

## SELECT FARM COVERAGE

The following Table of Contents shows how this Farm Coverage is organized. It will help "you" locate particular sections of this form.

### TABLE OF CONTENTS

	<b>Page</b>
Agreement .....	<b>1</b>
Property Definitions .....	<b>2</b>
Principal Property Coverages .....	<b>2</b>
Property Not Covered Under Coverages E, F, or G .....	<b>7</b>
Incidental Property Coverages .....	<b>7</b>
Property Perils Section .....	<b>9</b>
Perils for Farm Machinery, Vehicles and Equipment. Excluding Cotton Pickers and harvester-thresher Combines .....	<b>12</b>
Property Loss Settlement Provisions.....	<b>14</b>
Cosmetic Loss Restrictive Exclusion for Coverage E, Farm Buildings and Structures.....	<b>15</b>

Additional provisions are found in Form FMH-2001.

Endorsements and schedules may also apply. They are identified on the "declarations".

Refer to the Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

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## AGREEMENT

This policy, subject to all of its **terms**, provides property insurance and other described coverages during the policy period. In return **you** must pay the required premium. Each of the Principal Coverages described in this policy applies only if a **limit** is shown on the Declarations for that coverage.

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## PROPERTY DEFINITIONS

1. The words "you" and "your" mean the person, persons, or organization named as the insured on the "declarations".
2. The words "we", "us", and "our" mean the company providing this Farm Coverage.
3. "Declarations" are all pages labeled Declarations, Supplemental Declarations, or Schedules which pertain to this Farm Coverage.
4. "Insured" means "you". If the "insured" is a person, the word "insured" also means:
  - a. "your" spouse and "your" relatives if residents of "your" household; and
  - b. persons under the age of 21 in "your" care or in the care of "your" resident relatives.
5. "Insured Premises" means:
  - a. the location shown on the "declarations", endorsement or referenced policy;
  - b. other land "you" use for farming; and
  - c. new farm premises acquired or leased during the policy period.
6. "Limit" means the amount of coverage that applies.
7. "Livestock" means cattle, sheep, swine, goats, horses, mules, donkeys, and hybrids thereof.
8. "Non-Farm Vehicles" means:
  - a. automobiles, trucks, and vehicles designed and licensed for road use,  
other than farm wagons and farm trailers;
  - b. motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, Utility Terrain Vehicles and three- or four-wheel all-terrain vehicles;
  - c. mobile homes, motor homes, house trailers, truck toppers and camper bodies; and
  - d. snowmobiles, watercraft, and aircraft,  
and includes tires, parts, or equipment of any of the above.
9. "Pollutant" means:
  - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of.
  - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
10. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply to this Farm Coverage.

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## PRINCIPAL PROPERTY COVERAGES

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### Coverage E -- Farm Barns, Buildings, and Structures

"We" cover additional farm dwellings, farm barns, farm buildings, portable buildings and structures, tenant's improvements and betterments, and other structures located on the "insured premises" for which a "limit" is shown

on the "declarations". The policy deductible or any special deductible applies to each coverage unless otherwise indicated.

"We" cover silos that are specifically scheduled on the "declarations".

The "limit" for each covered building or structure includes all materials and supplies intended for use in the construction, alteration, or repair of that building or structure. These items must be on or adjacent to the "insured premises".

The "limit" for each additional farm dwelling includes additions, fixtures, and outdoor equipment used for servicing that dwelling.

The "limit" for each farm barn, building, and structure includes attached sheds and fixtures.

The "limit" for tenant's improvements and betterments includes permanent fixtures, alterations, decorations, and additions, made or acquired at "your" expense, which are part of the described farm barn or farm structure.

For any one portable building, "we" pay no more than the proportion of the "limit" for portable buildings or structures that the value of each bears to the total value of all such portable buildings or structures that "you" own at the time of loss.

**New Construction** -- "We" cover new, permanent farm structures at the "insured premises". This includes materials and supplies for use in their construction.

"We" cover only those structures that are not otherwise covered under this or any other policy. "We" cover direct physical loss or damage caused by the perils of fire or lightning, windstorm or hail, explosion, riot or civil commotion, aircraft, vehicles, smoke, and vandalism. The most we pay for this coverage is \$50,000 per occurrence.

This coverage applies for 60 days after the first date of delivery of the materials and supplies or until "you" report the values to "us", whichever occurs first. This coverage does not extend past the end of the policy period.

"We" will charge "you" an additional premium for the values reported from the date construction begins or the materials and supplies are delivered.

## Coverage F -- Scheduled Farm Personal Property

"We" cover the classes or items of farm personal property for which a "limit" is shown on the "declarations". Coverage applies while property is on the "insured premises".

1. **Described Machinery** -- "We" cover specifically scheduled items of mobile farm machinery and equipment for which a "limit" is shown on the "declarations". The "limits" shown on the "declarations" apply to covered property while on or away from the "insured premises".

a. **Replacement Items** -- "We" cover mobile farm machinery and equipment "you" acquire during the policy period to replace specific items that are scheduled on the "declarations". "You" must provide "us" with a complete description of each replacement item and pay any additional premium within 30 days of acquisition. Any premium due will be charged from the date "you" acquire the property.

The most "we" will pay under this coverage is the smaller of the following:

- 1) the "limit" shown on the "declarations" for the specific item replaced plus an additional amount up to \$75,000 per occurrence; or
- 2) the actual cash value of the item.

This coverage applies for 30 days after "you" acquire a replacement item or until "you" report it to "us", whichever occurs first. This coverage does not extend past the end of the policy period.

If "you" do not report a replacement item to "us" within the 30-day period and pay the additional premium, the most that "we" will pay is the "limit" shown for the item replaced.

b. **Newly Acquired Property** -- "We" cover mobile farm machinery and equipment that "you" acquire during the policy period which are not replacement

items. "You" must provide "us" with a complete description of each new item and pay the additional premium within 30 days of acquisition. The premium will be charged from the date "you" acquire the property.

"We" cover these items for their actual cash value. The most "we" pay for all newly acquired items is \$50,000 per occurrence.

This coverage applies for 30 days after "you" acquire a new item or until "you" report it to "us", whichever occurs first. This coverage does not extend past the end of the policy period.

"We" do not cover:

- 1) "non-farm vehicles";
- 2) brooders, fences, windmills or windchargers or their towers; manufactured gas, liquefied petroleum gas, gasoline, or their containers; or
- 3) bulk milk tanks, bulk feed tanks, barn cleaners, pasteurizers, boilers, or any permanent fixtures attached to or within a building.

2. **Machinery Not Described** -- When a "limit" is shown on the "declarations" for Machinery, Not Described, "we" cover "your" unscheduled mobile farm machinery and equipment, including tools, accessories and spare parts. The "limit" shown on the "declarations" applies to covered property while on or away from the "insured premises".

"We" pay no more than \$2,500 for any one item of covered property.

"We" do not cover:

- a. property which is specifically insured or any property covered under Described Machinery;
- b. brooders, fences, windmills or windchargers and their towers or solar panels;
- c. threshing machines, tractors, combines, corn pickers, hay balers, harvesters, peanut diggers, potato diggers or

pickers, cotton pickers, crop driers, or sawmill equipment;

- d. manufactured gas, liquefied petroleum gas, gasoline, or their containers;
- e. bulk milk tanks, bulk feed tanks, barn cleaners, pasteurizers, boilers, or any permanent fixtures attached to or within a building;
- f. portable buildings or portable structures;
- g. irrigation equipment; or
- h. "non-farm vehicles".

A 80% co-insurance applies

3. **Borrowed, Rented or Leased Farm Equipment** -- When Coverage F or G, Scheduled or Unscheduled Farm Personal Property is indicated on the declarations, and a limit is shown on the "declarations" for Borrowed, Rented or Leased Farm Equipment, "we" cover the farm machinery and equipment that "you" borrow, rent or lease from others to use in "your" farming operation. The "limit" shown on the "declarations" applies to covered property while on or away from the "insured premises".

"We" do not cover:

- a. "non-farm vehicles";
- b. dealers' demonstration machinery, vehicles, or equipment,
- c. property that "you" have an interest either as an owner or lienholder.

"We" do not cover borrowed, rented or leased farm machinery when coverage for such property is provided elsewhere under this or any other policy.

5. **Livestock** -- "We" cover specifically scheduled "livestock" for which a "limit" is shown on the "declarations". "We" also cover classes of livestock for which a "limit" is shown on the "declarations".

The "limits" shown on the "declarations" apply to covered "livestock" while on or away from the "insured premises". The most "we" pay for loss to any one head of "livestock", other than "livestock" specifically scheduled on the "declarations", is the smallest of the following amounts:

- a. 120% of the amount obtained by dividing the "limit" for the affected class of "livestock" by the number of head in that class owned by "you" at the time of loss;
- b. the actual cash value of the "livestock" damaged or destroyed; or
- c. \$5,000.

Each horse, mule, or head of cattle under one year of age at the time of loss will be counted as one-half head.

**Newly Acquired Livestock** -- "We" cover "livestock" similar to that scheduled separately or by class on the "declarations" which "you" buy or borrow during the policy period. "You" must report newly acquired "livestock" to "us" and pay the additional premium within 30 days of acquisition. The premium will be charged from the date "you" acquire the "livestock".

The most "we" pay for newly acquired "livestock" is 25% of the total of the "limits" shown on the "declarations" for all covered "livestock".

This coverage applies for 30 days after "you" acquire the "livestock" or until "you" report it to "us", whichever occurs first. This coverage does not extend past the end of the policy period.

6. **Poultry** -- When a "limit" is shown on the "declarations" for Poultry, "we" cover poultry.

The most "we" pay for loss to any one bird is its cash market value at the time of loss.

"We" do not cover poultry in heated buildings or turkeys unless specifically scheduled on the "declarations".

7. **Household Contents** -- When a "limit" is shown on the "declarations" for Household Contents, "we" cover household contents while in a dwelling covered under Coverage E.

8. **Grain** -- When a "limit" is shown on the "declarations" for Grain, "we" cover grain. This includes threshed seeds, threshed beans, silage, ground feed, and manufactured and compounded stock foods in buildings, structures, sacks, wagons, or trucks. This does not include grain under government loan.

"We" cover grain in stacks, shocks, swaths, or piles in the open only for loss caused by the perils of fire or lightning, vehicles, vandalism, and theft.

9. **Hay, Straw or Fodder** -- When a "limit" is shown on the "declarations" for hay, straw or fodder "we" cover hay, straw, and fodder in stacks, windrows, and bales in the open or when it is in a building or structure.

When hay, straw, and fodder is located in the open and outside a building or structure it is considered one stack if separated by a clear space of 50 feet or more from any other hay, straw, or fodder in the open. If no specific "limit" is shown on the "declarations" for any one stack, the most "we" pay for hay, straw, or fodder in the open is \$40,000 per stack.

10. **Farm Products and Supplies** -- When a "limit" is shown on the "declarations" for Farm Products and Supplies, "we" cover dairy and other farm products usually originating on the "insured premises" and related packing materials and containers. This includes supplies which are used in the operation of the farm. This does not include grain, hay, tobacco, or growing crops or plants.

11. **Computers** -- When a "limit" is shown on the "declarations" for Computers, "we" cover computers, related equipment, commercially purchased software, and media used principally to manage the farm.

## Coverage G -- Unscheduled Farm Personal Property

When a "limit" is shown on the "declarations" for Coverage G, "we" cover, while on the "insured premises", "your" farm personal property usual and incidental to the operation of the farm.

1. **Property Away From Premises** -- Only the following property is covered while away from the "insured premises":

- a. grain, threshed seeds, threshed beans, hay, straw, fodder, silage, ground feed, and manufactured and compounded stock foods;
- b. "livestock"; and
- c. farm machinery, equipment, implements, tools, and supplies.

2. **Special Limits That Apply to Livestock** -- The most that "we" pay for loss or damage to any one head of "livestock" is the smaller of:

- a. the actual cash value;
- b. \$5,000; or
- c. \$2,500 on any horse, mule, or head of cattle under one year of age at the time of loss.

3. **Property in the Open** --

- a. Grain in the Open -- "We" cover direct physical loss to unharvested grain in the open caused only by the perils of fire or lightning. The most we will pay for any one occurrence is \$2,500.
- b. Hay, straw and fodder -- "We" cover direct physical loss to hay, straw, and fodder in stacks, windrows, or bales in the open caused only by the perils of fire, vandalism or lightning. This does not include coverage for seed or forage crops, stubble, stover or crop remains or ground cover.

The most "we" pay for loss to property in the open as listed above is 10% of the Coverage G "limit". This does not increase the Coverage G "limit".

The most "we" pay for loss or damage to any one stack of hay, straw, or fodder is \$40,000. A stack means hay, straw, or fodder in one area separated by a clear space of 50 feet or more from any other hay, straw, or fodder in the open.

4. **Property Not Covered** -- Coverage G does not apply to:

- a. property covered under Coverages E or F;
- b. property specifically insured;
- c. tobacco, cotton, vegetables, root crops, bulbs, fruit, marijuana, cannabis, hemp or nursery stock;
- d. contents of potato, onion, bulb, or fruit cleaning, grading, sorting, packing, or storage buildings;
- e. race horses, show horses, or show ponies;
- f. contents of heated chicken fryer or broiler houses, laying houses, poultry brooder houses, or duck or turkey houses, including fowl therein;
- g. fences, gates, windmills, windchargers, wind generators or their towers;
- h. animals other than "livestock";
- i. bulk milk tanks, bulk feed tanks, barn cleaners, pasteurizers, boilers, silo unloaders, and any permanent fixtures attached to or within the building;
- j. portable buildings or portable structures;
- k. farm operations records;
- l. irrigation equipment;
- m. property that "you" lease or rent to others;
- n. fish or other aquatic species and property while waterborne;
- o. sawmill equipment; or

- p. any property shown on the "declarations" under Additional Property Not Covered under Coverage G.

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## PROPERTY NOT COVERED UNDER COVERAGES E, F, OR G

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"We" do not cover:

1. property covered under Coverages A or C, or the Incidental Property Coverages pertaining to those coverages, if provided by the policy;
2. trees, plants, shrubs, lawns, growing crops, and standing crops, except as provided under Coverage G;
3. devices, accessories, or antennas designed for reproducing, gathering, receiving, transmitting, recording, or playing back data, sound, or picture while in or on a vehicle or watercraft unless such device, accessory, or antenna is specifically scheduled on the "declarations" or permanently installed by the manufacturer or dealer in a covered vehicle or watercraft;
4. the contents of a rice warehouse, rice drying house, cotton gin building belonging to a cotton gin plant or located on gin premises, or machinery, vehicles, or implements that are part of these operations;
5. contraband or property used in the course of illegal transportation or trade;
6. land, including the land on which covered property is located;
7. "non-farm vehicles" except all-terrain vehicles or utility terrain vehicles while on and being used to maintain the insured premises;
8. underground or surface water;
9. cotton pickers and harvester-thresher combines, (rotary or conventional) grain platforms or heads unless specifically scheduled on the "declarations";

10. private power, light, or electric poles; wells or well pumps; irrigation systems; or outdoor antennas, unless specifically scheduled on the "declarations";

11. while away from the "insured premises":
  - a. property in the custody of a common or contract carrier, except as provided under the Incidental Property Coverages;
  - b. property stored or being processed in manufacturing plants, public elevators, warehouses, seed houses, public storage facility or commercial drying plants;
  - c. property in public sales barns or public sales yards or stockyards;
  - d. property at packing plants or slaughter houses; or
  - e. Intellectual, farm data or software stored on any server, disk, memory stick or cloud.
12. the death, destruction or quarantine ordered by or mandated by any government authority.

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## INCIDENTAL PROPERTY COVERAGES

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This form provides the following Incidental Property Coverages. They are subject to all the "terms" of Coverages E, F, and G. These coverages provide additional insurance unless otherwise stated.

1. **Emergency Removal** -- This coverage does not increase the "limits" shown for the property being removed.

"We" pay for loss to property covered under Coverages E, F, or G that is moved from a premises to prevent a loss from perils insured against. The property is covered for direct physical loss not excluded for up to 30 days. This coverage does not extend past the end of the policy period.

"We" pay up to \$250 for towing charges to move a covered mobile home that is in danger from a peril insured against.

2. **Debris Removal** -- "We" pay for the cost to remove the debris of property covered under Coverages E after an insured loss. This includes the cost to remove volcanic ash, dust, or particulate matter that causes direct physical loss to covered property.

For property covered under Coverage E, "you" may apply up to 25% of the "limit" for the damaged property to cover debris removal.

"We" will not pay more for direct physical loss to property and debris removal combined than the "limit" that applies to the damaged property. However, when the covered loss plus the cost of debris removal is more than the applicable "limit", "we" will pay up to an extra 5% of the applicable "limit" to cover the cost of debris removal.

This coverage does not include costs to extract "pollutants" from land or water, or remove, restore, or replace polluted land or water.

3. **Fire Department Service Charge** -- "We" pay for charges assumed by "you" under a contract or agreement when a fire department is called to save or protect property covered under Coverages E, F, or G from a peril insured against.

The most "we" pay is \$500 per occurrence unless a higher "limit" is shown on the "declarations".

4. **Pollutant Clean Up and Removal** -- "We" pay "your" expense to extract "pollutants" from land or water on the "insured premises" if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a peril insured against that applies to Coverages F or G and that occurs during the policy period.

"We" pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants" only when the expense of extracting the "pollutants" is provided by this Incidental Coverage.

The most "we" pay is \$10,000 for the sum of all such expenses arising out of perils insured against that occur during each separate 12 month period of this policy. These expenses are paid only if they are reported to "us" in writing within 180 days from the date the peril insured against occurs.

5. **Property in the Custody of a Common or Contract Carrier** -- "We" pay for loss to property covered under Coverages F or G while it is in the custody of a common or contract carrier. The loss must be caused by a peril insured against that applies to Coverage F and G.

The most "we" pay is \$1,500 per occurrence unless a higher "limit" is shown on the "declarations".

6. **Signs** -- "We" pay for loss to outdoor signs related to the farming operation caused by a peril insured against that applies to Coverages F or G.

The most "we" pay is \$500 per occurrence unless a higher "limit" is shown on the "declarations".

7. **Farm Operations Records** -- "We" pay for the expenses "you" incur to reproduce, replace, or restore "your" farm operations records damaged by a peril insured against that applies to Coverages E. This includes the research necessary to obtain data.

The most "we" pay is \$2,500 per occurrence unless a higher "limit" is shown on the "declarations".

The following coverage applies only if a "limit" for Extra Expense, Glass Breakage in Cabs, Well Pumps and Private Power and Light Poles and Farm Refrigerated Products is shown on the "declarations".

8. **Extra Expense** -- "We" pay the actual and necessary expenses "you" incur to resume normal farming operations interrupted as the result of direct physical loss by a peril insured against to property that is damaged and is covered under Coverage E, F, or G.

Coverage for such extra expense is not limited by the expiration of this policy.

However, "we" will not pay extra expenses "you" incur after the period required for repairing, rebuilding, or replacement of covered property.

Extra Expense Coverage does not include loss caused by or resulting from the enforcement of any ordinance or law which requires "you" 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".

The most "we" pay is the "limit" shown on the "declarations" for Extra Expense Coverage. The business interruption exclusion under the General Exclusions does not apply to this Incidental Property Coverage.

9. **Glass Breakage in Cabs** -- "We" pay for glass breakage to cabs when coverage is indicated on the "declarations" and which are not otherwise covered by a peril insured against.

Cab glass means any transparent material that is a permanent part of a farm machine and is designed to allow viewing from within the cab. It does not include gauges, computer monitors, cameras, screens, mirrors or similar devices.

10. **Well Pumps** -- When a limit is shown on the "declaration" page, "We" pay for direct physical loss to well pumps and motors caused by a peril that applies to Coverage E. This includes pump switch boxes, fuse boxes, control boards, pump motors, and any other equipment attached to the pump for its operation. This coverage is excess over any other insurance on this or any other policy.
11. **Private Power and Light Poles** -- When a limit is shown on the "declaration" page, "We" pay for direct physical loss to private power and light poles caused by a peril that applies to Coverage E. This includes outdoor electrical wiring, switch boxes, fuse boxes, and any other outdoor electrical equipment mounted on panels or poles. This coverage is excess over any other insurance on this or any other policy.

**12 Farm Refrigerated Products** -- When a limit is shown on the "declaration" page, "We" pay for loss to farm supplies and products "you" own located in a freezer or refrigeration unit on the insured premises. The loss must be caused by a change in temperature resulting from;

- a. Interruption of electrical service to the refrigeration unit;
- b. Mechanical of electrical breakdown of the refrigeration system; or
- c. Faulty seal or latch that causes a temperature change.

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## PERILS SECTION -- COVERAGES E, F, AND G. FARM SERVICE BUILDINGS, GRAIN, AND LIVESTOCK.

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When a limit is shown on the "declaration" page, "We" insure against direct physical loss to property covered under Coverages E, F, and G caused by the following perils, unless the loss is excluded under the General Exclusions or elsewhere in this policy:

1. **Fire or Lightning** -- However, "we" do not pay for loss:
  - a. resulting from any electrical injury or disturbance to electrical appliances, devices, fixtures, or wiring caused by electrical currents artificially generated unless fire ensues, and then only for the loss caused by such fire; or
  - b. caused by fire to the contents usual and incidental to tobacco barns while tobacco is being cured or dried by open fire, and for five days thereafter.
2. **Windstorm or Hail** -- However, "we" do not pay for loss:
  - a. caused directly or indirectly by frost, cold weather, ice (other than hail), snow, or sleet, all whether driven by wind or not;

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- b. to the interior of a structure or to the property inside caused by dust, rain, sand, sleet, snow, or water, all whether driven by wind or not, which enter through an opening not made by the direct force of wind or hail;
  - c. to "livestock" or poultry caused by:
    - 1) running into streams or ditches or against fences or other objects;
    - 2) smothering;
    - 3) fright; or
    - 4) freezing in blizzards or snowstorms.
  - d. to dairy and farm products, (other than hay, straw, or fodder) while outside buildings; or
  - e. to watercraft, including their trailers, furnishings, equipment, and outboard motors while such property is outside a fully enclosed building.
3. **Explosion** -- However, "we" do not pay for loss caused by:
- a. explosion of alcohol stills, steam boilers, steam pipes, steam turbines, or steam engines, if owned or leased by "you" or operated under "your" control;
  - b. shock waves caused by aircraft, known as sonic boom;
  - c. electric arcing;
  - d. rupture or bursting of rotating or moving parts of machinery caused by centrifugal force or mechanical breakdown;
  - e. rupture or bursting of water pipes;
  - f. rupture, bursting, or operation of pressure relief devices; or
  - g. rupture or bursting due to swelling of the contents of any building or structure, caused by water.
4. **Riot or Civil Commotion**
5. **Aircraft** -- This means only direct loss from actual physical contact of an aircraft, or objects falling from an aircraft, with covered property. This does not include loss caused by chemical overspray.
6. **Vehicles** -- This means 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. However, "we" do not pay for:
- a. damage to "livestock" or to a fence, driveway, or walk; or
  - b. loss to waste holding facilities, slurry systems, walks, septic tanks, lateral lines or drainage tiles.
7. **Smoke** -- This means only direct loss from smoke due to sudden, unusual, and faulty operations of any heating or cooking unit on the "insured premises". This does not include loss caused by smoke from fireplaces, agricultural smudging operations, or industrial operations.
8. **Vandalism** -- However, "we" do not pay for loss;
- a. to a building or structure, or its contents, if the building or structure is vacant for more than 30 days in a row just before the loss. A building or structure being built is not vacant;
  - b. committed by an "insured"; tenant or employee; or
  - c. Malware, malicious software or computer virus.
9. **Theft** -- This means any act of stealing or attempt to steal. However, "we" do not pay for loss:
- a. committed by an "insured", tenant or employee;
  - b. disclosed on taking inventory;
  - c. by wrongful conversion or embezzlement;
  - d. by escape or mysterious disappearance, unless there is evidence that the property was stolen;

- e. due to unauthorized instructions to transfer property to any person or to any place;
- f. 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 occupied for its intended use; or
- g. due to "your" voluntary parting with possession of covered property if "you" are induced to do so by a trick, scheme, or device or through fraud or false pretense. This includes the acceptance of:
- 1) counterfeit money or fraudulent post office or express money orders;
  - 2) checks or promissory notes that are not paid upon presentation; or
  - 3) credit cards that are illegally obtained and or used.
- h. We do not pay for loss due to fraudulent instructions to transfer property to any person or to any place.
10. **Sinkhole Collapse** -- This means direct physical loss caused by sudden settlement or collapse of earth supporting covered property. The earth settlement or collapse must result from subterranean voids created by the action of water on a limestone or similar rock formation.
- However, "we" do not cover the value of land or the cost of filling sinkholes.
11. **Volcanic Action** -- This means:
- a. airborne volcanic blast or airborne shock waves;
  - b. ash, dust, or particulate matter; or
  - c. lava flow.
- However, "we" do not cover removal of ash, dust, or particulate matter that does not cause direct physical loss to covered property.
12. **Earthquake Loss to Covered Livestock**  
We cover loss that results in or makes necessary the immediate death or destruction of the covered "livestock".
13. **Collision Loss to Livestock** -- "We" pay for death to covered "livestock" caused or made necessary by the collision or overturn of a vehicle on which the "livestock" is being transported. Collision means the accidental contact of the vehicle transporting the "livestock" with:
- 1) another vehicle, but not a vehicle owned or operated by "you"; or
  - 2) another object.
- "We" also pay for death to covered "livestock" caused or made necessary by being struck by a vehicle not owned or operated by "you".
14. **Electrocution of Covered Livestock** -- This means loss by electrocution of "livestock" covered under this policy. However, "we" do not cover loss caused by stray voltage that does not result in or make necessary the immediate death or destruction of the covered "livestock".
15. **Accidental Shooting of Covered Livestock** -- except by an "insured", members of an "insured's" family, employees of an "insured", or persons residing on the "insured premises";
16. **Drowning Loss to Covered Livestock** -- "We" pay for the accidental drowning or submersion in liquid of "livestock" excluding "livestock" less than 15 days of age.
- This includes loss to covered "livestock" caused by or resulting from:
- a. Flood;
  - b. Overflow of any body of water;
  - c. Storm surge, storm tide;
  - d. Submersion into ponds, creeks or rivers;
  - e. Lagoons;
  - f. Spray from any of the above; or
  - g. Mudflow or mudslide;
- All whether driven by wind or not.
- "We" do not pay for loss that is caused directly or indirectly as a result of blizzard, snowstorm, icing or freezing temperature.
17. **Attack by dogs or wild or domestic animals** -- Except by a dog or wild or domestic animal owned by an "insured", members of an "insured's" family,

employees of an "insured", or persons residing on the "insured premises".

18. **Collapse** of a building or structure onto covered "livestock".
19. **Loading and Unloading Accidents** -- This means events that occur while covered livestock is being transported, loaded or unloaded on to or off of vehicles other than common carrier.

For "**Livestock**" or "**Poultry**" only -- The covered peril must result in or make necessary the immediate death or destruction of the covered "livestock" or "poultry". "We" do not pay for loss caused by or resulting from disease, fright, smothering, asphyxiation, suffocation, hypothermia, hyperthermia, trauma, weight loss, scaring or infection.

#### **ADDITIONAL POLICY CONDITIONS APPLICABLE TO ALL LIVESTOCK COVERAGES**

Death of livestock is not covered unless reported to us in time to permit "us" to investigate the loss and determine the time and date of loss as well as the cause of the loss.

Loss discovered as a result of taking inventory or the discovery of a decomposed carcass is not considered loss by this policy.

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#### **Coverage F and G Perils for Farm Machinery, Implements, Vehicles, Tools and Equipment. (Limited coverage applies to Cotton Pickers and harvester-thresher combines, rotary or conventional, platforms and heads).**

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##### 1. Perils Covered

"We" provide physical damage coverage to covered property unless the loss is excluded in the General Exclusions or below. The loss must be due to a sudden accidental external cause.

##### 2. Perils Excluded

"We" do not cover:

- a. **Animal Nesting, Infestation, Or Discharge** -- "We" do not pay for loss caused by nesting, infestation, discharge, or release of waste products or secretions by animals, including but not limited to, birds, rodents, reptiles, insects, or vermin.

If the animal nesting, infestation, or discharge causes a fire, explosion, collision or overturn "we" do cover the loss or damage caused by the fire, explosion collision or overturn.

- b. **Contamination Or Deterioration** -- "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, vibration, fungus, mildew, mold, rot, rust, extreme in temperature or any quality, fault, or weakness in the covered property that causes it to damage or destroy itself.

If contamination or deterioration results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion.

- c. **Criminal, Fraudulent, Dishonest, Or Illegal Acts** -- "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

- 1) "you";
- 2) others who have an interest in the property;
- 3) others to whom "you" entrust the property;
- 4) "your" partners, officers, directors, trustees, joint ventures, or "your" members or managers if "you" are a limited liability company; or
- 5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees. "We" do not pay for theft by employees or tenants.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- d. **Electrical Currents** -- "We" do not pay for loss caused by arcing or by electrical currents other than lightning.

But if arcing or electrical currents other than lightning result in a fire, explosion, collision or overturn "we" do cover the loss or damage caused by that fire, explosion collision or overturn.

- e. **Explosion, Rupture, Or Bursting** -- "We" do not pay for loss caused by explosion, rupture, or bursting of any internal combustion motor, engine or transmission, of any rotating or moving parts of machinery caused by centrifugal force or mechanical breakdown, swelling of liquids or contents, steam boilers or pipes.

- f. **Foreign Objects** -- "We" do not pay for loss to cotton pickers or harvester-thrasher combines (rotary or conventional, including heads and platforms) caused by or resulting from the ingestion, picking up, or sucking in of any foreign object

"We" do pay for loss to all other Farm Machinery, Vehicles and Equipment caused by foreign objects.

- g. **Freezing** -- "We" do not pay for loss caused by or resulting from freezing including but not limited to the bursting of pipes, engines, motors or hoses caused or resulting from freezing.
- h. **Loss Of Use** -- "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.
- i. **Missing Property** -- "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

- j. **Mechanical Breakdown** -- "We" do not pay for loss caused by any mechanical, structural, or electrical breakdown or malfunction including a breakdown or malfunction resulting from a structural, mechanical, adjusting, assembling, repairing, altering or reconditioning process.

"We" do pay for loss if the mechanical breakdown results in fire or explosion, overturn or collision.

- k. **Puncture Or Blowout** -- "We" do not pay for loss caused by puncture, blowout, contact with the surface of the ground, foreign object, stubble or residue on the ground to tires, tubes or tracks mounted on "farm machinery" unless it is coincidental with other loss covered by this endorsement.

- l. **Rain, Snow, Ice** -- "We" do not pay for loss caused by rain, snow, ice, or sleet to property in the open. "We" do pay for loss caused by the weight of the ice or snow on farm machinery, vehicles and equipment.

- m. **Temperature/Humidity** -- "We" do not pay for loss caused by dryness, dampness, humidity, or changes in or extremes of temperature.

- n. **Wear And Tear** -- "We" do not pay for loss caused by wear and tear, marring, or scratching.

- o. **Voluntary Parting** -- "We" do not pay for loss caused by a voluntary parting or resulting from the voluntary parting of title to or possession of any property because of a fraudulent scheme, trick or false pretense.

- p. **Weather** -- "We" do not pay for loss caused by weather conditions if the weather conditions contribute in any way with a cause or event excluded under #1 Perils Covered mentioned above to produce the loss or damage.

- q. **Smoke, Vapor Smog or Gas** -- "We" do not pay for loss caused by smoke, vapor, smog or gas from agricultural operations or industrial operations.

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- r. **Lubricants** – “We” do not pay for loss caused by the improper use or lack of use of lubricants, coolants, hydraulic fluids or fuels.
- “We” do pay for loss if the loss caused by lubricants results in a fire, explosion collision or overturn.
- cultivating, ridging or tilling the surface of the earth.
- “We” do pay for loss or damage to covered farm machinery caused by the collision or overturn of that machinery.
- Collision means accidental contact of the farm machinery with another vehicle, object or ravine.
- s. **Excessive loading, pulling or hauling** – “We” do not pay for loading, pulling or hauling that are in excess of the manufacturers recommendations and that may void the manufactures equipment warranty.
- “We” do pay for loss if the loss caused by excessive loading, pulling or hauling results in a fire, explosion collision or overturn.
- Machinery hooked, pinned, coupled or otherwise attached to each other will be considered the same vehicle.
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- t. **Demolition, Pulling or Racing Events** -- “We” do not cover any Farm Machinery, Vehicles or Equipment used in any demolition, pulling or racing events.
- u. **Defects, Errors, And Omissions** -- “We” do not pay for loss caused by an act, defect, error, or omission (negligent or not) relating to:
- 1) design, specifications, construction, materials, or workmanship; or
  - 2) maintenance, installation, adjusting, updating, renovation, remodeling, or repair.
- If an act, defect, error, or omission as described above results in a covered peril, “we” do cover the loss or damage caused by that covered peril.
- u. **Collision** – “We” do not pay for loss or damage:
- 1) caused by a man made depression, hole, ridge, or irrigation ditch in the terrain of a farm field, pasture or range; or
  - 2) To equipment or implements designed to till, scrape, ridge, cultivate or plow the surface of the earth while that equipment or implement is plowing, scraping,
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- ## LOSS SETTLEMENT PROVISIONS
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- The following provisions apply to property covered under Coverages E, F, and G and to the Incidental Property Coverages described in this form.
- Subject to the "terms" shown under How Much We Pay For Loss or Claim, "we" settle losses according to the Actual Cash Value Terms.
1. **Actual Cash Value Terms** -- Actual cash value includes a deduction for depreciation, however caused. Actual cash value means replacement cost at the time of loss minus a deduction for depreciation, however caused. Depreciation means a reduction in value of the property as a result of wear and tear, use, age, operating conditions or technological or economic obsolescence. Depreciation applies to both labor and materials.
- The smallest of the following amounts is used in applying the "terms" under Our Limit:
- a. the special "limit";
  - b. the cost to repair or replace the property with materials of like kind and quality to the extent practical less depreciation;
  - c. the actual cash value of the property at the time of loss;
  - d. (applies only to mobile homes) the difference in the actual cash value just

before the loss and the actual cash value just after the loss; or

- e. the amount computed after applying the Other Limitations shown below.

2. **Other Limitations -- Coverage F** -- When the "declarations" indicates that the Coinsurance Clause or the Pro Rata Distribution Clause applies to Coverage F, the respective limitations apply to the following classes of property:

- a. Machinery Not Described;
- b. Poultry;
- c. Grain;
- d. Hay in the open or in barns; and
- e. Farm Products and Supplies.

**Coinsurance Clause** -- "We" pay no more than that proportion of the loss which the "limit" for each class bears to the percentage shown on the "declarations" of the actual cash value of all property covered under that class at the time of loss.

The value of machinery and supplies acquired, not as replacement items, within the previous 30 days will be excluded from the calculation above.

**Pro Rata Distribution Clause** -- This applies to each scheduled group or rating class insured under this policy.

"We" pay no more than the proportion of the "limit" for the class that the value of the property covered under that class at each farm location bears to the total value of the property covered under that class at all locations that is insured under this policy.

The value of machinery and supplies acquired, not as replacement items, within the previous 30 days will be excluded from the calculation above.

3. **Other Limitations -- Coverage G** -- "We" pay no more than that proportion of the loss that the Coverage G "limit" bears to 80% of the actual cash value of the farm personal property at the time of loss.

The calculation of the actual cash value of the farm personal property at the time of loss will not include the value of the farm personal property acquired, not as replacement items, within the previous 30 days.

4. **Other Limitations**

**Electronic Data Processing Software and Media** -- The most "we" pay for loss to electronic data processing software is the amount required to replace it as a prepackaged program.

The most "we" pay for loss to electronic data processing media, such as cells, discs, drums, film, or tape, is the amount required to replace it in its unexposed or blank form.

**Diminution of Value** -- "We" do not pay for loss that occurs as a result of a decrease in market value after repairs to the insured property have been made.

5. **Loss Settlement Provision** applicable to **Farm Machinery, Implements, Vehicles, Tools and Equipment** only -- Partial losses will be settled using parts of like kind and quality. No depreciation will be deducted for either the part(s) or labor. "We" will not pay more than the actual cash value of the machine or applicable "limit" of the damaged machine.

6. **Territorial Limits** -- "We" cover farm personal property, Coverage F or G, while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.

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**Cosmetic Loss Restriction Applicable to Coverage E, All Farm Service Buildings and Structures.**

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This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this addendum.

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## DEFINITIONS

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With respect to the exclusions added by this addendum, the following definitions are added:

1. "Cosmetic damage" means physical damage such as marring, scratching, denting, pitting, discoloration, or other condition that affects the appearance of property, but that does not impair the property's ability to keep weather-related or other elements from entering to the same extent that it did before the marring, scratching, denting, pitting, discoloration, or other condition occurred.
2. "Exterior wall surfacing" means:
  - a. a building's or structure's exterior wall cladding, including but not limited to blocks, bricks, logs, panels, shakes, shingles, siding, awnings, stones, stucco, and tiles, regardless of the material of which it is composed;
  - b. materials applied to or under exterior wall cladding to protect against moisture intrusion;
  - c. materials used to secure:
    - 1) exterior wall cladding; or
    - 2) materials applied to or under exterior wall cladding to protect against moisture intrusion; and
  - d. exterior wall flashing.
3. "Roof surfacing" means:
  - a. a building's or structure's roof cladding, including but not limited to panels, shakes, sheeting, awnings, shingles, and tiles, regardless of the material of which it is composed;
  - b. materials applied to or under roof cladding to protect against moisture intrusion;
  - c. materials used to move or drain moisture away from the roof or structure including but not limited to gutters,

gutter toppers, downspouts, hangers or fasteners.

- d. materials used to secure:
  - 1) roof cladding; or
  - 2) materials applied to or under roof cladding to protect against moisture intrusion; and
- d. roof flashing
4. "Exterior door surfacing" means:
  - a. the outside surface of a building's or structure's exterior doors, including but not limited to door frames, trim, panels, cladding, awnings, casing, and molding, regardless of the material of which it is composed;
  - b. exterior door hardware; and
  - c. exterior door flashing.
5. "Exterior window surfacing" means:
  - a. the outside surface of a building's or structure's exterior windows, including but not limited to window frames, sash, cladding, casing, and molding, regardless of the material of which it is composed;
  - b. exterior window hardware; and
  - c. exterior window flashing.

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## AMENDATORY COSMETIC LOSS RESTRICTION OF COVERAGE

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**Unless otherwise indicated on the declaration page, this restriction of coverage applies to all exterior walls, doors, windows and siding surfaces.**

1. This restriction applies to buildings listed on the "declarations" under Coverage E that indicates this exclusion applies:

"We" do not pay for "cosmetic damage" to "exterior wall surfacing" caused by windstorm or hail when the windstorm or hail damage to such "exterior wall surfacing" consists solely of "cosmetic damage".

2. This restriction applies to buildings listed on the "declarations" under Coverage E that indicates this exclusion applies:

"We" do not pay for "cosmetic damage" to "roof surfacing" caused by windstorm or hail when the windstorm or hail damage to such "roof surfacing" consists solely of "cosmetic damage".

3. This restriction applies to buildings listed on the "declarations" under Coverage E that indicates this exclusion applies:

"We" do not pay for:

- 1) "cosmetic damage" to "exterior door surfacing" caused by windstorm or hail when the windstorm or hail damage to such "exterior door surfacing" consists solely of "cosmetic damage"; or
- 2) "cosmetic damage" to "exterior window surfacing" caused by windstorm or hail when the windstorm or hail damage to such "exterior window surfacing" consists solely of "cosmetic damage".

**The following applies to Farm Building Special Form Coverage (Form FMH-3010) if attached to and made a part of this policy.**

1. The following is added under Coverage E – Special Form Farm Service Buildings, Exclusions That Apply To Coverage E:

**Cosmetic Damage To Exterior Wall Surfacing** -- "We" do not pay for "cosmetic damage" to "exterior wall surfacing" caused by windstorm or hail when the windstorm or hail damage to such "exterior wall surfacing" consists solely of "cosmetic damage".

2. The following is added under Coverage E – Special Form Farm Service Buildings, Exclusions That Apply To Coverage E:

**Cosmetic Damage To Roof Surfacing** -- "We" do not pay for "cosmetic damage" to

"roof surfacing" caused by windstorm or hail when the windstorm or hail damage to such "roof surfacing" consists solely of "cosmetic damage".

3. The following is added under Coverage E – Special Form Farm Service Buildings, Exclusions That Apply To Coverage E:

**Cosmetic Damage To Exterior Door Surfacing And Exterior Window Surfacing** -- "We" do not pay for:

- a) "cosmetic damage" to "exterior door surfacing" caused by windstorm or hail when the windstorm or hail damage to such "exterior door surfacing" consists solely of "cosmetic damage"; or
- b) "cosmetic damage" to "exterior window surfacing" caused by windstorm or hail when the windstorm or hail damage to such "exterior window surfacing" consists solely of "cosmetic damage".

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