seed Sales

**Custom Feeding (Livestock Capacity)**

(1 - 1,200) . . . . .	per head
(1,201 - 4,800) . . . . .	per head
(4,801 - 9,600) . . . . .	per head
(9,601 - 14,400) . . . . .	per head
(over 14,000 – each additional 10,000 head) . . . . .	per head

Endorsement FMH 7074 – Incidental Business

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## Custom Feeding with Care, Custody & Control (Livestock Capacity)

(1 - 1,200) .....	per head
(1,201 - 4,800) .....	per head
(4,801 - 9,600) .....	per head
(9,601 - 14,400) .....	per head
(over 14,000 – each additional 10,000 head) .....	per head

Endorsement FMH 7020 - Custom Feeding Care, Custody & Control

## Special Event Coverage – Animals/Livestock ..... flat

Provides coverage for animals and livestock used in parades, rodeos and similar events

Form FMH 7047 – Special Event Coverage For Animals

## Fruit or Vegetable Picking - By Public

Exposure	Rating Basis
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Fruit or Vegetable Picking – On Ground Picking .....	gross receipts
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Examples include strawberries, tomatoes, pumpkins and grapes

Form FMH-7043 – On Ground Fruit or Vegetable Picking

Fruit or Vegetable Picking – Including Off-Ground Picking. ....	gross receipts
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Examples include apples, peaches and pears

Form FMH-7045 – Fruit or Vegetable Picking

## Employer’s Liability - Farm Employees

### Employer’s Liability and Employee’s Medical Payments

The number of exposure bases is the estimated maximum number of employees employed at any time during the policy term. This classification does not include clerical office employees or salespersons.

Exposure	Rating Basis
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Farm Employees Working 180 Days or More .....	each
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Farm Employees Working 179 Days or less .....	each
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Form FMH-7016 - Employer’s Liability and Medical Payments Coverage - Farm Employees

This classification applies only when employer’s liability coverage for farm employees is not provided or required to be provided by a Worker’s Compensation Policy.

## Fee Hunting and Fishing Liability Coverage

### Description

Coverage for incidental hunting or fishing, for sport, on the farm premises can be added to the Farm Personal Liability Policy.

Prior to adding coverage, a completed Fee Hunting and Fishing Questionnaire will be required.

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## Guidelines

1. The following guidelines apply:
  - a. Agents have binding authority up to \$5,000 maximum annual receipts from fee hunting and/or fishing.
  - b. Farmers Mutual Hail Insurance Company of Iowa or the County Mutual must have insured's primary residence as supporting coverage.
  - c. This coverage is not intended to be offered as Seasonal Protection, but rather apply year-round.

## Ineligible Risks

1. Outfitters, guide services and dude ranches.
2. Those providing "reloaded ammunition" for others.
3. Those providing food, lodging or transportation.

### Form FMH-7074 – Incidental Business Pursuits

## Milk Contamination Deductible and Buy-Back Coverage

### Description

Coverage is provided by the base policy for the contamination of milk (excluding Insured's own product) subject to the following guidelines.

### Guidelines

1. The following guidelines apply:
  - a. This coverage is subject to a \$1,000 Deductible per occurrence.
  - b. Buy-back option is available to eliminate the Deductible.
  - c. Mandatory Deductible required after first loss occurrence.

## Recreational Vehicle Coverage (Off- Premise)

### Description

This endorsement provides coverage away from the described premises for un-licensed all-terrain vehicles used principally off public roads.

### Guidelines

1. The following guidelines apply:
  - a. All operators must have an acceptable driving history during the previous three year period prior to requesting this coverage.
  - b. Coverage must be written on a year-round basis.

### Ineligible Risks

1. An operator with a major violation within the last three years such as drag racing, reckless driving or driving under the influence of alcohol or drugs.
2. An operator with a suspended or revoked license within the last three years.
3. Physically or mentally impaired operators.

### Exposure

### Rating Basis

<b>Snowmobiles - Owned by an Insured</b> .....	<b>each</b>
<b>ATVs and UTVs – Owned by an Insured</b> .....	<b>each</b>

### Form FMH-7030 – Liability Coverage Owned Off Road Vehicle