

Farm Building (All Risk - Incl. Optional Loss Settlement Clause) - Form 995A

Additional Definition applicable to this section only:

“**Vacant**” as it pertains to a Farm Outbuilding insured under this section of the policy means any farm outbuilding where the occupancy/operations of the building, as described on the Coverage Summary Page, have ceased or been reduced to the point of less than 25% of the operating capacity of the building, regardless of the presence of equipment. This does not apply to temporary depopulation due to disease control or temporary unoccupancy due to normal operating cycles.

A. Property Insured

We insure:

1. Outbuildings – The buildings and structures described on the Coverage Summary Page for which an amount of insurance is shown, including:
 - a. permanently attached fixtures, equipment (including portable equipment on the premises pertinent to the outbuilding) and
 - b. materials and supplies on the premises intended for use in construction, alteration or repair of the building or structure and which are to enter into and form part of the building or structure.
2. Contents - Contents of a building or structure described on the Coverage Summary Page for which an amount of insurance is shown, while contained in the building or structure. This insurance applies only to property you own and which is usual and incidental to your agriculture operations, but you may apply up to 10% of the amount of insurance or \$5,000., whichever is less, to uninsured contents owned by others and for which you are responsible.

You may also apply 10% of the amount of insurance to cover contents while temporarily removed from your farm premises for repair or seasonal storage.

3. Other property specifically described on the Coverage Summary Page, for which an amount of insurance is shown.

B. Insured Perils

You are insured against all risks of direct physical loss or damage except the following:

Property Excluded

This policy does not insure loss of or damage to:

1. sewers, drains or water mains located beyond the outside bearing walls or foundations of the property insured, outside communication towers, antennae and equipment attached thereto, street clocks, exterior signs, exterior glass or vitrolite and lettering or ornamentation thereon, but this exclusion does not apply to loss caused by fire, lightning, explosion, smoke, leakage from fire protective equipment, windstorm or hail, strike, riot, vandalism or malicious acts, impact by aircraft, spacecraft or land vehicle;
2. any building which is to the knowledge of the Insured “Vacant”, unoccupied or shut down for more than thirty days;

Perils Excluded

We do not insure against loss or damage caused directly or indirectly by:

1. snow slide, landslide, earthquake, subsidence or other earth movement, except for ensuing loss or damage which results from fire, explosion, smoke or leakage from fire protective equipment;
2. “flood”, including waves, tides, tidal waves, and the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made, but this exclusion does not apply to ensuing loss or damage which results from fire, explosion, smoke or leakage from fire protection equipment or from a water main;
3. seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings therein, foundations, basement floors, sidewalks, sidewalk lights, or by the backing up of sewers, sumps, septic tanks or drains, unless concurrently caused by a peril not otherwise excluded;

4. the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings (including but not limited to soffits and gable vents), unless through an aperture concurrently caused by a Peril not otherwise excluded;
5. centrifugal force, mechanical or electrical breakdown or derangement in or on the premises, unless fire ensues and then only for the loss or damage caused by such ensuing fire;
6. explosion (except with respect to explosion of natural, coal or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured, unless fire ensues and then only for the loss or damage caused by such ensuing fire:
 - a. the portion containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - b. piping and apparatus of parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
 - c. other vessels and apparatus and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 Kilopascals (15 pounds per square inch) above atmospheric pressure, but this exclusion does not apply to loss or damage resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimeters (24 inches) or less used for the heating and storage of hot water for domestic use;
 - d. moving or rotating machinery or parts thereof;
 - e. any vessels and apparatus and pipes connected therewith while undergoing pressure test, but this exclusion does not apply to other property insured hereunder that has been damaged by such explosion;
 - f. gas turbines;
7. settling, expansion, contraction, moving, shifting or cracking, unless concurrently caused by a Peril not otherwise excluded;
8. dampness or dryness of atmosphere, changes of temperature, freezing, heating, shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, contamination, change in colour or texture or finish, rust or corrosion, marring, scratching or crushing, but this exclusion does not apply to loss or damage caused directly by fire, lightning, smoke, windstorm, hail, explosion, strike, riot, impact by aircraft, spacecraft or land vehicle, leakage from fire protective equipment, rupture of pipes or breakage of apparatus not excluded under paragraph 6. e. hereof, vandalism or malicious acts, theft or attempt thereat.

C. Loss or Damage Not Insured –

We do not insure:

1. Loss or damage as stated in the “loss or damage not insured” section of the General Conditions.

D. Special Limits of Insurance

Average Distribution Clause

If you have a single amount of insurance on more than one building, or the contents of more than one building, the amount of insurance in either case will be divided in proportions that the value of each building or the contents of each building bears to the total value of all buildings or the contents of all buildings at the time of loss.

Co-Insurance Clause

We will not pay for a greater proportion than the applicable amount of insurance, at the time of loss, bears to:

90% of the Replacement Cost.

If two or more items are insured, the clause will apply separately to each item.

Vacant Farm Outbuildings

This Insurer shall not be liable for more than fifty percent (50%) of the amount we would otherwise have paid (had the property not been vacant at the time of loss or damage) on any farm outbuilding(s) damaged or destroyed while the said building(s) are vacant for more than 30 consecutive days. Optional Loss Settlement Clause is not applicable to vacant buildings.

E. Extensions of Coverage

Corrals and Farm Fencing

We will pay up to \$2,500 for corrals and farm fencing on your farm premises listed on the Coverage Summary Page for damage.

Debris Removal

We will pay the reasonable expense incurred by you in the removal of debris of insured property as a result of an Insured Peril. This coverage does not increase the amount of insurance applying to the damaged property.

Exterior Wiring Systems

We will pay up to \$5,000 for loss or damage to exterior wiring systems consisting of poles, wires, transformers, switches and lighting on the insured premises, caused by a Specified Peril (in addition to the limits of insurance indicated on the Coverage Summary Page).

Fire Department Charges

We will pay up to \$3,000 or such other amount as may be specified on the Coverage Summary Page for your liability for fire department charges incurred when the fire department is called to save or protect insured property from an Insured Peril. No deductible applies to this coverage.

New or Newly Acquired Buildings

We will pay up to an additional amount of \$100,000 to cover new or newly acquired building(s) or additions to existing building(s) which are to be used in your farming operation. Form 995R applies to this extension.

This coverage shall cease when any of the following first occurs:

1. 30 days from the date construction begins;
2. additional limits of insurance are reported to the company;
3. this policy expires.

Additional premium for such new coverage shall be due and payable for values so reported, calculated from the date construction begins.

Pollution Damage - Insured Premises

If a sudden and unintentional event occurs during the policy term resulting in "pollution" damage or contamination of property of the insured premises, which is required to be reported to any provincial authority, we will pay up to \$5,000, in any one policy term, subject to the policy deductible, for costs to remove and restore property of the insured premises.

Property Removed

If you must remove insured property from your premises to protect it from loss or damage, it is insured by this policy for 30 days or until your policy term ends - whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of loss.