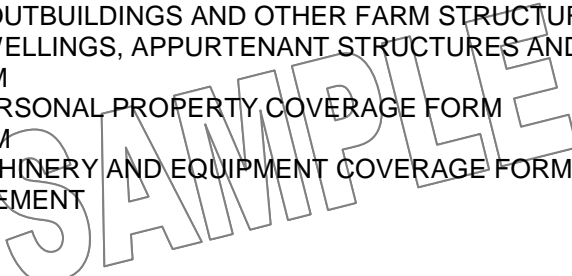


THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

- COVERAGE G – OTHER FARM STRUCTURES – BLANKET INSURANCE
- FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM
- FARM PROPERTY – FARM DWELLINGS, APPURTENANT STRUCTURES AND HOUSEHOLD PERSONAL PROPERTY COVERAGE FORM
- FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM
- LIVESTOCK COVERAGE FORM
- MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM
- VALUE REPORTING ENDORSEMENT



| SCHEDULE* | | |
|------------------------|-----------|---|
| "Insured Location" No. | Bldg. No. | Windstorm Or Hail Deductible Percentage –Enter 1%, 2% or 5% |
| | | |

*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

The Windstorm or Hail Deductible, as shown in the Schedule, applies to loss or damage to Covered Property caused directly or indirectly by Windstorm or Hail, regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage. If loss or damage from a covered weather condition other than Windstorm or Hail occurs, and that loss or damage would not have occurred but for Windstorm or Hail, such loss or damage shall be considered to be caused by Windstorm or Hail and therefore part of the Windstorm or Hail occurrence.

With respect to Covered Property at a location identified in the Schedule, no other deductible applies to Windstorm or Hail.

The Windstorm or Hail Deductible applies whenever there is an occurrence of Windstorm or Hail.

As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings: Specific insurance covers each item of insurance (for example, each building or personal

property in a building) under a separate Limit of Insurance. Blanket insurance covers two or more items of insurance (for example, a building and personal property in that building, or two buildings) under a single Limit of Insurance. Items of insurance and corresponding Limit(s) of Insurance are shown in the Declarations.

WINDSTORM OR HAIL DEDUCTIBLE CLAUSE

A. All Policies

1. A Deductible is calculated separately for, and applies separately to:
 - a. Each building, if two or more buildings sustain loss or damage;
 - b. The building and to personal property in that building, if both sustain loss or damage;
 - c. Personal property at each building, if personal property at two or more buildings sustains loss or damage;
 - d. Personal property in the open.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any coinsurance or property value condition.
3. When property is covered under the following Coverage Extensions:
 - a. In the Farm Property – Farm Personal Property Coverage Form:
 - (1) Replacement Machinery, Vehicles and Equipment Newly Purchased;
 - (2) Additional Machinery, Vehicles and Equipment Newly Purchased;
 - (3) Additional Acquired Livestock; and
 - (4) Thirty-Day Additional Limit On Borrowed Or Rented Farm Machinery, Vehicles, Equipment;
 - b. New Construction in the Farm Property – Barns, Outbuildings and Other Farm Structures Coverage Form; and
 - c. In the Mobile Agricultural Machinery And Equipment Coverage Form:
 - (1) Additional Acquired Property – Newly Purchased;
 - (2) Additional Acquired Property – Replacement; and
 - (3) Thirty-Day Additional Limit On Borrowed Or Rented "Mobile Agricultural Machinery And Equipment";

in determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to a percentage of the value(s) of the property at the time of loss. The applicable percentage for property covered under the Coverage Extensions listed in Paragraphs **a.**, **b.** and **c.**, is the highest percentage shown in the Schedule for any described location.

B. Calculation of Deductible – Specific Insurance

1. Property Not Subject To Value Reporting Endorsement

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

2. Property Subject To Value Reporting Endorsement

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used are the latest value(s) shown in the most recent Report of Values on file with us.

However:

- a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.
- b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

C. Calculation Of The Deductible – Blanket Insurance (Property Subject To Coverage G – Other Farm Structures – Blanket Insurance Endorsement)

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used are those shown in the most recent Statement of Values on file with us.

EXAMPLES – APPLICATION OF DEDUCTIBLE

EXAMPLE #1 – SPECIFIC INSURANCE (B.1.)

The amount of loss to the damaged building is \$60,000.

The value of the damaged building at time of loss is \$100,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limit of Insurance needed to meet the coinsurance requirement is \$80,000 (80% of 100,000).

The **actual** Limit of Insurance on the damaged building is \$70,000.

The Deductible is 1%.

Step **(1)**: $\$70,000 \div \$80,000 = .875$

Step **(2)**: $\$60,000 \times .875 = \$52,500$

Step **(3)**: $\$70,000 \times 1\% = \700

Step **(4)**: $\$52,500 - \$700 = \$51,800$

The most we will pay is \$51,800. The remainder of the loss, \$8,200, is not covered due to the Coinsurance penalty for inadequate insurance (steps **(1)** and **(2)**) and the application of the Deductible (steps **(3)** and **(4)**).

EXAMPLE #2 – SPECIFIC INSURANCE (B.1.)

The amount of loss to the damaged property are \$60,000 (building) and \$40,000 (personal property in building).

The value of the damaged building at time of loss is \$100,000. The value of the personal property in that building is \$80,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limits of Insurance needed to meet the coinsurance requirement are \$80,000 (80% of \$100,000) for the building and \$64,000 (80% of \$80,000) for the personal property.

The **actual** Limits of Insurance on the damaged property are \$80,000 on the building and \$64,000 on the personal property (therefore no Coinsurance penalty).

The Deductible is 2%.

BUILDING

Step (1): $\$80,000 \times 2\% = \$1,600$

Step (2): $\$60,000 - \$1,600 = \$58,400$

PERSONAL PROPERTY

Step (1): $\$64,000 \times 2\% = \$1,280$

Step (2): $\$40,000 - \$1,280 = \$38,720$

The most we will pay is \$97,120. That portion of the total loss not covered due to application of the Deductible is \$2,880.

EXAMPLE #3 – BLANKET INSURANCE (C.)

The sum of the values of Barn #1 (\$500,000), Barn #2 (\$500,000) and Barn #3 (\$1,000,000), as shown in the most recent Statement of Values on file with us, is \$2,000,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the coinsurance requirement is \$1,800,000 (90% of \$2,000,000).

The **actual** Blanket Limit of Insurance covering Barns #1, #2 and #3, shown in the Declarations, is \$1,800,000 (therefore no Coinsurance penalty).

Barns #1 and #2 have sustained damage; the amounts of loss to these barns are \$40,000 (Barn #1) and \$20,000 (Barn #2).

The Deductible is 2%.

BARN #1

Step (1): $\$500,000 \times 2\% = \$10,000$

Step (2): $\$40,000 - \$10,000 = \$30,000$

BARN #2

Step (1): $\$500,000 \times 2\% = \$10,000$

Step (2): $\$20,000 - \$10,000 = \$10,000$

The most we will pay is \$40,000. That portion of the total loss not covered due to application of the Deductible is \$20,000.