

## BASIC FARM BUILDING and/or STRUCTURE

### EXTENDED AGREEMENT

This agreement applies only to buildings and structures as either itemized in the schedule of Named Perils Coverage or thus designated on the Declaration Page.

### DEFINITIONS

**"Farm Building(s) and Structure(s)"** means farm barns, implement sheds, storage buildings silos and grain bins that are owned by "You" which are designed and built for the storage or housing of produce and/or livestock and/or agricultural equipment.

**"Greenhouse Building"** includes the frame structure and watering systems. Glass and exterior coverings are specifically excluded from this form.

### COVERAGES

The amounts of insurance are shown on the Declaration Page. These amounts include the cost of cleaning and removal of debris of the property insured under this agreement as a result of an Insured Peril.

If "You" must remove insured property, from the premises to protect it from loss or damage, it is insured by this Form 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.

"We" insure the building(s) shown on the Declaration Page including:

- (1) the foundation and all additions in contact therewith, glass permanent appliances, fittings and fixtures for lighting, plumbing, heating or ventilating the building; fuel used for heating the building; corrals and stables attached to the building or structure. (Silos, whether or not attached to the building or structure are not covered unless insured specifically).
- (2) permanently installed agricultural equipment except that equipment which is shown in the Property Excluded section of this Form;
- (3) materials and supplies on the premises or adjacent thereto, intended solely for use in construction, alteration or repair of such building or structure;
- (4) building fixtures and fittings temporarily removed from the premises for repair or seasonal storage;

"Our" liability under: (3) and (4) above shall not exceed 10% of the limit of insurance on the building covered under (1) above.

### EXTENSION OF COVERAGE

The following Extension of Coverage is in addition to the amount(s) of insurance applying under this Form and is subject to all conditions of this Form:

#### (1) **Removal of Debris**

This Coverage pays for the cost of removing debris of the property insured under this policy as a result of any insured peril. When the damage to the property plus the cost of cleaning and removal of debris exceed the limit of insurance for the damaged property, an additional 5% of the limit of insurance on the damaged insured property will be available to cover debris removal expenses.

This coverage, however, does not insure against direct or indirect loss, damage, cost or expense, arising out of the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential, or threatened spill, discharge, emission, dispersal, "seepage", "leakage", migration, release, or escape of "pollutants".

Further, this coverage does not insure against direct or indirect loss, damage, cost or expense, for any testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, "seepage", "leakage", migration, release, or escape of "pollutants".

#### (2) **Exterior Wiring Systems**

"We" insure Exterior Wiring Systems meaning Hydro Poles (including any attached lighting units, cross beams, insulators), Transmission Lines, Transformers and permanently installed outside electric wiring, which is owned by "You" and located on "Your" premises, for damage caused by an insured peril. Coverage does not include any increased costs as a result of any ordinance or law regulating the standards, construction or service. This Extension Of Coverage shall be limited to a maximum recovery of ten thousand (\$10,000) under this Policy, per location, in respect of any one loss.

- (3) **Fences:** 10% of the limit of insurance on Farm Structures or Outbuildings may be applied to fences up to a maximum of \$5,000 and then only for loss or damage caused by impact by a land vehicle not owned or operated by "You" or any employee

- (4) **Power Fluctuation:** If the Declaration Page shows that "Power Fluctuation" coverage applies "you" are insured against

direct loss or damage resulting from power fluctuation to the "contents" of "your" building insured up to a limit of \$5,000 or such other limit as shown in the Declaration Page of this policy, subject to the definitions and exclusions of this coverage.

Definitions:

"Power Fluctuation" means a sudden rise or fall of electrical power.

"Contents" means property, electrical devices (including fixtures & fittings attached to a building), equipment and appliances insured by this policy.

Exclusions:

We do not insure loss or damage:

(1) when the loss or damage is to only one item, one piece of equipment or one appliance, but this exclusion does not apply if:

(a) the item, equipment or appliance was protected by a surge protection device which was also damaged or destroyed; or

(b) there was a known "power fluctuation" in the insured's area.

(2) to "contents" undergoing any process or while being worked on, where the damage results from such process or work.

(3) to the actual item, equipment or appliance that generated the "power fluctuation", but resulting damage to other items, equipment, or appliances is covered.

## INSURED PERILS

"You" are insured against direct loss or damage caused by the following perils as described and limited:

(1) **Fire or Lightning.**

(2) **Explosion.** This peril does not include loss or damage caused by explosion of steam pressure vessels when their normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure.

(3) **Smoke.** This peril means smoke due to a sudden, unusual and faulty operation of any heating unit in or on the premises.

(4) **Falling Object.** This peril means a falling object which strikes the exterior of a building but not objects which strike the building because of snowslide, iceslide, landslide or any other earth movement.

This peril does not include loss to the inside of a building or property contained in the building unless the exterior of the building is first struck by a falling object.

This peril does not include damage to glass which forms part of the building.

(5) **Glass Breakage.** "We" insure glass that forms part of the building including glass in storm windows and doors, against accidental breakage.

This peril does not include loss or damage to greenhouses or occurring while a building is under construction, vacant or unoccupied even if permission for construction or vacancy or unoccupancy has been given by "Us".

(6) **Impact by Aircraft or Land Vehicle.**

(7) **Riot.**

(8) **Vandalism or Malicious Acts.**

This peril does not include:

(a) loss or damage occurring while the building is under construction, vacant or unoccupied even if permission for construction or vacancy or unoccupancy has been given by "Us";

(b) damage caused by "You";

(c) loss or damage caused by theft or attempted theft.

(9) **Water Escape, Rupture, Freezing.** This peril means:

(a) the sudden and accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance, water bed, swimming pool or equipment attached and public water mains;

(b) the sudden and accidental bursting, tearing apart, cracking, burning or bulging due to the pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air conditioning system or an appliance for heating water;

(c) freezing of any part of a plumbing, heating, sprinkler or air conditioning system or domestic appliance within a building heated during the usual heating season.

(d) water which enters through an opening which has been created suddenly and accidentally by an insured peril;

But "We" do not cover loss or damage:

(a) caused by continuous or repeated seepage or leakage of water;

(b) caused by the backing up of or escape of water from a sewer or drain, sump or septic tank, eaves trough or downspout,

(c) caused by ground water or rising of the water table;

(d) caused by surface waters, unless the water escapes from a water main or swimming pool;

(e) to water mains or outdoor plumbing systems and equipment attached (including but not limited to swimming pools, hot tubs or spas) caused by freezing, water or rupture;

(f) to the system or appliance caused by rust or corrosion;

- (g) to the system or appliance from which the water escaped;
  - (h) occurring while the dwelling is under construction or vacant even if "We" have given permission for construction or vacancy has been given by "Us";
  - (i) caused by freezing of any part of a heating, sprinkler, air conditioning or plumbing system or domestic appliance unless it happens within a dwelling heated during the usual heating season and "You" have not been away from "Your" premises for more than 4 consecutive days. However, if "You" had arranged for a competent person to enter "Your" dwelling daily to ensure that heating was being maintained or if "You" had shut off the water supply and had drained all the pipes and appliances "You" would still be insured.
- (10) **Windstorm or Hail.** Under this peril loss or damage to roof covering shall be depreciated not less than 5% per year according to the age of the roof covering, notwithstanding whether the coverage is written subject to replacement cost or actual cash value.  
This peril does not include loss or damage:
- (a) to windmills and wooden silos;
  - (b) to awnings and roof signs, outside radio and/or television antennae, or satellite earth receiver (dish) and appurtenances;
  - (c) to fences anywhere on the premises;
  - (d) to roll roofing of any kind;
  - (e) to all other property outside of buildings except:
    - (i) realty fixtures attached and belonging to the individual buildings insured; or
    - (ii) permanently installed yard fixtures;
  - (f) to the interior of buildings insured unless damage occurs concurrently with and results from an opening caused by windstorm or hail;
  - (g) directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow load, ice-load, tidal wave, tsunamis, high water, overflow, flood, waterborne objects, waves, ice land subsidence, landslide.
- (11) **Theft, including damage by attempted theft.**
- (12) **Weight of Snow, Snow Load, Ice, Ice Load or Sleet.**  
This coverage applies only to buildings specified on the Declaration Page and designated "Snow Load". This Peril means physical injury to a building insured or containing the property insured caused by weight of snow, ice or sleet. "You" are not insured for loss or damage to outdoor equipment, gutters and down spouts, fences, foundations, retaining walls when such loss is caused by freezing, thawing or by pressure or weight of ice or water driven by wind or due to windstorm or not except as the direct result of the collapse of a building.

## PROPERTY EXCLUDED

"We" do not insure:

- (1) sewers, sumps, septic systems, drains, watermains or waterlines, except for that portion which is located within the confines of building(s) insured by this Form;
- (2) buildings, units or structures used in whole or in part for business purposes (except farming) unless declared on the declaration page;
- (3) fences or gates, except as provided under "fences" in the coverage section of this Form;
- (4) property sold by "You" under conditional sale agreement;
- (5) property illegally acquired, kept, stored or transported or property subject to forfeiture;
- (6) any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- (7) property because of voluntary parting with title or ownership, whether or not induced to do so by any fraudulent scheme, trick, device or false pretense
- (8) property otherwise more specifically insured;
- (9) television or radio antenna or any satellite receiving apparatus, unless specifically insured;
- (10) electronic scales and related equipment, unless specifically insured;
- (11) grain or produce drying equipment, unless specifically insured;
- (12) silos or grain bins whether or not they are attached to any insured building, unless insured specifically. However, bulk feed tanks which form an integral part of a feed system are included;
- (13) computer data or software;
- (14) manure storage or holding tanks unless they form an integral part of the foundation walls of the building(s) insured by this coverage;
- (15) the fabric portion of tarp buildings unless specified on the 'Declaration Page'.
- (16) (a) any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
- (b) any boiler, including the piping and equipment connected thereto, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the storage of hot water for domestic use);  
caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use, but this exclusion does not apply to:
  - i. manually portable gas cylinders;
  - ii. explosion of natural, coal or manufactured gas;
  - iii. explosion of gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere

## LOSS OR DAMAGE NOT INSURED

"We" do not insure:

- (1) loss or damage occurring after "Your" building has, to "Your" knowledge, been vacant or unoccupied for more than 30 consecutive days;
- (2) loss or damage caused by any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
- (3) loss or damage caused by snowslide, earthquake, landslide or any other earth movement. If any of these results in fire or explosion, "We" will pay only for the resulting loss or damage;
- (4) losses or increased costs of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
- (5) loss or damage resulting from any intentional or criminal act or failure to act by:
  - (a) any person insured by this Policy; or
  - (b) any other person at the direction of any person insured by this Policy;

## Data Exclusion

This Policy does not insure:

- (1) "Data"; or
- (2) loss or damage resulting from contributed to or caused directly or indirectly by "Data Problem".

However, if loss or damage caused by "Data Problem" results in the occurrence of further loss of or damage to property insured that is directly caused by fire, explosion, smoke, water damage, all as described "Specified Perils", this exclusion shall not apply to such resulting loss or damage.

Subject to the exclusions and conditions in this Form.

Specified Perils means:

- (1) fire;
- (2) lightning;
- (3) explosion;
- (4) smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises;
- (5) falling object which strikes the exterior of a building;
- (6) impact by aircraft, spacecraft or land vehicle;
- (7) riot;
- (8) vandalism or malicious acts, not including loss or damage caused by theft or attempted theft;
- (9) windstorm or hail.

## BASIS OF CLAIM PAYMENT

### Limit of Liability

"We" will pay for the insured loss or damage up to "Your" financial interest in the building(s), however, this payment will not exceed the amount of insurance applicable to the damaged building(s) as either itemized in the schedule or thus designated on the Declaration Page for any insured loss arising out of any one occurrence.

"We" will pay whichever is the least of the following:

- (1) the actual cash value of the property at the time of loss;
- (2) what it would cost to repair or replace the property with materials of similar quality at the time of loss;
- (3) the amount shown on the Declaration Page.

**Deductible:** "We" are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of deductible shown on the Declaration Page in any one occurrence.

### Loss Clause:

Any loss or damage shall not reduce the amount of insurance provided by this Form.

### Replacement Cost Clause

The Replacement Cost Clause applies only if this clause is specified on the 'Declaration Page'. In the event of loss or damage to the property specified on the 'Declaration Page' or schedule of insured farm buildings, "We" agree to make settlement:

- (1) on a cost of repairs basis to the property, or
- (2) on the replacement cost of the property (whichever is less),
- (3) with material of like kind and quality,
- (4) without deduction for depreciation.

Subject to the following provisions:

- (a) the repairs or replacement must be executed promptly;
- (b) replacement shall be on the same site or on an adjacent site;
- (c) settlement on a replacement cost basis shall be made only when replacement has been effected by "You" and in no event shall it exceed the amount actually and necessarily expended for such a replacement;
- (d) if repair or replacement with material of like kind and quality is restricted by any by-law, ordinance or law, any

- increased cost of repair or replacement due thereto shall not be covered by this clause;
- (e) any other insurance effected by "You" or on "Your" behalf with respect to the perils insured against by this Form on the property to which this clause shall be on the identical basis of "Replacement Cost" as set forth here;
  - (f) if this Form insures two or more items subject to replacement cost, this coverage applies separately to each item.

In the event of loss or damage, "Our" Limit of Liability shall be the least of the following:

- (i) the amount of actual expenditure for repair or replacement; or
- (ii) the amount of insurance applicable to the property.

If for any reason this clause does not apply to loss or damage, claim payment will be on the basis of Actual Cash Value. The Co-insurance Clause, shown below, applies only if the Replacement Cost Clause is specified on the 'Declaration Page'.

#### **Co-insurance Clause**

"You" shall maintain insurance concurrent in form, range and wording with this Form on each and every item of the property insured under this Form, to the extent of at least eighty per cent (80%) of the value of the property hereby insured (in accordance with the valuation basis prescribed by the Valuation Clause) and that failing to do so, "You" shall only be entitled to recover that portion of any loss that the amount of insurance in force at the time bears to the amount of insurance required to be maintained by this clause. This clause does not apply if the payment of claims is based upon Actual Cash Value.

#### **Actual Cash Value**

Payment of claims based on Actual Cash Value will take into account such things as the cost of replacement less any depreciation, and in determining depreciation "We" will consider the condition immediately before the damage, use of the property, the resale value and the normal life expectancy.

#### **Tarp Buildings**

The fabric portion of tarp buildings is subject to depreciation. Depreciation shall be calculated on a straight-line basis at 10% per year from the date of installation to the date of loss and shall apply to materials and labour.

#### **Insurance Under More Than One Policy**

If "You" have insurance on specifically described property, "Our" Policy will be considered excess insurance and "We" will not pay any loss or claim until the amount of such other insurance is used up. In all other cases, "Our" Policy will pay its rateable proportion of the loss or claim.

### **SPECIAL CONDITIONS**

#### **Permission**

Permission is hereby granted:

- (1) to make ordinary alterations and repairs without limit of time (but without extending the term of the Policy) but extraordinary alterations, additions or repairs are prohibited without "Our" consent in writing.
- (2) to keep on hand and use such articles, materials and supplies as may be usual to "Your" farming operation, but not exceeding sixty litres in all of gasoline, benzine or naphtha in any one building at any one time in addition to such quantities as may be in approved storage tanks or the tanks of motor vehicles. No permission is granted for storage exceeding 60 litres unless specified on the "Declaration Page".
- (3) for motor vehicles to enter the buildings for the purpose of loading and unloading and to keep motor vehicles in any building on the premises.

#### **Valuation Clause**

In the application of the co-insurance clause, items insured on the Replacement Cost Clause are to be insured on the stipulated percentage of replacement cost, but if on actual cash value, the stipulated percentage will be the percentage of the actual cash value amount.

#### **Waiver of Term or Condition**

No term or condition of this coverage shall be waived in whole or in part unless the waiver is clearly expressed in writing signed by "Us".