



Farmers Mutual Hail
Insurance Company of Iowa

FARM AND RANCH PREMISES LIABILITY COVERAGE

**THIS IS A LEGAL CONTRACT
- PLEASE READ THIS CAREFULLY -**

The following Table of Contents shows how this coverage part is organized. It will help **you** locate particular sections of this coverage part.

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Additional provisions are shown separately. Endorsements may also apply. They are identified on the **declarations**.

In this coverage part, the words **you** and **your** mean the persons or organizations named as the insured on the **declarations** and the words **we**, **us**, and **our** mean the company providing this coverage.

Refer to the Definitions section of this coverage part for additional words and phrases that have special meaning. These words and phrases are shown in **bold type**.

AGREEMENT

Subject to all of its **terms** that apply, and in return for **your** payment of the required premium, **we** provide the coverages described in this coverage part. This coverage is also subject to the **declarations** and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, bankruptcy, conformity to statute and examination of books and records.

DEFINITIONS

1. **Aircraft** means an apparatus or any device designed or used for flight, but this does not include:
 - a. a model aircraft that is not designed or used to carry people or cargo;
 - b. a **hovercraft**;
 - c. a model hovercraft that is not designed or used to carry people or cargo; or
 - d. any drone or unmanned aerial vehicle weighing 50lbs or less (including payload) that is designed and principally used on the farm to service the **farm premises**.

2. **Auto** means:

- a. a land motor vehicle, trailer, or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. any other land vehicle that is subject to a compulsory insurance or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, **auto** does not include **mobile equipment**.

3. **Basic territory** means the United States of America, its territories and possessions, Canada, and Puerto Rico.
4. **Bodily injury** means bodily harm, sickness, or disease sustained by a person. **Bodily injury** also includes death that results at any time from bodily harm, sickness, or disease.

However, **bodily injury** does not include mental or emotional injury, suffering, or distress that does not result from a physical injury.

5. **Business** means:

- a. a trade, a profession, or an occupation, all whether full time, part time, or occasional. This includes the rental of property to others;
- b. the use of any premises, site, or location for purposes of farm-related education, promotion, recreation, entertainment, or tourism that is undertaken for money or other compensation; or
- c. any other activity undertaken for money or other compensation, but this does not include:
 - 1) providing care services to a relative of an **insured**;
 - 2) providing services for the care of persons who are not relatives of an **insured** and for which the only compensation is the mutual exchange of like services;
 - 3) a volunteer activity for which;
 - a) an **insured** receives no compensation; or
 - b) an **insured's** only compensation is the reimbursement of expenses incurred to carry out the activity; or
 - 4) an activity not described in items 1), 2), or 3) above for which no **insured's** total compensation for the 12 month period just before the first day of this policy period was more than \$2,500.

6. **Controlled substances** means items or materials subject to statutory control as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. This is irrespective of any local or state ordinance or law.

Controlled substances include but are not limited to cocaine, LSD, marijuana, methamphetamine, and all narcotic or hallucinogenic drugs.

7. **Coverage territory** means the world, provided that the **insured's** liability to pay **damages** has been determined in a **suit** on the merits in the **basic territory**, or in a settlement that **we** have agreed to.

8. **Covered contract** means the following, but only with respect to **farming** or any other business described on the **declarations**:

a. a lease of premises (however, this does not include that part of any contract or agreement that indemnifies any person or organization for damage by fire to premises rented or loaned to **you**);

b. a responsibility to indemnify a municipality if required by an ordinance (however, this does not apply in connection with work done for the municipality); or

c. any part of any other contract or agreement relating to the conduct of **your business** (including an indemnification of a municipality in connection with work done for the municipality) under which **you** assume tort liability of another person or organization to pay **damages** because of **bodily injury; property damage**; or, and only as respects Coverage N, physical injury to property to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

9. **Custom farming** -

a. **Custom farming** means **farming** services provided by an **insured** that are:

1) undertaken for money or other compensation;

2) conducted at a location that is not a **farm premises** and is not owned by, rented to, leased to, or otherwise controlled by an **insured**; and

3) performed for or under the direction or supervision of the owner or operator of the location described in item 2) above or under the direction or supervision of the representative of such owner or operator.

b. **Custom farming** does not include;

1) the raising, boarding, feeding or containment of non-owned livestock or poultry under contract or for compensation;

2) a neighborly exchange of **farming** services that is not undertaken for money or compensation; or

3) Custom Feeding.

10. **Damages** mean compensation in the form of money for a person or organization who claims to have suffered an injury.

11. **Declarations** means all pages labeled **declarations**, supplemental declarations, or schedules, which pertain to this policy.

12. **Described location** means the one- to four family house, the mobile home, or that part of a building in which **you** reside and which is shown on the **declarations** as the **described location**. It includes farm structures used to service the **farm premises** and grounds at that location.

13. **Designated insured** means:

a. all individuals listed in items 22 a., b., c., d., and e. of the definition of **insured**; and

b. any **employee** who is authorized to give or receive notice of an **occurrence** or a claim.

14. **Domestic employee** means a person employed by an **insured**, or a person leased to an **insured** under a contract or an agreement with a labor leasing firm, to perform duties that relate to the use or care of the **described location**, provided such duties are not in connection with an **insured's business**. This includes a person who performs duties of a similar nature elsewhere for an **insured**, provided such duties are not in connection with an **insured's business**.

However, **domestic employee** does not include a person who is furnished to an **insured**:

- a. as temporary substitute for a permanent **domestic employee** who is on leave; or
- b. to meet seasonal or short-term workloads.

15. **Electronic data** means information, facts or programs stored as or on, created or used on, or transmitted to or from:

- a. computer software, including systems and applications software;
- b. films, tapes, cards, disks, drums, cartridges, cells, DVDs, or CD-ROMs;
- c. data processing devices; or
- d. any other media which are used with electronically controlled equipment.

16. **Employee** means a person employed by an **insured**, or a person leased to an **insured** under a contract or an agreement with a labor leasing firm, to perform duties other than those performed by a **domestic employee**.

However, **employee** does not include a **temporary worker**.

17. **Farm premises** means:

- a. the premises described on the **declarations** and used for **farming**;

- b. other land **you** rent, lease, or control and use for **farming** purposes;
- c. new premises acquired by **you** during the policy period for **farming** purposes; and
- d. private access ways immediately adjoining the locations described in items a., b., and c. above

18. **Farming** -

a. **Farming** means operations performed in connection with:

- 1) planting, growing, and harvesting crops;
- 2) breeding, raising, and feeding livestock, or other animals, poultry, or other birds, fish or shellfish, or insects; and
- 3) the management, operation, and maintenance of a farm enterprise.

b. **Farming** includes all operations **you** conduct in connection with the raising and preparation of farm **products** that are grown on your **farm premises** for sale or to market, to the extent that such preparation does not alter the form of the farm **products**.

However, **farming** does not include mechanized or commercial processing, washing, sorting, canning, freezing, preserving, grading, or field packing of farm **products**.

c. **Farming** also includes the operation of roadside stands on the **farm premises** maintained solely for the sale of **your** farm products that were grown on **your farm premises**.

However, **farming** does not include:

- 1) other retail activity, farmers market or similar sales venue; or

- 2) the use of any premises, site, or location for purposes of farm-related education, promotion, recreation, entertainment, or tourism.

19. **Fungus or related perils** means:

- a. a fungus, including but not limited to mildew and mold;
- b. a protist, including but not limited to algae and slime mold;
- c. wet rot;
- d. dry rot;
- e. a bacterium; or
- f. a chemical, matter, or compound produced or released by a fungus, a protist, wet rot, dry rot, or a bacterium, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

20. **Hovercraft**

- a. **Hovercraft** means a self-propelled motorized ground effect machine or air cushion vehicle designed or used to travel over land or water.
- b. However, **hovercraft** does not include:
 - 1) a model hovercraft that is not designed or used to carry people or cargo;
 - 2) an **aircraft**;
 - 3) a model aircraft that is not designed or used to carry people or cargo;
 - 4) a **motorized vehicle**;
 - 5) a **watercraft**;
 - 6) a model watercraft that is not designed or used to carry people or cargo.

21. **Indemnitee** means a person or organization for whom an **insured** has assumed liability for **damages** due to **bodily injury** or **property damage** under a **covered contract**.

22. **Insured** means:

- a. **you** or **your spouse**, if a resident of the household;
- b. **your** relatives and relatives of **your spouse** if they are residents of **your** household;
- c. **your** relatives under the age of 25 years who:
 - 1) are financially dependent upon **you**;
 - 2) are students enrolled in school full time, as defined by the school; and
 - 3) were residents of **your** household just before moving out to attend school.
- d. persons, other than **your** relatives, under the age of 21 years who:
 - 1) reside in **your** household; and
 - 2) are in **your** care or in the care of **your** resident relatives;
- e. persons, other than **your** relatives, under the age of 21 years who:
 - 1) are in **your** care or in the care of **your** resident relatives; and
 - 2) are students enrolled in school full time, as defined by the school; and
 - 3) were residents of **your** household just before moving out to attend school;
- f. persons in the course of acting as **your** farm representative for the **described location**, but only with respect to acts falling within the scope of such duties.

- g. persons while engaged in the employ of an **insured** as defined in items a., b., c., d., or e. above, but only with respect to a **motorized vehicle**, to which the insurance provided by this policy applies;
- h. persons using a **motorized vehicle** while on an **insured premises** with **your** consent, but only with respect to such use, and only to such **motorized vehicle** as this insurance applies;
- i. persons or organizations accountable by law for **watercraft** or animals:
 - 1) owned by an **insured** as defined in items a., b., c., d., or e. above; and
 - 2) to which the insurance provided by this policy applies;

but only with respect to such **watercraft** or animals.

However, this does not include persons or organizations using or having charge or control of such **watercraft** or animals in the course of **business** or without the owner's consent; or

- j. persons or organizations accountable by law for a motorized golf cart:
 - 1) owned by an **insured** as defined in items a., b., c., d., or e. above; and
 - 2) to which the insurance provided by this endorsement applies;

but only with respect to such golf cart.

However, this does not include persons or organization using or having charge or control of such golf cart without the owner's consent.

- k. **you** and all **your** partners, trustees or executive officers and directors, but only while acting within the scope of duties as a partner, trustee or executive

officer or director when the entity they are a member of is shown on the declaration.

Insured also includes:

Your stockholders, but only for their liability as stockholders.

If **you** die during the policy period, **your** legal representative while acting within the scope of such duties, or a person or organization who has temporary custody of **your** property with respect to liability arising out of the maintenance or use of that property until **your** legal representative is appointed. **Your** legal representative has all of **your** rights and duties under this coverage;

The phrase an **insured**, wherever it appears in this endorsement. means one or more insureds.

23. **Insured premises** means:

- a. the **described location**;
- b. that part of any other premises used by **you** as a residence and shown on the **declarations** as an **insured premises**;
- c. that part of any other premises used by **you** as a residence and that is acquired by **you** during the policy period for such use;
- d. premises used by **you** in connection with a premises described in items a., b., or c. above;
- e. cemetery lots and burial vaults of an **insured**;
- f. that part of a premises not owned by an **insured** and that is temporarily used by an **insured** as a residence;
- g. that part of a premises occasionally rented to an **insured** for other than **business** purposes; and

- h. farm land and vacant land owned by or rented to an **insured**. This includes land where a one- to four-family house, a townhouse, or a row house is being built for use as an **insured's** residence.

24. **Leased worker** means a person who **you** lease from a labor leasing firm under a contract or agreement to perform duties related to the conduct of **your business**.

However, **leased worker** does not include a **temporary worker**.

25. **Limit** means the amount of coverage that applies.

26. **Mobile equipment** -

a. **Mobile equipment** means land vehicles (including any attached machinery or equipment) that meet one or more of the following criteria:

- 1) those which are used only on premises **you** own or rent or on ways immediately adjoining such premises;
- 2) those which are designed primarily for use off public roads, including bulldozers, farm machinery, and forklifts;
- 3) those which travel on crawler treads;
- 4) those, whether self-propelled or not, designed or used primarily to afford mobility to the following types of equipment, which must be a part of or be permanently attached to such vehicles:
 - a) power cranes, shovels, loaders, diggers, drills; and
 - b) graders, scrapers, rollers, and other road construction or repair equipment;

5) those not described in items a.1), a.2), a.3), or a.4) above which are not self-propelled, but are used primarily to afford mobility to the following types of permanently attached equipment;

- a) air compressors, pumps, and generators (this includes spraying, welding, and building cleaning equipment);
- b) geophysical exploration, lighting, and well servicing equipment; and
- c) cherry pickers and similar devices used to raise or lower workers; or

6) vehicles not described in items a.1), a.2), a.3), or a.4) above which are primarily maintained for other than the purpose of transporting persons or cargo.

b. However, **mobile equipment** does not include self-propelled vehicles with the following types of permanently attached equipment;

- 1) equipment designed primarily for snow removal, street cleaning, or road maintenance;
- 2) cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers;
- 3) air compressors, pumps, and generators (this includes spraying, welding, and building cleaning equipment); or
- 4) geophysical exploration, lighting, and well servicing equipment.

The vehicles described in the item b. are considered **autos**.

- c. **Mobile equipment** does not include any land vehicles that are subject to a compulsory insurance or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory insurance or financial responsibility law or other motor vehicle insurance law are considered **autos**.

27. **Motorized vehicle** means:

- a. a self-propelled land or amphibious vehicle, regardless of method of surface contact, but this does not include:
 - 1) a **hovercraft** or drones;
 - 2) a model hovercraft that is not designed or used to carry people or cargo;
 - 3) a **watercraft**; or
 - 4) a model watercraft that is not designed or used to carry people or cargo; or
- b. a trailer or semitrailer that:
 - 1) is attached to or being carried on or towed by; or
 - 2) becomes detached while being carried on or towed by;
 - a vehicle described in item a. above.

28. **Occurrence** means an accident and includes continuous or repeated exposure to similar conditions.

29. **Personal injury** means injury that arises out of one or more of the following offenses committed within the **coverage territory** and during the policy period:

- a. false arrest, detention, or imprisonment;
- b. malicious prosecution;

- c. wrongful entry into, wrongful eviction from, or invasion of the right of private occupancy of a room, dwelling, or premises that a person occupies, if such offense is committed by or on behalf of the owner, landlord, or lessor of the room, dwelling, or premises; or
- d. oral or written publication, including electronic publication, of material that:
 - 1) slanders or libels a person or an organization;
 - 2) disparages a person's or an organization's goods, products, or services; or
 - 3) violates a person's right of privacy.

30. **Pollutant** -

- a. **Pollutant** means any substance or material that is a solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including but not limited to acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste.

Such substance and materials include, but are not limited to:

- 1) diesel, gasoline, propane, and other fuels, kerosene and other fuel oils, petroleum distillates, and any other petroleum-derived products; lubrication oils, adjuvant oils, crop oils; brake and other hydraulic fluids; methanol and other antifreeze additives; exhaust gases; ethylene dichloride, hexylene glycol, mineral spirits and other solvents; perchloroethylene (PERC) and other dry cleaning chemicals; chlorofluorocarbons; adhesives; and pesticides, insecticides, fungicides, fertilizer, animal, aquatic or bird waste, and sewage;
- 2) all substances and materials listed or described by one or more of the following references, including any amendments thereto: the Comprehensive Environmental

Response, Compensation, and Liability Act (CERCLA); the Priority List Of Hazardous Substances {1997 and all subsequent editions} developed by the Agency For Toxic Substances And Disease Registry; and/or the U.S. Environmental Protection Agency EMCI Chemical References Complete Index; and

3) any substance or material shown in the **declaration**.

b. With respect to this definition, waste includes substances or materials to be disposed of as well as recycled, reclaimed, or reconditioned.

c. **Pollutant** also means electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible, and sound.

d. This definition of **pollutant** applies whether or not the substance, material, particle, field, or sound serves any purpose with respect to:

1) the ownership, maintenance, or use of:

a) an **insured premises** or operations that are necessary or incidental to an **insured premises**; or

b) a **motorized vehicle** or **watercraft**; or

2) a farm or business operation, premises, site, or location.

31. **Products** -

a. **Products** means goods or products manufactured, sold, handled, distributed, or disposed of by **you**, others trading under **your** name, or a person or organization whose business or assets **you** have acquired.

b. **Products** includes:

1) warranties or representations made at any time regarding the quality, fitness, durability, performance, or use of **products**;

2) containers (other than vehicles), materials, parts, or equipment furnished in connection with such **products**; and

3) providing or failure to provide warnings or instructions.

c. **Products** does not include:

1) vending machines or other property that is rented to or placed for the use of others, but not sold; or

2) real property.

32. **Property damage** means:

a. Damage to tangible property, including loss of use of that property. Loss of use is deemed to occur at the time of the physical injury that caused it; or

b. the loss of use of tangible property that has not been physically damaged. Loss of use is deemed to occur at the time of the **occurrence** that caused it.

With respect to this coverage part, **electronic data** is not tangible property.

33. **Short-term rented premises** means premises which are rented for **farming** purposes to an **insured** for a period of seven consecutive days or fewer, including the contents of such premises.

34. **Silica** means silicon dioxide (SiO₂) including:

a. crystalline silica, silica dust, industrial sand, silica sand, quartz, quartz dust, cristobalite, tridymite, tripoli, and silica mixed with other compounds;

b. amorphous silica and silica gel; and

c. silica dust mixed with other dust particles.

35. **Suit** means a civil proceeding or an administrative proceeding alleging **damages** for **bodily injury** and/or **property damage**, to which this policy applies. **Suit** includes any alternative dispute resolution proceeding or arbitration proceeding to which:

a. any **insured** must submit in compliance with a law or regulation; or

b. any **insured** submits with **our** consent.

36. **Temporary worker** means a person who is furnished to **you**:

a. as a temporary substitute for a permanent **employee** who is on a leave of absence; or

b. to meet seasonal or short-term workloads.

37. **Terms** means provisions, limitations, exclusions, conditions, and definitions that apply.

38. **Volunteer worker** means a person who is not **your employee**, who donates his or her time or services, and who:

a. acts at **your** direction and within the scope of duties **you** determine; and

b. is not paid a fee, salary, or other compensation for his or her time or services that are donated to **you**.

However, **volunteer worker** does not include an **employee**, a **leased worker**, or a **temporary worker**.

39. **Watercraft** means an apparatus or a device primarily designed to be propelled on or in water by engine, motor, or wind, but this does not include:

a. a model watercraft that is not designed or used to carry people or cargo;

b. a **hovercraft**;

c. a model hovercraft that is not designed or used to carry people or cargo;

d. a **motorized vehicle**;

e. an **aircraft**; or

f. a model aircraft that is not designed or used to carry people or cargo.

40. **Your work** -

a. **Your work** means:

1) work or operations performed by **you** or on **your** behalf; and

2) materials, parts, and equipment supplied for such work or operations; and

b. **Your work** includes:

1) warranties or representations made at any time regarding quality, fitness, durability, performance, or use of **your work**; and

2) providing or failing to provide warnings or instructions.

PRINCIPAL LIABILITY COVERAGES

COVERAGE L - BODILY INJURY LIABILITY AND PROPERTY DAMAGE LIABILITY (Premises Only)

Insuring Agreement

a. **We** pay those sums that an **insured** becomes legally obligated to pay as **damages** due to **bodily injury** or **property damage** occurring on or within the scope of operation of the **insured premises** to which this insurance applies.

This policy does not provide coverage for personal liability or injury created away from the **insured premises** that

did not occur as a result of a specific act for the benefit of the **insured premises**.

We have the right and duty to defend the **insured** against a suit seeking damages which may be covered under this insurance. **We** have no right or duty to defend the **insured** if this insurance does not apply to the **occurrence**.

Subject to all the terms of this insurance, **we** may choose to investigate an **occurrence** and settle any resulting claim or **suit**.

- b. The amount **we** will pay for **damages** is limited as described under How Much We Pay.
- c. **Our** duty to defend ceases when **we** have paid an amount equal to the applicable **limit** as the result of judgments or settlements under Coverage L; or

We have no other liability or obligation to pay sums or to provide assistance or support unless specifically provided for under Supplemental Payments.

- d. This insurance applies only to **bodily injury** or **property damage**:
 - 1) caused by an **occurrence** which takes place in the **coverage territory**;
 - 2) which occurs during the policy period; and
 - 3) which is not a continuation of, resumption of, or change in **bodily injury** or **property damage** that was known by a **designated insured** prior to the inception date of the policy period. If a **designated insured** knew, as stated under the Knowledge of Bodily Injury, Property Damage or prior to the inception date of the policy period, that **bodily injury** or **property damage** had occurred, any continuation of,

resumption of, or change in such **bodily injury** or **property damage** will be deemed to have been known by the **designated insured** prior to the inception date of the policy period.

- e. **Bodily injury** or **property damage** that occurs during the policy period and which is not a continuation of, resumption of, or change in **bodily injury** or **property damage** which was known by a **designated insured**, as stated under the Knowledge of Bodily Injury, Property Damage or to have occurred prior to the inception date of this policy, will include any continuation of, resumption of, or change in such **bodily injury** or **property damage** after the end of this policy period.
- f. **Damages** due to **bodily injury** include **damages** claimed by any person or organization for care, loss of services, or death that may result at any time from such **bodily injury**.

COVERAGE M - MEDICAL PAYMENTS

Coverage M - Medical Payments to Others - **We** pay the necessary medical expenses if they are incurred or medically determined within one year from the date of an accident causing **bodily injury** during the policy period. Medical expenses means the reasonable charges for medical, surgical, X-ray, dental, ambulance, hospital, professional nursing, and funeral services; prosthetic devices; hearing aids; prescription drugs; and eyeglasses, including contact lenses.

This coverage does not apply to **you** or to any person who is a regular resident of **your** household, other than a **domestic employee**. With respect to others, this coverage applies only to:

- 1. a person on an **insured premises** with the permission of an **insured**; or
- 2. a person away from an **insured premises** if the **bodily injury**:

- a. arises out of a condition on an **insured premises** or the access ways immediately adjoining an **insured premises**;
- b. is caused by an activity of an **insured**;
- c. is caused by a **domestic employee** in the course of his or her employment by an **insured**; or
- d. is caused by an animal owned by or in the care of an **insured**.

EXCLUSIONS APPLY TO ALL COVERAGES

Exclusions that apply to Coverage L - Bodily Injury Liability and Property Damage Liability; Coverage M - Medical Payments To Others and Personal Liability if added by endorsement.

This insurance does not apply to:

- 1. **bodily injury** or **property damage** to an **insured** as defined in items a., b., c., d., or e. under the definition of **insured**.
- 2. any claim made or suit brought against an **insured** seeking;
 - a. reimbursement of; or
 - b. contribution toward;

damages for which another person may be liable because of **bodily injury** to an **insured**.
- 3. **bodily injury** or **property damage** that arises out of premises that are;
 - a. owned by an **insured**;
 - b. rented to an **insured**; or
 - c. rented to others by an **insured**;

and that are not **insured premises**.

- 4. **bodily injury** or **property damage** arising out of or in any way related to a **business** conducted from an **insured premises** or undertaken by an **insured**, regardless of location, whether or not the **business** is owned or operated by an **insured** or employs an **insured**.

This includes but is not limited to **bodily injury** or **property damage** arising out of an act or a failure to act, regardless of its circumstance, involving a service or duty owed, promised, provided, or implied to be provided because of the nature of the **business**.

However, this exclusion does not apply to the extent that coverage is provided:

- a. for the use of a motorized golf cart while on a golfing establishment under the Incidental Liability Coverage for Motorized Vehicles; or
- b. under the Incidental Liability Coverage for Business.
- 5. **bodily injury** or **property damage** arising out of operations other than **farming**, including the ownership, use, or maintenance of any part of a **farm premises** that is:
 - a. used for business purposes other than **farming**; or
 - b. rented, or held for rental, by an **insured** to others for residential purposes or business purposes other than **farming**;

unless such operations are specifically described on the **declarations**.

However, item b. above does not apply to a residence or a portion of a residence on the **farm premises** that is rented or held for rental to **your employee** or to **your temporary worker** if such **employee** or **temporary worker** regularly occupies and farms the premises.

6. **bodily injury** or **property damage** arising out of the rendering or the failure to render a professional service.

7. **bodily injury** to:

- a. a person arising out of any:
 - 1) refusal to employ that person;
 - 2) termination of the employment of that person; or
 - 3) coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, sexual misconduct, or other employment-related practices policies, acts or omissions directed towards that person; or
- b. the spouse, child, parent, brother, or sister of the person at whom an employment-related practice, policy, act or omission described under item a) above is directed, as a result of **bodily injury** to that person.

This exclusion applies whether the injury as a result of a.1), a.2) or a.3) above occurs before, during or after employment of that person.

This exclusion applies where the **insured** is liable either as an employer or in any other capacity or there is an obligation to fully or partially reimburse a third party for **damages** arising out of items a.1), a.2), a.3), or b. above.

8. damages awarded under the Migrant and Seasonal Agricultural Worker Protection Act or any law or regulation pertaining to this or other similar act.

9. **bodily injury** if benefits are provided or are required to be provided by the **insured** because of the existence, application or enforcement of any provision or any workers' compensation, disability benefits, occupational disease, unemployment compensation, or like law.

10. **bodily injury** to:

- a. an **employee** of the **insured** arising out of and in the course of employment by the **insured** or while performing duties related to the conduct of the **insured's** business; or
- b. the spouse, child, parent, brother, or sister of an **employee** of the **insured** as a result of the **bodily injury** described in item a. above.

This exclusion applies where the **insured** is liable either as an employer or in any other capacity or there is an obligation to fully or partially reimburse a third party for **damages** arising out of item a. or b. above.

However, this exclusion does not apply to liability assumed by the **insured** under a **covered contract**.

11. **bodily injury** or **property damage** caused directly or indirectly by the following:

- a. war, including undeclared or civil war; or
- b. warlike action by a military force, including action that is 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.

Such injury or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

12. **bodily injury** or **property damage** that is:

- a. expected by, directed by, or intended by any **insured**;

- b. the result of a criminal act of any **insured**; or
- c. the result of an intentional and malicious act by or at the direction of any **insured**.

This exclusion applies even if the **bodily injury** or **property damage**:

- a. that occurs is different than what was expected, directed or intended; or
- b. is suffered by persons, entities, or property not expected, directed, or intended.

However, this exclusion does not apply to **bodily injury** or **property damage** that arises out of the use of reasonable force by an **insured** to protect people or property.

13. **bodily injury** or **property damage** liability which is assumed by the **insured** under a contract or agreement.

However, this exclusion does not apply to:

- a. liability for **damages** that the **insured** would have had in the absence of the contract or agreement but only if such **bodily injury** or **property damage** occurs after the contract or agreement has been executed and for which our **insured** is negligent; or
- b. liability under a contract or an agreement entered into by an **insured**, except as provided under the Incidental Liability Coverage for Contracts.

14. **bodily injury** or **property damage** arising from advertising, broadcasting, publishing or telecasting.

15. **property damage** to property loaned, leased, borrowed or rented to **you**.

However, this exclusion does not apply to sums the **insured** is legally obligated to pay as **damages** due to **property damage** to **short-term rented premises**. A separate **limit** applies to coverage for **property**

damage to **short-term rented premises**.

16. **property damage** to property that is rented to, occupied by, used by, or in the care of an **insured**.

However, this exclusion does not apply to property damage to such property caused by fire, smoke or explosion.

17. Cost or expense for measures performed on property owned by an **insured** to prevent:

- a. injury to a person; or
- b. damage to property of others while on or away from an **insured premises**, whether such cost or expense is incurred by an **insured** or others.

18. **property damage** to property **you** own, lease, rent, or occupy, including any cost or expense incurred by **you** or another person or organization, to repair, retrofit, replace, or maintain such property for any reason, including for the purpose of avoiding injury to a person or damage to another's property.

However, this exclusion does not apply to sums the **insured** is legally obligated to pay as **damages** due to **property damage** to **short-term rented premises**. A separate **limit** applies to coverage for **property damage** to **short-term rented premises**.

19. **bodily injury** or **property damage** arising out of the use of **mobile equipment** in racing, speed, pulling or pushing, demolition, or stunt activities or contests or in practicing or being prepared for such activities or contests all whether on or off premises.

20. **bodily injury** or **property damage** arising out of transporting of **mobile equipment** by an **auto** owned by, operated by, rented to, leased to, or loaned to any **insured**.

21. **bodily injury** or **property damage** arising out of:

- a. the ownership, operation, occupancy, renting, leasing, loaning, supervision, maintenance, use entrusting, or loading or unloading of an **auto, motorized vehicle, aircraft, hovercraft, or watercraft**, owned by, operated by, rented to, or loaned to any **insured**; or
- b. the negligent supervision or failure to supervise, hiring, or training of another person by an **insured** if the **bodily injury** or **property damage** involved the ownership, operation, occupancy, renting, loaning, supervision, maintenance, use, entrusting, or loading or unloading of an **auto, motorized vehicle, aircraft, or watercraft**, owned by, leased to, operated by, rented to, or loaned to any **insured**.

However, this exclusion does not apply to:

- a. liability assumed under a **covered contract** for the ownership, maintenance, or use of a **watercraft**;
- b. **watercraft**, if it is on shore or premises owned by, rented to, or controlled by **you**;
- c. **watercraft**, if it is not owned by **you** and is:
 - 1) less than 26 feet in length; and
 - 2) not being used to carry persons or property for a charge;
- d. an **auto** primarily used on premises used for **farming** purposes if the **auto** is not subject to a compulsory or financial responsibility law or other motor vehicle law because it is used only on the **farm premises** or it is in dead storage on such premises; or
- e. **bodily injury** or **property damage** arising out of:
 - 1) the operation of machinery or equipment described in 26.a.2),

26.a.3), and 26.a.4) of the definition of **mobile equipment**; or

- 2) the operation of machinery or equipment that is attached to or part of a land vehicle that would qualify under the definition of **mobile equipment** if it were not subject to a compulsory or financial responsibility law or other motor vehicle law in the state where it is licensed or principally garaged.

This exclusion also applies when the insured is vicariously liable if the **bodily injury** or **property damage** arises out of the actions of a child or minor.

However, this exclusion does not apply to the extent that coverage for the **motorized vehicle** or **watercraft** provided under the Incidental Liability for **motorized vehicles** or the Incidental Liability for **watercraft** if a part of this policy.

22. **bodily injury** or **property damage** for which any **insured** may be held liable by reason of:

- a. contributing to or causing the intoxication of a person;
- b. the furnishing of alcoholic beverages to a person under the influence of alcohol or under the legal drinking age; or
- c. a statute, ordinance, law, or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

However, this exclusion applies only if **you**:

- a. distribute, or sell alcoholic beverages;
- b. furnish or serve alcoholic beverages for a charge, whether or not doing so requires a license or is undertaken for business purposes or profit; or
- c. furnish or serve alcoholic beverages without a charge, if doing so requires a license.

23. **bodily injury** or **property damage** from solvents, thinners, lead paints, liquid petroleum or mercury that escape, spills or are otherwise removed from their intended location.

24. **bodily injury** or **property damage** arising directly or indirectly out of the actual, alleged, suspected, or threatened discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of **pollutants**:

a. at or from any premises, site, or location which is, or was at any time, owned by, occupied by, rented to, or loaned to any **insured**.

However, item a) above does not apply to:

1) **bodily injury** or **property damage** arising out of the heat, fumes, or smoke of a fire which becomes uncontrollable or breaks out from where it was intended to be located;

2) **bodily injury** or **property damage** arising out of the heat, fumes, or smoke of a fire which is set by the **insured** for the purpose of burning off crop stubble or other vegetation consistent with normal and usual farm field or ditch clearing practices, and is not in violation of any ordinances or laws;

3) **bodily injury** arising out of the fumes, smoke, soot, or vapor from equipment used for heating, cooling, or dehumidifying a building or used for heating water for the building's occupants if the **bodily injury** was suffered in that building; or

4) **bodily injury** or **property damage** for which **you** may be held liable as the contractor at the premises, site, or location and the owner or lessee of that premises, site, or location has been added to **your** policy as an additional insured for **your** ongoing farming operations

conducted for that additional insured at that premises, site, or location.

This exception to item a. above applies only if the premises, site, or location is not currently or was not previously owned by, occupied by, rented to, or loaned to any **insured** other than the additional insured;

5) **bodily injury** or **property damage** arising from a rupture, breakage or bursting of a tank, tank wagon, bin or silo when the cause of the loss is windstorm or collision or overturn that produces a sudden and immediate release of **pollution**.

b. at or from any premises, site, or location which is or was at any time used by or for any **insured** or others, for the handling, storage, disposal, processing, or treatment of manure (animal, bird, aquatic or human).

c. which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or by or for any person or organization for whom **you** may be legally responsible; or

d. at or from any premises, site, or location where any **insured** or any contractor or subcontractor working directly or indirectly on any **insured's** behalf is performing operations if the **pollutants** are brought on or to the premises, site, of location in connection with such work by such **insured**, contractor, or subcontractor.

However, item d. above does not apply to:

1) **bodily injury** or **property damage** arising out of the heat, smoke, or fumes of a fire which becomes uncontrollable or breaks out from where it was intended to be located;

- 2) **bodily injury** or **property damage** arising out of the escape of any fuels, lubricants, or other fluids needed for the normal hydraulic and mechanical function of **mobile equipment** or its parts, if such fuels, lubricants, or other fluids escape from a vehicle part designed to contain, store or receive them.

This exception to item d) above does not apply if the **bodily injury** or **property damage** arises out of:

- a) fuels, lubricants, or other fluids that are intentionally discharged, dispersed, or released, or if such fuels, lubricants, or other fluids are brought on or to the premises, site, or location to be discharged, dispersed, or released as part of the operations being performed by such **insured**, contractor, or subcontractor; or
- b) **bodily injury** or **property damage** caused by the release of gases, vapors, or fumes from materials brought into a building because of the operations being performed by **you** or on **your** behalf by a contractor or subcontractor, if the **bodily injury** or **property damage** was suffered within that building.
- e. at or from any premises, site, or location where any **insured** is working or where any contractor or subcontractor is working directly or indirectly on any **insured's** behalf, if the work is to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of **pollutants**.
- f. that results in any loss, cost, or expense arising directly or indirectly out of any:
- 1) request, demand, order, or statutory or regulatory requirement that any

insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of **pollutants**; or

- 2) claim or suit by or on behalf of any government body or authority relating to testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of **pollutants**.

However, exclusion f does not apply to liability for **property damage** that the **insured** would have had in the absence of such request, demand, order, or statutory or regulatory requirement, or such claim or suit by or on behalf of any governmental body or authority.

25. **bodily injury** arising directly or indirectly out of the actual, alleged, suspected, or threatened ingestion of, inhalation of, absorption of, contact with existence of, exposure to, or presence of: or

property damage arising directly or indirectly out of the actual, alleged, suspected or threatened contact with, existence of, exposure to, or presence of:

- a. asbestos, asbestos products, asbestos fibers, or asbestos dust;
- b. chromated copper arsenate;
- c. lead products, lead fibers or lead dust;
- d. **silica**;
- e. insecticide, herbicide, pesticides;
- f. fertilizers, seed treatments; or
- g. livestock, poultry by-products or aquaculture and its by-products.

However, **we** do pay for damage that results from agricultural chemicals sprayed by the **insured** that drift off the **insured premises** and cause **bodily injury** or

property damage to a third person. We do not pay for chemicals that are released from an **aircraft**.

26. any loss, cost, or expense arising directly or indirectly out of any request, demand, order, or statutory or regulatory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of: or,

any loss, cost, or expense arising directly or indirectly out of any claim or suit by or on behalf of any governmental body or authority for **damages** resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of:

- a. asbestos, asbestos products, asbestos fibers, or asbestos dust;
- b. chromated copper arsenate;
- c. lead products, lead fibers or lead dust;
- d. **silica**;
- e. insecticide, herbicide, pesticide;
- f. fertilizers, seed treatments; or
- g. livestock, poultry by-products or aquaculture and its by-products.

27. **Bodily injury** or **property damage** arising from any mold, fungus or related **perils**.

However, this exclusion does not apply to damages that result from:

- a. a fungus cultivated or harvested for human consumption or topical use or a bacterium that is within or on any products intended for human consumption or topical use; or
- b. a slip, fall, or loss of footing due to a surface made slippery by the presence of or existence of fungus or related **perils**.

28. any loss, cost, or expense arising out of:

- a. any request, demand, order, or statutory or regulatory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of **fungus or related perils**;
- b. any claim or suit by or on behalf of any governmental body or authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of **fungus or related perils**;

29. **bodily injury** or **property damage** arising directly or indirectly out of the actual, alleged, suspected, or threatened release, contact with, exposure to, presence of or discharge of any substance from an **aircraft**.

30. any loss, cost, or expense arising out of:

- a. any request, demand, order, or statutory or regulatory requirement that any **insured** or others test for, abate, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of any substance released or discharged from an **aircraft**; or
- b. any claim or suit by or on behalf of any governmental body or authority for damages resulting from testing for, abating, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of any substance released or discharged from an **aircraft**.

31. Any loss, cost or expense arising directly or indirectly from any discarded items, materials or litter and any related byproduct or leachate therefrom. Such discarded items, materials or litter shall include but

not be limited to: tires, batteries, appliances or any items or materials held on the **insured premises** to be discarded.

32. **property damage** to premises **you** sell, give away, or abandon, if the **property damage** arises out of any part of those premises.
33. **property damage** to either business personal property or non-business personal property in the care, custody, or control of the **insured**.

However, this exclusion does not apply to sums the **insured** is legally obligated to pay as **damages** due to **property damage** to **short-term rented premises**. A separate **limit** applies to coverage for **property damage** to **short-term rented premises**.

34. **property damage** to that specific part of real property on which work is being performed by:
- a. **you**; or
 - b. a contractor or subcontractor working directly or indirectly on **your** behalf,

if the **property damage** arises out of such work.

35. **bodily injury** or **property damage** arising out of the modification or repair of farm machinery or implements for others for a fee.
36. **property damage** to that specific part of any property that must be restored, repaired, or replaced because **your work** that was performed on the property was faulty.

However, this exclusion does not apply to **property damage** arising out of **custom farming**.

37. **property damage** to **products** if the damage is inherent to the **products** or their parts.
38. **property damage** to property that has not experienced a direct physical loss.

39. Any loss, cost or expense incurred by you or any other person or organization arising out of the loss of use, disposal, withdrawal, recall, inspection, repair, replacement, adjustment or removal of **your work, product** or impaired property. This applies if **your work products** or impaired property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency or unsafe condition in such work, **products** or impaired property.

40. **property damage** arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate **electronic data**.

41. **bodily injury** or **property damage** arising from **personal injury**.

42. **property damage** or injury, sickness or death to livestock, poultry or fish while non-owned livestock, poultry or fish are in your care, custody or control.

43. **bodily injury** or **property damage** arising directly or indirectly out of or resulting directly or indirectly from:

- a. transmissible spongiform encephalopathies;
- b. PEDV and similar disease;
- c. foot and mouth, mad cow, pseudo rabies or similar disease, influenza or viruses;
- d. exposure to transmissible spongiform encephalopathies or foot and mouth disease;
- e. exposure to any item or agent that is known or suspected to cause, contribute to, or enable transmissible spongiform encephalopathies or foot and mouth disease; or
- f. any or all viruses, bacteria, parasite, spores or mutations thereof.

This exclusion also applies with respect to any supervision, instructions, recommendations, warnings, or advice given or which should have been given in

connection with items a. through f. above; and any obligation to fully or partially reimburse a third party for **damages** arising out of items a. through f. above.

44. the cost of abatement, mitigation, removal of, or disposal of:

- a. feed or feed additives;
- b. livestock, fish or poultry, all whether dead or alive;
- c. meat, meat products or meat by-products; or
- d. any premises or equipment handling such items;

as result of any known or suspected connection between such items and transmissible spongiform encephalopathies, influenza, viruses or similar disease.

45. any cost related to abatement, mitigation, or removal of or testing, medical monitoring, medical cost, or cures as applicable to persons or property alleged or actually infected or contaminated by transmissible spongiform encephalopathies, influenza, viruses or similar disease.

46. **bodily injury or property damage** arising out of the use, sale, manufacture, delivery, transfer, or possession by any person of a **controlled substance**.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed health care provider and that is not in violation of federal law.

47. **bodily injury or property damage** arising out of the ownership, use, or maintenance of:

- a. farm implements, farm tools, farm tractors, farm trailers, and farm wagons rented or leased to others for a charge;
- b. animals including wagons, carts or accessories used with animals, while:

1) rented or leased to others by or for an **insured**;

2) used for route delivery;

3) used to provide rides for a fee;

4) used in parades, carnivals, rodeos, reenactments or similar events;

5) used in conjunction with a petting zoo or other similar exhibition on **your farm premises**; or

6) used to provide rides at a fair, charitable or community function, or similar event; or

c. an animal in, or in the practice or preparation for, any prearranged racing, speed, pulling or pushing, riding, or stunt activities or contests.

However, exclusion c. applies only to **occurrences** that take place at the off-site location designated for the contest or activity. This exclusion does not apply to 4-H, FFA or similar non-professional sanctioned events.

48. **bodily injury or property damage** arising out of the **insured's** performance of or the failure to perform **custom farming** or custom feeding procedures.

49. **bodily injury or property damage** arising out of:

a. erroneous delivery of seed;

b. error in mechanical mixture of seed;

c. error in labeling;

d. failure of seed to germinate;

e. cross pollination after seed has germinated; or

f. the presence of disease organisms; noxious weeds; or varietal variations.

50. **bodily injury** that arises directly or indirectly from the transmission or sharing of a communicable disease all whether intended or not.

51. **bodily injury** from sexual molestation or sexual misconduct arising out of actual or alleged physical or mental abuse.
52. **bodily injury** arising from corporal or physical punishment.
53. **bodily injury** or **property damage** related to the Fair Credit Reporting Act (FCRA), including any amendments thereto and any similar federal, state or local laws, ordinances, statutes or similar regulations.
54. **bodily injury** or **property damage** arising from wild or exotic animals owned by or in the care, custody or control of any insured.
55. **bodily injury** or **property damage** arising directly or indirectly out of violation of or alleged violations of:
 - a. the Telephone Consumer Protection Act of 1991 (TCPA), including any amendments thereto, and any similar federal, state, or local laws, ordinances, statutes, or regulations;
 - b. the CAN-SPAM Act of 2003, including any amendments thereto, and any similar federal, state, or local laws, ordinances, statutes, or regulations; or
 - c. any federal, state, or local law, regulation, statute or ordinance that restricts, prohibits or otherwise pertains to the collecting, communicating, recording, printing, transmitting, sending, disposal or distribution of material or information.
56. **bodily injury** or **property damage** arising from any costs, interest or damages attributable to punitive or exemplary damages.
However, if a suit is brought against **you**, for an **occurrence** covered by this policy, **we** will pay for defense coverage.

COVERAGE N - FARM CHEMICALS, FERTILIZER AND MANURE (ANIMAL, BIRD, AQUATIC OR HUMAN) LIMITED LIABILITY

1. Insuring Agreement

- a. **We** will pay those sums that an **insured** becomes legally obligated to pay as **damages** due to **bodily injury** or **property damage** caused by sudden and accidental discharge, dispersal, release, or escape of chemicals, liquids, waste or gases on or into the soil or air from the **farm premises** if:
 - 1) the chemicals, liquids, waste or gases that caused the injury were used by the **insured** in normal and usual **farming operations**; and
 - 2) the chemicals liquids, waste or gases did not escape or were not discharged, dispersed, or released from **aircraft**.

We have the right and duty to defend the **insured** against a **suit** seeking **damages** which may be covered under this insurance.

However, **we** have no duty to defend the **insured** against any **suit** seeking **damages** to which this insurance does not apply. Subject to all the **terms** of this insurance, **we** may choose to investigate an **occurrence** and settle any resulting claim or **suit**.

- b. The amount **we** will pay for **damages** as a result of this coverage is limited as described under How Much We Pay.
- c. **Our** right and duty to defend ceases when **we** have paid an amount equal to the Coverage N **limit** as the result of a judgment or settlement.

We have no other liability or obligation to pay sums or to perform acts or services unless specifically provided for under Supplemental Payments.

- d. The insurance applies only to **bodily injury** or **property damage**:
 - 1) caused by an **occurrence** which takes place in the **coverage territory**;

- 2) which occurs during the policy period; and
 - 3) which is not a continuation of, resumption of, or change in physical damage that was known by a **designated insured** prior to the inception date of the policy period. If a **designated insured** knew, as stated under the Knowledge of Bodily Injury, Property Damage or prior to the inception date of the policy period, that physical damage had occurred, any continuation of, resumption of, or change in such physical damage will be deemed to have been known by the **designated insured** prior to the inception date of the policy period.
- e. **bodily injury or property damage** that occurs during the policy period and which is not a continuation of, resumption of, or change in **bodily injury or property damage** which was known by a **designated insured**, as stated under the Knowledge of Bodily Injury, Property Damage or to have occurred prior to the inception date of this policy period, will include any continuation of, resumption of, or change in such physical damage after the end of this policy period.
- f. **bodily injury or property damage**, as provided under Coverage N, does not include any indirect or consequential damage that occurs at any time, such as loss of use of soil, animals, crops, water, or other property, loss of market, or loss of value.

EXCLUSIONS

This insurance does not apply to:

- a. any loss, cost, or expense arising out of any continuous or repeated seepage, leakage, escaping, spreading, pumping or draining in which any of the following would apply:
 - 1) request, demand, order, or statutory or regulatory requirement that any

insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of chemicals, liquids, manure or gases; or

- 2) claim or suit by or on behalf of any governmental body or authority relating to testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of chemicals, liquids, manure or gases.
- b. However, this exclusion does not apply to liability for **damages** that the **insured** would have had in the absence of such request, demand, order, or statutory or regulatory requirement, or such claim or **suit** by or on behalf of any governmental body or authority.
- c. **bodily injury or property damage** arising out of **farming** operations that are in violation of an ordinance or law.
- d. **bodily injury or property damage** to others or property:
 - 1) which is expected by, directed by, or intended by any **insured**; or
 - 2) that is the result of an intentional and malicious act of any **insured**.
- e. liability which is assumed by the **insured** under a contract or an agreement.

However, this exclusion does not apply to:

- 1) liability for **damages** that the **insured** would have had in the absence of the contract or agreement; or
- 2) liability for **damages** due to bodily injury or property damage assumed in a **covered contract**, but only if such **bodily injury or property damage** occurs after the contract or agreement has been executed.

- f. physical damage to property **you** own, rent, lease, borrow, or occupy.

COVERAGE O - FIRE LEGAL LIABILITY

1. Insuring Agreement

- a. **We** pay those sums which an **insured** becomes legally obligated to pay as **damages** due to **property damage** to buildings, or parts thereof, which **you** rent from another, or which are loaned to **you**, if the **property damage** is caused by fire or explosion. Buildings include permanently attached fixtures. **We** have the right and duty to defend the **insured** against a **suit** seeking **damages** which may be covered under this insurance.

However, **we** have no duty to defend the **insured** against a **suit** seeking **damages** arising out of **property damage** to which this insurance does not apply. Subject to all the **terms** of this insurance, **we** may choose to investigate an **occurrence** and settle any resulting claim or **suit**.

- b. the amount **we** will pay for **damages** is limited as described under How Much We Pay.
- c. Our duty to defend ceases when we have paid an amount equal to the Coverage O **limit** as the result of a judgment or settlement.

We have no other liability or obligation to pay sums or to perform acts or services unless specifically provided for under Supplemental Payments.

- d. This insurance applies only to **property damage**;
 - 1) caused by an **occurrence** which takes place in the **coverage territory**; and
 - 2) which occurs during the policy period.

2. Exclusions

This insurance does not apply to:

- a. **property damage** liability which is assumed by the **insured** under a contract or an agreement to indemnify any person or organization for damage to the premises by fire.
- b. **property damage** arising out of the rendering or failure to render a professional service.
- c. **property damage**;
 - 1) which is expected by, directed by, or intended by any **insured**; or
 - 2) that is the result of intentional and malicious acts of any **insured**.

INCIDENTAL LIABILITY COVERAGES

Damage to Property of Others - Regardless of an **insured's** legal liability, **we** pay, at replacement cost, for **property damage** to property of others caused by an **insured**. The **limit** that applies to this coverage is \$1,000 per **occurrence** or the amount indicated on the declaration page applicable to this coverage, whichever is greater.

The exclusions that apply to Coverage L and Coverage M do not apply to this coverage.

- 1. However, **we** do not pay for **property damage**:

- a. covered under any property coverage section of the policy to which this endorsement is attached.

However, **we** will pay for **property damage** in excess of the amount recoverable under any property coverage section of the policy to which this endorsement is attached, to the extent that such **property damage** is covered under the **terms** of this Incidental Liability Coverage;

- b. to property owned by an **insured**, or owned by, rented to, or leased to another resident of **your** household or a tenant of an **insured**;

- c. caused intentionally by an **insured** who has attained the age of 13 years;
- d. arising out of an act or omission in any way related to a:
 - 1) **business** undertaken by an **insured**; or
 - 2) premises owned, rented, leased, or controlled by an **insured**, other than an **insured premises**; or
- e. arising out of the ownership, operation, maintenance, use, occupancy, loaning, entrusting, supervision, renting, leasing, loading, or unloading of **aircraft, hovercraft, motorized vehicles, or watercraft.**

However this exclusion does not apply to **property damage** arising out of a **motorized vehicle**:

- 1) that is not owned by an **insured** and is designed:
 - a) for recreational use off of public roads; or
 - b) to assist the handicapped,
- 2) that is not owned by an **insured** and is used only to service;
 - a) an **insured premises**; or
 - b) a premises of another, not in the course of **business**;

if, at the time of the **occurrence**, such **motorized vehicle** is not required by law or governmental regulations to be registered for use on public roads or property.

2. **First Aid Expense** - We pay up to \$1,000 per occurrence for the expenses incurred by an **insured** for first aid to persons, other than **insured**, for **bodily injury** covered by this endorsement. This is an additional amount of insurance.

3. **Business**

a. We pay for **bodily injury** or **property damage** that arises out of:

- 1) the rental or holding for rental of an **insured premises**:
 - a) on an occasional basis for use only as a residence;
 - b) in part for use only as a residence (No family unit may include more than two roomers or boarders.); or
 - c) in part for use as a school, studio, office, or private storage garage; or
- 2) the **business** activities of an **insured** under the age of 21 years, but only if such **insured** is involved in a part-time or occasional, self-employed **business** that does not employ others and the **bodily injury** or **property damage** arises out of activities related to that **business**.

b. This Incidental Personal Liability Coverage for Business is subject to all of the:

- 1) Exclusions That Apply to Coverage L and Coverage M.
- 2) Additional Exclusions That Apply Only To Coverage N.

4. **Contracts**

a. We pay for **bodily injury** or **property damage**:

- 1) for which an **insured** is liable to a third person under a written contract that directly relates to the ownership, maintenance, or use of an **insured premises** except contracts associated with custom feeding, **custom farming** or **farming**; or
- 2) for personal liability which **you** are liable under a written contract, made before the loss, in which **you** have assumed the tort liability of others.

The loss causing the **bodily injury** or **property damage** must have occurred during the policy period.

- b. This Incidental Personal Liability Coverage for Contracts is subject to all of the:
 - 1) Exclusions That Apply To Coverage L and Coverage M;
 - 2) Additional Exclusions That Apply Only to Coverage N.

SUPPLEMENTAL PAYMENTS

- 1. If **we** investigate or settle a claim or defend a **suit** against an **insured**, **we** will pay:
 - a. the court costs taxed against the **insured** in the **suit**. These costs do not include attorneys' fees or attorneys' expenses;
 - b. the costs **we** incur;
 - c. the **insured's** actual loss of earnings for the time spent away from work at **our** request. **We** pay your actual expenses up to \$250 per day.
 - d. the necessary and reasonable expenses incurred by the **insured** at **our** request to assist **us** in the investigation or defense of the claim or **suit**;
 - e. prejudgment interest awarded against the **insured** on that part of the judgment **we** pay. If **we** make an offer to pay the applicable **limit**, **we** will not pay any prejudgment interest based on that period of time after the offer;
 - f. the interest which accrues on the entire amount of a judgment beginning with entry of a judgment and ending when **we** tender, deposit in court, or pay the portion of the judgment that is up to, but does not exceed, our **limit**;
 - g. the cost of appeal bonds or bonds for the release of attachments up to our **limit**;

However, **we** are not required to apply for or furnish such bonds; and

- h. the cost, up to \$500, for bail bonds required for an **insured** because of an accident or traffic violation arising out of the use of a vehicle for which **bodily injury** coverage is provided under Coverage L.

However, **we** are not required to apply for or furnish such bonds.

These supplemental payments are in addition to the **limits** for the Principal Liability Coverages.

- 2. If **we** defend a **suit** against an **insured**, **we** will also defend the **insured's indemnitee** who is named as a party to that **suit**, but only when all of the following requirements are met.
 - a. The **damages** alleged in the **suit** are covered under the insurance provided by this coverage part and liability for such **damages** has been assumed by the **insured** under a **covered contract**;
 - b. liability to the **indemnitee** for, or for the cost of, that **indemnitee's** defense has also been assumed in the same **covered contract**;
 - c. to the extent of **our** knowledge, there is no conflict of interest between the **insured** and the **indemnitee**;
 - d. the **insured** and the **indemnitee** authorize us to conduct and control the defense of the **indemnitee** and to name the same counsel to defend both the **insured** and the **indemnitee**. Such authorization by the **indemnitee** will be provided to **us** in writing;
 - e. the **indemnitee** agrees in writing to:
 - 1) cooperate with **us** in investigating, settling, or defending a **suit**;
 - 2) promptly send to **us** copies of all legal papers, demands, and notices received in connection with the **suit**;

3) provide notice to any other insurer providing coverage for the **indemnitee** and cooperate with **us** in the coordination of any other insurance available to the **indemnitee**; and

f. the **indemnitee** provides authorization in writing to obtain records and other information permitted to be obtained by applicable law.

When each of the requirements set forth above is met, defense and litigation costs that **we** incur on behalf of the **indemnitee** and the litigation costs incurred by the **indemnitee** at **our** request will be paid in addition to the **limits** for this coverage part.

Our obligation to provide a defense for an **insured's indemnitee** and to pay for the **indemnitee's** defense and litigation costs in addition to the **limits** for this coverage part ceases when **we** have paid an amount equal to the applicable **limit** as the result of a judgment or settlement or when a requirement set forth under items a., b., c., d., e., or f. above is no longer met.

WHAT MUST BE DONE IN CASE OF LOSS

1. Notice -

a. In the case of an **occurrence**, an offense, or if an **insured** becomes aware of anything that indicates that there might be a claim under this coverage part, **you** must see to it that **we** receive written or electronic notice of the claim or **suit** as soon as practicable

Notice to **our** agent is notice to **us**.

b. The notice to **us** must state:

- 1) the **insured's** name;
- 2) the policy number;
- 3) the time, the place, and the circumstances of the **occurrence** or offense, of the situation that

indicates that there might be a claim; and

4) the names and addresses of all known and potential claimants and witnesses.

2. **Cooperation** - All **insureds** involved with an **occurrence**, an offense, or **bodily injury** or **property damage** must cooperate with **us** in investigating or settling a claim or defending a **suit**.

3. **Volunteer Payments** - Any payment or expense made or assumed by an **insured** without **our** written consent will be paid or assumed by the **insured**.

However, as provided under Incidental Coverage, this does not apply to First Aid to others at the time of **bodily injury**.

4. Other Duties -

a. promptly send to **us** copies of all legal papers, demands, and notices received in connection with such claim or **suit**;

b. at **our** request, provide written authorization to obtain records and other information permitted to be obtained by applicable law; and

c. at **our** request, cooperate and assist **us** in:

- 1) settling the claim;
- 2) investigating claims and conducting **suits** or administrative hearings or proceedings. This includes attending trials, hearings, and proceedings;
- 3) enforcing rights against all parties who may be liable to any **insured** for injury or damage that may be covered by this insurance;
- 4) securing and giving evidence; and
- 5) obtaining the attendance of all witnesses.

HOW MUCH WE PAY

1. The **limits**, shown on the **declarations** and subject to the following conditions, are the most **we** pay regardless of the number of:

- a. **insureds** under this coverage part;
- b. persons or organizations who sustain injury or damage; or
- c. claims made or **suits** brought.

However, the payment of a claim under Coverage M does not mean that **we** admit **we** are liable under other coverages.

2. The General Aggregate Limit is the most **we** will pay for the sum of:

- a. all **damages** under Coverage L, and
- b. all **damages** under Coverage M, and
- c. all **damages** under Coverage N, and
- d. all **damages** under Coverage O; and
- e. all personal injury **damages** or losses covered by this policy or attached endorsements.

3. The Each Occurrence Limit, subject to the General Aggregate Limit is the most **we** will pay for the total of:

- a. **damages** under Coverage L, N and O; and
- b. medical expenses under Coverage M,

due to all **bodily injury** and **property damage** arising out of a single **occurrence**.

4. Subject to the Each Occurrence Limit and the General Aggregate Limit, the most **we** pay for **damages** due to **property damage** to **short-term rented premises** is \$50,000 for any one premises unless a different Short-Term Rented Premises Limit is shown on the **declarations**.

However, the **limit** that applies to **property damage** to **short-term rented premises** does not apply to **damages** covered under Coverage O.

5. Subject to the Each Occurrence Limit and the General Aggregate Limit, the most **we** pay for **damages** due to **property damage** under Coverage O is \$50,000 for each **occurrence** unless a different Fire Legal Liability Limit is shown on the **declarations**.

6. Subject to the Each Occurrence Limit and the General Aggregate Limit, the Medical Payments Limit is the most that **we** will pay under Coverage M for all medical expenses because of **bodily injury** sustained by any one person.

7. The Farm Chemicals, Fertilizer or Manure Limited Liability Aggregate Limit is the most **we** will pay for **damages** due to **bodily injury** or **property damages** under Coverage N. The Farm Chemicals Fertilizer or Manure Limited Liability Aggregate Limit is \$25,000 unless a different Farm Chemicals, Fertilizer or Manure Limited Liability Aggregate Limit is shown on the **declarations**.

8. The General Aggregate Limit and the Farm Chemicals, Fertilizer or Manure Limited Liability Aggregate Limit apply separately to each consecutive 12-month period beginning with the inception date of this coverage part shown on the **declarations**. They also apply separately to any remaining policy period of less than 12 months, unless this coverage has been extended after it was written. In that case, the additional period will be considered part of the last preceding period for the purpose of determining **limits**.

9. For all milk or milk by-products owned by one or multiple third parties that are contaminated or made unusable by milk or substance found in our milk or milk by-product we own or have care custody or control of, a mandatory \$1,000 deductible applies unless a higher amount is stated on

the **declarations**. This deductible will apply per occurrence and to each container that is contaminated or made unusable.

CONDITIONS

1. **Bankruptcy** - Bankruptcy or insolvency of an **insured** does not relieve **us** of **our** obligations under this coverage part.

2. **Conformity With Statute** - If the **terms** of this policy conflict with the statutes of the state where the premises described are located, the **terms** are amended to conform to such statutes.

3. **Insurance Under More Than One Policy** - (Applies to all coverages except Coverage M - Medical Payments.)

a. Insurance under this coverage part is primary except as provided under item c. below, or unless otherwise stated. The amount of our liability is not reduced because of the other insurance which applies to the loss on other than a primary basis.

b. If the other insurance is also primary, **we** will share in the loss as follow:

1) If the other insurance provides for contribution by equal share, **we** will pay equal amounts with other insurers until:

a) each insurer has paid its applicable **limit**; or

b) the full amount of the loss is paid;

whichever comes first.

2) If the other insurance does not provide for contribution by equal share, **we** will pay, up to **our limit**, no more than that proportion of the loss to which the applicable **limit** under this policy for such loss bears to the total applicable **limit** for all insurance against the loss.

c. Insurance under this coverage part is excess over any other insurance:

1) if the other insurance, whether primary, excess, contingent, or on any other basis, provides:

a) fire, extended coverage, builders' risk, installation risk, or similar coverage for **your work**;

b) fire insurance for premises which **you** rent from another, or which are temporarily occupied by **you** with the owner's permission; or

c) insurance **you** purchase for **your** liability for **property damage** to premises which **you** rent from another, or which are temporarily occupied by **you** with the owner's permission.

2) if the other insurance applies to any loss arising out of the maintenance or use of aircraft, **autos**, or watercraft which may be covered by this coverage part; or

3) if the other insurance is primary insurance and is available to **you** to cover liability arising out of premises or operations for which **you** have been added as an additional **insured** by endorsement to the policy.

d. When this insurance is excess over any other insurance:

1) **we** will have no duty to defend any claim or **suit** that any other insurer has a duty to defend. If no other insurer defends, **we** will do so.

However, **we** will be entitled to the **insured's** rights against all those other insurers.

2) **we** will pay **our** share, up to our **limit**, of the amount of loss, if any, that exceeds the sum of:

- a) the total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- b) the total of all deductibles and self-insured amounts required by such other insurance.

We will share the remaining loss with any other insurance that is not described in this excess insurance provision and was not bought specifically to apply in excess of the **limits** shown on the **declarations** of this coverage part.

4. **Knowledge of Bodily Injury or Property Damage** - Knowledge of **bodily injury** or **property damage** will be deemed to have occurred at the earliest of the following times:

- a. when a **suit**, claim, or demand for **damages** alleging **bodily injury** or **property damage** is received by any **designated insured**;
- b. when any **designated insured** reports the **bodily injury** or **property damage** to **us** or any other insurer; or
- c. when any **designate insured** becomes aware of anything that indicates that **bodily injury** or **property damage** may have occurred or is occurring.

5. **Liberalization** - If **we** adopt a revision of forms during a policy period which broadens this policy without additional premium, the broadened coverage will automatically apply to this policy. This also applies if **we** adopt the revision within 60 days before this policy is effective.

6. **Misrepresentation, Concealment, Or Fraud** - This coverage is void as to **you** and any other **insured** if, before or after a loss:

- a. **you** have or any other **insured** has willfully concealed or misrepresented:

- 1) a material fact or circumstance that relates to this insurance or the subject thereof: or

- 2) **your** interest or any other **insured's** interest herein: or

- b. there has been fraud or false swearing by **you** or any other **insured** with regard to a matter that relates to this insurance or the subject thereof.

7. **Premium** - The premium shown on the **declarations** was computed on the basis of **our** rules and rates.

8. **Separate Insureds** - Coverage provided under this coverage part applies separately to each **insured** against whom claim is made or **suit** is brought.

However, this does not affect the **limits** stated under How Much We Pay.

9. **Subrogation** - If **we** pay under this coverage part, **we** may require from an **insured** an assignment of any right of recovery. **We** are not liable under this coverage part to the extent that any **insured** has impaired **our** right to recover.

10. **Suit Against Us** - No **suit** may be brought against **us** unless:

- a. all the **terms** of this coverage part have been complied with; and
- b. the amount of the **insured's** liability has been determined by:
 - 1) a final judgment against an **insured** as a result of a trial; or
 - 2) a written agreement by the **insured**, the claimant, and **us**.

However, **we** will not pay for injury or damage that is not covered by this coverage part or that exceeds the applicable **limit**.

No person has a right under this coverage part to join **us** or implead **us** in actions that are brought to determine an **insured's** liability.

OPTIONAL COVERAGE

Custom Farming Coverage - When indicated on the **declaration** page of this policy, we provide **bodily injury** and **property damage** coverage for **your** custom farming operation. The custom farming operation must be seasonal with the combined gross receipts and other compensation for the 12 month period preceding the **occurrence** not to exceed \$5,000 dollars or the entry shown on the declarations for **custom farming** receipts.

Pro Rate Clause

For any **bodily injury**, **property damage** we will pay no more than the proportion of the listed gross receipts and other compensation bears to the actual gross receipts and compensation collected in the prior 12 month period preceding the **occurrence**. When the listed gross receipts are within 80% of the actual gross receipts, no pro rata payment will be deducted.

NUCLEAR ENERGY LIABILITY EXCLUSION

1. Exclusion

This insurance does not apply under any:

a. liability coverage, to **bodily injury** or **property damage**:

- 1) with respect to which an **insured** under the policy is also an **insured** under a Nuclear Energy Liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors, or would be an **insured** under any such policy but for its termination upon exhaustion of its **limit** of liability; or
- 2) resulting from the **hazardous properties** of **nuclear material** and with respect to which:

- a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereto; or
 - b) the **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America or any agency thereof, under any agreement entered into by the United States of America or any agency thereof, with any person or organization.
- b. Medical Payments coverage, to expenses incurred with respect to **bodily injury** resulting from the **hazardous properties** of **nuclear material** and arising out of the operation of a **nuclear facility** by any person or organization.
- c. liability coverage, to **bodily injury** or **property damage** resulting from the **hazardous properties** of **nuclear material**, if:
- 1) the **nuclear material**:
 - a) is at any **nuclear facility** owned by, or operated by or on behalf of, an **insured**; or
 - b) has been discharged or dispersed therefrom;
 - 2) the **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, stored, processed, transported, or disposed of by or on behalf of an **insured**; or
 - 3) the **bodily injury** or **property damage** arises out of the furnishing by an **insured** of services, materials, parts, or equipment in connection with the planning, construction, maintenance, operation, or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions, or Canada, this exclusion (c.) applies

only to **property damage** to such **nuclear facility** and any property thereat.

2. Nuclear Energy Liability Exclusion Definitions

a. **Hazardous Properties** -- These include radioactive, toxic, or explosive properties.

b. **Nuclear Material** -- This means **source material, special nuclear material, or by-product material**.

c. **Source Material, Special Nuclear Material, By-product Material** -- These have the meanings given them in the Atomic Energy Act of 1954, or in any law amendatory thereof.

d. **Spent Fuel** -- This means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.

e. **Waste** -- This means any **waste material**:

1) containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content; and

2) resulting from the operation by any person or organization of any **nuclear facility** included under the first two items of the definition of **nuclear facility**.

f. **Nuclear Facility** -- This means:

1) any **nuclear reactor**;

2) any equipment or device designed or used for:

a) separating the isotopes of uranium or plutonium;

b) processing or utilizing **spent fuel**; or

c) handling, processing, or packaging **waste**;

3) any equipment or device used for the processing, fabricating, or alloying of **special nuclear material** if at any time the total amount of such material in the custody of the **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium-233 or any combination thereof, or more than 250 grams of uranium-235; and

4) any structure, basin, excavation, premises, or place prepared or used for the storage or disposal of **waste**;

and includes the site on which any of the foregoing is located, all operations conducted on such sites, and all premises used for such operations.

g. **Nuclear Reactor** -- This means any apparatus designed or used:

1) to sustain nuclear fission in a self-supporting chain reaction; or

2) to contain a critical mass of fissionable material.

h. **Property Damage** -- This includes all forms of radioactive contamination of property