

Dwelling in the Course of Construction

(For use with Farmowners Broad Form 702L-F only)

We provide insurance on your dwelling described on the Coverage Summary page. This endorsement will expire twelve months from the date it becomes effective. While your dwelling is under construction, the insurance provided is subject to the following amendments.

UNDER SECTION I – COVERAGE A DWELLING BUILDING

The fourth item is amended to read as follows:

- Materials and supplies located on or adjacent to the premises intended for use in construction, alteration or repair of your dwelling or additional buildings/structures on the premises.

There is no coverage provided under:

Section I – Farmowners Property:

Additional Buildings

Personal Property

Loss of Use of Your Dwelling

Additional Coverages:

Freezer Foods

Credit, Debit or Automatic Teller Cards, Depositors Forgery and Counterfeit- Paper Money

Inflation Protection

Lock Repair or Replacement

Mass Evacuation Additional Living Expense

Insured Perils are applicable only to the coverage under Dwelling Building.

Under “Loss or Damage Not Insured – All Section I Coverages”

Exclusion 14 is deleted.

Exclusion 15 is amended to read as follows:

15. Caused by vandalism or malicious acts or glass breakage occurring while your dwelling is vacant even if permission for vacancy has been given by us.

Under “Insured Perils – Dwelling Building, Additional Buildings and Loss of Use of Your Dwelling”, the following is added.

This Policy does not insure:

1. loss or damage to contractors tools and equipment including spare parts and accessories whether owned, loaned, hired or leased;
2. loss or damage caused directly or indirectly by mechanical or electrical breakdown or derangement unless fire or explosion ensues and then only for the loss or damage caused by the fire or explosion.
3. theft by any employee, officer or agent of the insured or other party of interest, or any person to whom the property is entrusted (bailees for hire excepted);
4. any loss or shortage disclosed on taking inventory or making appraisal or any mysterious disappearance;
5. loss or damage caused directly or indirectly by cessation of work or by interruption of construction, unless directly caused by peril otherwise insured and not otherwise excluded under this policy;
6. any loss of use or occupancy however caused.

“Basis of Claim Settlement Section A – Dwelling Building and Coverage B – Additional Building” is replaced by the following:

Any loss under this policy shall be adjusted with the owner named herein and any settlement shall be based on the cost of repairing, replacing or reinstating (whichever is the least) with material of like kind and quality and for the like occupancy on the same site without deduction for depreciation provided that:

1. liability shall in no event exceed the amount actually and necessarily expended for repairs, replacement or reinstatement; and
2. if repairs, replacement or reinstatement with material of like kind and quality is restricted or prohibited by any by-law, regulation, ordinance or law, any increase in the cost of repairs, replacement or reinstatement due thereto shall not be insured by this policy.

All other limits, terms, conditions, provisions, definitions and exclusions shall have full force and effect.