

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

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

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

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

## SECTION I – COVERAGES

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

#### A. Coverage

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

##### 1. Covered Property

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

- a. Farm buildings and structures other than "dwellings", including attached sheds and permanent fixtures;
- b. Silos individually described in the Declarations or on a schedule, whether or not attached to buildings;
- c. Portable buildings and portable structures;
- d. All fences (except field and pasture fences), corrals, pens, chutes and feed racks;
- e. Outdoor radio and TV equipment, antennas, masts and towers;
- f. Improvements and Betterments.  
Improvements and betterments are additions, alterations, fixtures or installations made part of the described building, but do not include items that may be legally removed by an "insured". If you are a tenant, we cover your use interest in the improvements and betterments you make at your expense to a building you do not own at the "insured location"; and

#### g. Building Materials and Supplies:

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

## 2. Property Not Covered

Covered Property does not include:

- a. Land (including land on which a building or structure is located);
- b. Water;
- c. Field or pasture fences;
- d. Foundations, if below ground, of buildings or structures;
- e. Pilings, piers, wharves or docks; or
- f. The cost of excavations, grading, filling or backfilling.

#### B. Coverage G Conditions

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

### LOSS CONDITIONS

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

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

#### 2. Portable Buildings And Portable Structures

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- (4) If your loss qualifies for payment on a replacement cost basis, but the cost of repair or replacement is more than either \$2,500 or 5% of the applicable Limit of Insurance, the only basis on which we will settle pending completion of repairs or replacement is actual cash value, as of time of loss, of the damaged part of the building or structure. In case of such a loss you can make an initial claim for payment on the actual cash value basis, and later make a supplementary claim for replacement cost payment. If you elect to exercise this option, you must notify us of your intention in writing within 180 days of the occurrence of the loss.

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

#### 4. Valuation – Improvements And Betterments

- a. If repair or replacement is done at the expense of the "insured" within 12 months after the loss, we will settle the loss on the basis of actual cash value as of time of loss.

- b. If repair or replacement is not done within 12 months after loss, we will settle on the basis of a proportion of the cost of repair or replacement. The cost of repairs or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property. The applicable proportion will equal the ratio of Paragraph (1) below to Paragraph (2) below.

- (1) The period of time from the loss or damage to the expiration of the lease.
- (2) The period of time from the installation of the improvements to the expiration of the lease.

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

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

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

## 5. Valuation – Glass Replacement

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

## SECTION II – COVERAGE EXTENSIONS

### A. Private Power And Light Poles

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

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

### B. New Construction

- 1. We will pay up to \$100,000 for direct physical loss of or damage to new, permanent farm structures at the "insured location" including materials and supplies for use in their construction.
- 2. This Coverage Extension applies only:
  - a. To structures that are not otherwise covered under this or any other policy; and
  - b. To loss caused by aircraft, explosion, fire, lightning, riot or civil commotion, smoke, vandalism, vehicles, windstorm or hail.

- 3. Insurance on each farm structure covered under this Coverage Extension will end as soon as any of the following takes place:
  - a. You report values to us. (We will charge you an additional premium for values reported from the date construction begins or the materials and supplies are delivered.)
  - b. 60 days have elapsed since the first date of delivery of the materials and supplies.
  - c. This policy expires.
- 4. This Coverage Extension is part of, not in addition to, the applicable Limit of Insurance.

## SECTION III – ADDITIONAL COVERAGES

### A. Extra Expense

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

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

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

No deductible applies to this Additional Coverage.

### B. Water Damage

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

- 1. Will also pay the necessary cost of tearing out and replacing any part of a covered building or structure so that the damaged system or appliance can be repaired, provided that Special Causes of Loss is shown in the Declarations for Coverage **G** under which the building or structure is covered; but
- 2. Will **not** pay the cost to repair any defect which caused water or steam to escape from a system or appliance containing water or steam.

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

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

**C. Other Additional Coverages**

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

**SECTION IV – OTHER PROVISIONS**

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

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

**B. Limits Of Insurance**

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

**C. Deductible**

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

SAMPLE