

FARM PROTECTOR PROGRAM

INTRODUCTION

Our Farm Program has been designed specifically to meet the requirements of today's modern farm. This program provides a complete and flexible package of insurance coverages for the good farm property. The farm risk may be written on a packaged bases (Sections 1 & 2 Coverages) or a monoline basis (Section I only).

The Farm Program is available for: Owner operators, tenant operators and non-operating landlords living on or away from the farm premises.

DEFINITION OF FARM PROPERTY

Farm property is defined as dwellings, outbuildings or other structures used in connection with farm produce, livestock, hay, grain, farm implements, machinery and supplies. Farm property may be situated on land used for poultry, truck, fruit, livestock, dairy or other farming purposes, whether located inside or outside the corporate limits of cities, towns and villages. A risk is considered a farm when:

- a. The Insured's principal occupation is farming, or
- b. The Insured's income from farming is substantial, or
- c. A farm operation is conducted on the insured property under the Insured's direction.

Rules, rates, forms and endorsements developed by this Company will govern in all cases not specifically provided in this manual.

VALUATION

All property written under the Farm Protector Program should be insured, at minimum, for full actual cash value based on utility and reviewed periodically. For replacement cost feature refer to the specific guidelines outlined in the manual.

The success of the program is dependent upon the agent's personal knowledge of the risk regarding both the physical and the moral eligibility. Agents are required to inspect each risk, maintaining the proper coverage as a safeguard to the Insured.

note: This Company reserves the right to inspect each farm and farm property to be insured.

FARM PROTECTOR DESCRIPTION

FARM PROTECTOR POLICY COVERAGE RELATIONSHIPS

<u>Coverage</u>	<u>Owner Occupied Farm Dwelling</u>	<u>Farm Tenant</u>	<u>Farm Dwelling</u>
A - Dwelling	Amount of Ins.	NA	Amount of Ins.
C - Personal Property	50% of Cov. A OR 70% of Cov. A	Amount of Ins.	Amount of Ins.
D - Additional Living Expense/Loss of Rent	20% of Cov. A	20% of Cov. C (HO4)	10% of Cov. A
E -	Special Limits		
F - Outbuildings	Amount of Ins.	Amount of Ins.	Amount of Ins.
G - Scheduled	Amount of Ins.	Amount of Ins.	Amount of Ins.
H - Blanket	Amount of Ins.	Amount of Ins.	Amount of Ins.
W - Personal Liability	\$100,000	\$100,000	<u>Optional OLT Liability</u> \$100,000
Y - Medical Payments	\$ 1,000	\$ 1,000	\$ 1,000

STANDARD COVERAGE DESCRIPTIONS - SECTION I

PERILS INSURED AGAINST

Group 1 - Basic Perils

Covers Dwelling, Unscheduled Personal Property, Property On and Off the Insured Location, Additional Living Expense/Loss of Rent, Farm Outbuildings and Farm Personal Property against loss caused by:

- a. Fire or Lightning
- b. Removal
- c. Windstorm or Hail
- d. Explosion
- e. Riot or Civil Commotion
- f. Aircraft
- g. Vehicles
- h. Vandalism and Malicious Mischief
- i. Smoke

FARM PROTECTOR DESCRIPTION

Group 2 - Broad Form Perils

Covers Dwelling, Unscheduled Personal Property On and Off the Insured Location, Additional Living Expense/Loss of Rent, Outbuildings and Blanket Farm Personal Property against loss caused by Group 1 - Basic Perils and the following Broad Perils.

- | | |
|--|--|
| a. Theft. | j. Accidental Discharge |
| b. Overturn of Farm Personal Property. | Overflow of water or steam. |
| c. Electrocution of Livestock | k. Freezing of Plumbing, Heating and Air Conditioning Systems. |
| d. Attack by Dogs or Wild Animals. | l. Falling Objects. |
| e. Accidental Shooting of Livestock. | m. Weight of Ice, Snow or Sleet. |
| f. Drowning of Livestock. | n. Collapse. |
| g. Collision of Farm Machinery. | o. Breakage of Glass. |
| h. Flood to Farm Machinery. | p. Sudden and Accidental Damage from Artificially Generated Electrical Currents. |
| i. Sudden and Accidental Tearing Apart of Heating Systems. | |

Group 3 - Other Perils

Provides additional risks of physical loss coverage (except exclusions) to Dwellings, Unscheduled Personal Property, Additional Living Expense/Loss of Rent, Outbuildings and Farm Equipment and Machinery if indicated in the Declarations.

DESCRIPTION OF FARM PROTECTOR PROGRAMS

Coverage A - Dwellings

Covers dwellings on insured location, including attached structures. Dwellings owner occupied or tenant occupied are eligible under this program.

Coverage C - Personal Property

Covers personal property owned or used by an Insured. The limit of liability for insured personal property while temporarily away from the insured location is 10% of coverage, but not less than \$1,000.

Students occupying an apartment, rooming house or dormitory room are considered to be temporarily away from the insured location. Coverage for personal property is limited to 10% of the personal property coverage of the parents' policy. (This applies if the student is still a member of the parents' household.)

FARM PROTECTOR DESCRIPTION

If coverage is needed in excess of the 10% provided by the parents' policy, show the school residence as a second location on the parents' policy and indicate the amount of contents coverage desired for that location. Use the policy deductible and contents rate.

note: The student, whether or not a member of the parents' household, may be insured with a separate tenants policy.

If the named insured moves the personal property from one principal residence within the state to another, coverage is provided automatically at the new location for 30 days.

Special Limits of Liability

\$200	Money, Bank Notes, Bullion, Gold, Silver, etc.
\$1,000	Securities, Accounts, Deeds, Passport, Stamps, etc.
\$1,000	Watercraft including their trailers, furnishings, equipment and outboard motors.
\$1,000	On Trailers not used with watercraft.
\$1,000	On Gravemarkers
\$1,000	For loss by theft of Jewelry, Precious and Semi-Precious Stones, Furs, etc.
\$2,000	For loss by theft of Firearms.
\$2,500	For loss by theft of Silverware, Silver & Gold Plated Ware, etc.
\$2,500	On Business Property on Insured location.
\$250	On Business Property off Insured location.
\$500	Recreational Motor Vehicles.
\$500	Dismounted Camper Bodies.
\$200	Detached Tires.
\$500	Outdoor Radio and Television Equipment (Including Satellite Dish).

Coverage D - Additional Living Expense/Loss of Rent

Covers reasonable increase in living expense necessary to maintain the Insured's normal standard of living while the Insured lives elsewhere, until the residence location is repaired or replaced or the Insured permanently relocates.

FARM PROTECTOR ADDITIONAL COVERAGES

Coverage E - Additional Coverages

Refer to the policy for specific coverage availability.

a. Trees, Shrubs, Plants and Lawns

Covers up to 5% of Coverage A - Dwelling not to exceed \$1,500 for damaged trees, shrubs, plants or lawns, caused by specific perils as outlined in the policy. Up to \$300 will be paid on any one item. Items grown for business or farming purposes are excluded. Coverage is limited to 250 feet of the Insured dwelling.

b. Debris Removal

Covers up to \$1,500 per occurrence for debris removal following an insured loss, above the limit of liability for the covered property.

c. Credit Card Forgery (Applicable only if we provide coverage under coverage C, Personal Property).

Covers up to \$1,000 per occurrence for the legal obligation of an Insured to pay because of theft or unauthorized use of any credit card or charge plate issued to an Insured. No deductible applies.

d. Fire Department Service

Covers up to \$500 per occurrence for Insured's liability under a contract or agreement when a Fire Department is called to protect the insured property from perils insureds against. No deductible applies.

e. Refrigerated Products

Covers up to \$500 for loss or damage to insured contents (Coverage C) of a freezer or refrigerated unit on the insured location. The loss or damage caused by change in temperature must result from: Interruption of electrical service by utility company, mechanical or electrical breakdown of the refrigeration system or accidental interruption of electrical service. No deductible applies.

f. Reasonable Repairs

Covers necessary repairs made solely to protect covered property from further damage following an insured loss.

FARM PROTECTOR ADDITIONAL COVERAGES

g. New Construction

Covers up to \$25,000 for loss to new, permanent farm buildings erected on insured location during the first 30 days from date construction begins.

h. Private Power and Light Poles

Covers up to \$1,000 for owned private power and light poles, including switch boxes, fuse boxes, outside lights and wiring, for loss caused by one of the perils identified in Group 1 & Group 2 perils of the policy. Actual Cash Value

i. Farm Operations Records

Covers up to \$300 for expenses incurred by an Insured to research and obtain data necessary to reproduce, replace or restore farm operations records damaged or destroyed by one of the perils identified in Group 1 & Group 2 perils of the policy.

j. Farm Machinery Glass

Covers up to \$300 for breakage of glass which is a part of a farm machine insured under this policy.

Coverage F - Farm Outbuildings

Covers farm outbuildings or other structures, including their permanent fixtures, water pumps and permanent equipment. Attached silos and fences must be insured specifically. Field and pasture fences are not eligible.

Coverage G - Scheduled Farm Personal Property

Covers farm personal property specifically listed in the Declarations. Machinery and materials are meant for tools, supplies and small equipment, not to exceed \$1,000 on any one item. Newly acquired machines under Specifically Named Machines are covered up to 30 days after acquisition not exceeding \$5,000. Please refer to the policy for items not insured.

Coverage H - Blanket Farm Personal Property

Covers farm personal property usual and incidental to the operation of the farm while on or temporarily away from the insured location. Refer to policy for Special Limits of Liability. This coverage is subject to an 80% co-insurance clause.

FARM PROTECTOR ADDITIONAL COVERAGES

a. Cargo - Coverage G and H

Provides risks of physical loss coverage (except exclusions) to Farm Personal Property for loss occurring while the described property is in transit, in the process of being loaded for transit or unloaded after transit. Cargo is subject to a minimum \$250

deductible or higher deductible if indicated on the Declarations. Cargo hauled by common carrier is excluded.

STANDARD COVERAGE DESCRIPTIONS - SECTION II

PERSONAL LIABILITY

Coverage W - Liability:

BI and PD Combined Single Limit per Occurrence.

Farmer's Comprehensive Personal Liability provides coverage for:

- . Insured locations described in the Declarations.
- . Personal activities of the insured anywhere in the world.
- . Farming operations by the insured.
- . Vacant land owned by the insured and not used for farming.

Coverage Y - Medical Payments to Others:

\$1,000 Limit per Person, \$25,000 per Occurrence

Provides coverage:

- . For medical expenses incurred within one year of an occurrence.
- . To a person on an insured location with permission.
- . To a person away from an insured location, if Bodily Injury is caused by an insured.

Additional Coverages:

- a. Coverage Z - Moral Obligation (Damage to Property of Others)
\$1,000 per Occurrence.
- b. First Aid Expense.
- c. Claims Expense.

STANDARD COVERAGE DESCRIPTIONS - SECTION II

OLT LIABILITY

Coverage W - Liability:

BI and PD Combined Single Limit per Occurrence

Dwelling Premises provides coverage for the:

- . Dwellings rented to others (Town or Farm) described in the Declarations.

Farm Premises/Operations provides coverage for the:

- . Farming operations of the insured on locations described in the Declarations..

Farms Rented to Others provides coverage for the:

- . Farms rented to others (no farming operations by the insured) described in the declarations.

OLT Liability does not provide coverage for:

- . Personal activities of the insured.

Coverage Y - Medical Payments to Others:

\$1,000 Limit per Person, \$25,000 per Occurrence

Provides coverage:

- . For medical expenses incurred within one year of an occurrence.
- . To a person on an insured location with permission.

Additional Coverages:

- a. First Aid Expense.
- b. Claims Expense.

FARM PROTECTOR UNDERWRITING GUIDELINES

ELIGIBLE LIST

The insured may be:

- . Owner/Occupant of a 1-2 family dwelling.
- . Tenant of a dwelling, farm dwelling, or mobile home.
- . Owner/Tenant Operator of a farming operation, up to 2500 acres.

CONSIDERATION LIST - Submit Non-Bound

The following risks may not by bound by the agent. Submit to Company for Underwriting approval:

- . Premises with questionable unsafe characteristics.
- . Premises with visible trash and debris that can be removed or cleaned.
- . Unfenced or inadequately fenced swimming pools.
- . Vacant dwellings with future occupancy contemplated.
- . Open pits or stone quarries on the insured location.
- . Custom Farming (with or without Spraying) which exceeds \$15,000 receipts annually.
- . Poultry operations.
- . Animal confinement operations.
- . Farms in excess of 2500 acres.
- . Three losses in five years.
- . Homes and/or outbuildings being remodeled or repaired or with unrepaired damage.
- . Homes without continuous masonry foundation.
- . Exposed Styrene or Urethane foam insulation.
- . Vacant Dwellings.

FARM PROTECTOR UNDERWRITING GUIDELINES

PROHIBITED LIST - Do Not Submit

The following risks are PROHIBITED:

- . Commercial risks.
- . Home Day Care Operations with 4 or more children.
- . Rental dwellings containing more than 4 family units.
- . Insured's with vicious animals.
- . Homes heated primarily by woodburning appliance.
- . Homes without interior plumbing.
- . More than 4 rental units for any one insured.
- . Breeding, raising and selling of dogs on the premises.
- . Turkey operations.
- . Property under bankruptcy proceedings.

FARM PROTECTOR UNDERWRITING GUIDELINES

- . Low utility or unneeded structures.
- . Farm rented to others for recreational purposes and events open to public.
- . Commercial Feedlots.
- . Insured's with known frequency (more than 3 losses in 5 years).
- . Woodburning devices in buildings containing animals.
- . Horse stables and training operations.

Do not submit for personal injury coverage:

- . Any person who has been sued for libel or slander.
- . Professional politicians.
- . Public lectures.
- . Newspaper reporters, editors, or publishers.
- . Professional entertainers, including athletes, or radio and TV announcers.
- . Law enforcement officials.

WEIGHT OF ICE, SNOW OR SLEET - OUTBUILDINGS

On new farm policies or on the anniversary date of existing farm policies, this Company will automatically provide coverage for the Peril of Weight of Ice, Snow or Sleet on Class A and B outbuildings and farm personal property. An outbuilding having one of the following characteristics is not eligible for this coverage:

- a. A flat roof. Roofs with less than 3/12 roof pitch are considered flat roofs.
- b. Buildings which appear to be of questionable structural soundness.
- c. Buildings or attached sheds with truss spacing greater than nine feet of center.
- d. Buildings with spans greater than 50 feet.
- e. Buildings insured for less than \$3,000 are excluded for coverage.

The Agent should inform Home Office underwriting of any ineligible buildings or additions so coverage for this Peril can be deleted for these buildings and the farm personal property within.

DESCRIPTION OF FARMOWNER DWELLING PROGRAMS/ELIGIBILITY

OWNER OCCUPIED FARM DWELLING/CONTENTS

SPECIAL "SELECT"

<u>Perils Available</u>	<u>Loss Settlement Types Available</u>
Basic Perils	Guaranteed Replacement Cost
Broad Form Perils	
Other Perils	
<u>Minimum Amount of Ins.</u>	<u>Maximum Binding Authority</u>
\$80,000	\$150,000

Eligibility Requirements:

- a. \$250 Deductible Minimum.
- b. Dwelling and detached structures of superior character and excellent repair. Premises clean, free from weeds and trash.
- c. 25 years old or newer. (Less than 15 years at inception date.)
- d. No more than one homeowner loss within the last three (3) years.
- e. Owner-occupied, one family permanent residence.
- f. Insured 100% of Replacement cost according to current building cost guides for residential buildings, inflation protection will apply.
- g. 100 amp electrical service (circuit breaker system).
- h. An approved central heating unit, vented to an approved chimney, no wood burning furnace.
- i. Complete interior plumbing, being a permanent pipe system supplied by water from a continuous reliable source.
- j. Smoke detector on each floor including basement.
- k. No woodburning appliance other than a masonry or prefabricated fireplace without a heating insert.
- l. Available in fire protection class 9.
- m. Modular homes not permitted.
- n. Must have a two lane road within 100 yards of dwelling for fire truck accessibility.
- o. Cost estimator and photograph submitted with application.

DESCRIPTION OF FARMOWNER DWELLING PROGRAMS/ELIGIBILITY

SPECIAL OWNER-OCCUPIED FARM DWELLING

<u>Perils Available</u>	<u>Loss Settlement Types Available</u>
Other Perils	Guaranteed Replacement Cost 80% Replacement Cost
<u>Minimum Amount of Ins.</u>	<u>Maximum Binding Authority</u>
\$60,000	\$150,000

Eligibility Requirements:

- a. Dwelling of superior character and in excellent repair. Premises clean, free from weeds, and trash.
- b. 35 years or newer, with an approved roof, an approved plumbing and heating system and a modern electrical system with circuit breakers and 100 amp service, all updated in past 22 years and meeting local building codes and building contractor inspection.
- c. Owner/occupied, one family permanent residence.
- d. Can be insured for 80% of replacement cost or 100% for guaranteed replacement cost, inflation protection will apply.
- e. No woodburning appliance other than a masonry or prefabricated fireplace without a heating insert.
- f. Smoke detector on each floor.
- g. Modular homes not permitted.
- h. Readily accessible to a fire truck.
- i. Submit cost estimator with application.

Minimum \$250

DESCRIPTION OF FARMOWNER DWELLING PROGRAMS/ELIGIBILITY

CLASS A OWNER-OCCUPIED FARM DWELLING

Perils Available

Broad Form Perils
Other Perils

Loss Settlement Types Available

80% Replacement Cost
Repair/Replace Replacement
Actual Cash Value

Minimum Amount of Ins.

\$50,000

Maximum Binding Authority

\$150,000

Eligibility Requirements:

- a. Dwelling of good construction and in excellent repair, premises clean, free from weeds and trash.
- b. Insured for at least 60% of Replacement cost. When a Replacement Settlement Clause is used, Inflation Protector will apply.
- c. Dwellings constructed within the last 40 years are not eligible for Repair/Replace Loss Settlement.
- d. Owner-occupied, one or two family permanent residence.
- e. Residence with an approved roof, an approved plumbing and heating system and a modern electrical system with circuit breakers and 100 amp service, all updated in past 22 years and meeting local building codes and building contractor inspection.
- f. Submit cost estimator with application.
- g. Modular Homes are acceptable.

Minimum \$250

DESCRIPTION OF FARMOWNER DWELLING PROGRAMS/ELIGIBILITY

CLASS B OWNER-OCCUPIED DWELLING

<u>Perils Available</u>	<u>Loss Settlement Types Available</u>
Basic Perils	80% Replacement Cost
Broad Form Perils	Repair or Replace
Other Perils	Actual Cash Value
<u>Minimum Amount of Ins.</u>	<u>Maximum Binding Authority</u>
\$35,000	\$75,000

Eligibility Requirements:

- a. Dwelling of good construction and in good repair, premises clean, free from weeds and trash.
- b. Insured for at least 45% of Replacement Cost.
- c. If Repair or Replace settlement clause is used, residence must be insured for at least 60% of Replacement Cost, inflation protection will apply.
- d. Owner-occupied, one or two family permanent residence.
- e. Approved electrical wiring of at least 60 amp service.
- f. An approved central heating unit, vented to an approved chimney.
- g. Complete interior plumbing, being a permanent pipe system supplied by water from a continuous reliable source.
- h. Continuous masonry or concrete foundation under all exterior walls, porches excepted.
- i. Submit cost estimator with application.

- j. 100 Amp Service

Minimum \$250

DESCRIPTION OF FARMOWNER DWELLING PROGRAMS/ELIGIBILITY

CLASS C OWNER-OCCUPIED DWELLING

<u>Perils Available</u>	<u>Loss Settlement Types Available</u>
Basic Perils Broad Form Perils	Actual Cash Value
<u>Minimum Amount of Ins.</u>	<u>Maximum Binding Authority</u>
\$20,000	\$50,000

Eligibility Requirements:

- a. Fully utilized and in a good state of repair, premises clean, free from weeds and trash.
- b. Insured for at least 35% of Replacement Cost.
- c. Owner-occupied, one or two family permanent residence.
- d. Approved heating system, vented to an approved chimney.
- e. Approved electrical wiring of at least 60 amp service.
- f. Complete interior plumbing, being a permanent pipe system supplies by water from a continuous reliable source.
- g. Continuous masonry or concrete foundation under all exterior walls, porches excepted.
- h. Woodburning appliances - new risks ineligible.
- i. Cost estimator and photograph submitted with application.

Minimum \$250

DESCRIPTION OF FARM TENANT PROGRAMS/ELIGIBILITY

FARM TENANT - PERSONAL PROPERTY

Perils Available

Basic Perils
Broad Form
Other Perils

Loss Settlement Types Available

Replacement Cost Contents
Actual Cash Value

Minimum Amounts of Insurance/Binding Authority:

<u>Policy Type</u>	<u>Persons</u>	<u>Minimum Amount of Ins.</u>	<u>Maximum Binding</u>
Farm Tenant	2 People	\$12,000	\$60,000
	1 Person	\$10,000	\$40,000

Eligibility Requirements:

- a. The Tenant Farm Program is for the tenant farmer who operates a farm on a cash or share basis or a hired man who works for the tenant farmer or landlord.
- b. Rate according to class of dwelling.
- c. Replacement cost on personal property is not available when coverage desired is below minimums.

Minimum \$250

DESCRIPTION OF FARM DWELLING PROGRAMS/ELIGIBILITY

CLASS A FARM DWELLING

Perils Available

Broad Form Perils
Other Perils

Loss Settlement Types Available

80% Replacement Cost
Repair or Replace
Actual Cash Value

Minimum Amount of Ins.

\$50,000

Maximum Binding Authority

\$150,000

Eligibility Requirements:

- a. Dwelling of excellent construction and in excellent repair, premises clean, free from weeds and trash.
- b. Insured for at least 60% of Replacement cost, when a Replacement Settlement Clause is used, Inflation Protection will apply.
- c. One or two family permanent residence.
- d. Dwellings constructed within the last 40 years are not eligible for Repair/Replace Loss Settlement.
- e. Residence with an approved roof, an approved plumbing and heating system and a modern electrical system with circuit breakers and 100 amp service, all updated in past 22 years and meeting local building codes and building contractor inspection.
- f. No woodburning stove.
- g. Submit cost estimator with application.

\$500 Deductible

DESCRIPTION OF FARM DWELLING PROGRAMS/ELIGIBILITY

CLASS B FARM DWELLING

Perils Available

Basic Perils
Broad Form Perils
Other Perils

Loss Settlement Types Available

80% Replacement Cost
Repair or Replace
Actual Cash Value

Minimum Amount of Ins.

\$35,000

Maximum Binding Authority

\$100,000

Eligibility Requirements:

- a. Dwelling of good construction and is in good repair, premises clean, free from weeds and trash.
- b. Insured for at least 45% of Replacement Cost.
- c. If Repair or Replace settlement clause is used, residence must be insured for at least 60% of Replacement Cost, inflation protection will apply.
- d. One or two family permanent residence.
- e. Approved electrical wiring of at least 100 amp service.
- f. An approved central heating unit, vented to an approved chimney.
- g. Complete interior plumbing, being a permanent pipe system supplied by water from a continuous reliable source.
- h. Continuous masonry or concrete foundation under all exterior walls, porches excepted.
- i. No woodburning stove.
- j. Submit cost estimator with application.

\$500 Deductible

DESCRIPTION OF FARM DWELLING PROGRAMS/ELIGIBILITY

CLASS C FARM DWELLING

Perils Available

Basic Perils
Broad Form Perils

Minimum Amount of Ins.

\$20,000

Loss Settlement Types Available

Actual Cash Value

Maximum Binding Authority

\$50,000

Eligibility Requirements:

- a. Dwelling fully utilized and in a good state of repair, premises clean, free from weeds and trash.
- b. Insured for at least minimum of Actual Cash Value.
- c. One or two family permanent residence.
- d. Approved heating system, vented to an approved chimney.
- e. Approved electrical wiring of at least 60 amp service.
- f. Complete interior plumbing, being a permanent pipe system supplied by water from a continuous reliable source.
- g. Continuous masonry or concrete foundation under all exterior walls, porches excepted.
- h. No woodburning stove.
- i. Submit cost estimator with application.

\$500 Deductible

DESCRIPTION OF FARM OUTBUILDING/ELIGIBILITY

CLASS A OUTBUILDINGS

Perils Available

Basic Perils
Broad Form Perils
Other Perils

Loss Settlement Types Available

80% Replacement Cost
Actual Cash Value

Minimum Amount of Ins.

\$5,000

Maximum Binding Authority

\$75,000

Eligibility Requirements:

- a. Superior risk in excellent condition and repair.
- b. Continuous masonry or concrete foundation under all exterior walls.
- c. Approved electric wiring in good condition or no wiring.
- d. Built 25 years ago or less.
- e. Entirely closed with no open or partly open sheds or additions unless these sheds or additions have concrete floors.
- f. Pre-engineered (Morton type) building will qualify for Class A rating.
- g. No fuel storage within 30' feet of building.
- h. No heat lamps or wood burning appliances.
- i. Fully utilized in the farming operation.
- j. No hay or straw storage.
- k. Premises clean and free from weeds and trash.
- l. Insured for 100% of actual cash value.
- m. Insured for minimum of \$5.00 a square foot or written proof it was built for less.
- n. Submit an Agricultural Cost Guide worksheet if replacement cost is desired.

\$250 Deductible

DESCRIPTION OF FARM OUTBUILDINGS/ELIGIBILITY

CLASS B OUTBUILDINGS

Perils Available

Basic Perils
Broad Form Perils
Other Perils

Loss Settlement Types Available

80% Replacement Cost
Actual Cash Value

Minimum Amount of Ins.

\$3,000

Maximum Binding Authority

\$75,000

Eligibility Requirements:

- a. Sound construction, in good condition and repair.
- b. Continuous masonry or concrete foundation under all exterior walls. If pole construction, the poles must be treated and fastened to a concrete foundation or concrete pads in bottom of post hole.
- c. Approved electrical wiring in good condition or no wiring.
- d. Fully utilized in the farm operation.
- e. Enclosed on three sides.
- f. Premises clean and free from weeds and trash.
- g. No woodburning appliances.
- h. No heat lamps with combustible bedding.
- i. Insured for 100% of actual cash value with a minimum of \$3.00 per square foot.
- j. Submit an Agricultural Cost Guide worksheet if replacement cost is desired.

\$250 Deductible

DESCRIPTION OF FARM OUTBUILDINGS/ELIGIBILITY

CLASS C OUTBUILDINGS

Perils Available

Basic Perils
Broad Form Perils

Minimum Amount of Ins.

\$2,000

Loss Settlement Types Available

Actual Cash Value

Maximum Binding Authority

\$75,000

Eligibility Requirements:

\$250 Deductible

- a. Structures not meeting Class A or B requirements.
- b. Any building where insurance is less than 50% or today's replacement cost for like construction.
- c. Any building open on more than one side.
- d. Any single crib which is higher than wide (measured at plate).
- e. Prefabricated metal or frame cribs with welded wire, metal slat, perforated metal or frame siding.
- f. Any building with foundation of rock piers or block piers or wood sills.
- g. Vacant buildings not contemplated for future occupancy are not acceptable.
- h. Must be insured for a minimum of \$1.00 a square foot.
- i. Weight of Ice, Snow & Sleet is excluded.

CLASS D OUTBUILDINGS

Perils Available

Basic Perils

Loss Settlement Types Available

Actual Cash Value

Eligibility Requirements:

- a. Buildings insured for less than \$1.00 per square foot.
- b. Portable buildings not insured under Coverage H - Blanket Farm Personal Property.
- c. Metal storage bins which are not bolted to a solid masonry slab.
- d. Weight of Ice, Snow & Sleet is excluded.

\$250 Deductible

DESCRIPTION OF FARM OUTBUILDINGS/ELIGIBILITY

CLASS G OUTBUILDINGS - METAL GRAIN BINS

Perils Available

Basic Perils
Broad Form Perils
Other Perils

Loss Settlement Types Available

80% Replacement Cost
Actual Cash Value

Minimum Amount of Ins.

\$4,000

Maximum Binding Authority

\$75,000

Eligibility Requirements:

- a. This classification is limited to metal grain bins in excellent condition and repair.
- b. Must have a continuous masonry or concrete foundation under all exterior walls and walls firmly fastened to the foundation.
- c. Minimum coverage, \$.90 per bushel.
- d. Insured for 100% of Actual Cash Value
- e. Amount of coverage on grain bin should include attached equipment such as: Dryer, Perforated floor, Fans, Leveler, Augers and Pipes.
- f. All grain legs must be rated as a Class C Outbuilding.
- g. All metal grain bins not meeting this classification should be insured as Class C Outbuildings.
- h. Holding bins and Bulk bins are not eligible for this category.
- i. Submit Agricultural Cost Guide when 80% replacement is desired or use amounts from Cost Guide page F - R15.

\$250 Deductible

DESCRIPTION OF FARM OUTBUILDINGS/ELIGIBILITY

CLASS S OUTBUILDINGS - GLASS LINED SILOS

Perils Available

Basic Perils
Broad Form Perils

Minimum Amount of Ins.

\$10,000

Loss Settlement Types Available

80% Replacement Cost
Actual Cash Value

Maximum Binding Authority

\$75,000

Eligibility Requirements:

- a. This classification is limited to glass lined steel tower silos in excellent repair.
- b. Insured for 100% of actual cash value, if not use Class C.
- c. Below \$10,000 use the appropriate B or C Farm Outbuilding classification.
- d. Submit Agricultural Cost Guide when 80% replacement is desired or use amounts from Cost Guide page F - R16.

\$250 Deductible

DESCRIPTION OF FARM OUTBUILDINGS/ELIGIBILITY

TABLE OF OUTBUILDING CLASSIFICATION AVAILABILITY

<u>Type of Building:</u>	Class of Outbuilding					
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>G</u>	<u>S</u>
Barns	A	B	C			
Grain Bins			C		G	
Crib - Woven wire anchored to ground			C			
Crib - Frame pole construction with temporary siding			C			
Crib - Prefab metal or frame with welded wire, perforated metal or frame siding			C			
Livestock Feed buildings - open one side		B	C			
Livestock Feed Barns - pole construction	A	B	C			
Bins on movable foundations			C			
Grain Legs			C			
Glass Lined Silos		B	C			S
Hay Barn or Shed - open on 2 sides			C			
Portable Buildings				D		
Loafing Shed		B	C			
Machine Shed	A	B	C			
Poultry Houses			C			
Feed Bunks and Roofs			C			
Cement Stave Silos	A	B	C			

DESCRIPTION OF FARM PERSONAL PROPERTY PROGRAM/ELIGIBILITY

SCHEDULED FARM PERSONAL PROPERTY

Perils Available

Basic Perils
Broad Form Perils
Other Perils - N/A Livestock

Loss Settlement Types Available

Actual Cash Value

Minimum Amount of Ins.

\$ ACV

Maximum Binding Authority

\$100,000

Eligibility Requirements:

- a. Each different type of farm personal property is listed and valued separately, but the total is used in determining the Premium.
- b. Machinery:
 1. List year, make, model and serial numbers of all machinery, such as tractors, combines, hay balers, forage harvestores, portable crop dryers, etc.
 2. List a specific amount of coverage for each item.
 3. Small tools and material are to be shown grouped together with a specific amount of coverage unless on item exceeds \$1,000 in value in which case it should be insured separately. Minimum coverage for this group is \$1,000.
- Livestock:
 1. List number of livestock in each class with Actual Cash Value limit per head and showing total coverage.
- c. No portable buildings may be insured as scheduled farm personal property. They must be written as Class D farm outbuildings.

\$250 Deductible

DESCRIPTION OF FARM PERSONAL PROPERTY PROGRAM/ELIGIBILITY

BLANKET - UNSCHEDULED FARM PERSONAL PROPERTY

Perils Available

Basic Perils
Broad Form Perils
Other Perils

Loss Settlement Types Available

Actual Cash Value

Minimum Amount of Ins.

\$20,000

Maximum Binding Authority

\$500,000

Eligibility Requirements:

a. Types of Blankets - A and B

A - For farmer who has livestock, grain and machinery.

B - For farmer who has only grain and machinery.

b. All eligible farm personal property must be inventoried to qualify for blanket coverage.

c. 80% co-insurance clause is applicable.

d. MINIMUM COVERAGE AMOUNTS - Coverage must be written for the percentage listed below, on an actual cash value basis. This applies to all new or updated inventories.

\$20,000 - 100,000 - 100%
101,000 - 250,000 - 95%
251,000 - OVER - 90%

e. All new farm personal property inventory schedule must be submitted to the Company at least once every three years for all policies which contain farm personal property blanket coverage.

f. Other perils coverage may be added to cover farm equipment and farm machinery for an additional premium. The minimum blanket amount to add this coverage is \$75,000 and any item valued less than \$250 is not insured. If this coverage is desired only on a specific piece of machinery use rate found on Page F - R18.

g. Limitations apply to coverage on Livestock and Portable Buildings.

Eligibility Requirements: (Continued)

- h. Confinement hogs are not to be insured under the Blanket.
- i. Other than hog houses no other buildings are considered to be portable unless they are on skids.
- j. For Non-Portable Grain Dryers use Scheduled Farm Personal Property Rates.
- k. When there is supporting business with this Company peak season coverage may be written for a non-operating owner on grain, seeds, chemicals, fertilizer without the requirement of having blanket or scheduled farm personal property coverage in force.
- l. Complete the farm inventory form and attach to the farm application.

\$250 Deductible

SPECIAL UNDERWRITING REQUIREMENTS

WOODBURNING STOVES

Refer to General Section of Manual.

GRAIN DRYING UNITS

Because of the many different installations of Grain Drying Units, the following rules have been established to assist you in better understanding these risks:

- a. List size, classification and amount of each bin separately.
- b. If dryer is a permanent installation, give classification and amount.
- c. If dryer is portable, it should be insured using the Personal Property premium the same as other farm machinery.
- d. **The leg must always be classified as "C"** and listed separately unless it is a part of a building, in which case it would be included in the coverage of the building.
- e. All motor, augers, etc., attached to the bins, dryer or let become a part of that item and should be considered in the total portable, the Farm Personal Property premium is used and insured under this category accordingly.
- f. Larger Grain Drying Complexes, which involve higher amount of coverage, may be considered at one premium rate. **But prior approval must be made by the Company.** The only exception will be that the leg must be listed and rated separately as Class C. Rules "a" through "e" will still apply.

PERIODIC UPDATES OF INSURED PROPERTY

Farm Policies are written under a continuous renewal plan, agents will be responsible for periodic updates of the insured's property as a service to the insured.

CONFINEMENT BUILDINGS

Refer to Manual under Tab 'Hog Confinement'.

OPTIONAL COVERAGES - SECTION I - PROPERTY

COVERAGE C - PERSONAL PROPERTY

Increased Limit:

- . When the limit of liability for Coverage C is increased, the additional premium per \$100 shall be used.

Reduction in Limit:

- . Not Allow.

Increased Special Limits of Liability:

- . Jewelry, Watches, and Furs - The special limit of liability of \$1,000 for theft of jewelry, watches and furs may be increased to a maximum of \$3,000 but not exceeding \$1,000 for any one article.
- . Money and Securities - The special limit of \$200 on money may be increased to a maximum of \$1,000. The special limit of \$1,000 on securities may be increased to a maximum of \$2,000.
- . Silverware, Goldware, and Pewterware - The special limit of \$2,500 for loss by theft of silverware, etc., may be increased to a maximum of \$10,000 in increments of \$500.
- . Firearms - The special limit of \$2,000 for loss by theft of firearms may be increased to a maximum of \$6,000 in increments of \$100.

Replacement Cost - Loss Settlement 4

- . Personal property may be extended to include replacement cost coverage. Rate the Amount of Insurance, Coverage C, using the premium per \$100. **Antiques, fine arts, statuary and other similar articles are not eligible for the coverage.**

Increased Limit:

- . The amount of insurance for Additional Living Expenses may be increased. Use the rate per \$100.

REFRIGERATED PRODUCTS

The Farm Protector policy provides \$500 coverage for Refrigerated Products under Coverage C, Personal Property. An additional amount may be purchased using the Refrigerated Products rate.

OPTIONAL COVERAGES - SECTION I - PROPERTY

THEFT OF CONSTRUCTION MATERIALS

Unoccupied dwellings under construction do not have coverage for theft of construction materials. \$1,000 or \$2,000 may be purchased for periods of six months. Coverage is subject to the deductible.

BUILDING ADDITIONS AND ALTERATIONS - Tenant Farmers

The Tenant Farmowers policy automatically provides 10% of the Coverage C limit for Additions and Alterations. This limit may be increased. Use the Additions and Alterations - Tenant Farm rate.

PRIVATE POWER AND LIGHT POLES

The Farm Policy provides \$1,000. Limits in excess of \$1,000 may be purchased. Actual Cash Value

FIRE DEPARTMENT SERVICE

The Farm Policy provides \$500. Limits in excess of \$500 may be purchased.

OTHER PERILS - MACHINERY

Farm Equipment and Machinery may be insured for risks of Physical Loss on Scheduled or Blanket Farm Personal Property. Indicate that Other Peril coverage is desired on the Farm Personal Property Inventory application. Use the Other Peril Farm Machinery rates.

FARM MACHINERY GLASS

The Farm Policy provides \$300 for breakage of glass which is part of a farm machine insured under the policy. Limits in excess of \$300 may be purchased at per \$100 of insurance rate.

REFRIGERATED PRODUCTS - FARM PERSONAL PROPERTY

Refrigerated farm products may be insured specifically for damage caused by accidental interruption of electrical service to the refrigeration unit.

Items that may be covered are: Fruit, vegetables, milk, and semen.

High valued items or property more sensitive to temperature change will require a backup generator.

OPTIONAL COVERAGES - SECTION I - PROPERTY

PEAK SEASON

Peak Season may be added for the insured who has a higher value of farm personal property during certain seasons of each year. The insured may select periods of 1 to 9 months. The Peak Season must carry the same perils insured as the Farm Personal Property.

GRAIN REPORTING

The Grain Reporting Form is used by large farming operations to report monthly fluctuations in blanket farm personal property inventories. Each location is reported separately.

The agent is responsible for collecting and submitting monthly reports to the Company.

For additional requirements, contact the home office.

EXTRA EXPENSE

Extra Expense covers the increased expenses of continuing the farming operation due to a loss covered by an insured peril. It does not cover the loss of income, profits, fixed charges or usual expenses of the farming operation.

Extra Expense may be added to the FARM Policy. Use the Extra Expense rate.

FARM OPERATIONS RECORDS

The Farm Policy provides \$300 coverage for expenses incurred by the insured to research and obtain data necessary to reproduce, replace or restore farm operations records. Limits in excess of \$300 may be purchased.

MINE SUBSIDENCE

See general information section of this manual. Pages G 10-11

EARTHQUAKE

Refer to Earthquake Section in Manual.

SPECIAL UNDERWRITING CONSIDERATION FOR SECTION II

When there are multiple owners and/or operators of an insured location, their interest should be covered on one policy. We wish to avoid individual policies for varied interests on the same location. Separate policies for Landlords and Tenants are permissible. When more than this is present, please contact the Company for specific guidelines.

LIABILITY OPTIONAL COVERAGES AND DESCRIPTIONS

ADDITIONAL INSURED

- a. Resident Non-Relative: Personal Liability coverage for a non-farming, non-relative residing in the same household as The Named Insured.
- b. Co-Owner: Personal Liability is extended to a second owner or partner of a farm premises. If more than one, charge for each.
- c. Additional Insured: May be added for premises liability only for their insurable interest. If more than one additional insured, charge for each, except an estate situation. For an estate one charge will be made for all heirs listed.

ADDITIONAL RESIDENCE OCCUPIED BY INSURED

Liability coverage may be extended for additional residences occupied by the insured. Additional residences may be:

- a. Second residences.
- b. Summer homes.
- c. APS at another location, used by the insured for personal use.

If the additional residence is located outside of Illinois, contact your Underwriter.

OPTIONAL COVERAGES - SECTION II - LIABILITY

RENTAL DWELLINGS

Personal liability coverage may be extended to include the additional residences rented to others. The maximum number of rental units is 4. If the insured owns 5 or more rental units, contact the RMIC Commercial Lines Underwriting Department. One rental unit is one residence, occupied by on family.

APS Rented to Others

If a structure covered under Coverage B is rented to others as a:

- a. Garage for housing personal motor vehicles, or other personal items such as watercraft, motor homes, etc., there is no premium charge.
- b. Residence premises, charge the appropriate Rental Dwelling Premium.

PERSONAL INJURY (RMIC 99-8077)

Liability coverage may be extended for personal injury to others such as false arrest, libel, slander, or invasion of privacy.

PERMITTED INCIDENTAL OCCUPANCIES/BUSINESS PURSUITS (RMIC 99-420)

Personal liability and medical payments may be extended to cover eligible classes listed below. Liability and Medical Payments for these classes must be the same as the policy limits.

Permitted Incidental Business Occupancies

Class A * (Under \$5,000 of Annual Sales)

Incidental Office: Accountant's, Insurance sales, Real Estate
Picture photo framing
Music of Dance lessons

Class B * (Under \$5,000 of Annual Sales)

Arts & crafts
Bait shop
Ceramic sales
Home products distributor
Saw & Took sharpening
Teacher's liability (no corporal punishment) i.e. Tutoring - not to be used for full time teachers
Taxidermy
Textile work: Curtain, drapery, dressmaking, tailoring
Watch and jewelry repair

OPTIONAL COVERAGES - SECTION II - LIABILITY

Rate Class C

Class C (Under \$5,000 of Annual Sales)

Appliance repair

Beauty and Barber shops (non-professional liability)

Repair - Lawnmower, bicycle (no motorbikes or motorcycles)

Roadside stands and U-pick sales

Farmers open air market (off premises sales no medical payment available)

Salesman - seed - \$50,000

Products and completed operations coverage is excluded from all classifications. (Exceptions, orchards and farm market products.

For incidental pursuits not listed, contact the Rockford Mutual office.

HOME DAY CARE, 1-3 CHILDREN (RMIC 99-192)

The Personal Liability may be endorsed to cover the increased liability and medical payments exposures arising from a home day care operation on the residence premises.

This endorsement provides for an annual aggregate limit of liability for Personal Liability and Medical Payments combine. The Medical Payments coverage is subject to a sub-limit and does not increase the aggregate limit of liability. Maximum of 3 children at any one time.

WATERBED LEAKAGE LEGAL LIABILITY (RMIC 99-416)

Coverage may be provided for property damage caused by waterbeds and waterfilled furniture, to property on the residence premises, not owned by a tenant or condominium unit owner.

This coverage is only available for a tenant's or condominium unit owners personal liability.

FARM EMPLOYEES

Farm employees can be included in the liability coverage. If the farm employer's liability is subject to a worker's compensation act, no coverage is provided.

- a. Full time employees - over 40 days of employment per employee.
- b. Part time employees - up to 40 days of employment per unit.

A unit of part time employment is one or more part time employees with total employment not exceeding 40 days.

OPTIONAL COVERAGES - SECTION II - LIABILITY

CUSTOM FARMING

Custom Farming is farming operations for hire. Custom Farming is covered on the Farmer's Comprehensive Personal Liability policy if it is incidental to the insured's farming operation. The policy automatically provides Custom Farming (no spraying) up to \$1,000 annual receipts.

Additional coverage may be purchased for a flat charge. If the insured's Custom Farming annual receipts exceed \$15,000, submit the Custom Farming exposure to Underwriting.

Custom Farming is available with two exposures:

- a. No Spraying.
- b. With Spraying.

RMIC may verify annual receipts by auditing the insured's books.

RECREATIONAL UNITS **99-8022 Watercraft Owners Endorsement**
 99-8023 Recreational Vehicles Owners Endorsement

Watercraft, Snowmobile, and Recreational Vehicles may be endorsed to the Combined Personal Liability Policy. See the Recreational Section of the manual for rules and rates.

Recreational endorsements must carry the same Liability and Medical Payments limits as the Personal Liability policy.

If a Monoline Policy is being applied for, Recreational Units must be insured on separate policies.

OLT LIABILITY STANDARD COVERAGE DESCRIPTIONS

DWELLING PREMISES

Dwelling Premises is to be used for the insured who owns residences rented to others. The maximum number of rental units is 4. If the insured owns 5 or more rental units, contact the RMIC Commercial Lines Underwriting Department. One rental unit is one residence, occupied by one family.

FARM PREMISES AND OPERATIONS

Farm Premises and Operations is to be used for the owner/operator of a farm when their personal liability is on another policy. This classification does not include a charge for rental dwelling. Use the dwelling premises rate to charge for each rental dwelling on the farm premises.

OPTIONAL COVERAGES - SECTION II - LIABILITY

FARMS RENTED TO OTHERS

Farms Rented to Others is to be used for the farm land owned by the insured that is being rented to others. This classification does not include a charge for a rental dwelling on the farm premises.