

LIVESTOCK 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 Section F – Definitions.

A. Coverage

We will pay for "loss" of or damage to Covered Property from any of the Covered Causes Of Loss.

1. Covered Property, as used in this Coverage Form, means the following when a Limit of Insurance is shown in the Declarations:

- a. "Livestock" of a class shown in the Declarations with a Limit of Insurance per animal; or
- b. "Livestock" of a class shown in the Declarations with a Limit of Insurance per class with a sublimit allowed for individual animals separately.

But we do not cover "livestock" while in the custody of a common or contract carrier.

2. Property Not Covered

Covered Property does not include "livestock" while in:

- a. Public stockyards, sales barns or sales yards; or
- b. Packing plants or slaughterhouses.

3. Covered Causes Of Loss

We will pay for direct "loss" caused by or resulting from, or made necessary by any of the following:

- a. **Fire Or Lightning**
- b. **Windstorm Or Hail**

This Cause of Loss does not include "loss":

- (1) Caused by or resulting from frost or cold weather;

- (2) Caused by or resulting from ice (other than hail), snow or sleet, whether driven by wind or not;

- (3) To "livestock" when caused by running into streams, ponds or ditches, or against fences or other objects; or from smothering; or resulting directly or indirectly from fright; or

- (4) To "livestock" when caused by freezing or smothering in blizzards or snowstorms.

c. Explosion

This Cause of Loss includes "loss" caused by or resulting from explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages of such a vessel from which the gases of combustion pass.

This Cause of Loss excludes "loss" caused by or resulting from:

- (1) Explosion of alcohol stills, steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- (2) Electric arcing;
- (3) Rupture or bursting of water pipes;
- (4) Rupture, bursting or operation of pressure relief devices; and
- (5) Rupture or bursting due to expansion or swelling of the contents of any building or structure caused by or resulting from water.

d. Riot Or Civil Commotion

, including:

- (1) Acts of striking employees while occupying the described premises; and
- (2) Looting occurring at the time and place of a riot or civil commotion.

e. Aircraft

Aircraft, meaning only "loss" caused by or resulting from:

- (1) Contact of an aircraft, spacecraft or self-propelled missile with Covered Property or with a building or structure containing Covered Property; or
- (2) Objects falling from aircraft.

- f. **Smoke**, causing sudden and accidental "loss", including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This Cause of Loss does not include "loss" by smoke from agricultural smudging or industrial operations.

- g. **Theft**, including attempted theft and "loss" of property from a known location when it is likely that the property has been stolen.

This Cause of Loss does not include "loss" caused by or resulting from theft:

- (1) Discovered on taking inventory;
- (2) Due to wrongful conversion or embezzlement;
- (3) Due to disappearance of any property unless there is evidence that the property was stolen;
- (4) Due to acceptance of counterfeit money, fraudulent post office or express money orders, or checks or promissory notes not paid upon presentation; or
- (5) Due to unauthorized instructions to transfer property to any person or to any place.

- h. **Sinkhole Collapse**, meaning "loss" caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This Cause of Loss does not include the:

- (1) Cost of filling sinkholes; or
- (2) Sinking or collapse of land into man-made underground cavities.

- i. **Volcanic Action**, meaning direct "loss" resulting from the eruption of a volcano when the "loss" is caused by:

- (1) Airborne volcanic blast or airborne shock waves;
- (2) Ash, dust or particulate matter; or
- (3) Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

This Cause of Loss does not include the cost to remove ash, dust or particulate matter that does not cause direct physical "loss" to the Covered Property.

- j. **Collision Causing Death Of Covered Livestock**

We will pay for "loss" of covered "livestock" caused by:

- (1) Collision or overturn of a vehicle on which the "livestock" are being transported. Collision means accidental contact of that vehicle with another vehicle or object; or
- (2) "Livestock" running into or being struck by a vehicle while the "livestock" are crossing, moving along or standing in a public road.

But we will not pay for "loss" if a vehicle owned or operated by an "insured":

- (1) Collides with the vehicle on which the "livestock" are being transported; or
- (2) Strikes "livestock" crossing, moving along or standing in a public road.

- k. **Vandalism**, meaning willful and malicious damage to, or destruction of, "livestock".

l. Earthquake

- m. **Flood**, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge).

4. Additional Coverages

- a. **Damage To Property Removed For Safekeeping**

We will pay for "loss" to Covered Property damaged by any cause during or up to 30 days after its removal from a building endangered by a Covered Cause of Loss.

Payment under this Additional Coverage will be subject to, not in addition to, the Limit of Insurance applying to the property being removed.

- b. **Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical "loss" or damage.

(2) Except as provided in Paragraph 4.b.(4) below, the most we will pay under this Additional Coverage is 25% of:

(a) The amount we pay for the direct physical "loss" of or damage to Covered Property; plus

(b) The deductible in this policy, if any, applicable to that "loss" or damage.

(3) This Additional Coverage does not apply to costs to:

(a) Extract "pollutants" from land or water; or

(b) Remove, restore or replace polluted land or water.

(4) Debris removal expense is included in the Limit of Insurance applying to the damaged property. But if:

(a) The amount payable for the sum of direct physical "loss" or damage and debris removal expense exceeds the applicable Limit of Insurance; or

(b) The debris removal expense exceeds the amount payable under the 25% limitation in Paragraph 4.b.(2) above;

an additional 5% of the Limit of Insurance applying to the damaged property will be available to cover debris removal expense.

c. 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 replacement of Covered Property.

No deductible applies to this Additional Coverage.

d. Fire Department Service Charge

We will pay the liability you have assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect Covered Property from a Covered Cause of Loss. But we will not pay fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

The amount we pay under this Additional Coverage will be in addition to any Limit of Insurance that applies under this Coverage Form.

No deductible applies to this Additional Coverage.

5. Coverage Extension

LIVESTOCK IN THE CUSTODY OF A COMMON OR CONTRACT CARRIER

Coverage is extended to apply to "livestock" while in the custody of a common or contract carrier, for up to a total of \$1,000. However, if a higher limit is specified in the Declarations for Livestock in the Custody of a Common or Contract Carrier, the higher limit will apply instead of \$1,000.

B. Exclusions

We will not pay for a "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

1. Earth Movement

a. Landslide, including any earth sinking, rising or shifting related to such event;

b. Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

c. Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions that cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

This exclusion applies whether the Earth Movement, as described in Paragraphs **a.** through **c.** above, is caused by human or animal forces or any act of nature. But if Earth Movement, as described in Paragraphs **a.** through **c.** above, results in fire or explosion, we will pay for the "loss" or damage caused by that fire or explosion.

If "loss" to "livestock" is caused by earthquake, this Earth Movement exclusion does not apply to such "loss".

d. Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire or volcanic action, we will pay for the "loss" or damage caused by that fire or volcanic action.

Volcanic action means direct "loss" or damage resulting from the eruption of a volcano when the "loss" or damage is caused by:

- (1) Airborne volcanic blast or airborne shock waves;
- (2) Ash, dust or particulate matter; or
- (3) Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical "loss" or damage to Covered Property.

2. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for "loss" or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

3. Intentional Loss

Any act an "insured" commits or conspires to commit with the intent to cause a "loss".

In the event of such "loss", no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the "loss".

4. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the "loss" or damage caused by that fire.

5. Utility Services

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises. Failure includes lack of sufficient capacity and reduction in supply.

But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the "loss" or damage caused by that Covered Cause of Loss.

6. Neglect

Neglect, meaning neglect of the "insured" to use all reasonable means to save and preserve property at and after the time of a "loss".

7. War And Military Action

- a.** War, including undeclared or civil war;
- b.** Warlike action by a military force, including action in 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.

8. Water

- a.** Mudslide or mudflow;
- b.** Water that backs up or overflows or is otherwise discharged from a sewer or drain;
- c.** Water under the ground surface pressing on, or flowing or seeping through:
 - (1) Foundations, walls, floors or paved surfaces;
 - (2) Basements, whether paved or not; or
 - (3) Doors, windows or other openings; or
- d.** Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **b.** or **c.**, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **a.** through **d.**, is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs **a.** through **d.**, results in fire, explosion or sprinkler leakage, we will pay for the "loss" or damage caused by that fire, explosion or sprinkler leakage.

Exclusions **B.1.** through **B.8.** apply whether or not the "loss" event results in widespread damage or affects a substantial area.

C. Limits Of Insurance

The most we will pay for "loss" in any one occurrence to any one animal not specifically declared and described in the Declarations or for which the Limit of Insurance per animal is not shown in the Declarations is the least of:

1. The actual cash value of the animal;
2. 120% of the total of the Limit of Insurance on each class and type divided by the number of the head of the class and type that you own at the time of "loss". For this calculation, each horse, mule or head of cattle under one year of age at the time of "loss" is counted as 1/2 head; or
3. \$2,000.

Otherwise, the most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

D. Deductible

We will not pay for "loss", damage or expense in any one occurrence until the amount of "loss", damage or expense exceeds the Deductible, if any, shown in the Declarations. We will then pay the amount of "loss", damage or expense in excess of the Deductible, up to the applicable Limit of Insurance or Special Limit of Insurance.

E. Farm Inland Marine Conditions

The following conditions apply in addition to the Common Policy Conditions:

LOSS CONDITIONS

1. Abandonment

There can be no abandonment of any property to us.

2. Additional Acquired Property

If this Coverage Form covers property specifically declared and described in the Declarations or property with separate Limits of Insurance per class shown in the Declarations, and if during the policy period you acquire additional "livestock", we will cover such property for up to 30 days. The most we will pay in a "loss" is the lesser of:

- a. The actual cash value of such property; or

- b. 25% of the total of the Limits of Insurance shown in the Declarations for:

- (1) Specifically declared and described "livestock"; and
- (2) "Livestock" with separate limits per class.

You must report such property within 30 days from the date acquired and pay any additional premium due. If you do not report such property, coverage will end 30 days after the date the property is acquired.

3. Appraisal

If we and you disagree on the value of the property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

4. Duties In The Event Of Loss

- a. In the event of "loss" to Covered Property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the "loss". Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the "loss" occurred.

(4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent "loss" or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

(5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.

(6) As often as may be reasonably required, permit us to inspect the property proving the "loss" or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

(7) Send us a signed, sworn proof of "loss" containing the information we request to investigate the claim. You must do this within 60 days after our request.

We will supply you with the necessary forms.

(8) Cooperate with us in the investigation or settlement of the claim.

b. We may examine any "insured" under oath, while not in the presence of any other "insured" and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an "insured's" books and records. In the event of an examination, an "insured's" answers must be signed.

5. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same "loss", we will not pay more than the actual amount of the "loss".

6. Loss Payment

a. In the event of "loss" covered by this Coverage Form, at our option we will either:

(1) Pay the value of lost or damaged property;

(2) Pay the cost of repairing or replacing the lost or damaged property;

(3) Take all or any part of the property at an agreed or appraised value; or

(4) Repair, rebuild or replace the property with other property of like kind and quality.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in the Coverage Form or any applicable provision that amends or supersedes the Valuation Condition.

b. We will not pay you more than your financial interest in the Covered Property.

c. We will give notice of our intentions within 30 days after we receive the sworn proof of "loss".

d. We may adjust "losses" with the owners of lost or damaged property if other than you. Our payment for such "losses" will only be for the owners' account. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

e. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

f. We will pay for covered "loss" within 30 days after we receive the sworn proof of "loss", provided you have complied with all of the terms of this Coverage Form, and:

(1) We have reached agreement with you on the amount of "loss"; or

(2) An appraisal award has been made.

7. Other Insurance

- a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Form. If you do, we will pay our share of the covered "loss". Our share is the proportion that the applicable Limit of Insurance under this Coverage Form bears to the limits of insurance of all insurance covering on the same basis.
- b. If there is other insurance covering the same "loss", other than that described in 7.a. above, we will pay only for the amount of covered "loss" in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

8. Pair Or Sets

In case of "loss" to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the "loss"; or
- b. Pay the difference between the value of the pair or set before and after the "loss".

9. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses, subject to the Limit of Insurance.

10. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after "loss" to impair them. But you may waive your rights against another party in writing:

- a. Prior to a "loss" to your Covered Property.
- b. After a "loss" to your Covered Property only if, at time of loss, that party is one of the following:
 - (1) A business firm:
 - (a) Owned or controlled by you; or
 - (b) That owns or controls you; or
 - (2) Your tenant.

This will not restrict your insurance.

11. Valuation

In the event of "loss" to Covered Property, we will settle at actual cash value as of time of "loss", but we will not pay more than the amount necessary for repair or replacement.

GENERAL CONDITIONS

1. Coinsurance

This condition applies to all "livestock" for which a Limit of Insurance per animal is shown in the Declarations.

All such Covered Property must be insured for at least 80% of its total value as of the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" that the Limit of Insurance shown in the Declarations for such Covered Property at all locations bears to 80% of the total value of such property at all locations as of the time of "loss".

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you as it relates to this Coverage Form at any time. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The Covered Property;
- c. Your interest in the Covered Property; or
- d. A claim under this Coverage Form.

3. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Form at any one or more locations will not affect coverage at any location where, at the time of "loss" or damage, the breach of condition does not exist.

4. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form unless:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. The action is brought within two years after the date on which the direct physical "loss" occurred.

5. Liberalization

If we adopt any revision that would broaden the coverage under this Coverage Form without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Form.

6. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property, will benefit from this insurance.

7. Policy Period, Coverage Territory

Under this Coverage Form:

- a. We cover "loss" commencing:
 - (1) During the policy period shown in the Declarations; and
 - (2) Within the coverage territory.
- b. The coverage territory is:
 - (1) The United States of America;
 - (2) Puerto Rico; and
 - (3) Canada.

F. Definitions

1. "Insured" means you and, if you are an individual, the following members of your household:
 - a. Your relatives;
 - b. Any other person under the age of 21 who is in the care of any person specified above.
2. "Livestock" means cattle, sheep, swine, goats, horses, mules and donkeys.
3. "Loss" means death or destruction of "livestock".
4. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.