

AGRICULTURAL PROPERTY COVERAGE

BUSINESS INTERRUPTION – EXTRA EXPENSE

Certain words and phrases that appear in bold have special meaning as defined in the DEFINITIONS Section.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

INDEMNITY AGREEMENT

This Form insures **extra expenses** necessarily incurred by the **Insured** during the **restoration period** to maintain, as much as possible, the **normal** farm operations caused by direct physical loss or direct physical damage to **farm buildings, building equipment, farm products, livestock or farm equipment** insured under this Policy by the insured perils not otherwise excluded under an **Agricultural Property Form** and occurring during the policy period.

1. AMOUNT OF INSURANCE

The amount of insurance payable at the time of the loss shall in no event exceed the amount of insurance stated in the Declaration Pages(s) for the determined **restoration period**.

2. RESUMPTION OF OPERATIONS

As soon as practicable after a direct physical loss or a direct physical damage, the **Insured** shall resume complete or partial farm operations on the **premises** of the affected insured property and, in so far as practicable, reduce or dispense with such **extra expenses** as are being incurred.

3. INTERRUPTION BY CIVIL AUTHORITY

This Form is extended to include the loss of business income as insured by this Form during the period of time, not exceeding thirty (30) consecutive days, while access to the premises is prohibited by order of civil authority, but only when such order is given as a direct result of direct physical loss or direct physical damage to neighbouring premises, which would have been covered if such direct physical loss or direct physical damage had happened to the Insured's insured property under this Policy.

EXCLUSIONS

This Form does not insure against:

1. loss of income;
2. **extra expense** in excess of that necessary to continue, as nearly as practicable, the **normal** conduct of the **Insured's** farm operations;
3. the cost of repairing or replacing damaged property, except cost in excess of the cost of such repairs or replacements necessarily incurred to reduce the total amount of **extra expense**;
4. any increase of loss directly or indirectly, proximately or remotely, resulting from, or contributed to by, the operation of any by-law, ordinance or law regulating zoning or the demolition, repair or construction of farm buildings or structures unless the liability is otherwise specifically assumed by endorsement hereon;
5. any increase of loss caused by delays or loss of time due to the presence of strikers or other persons or to labour disturbances on or about the premises interfering with the rebuilding, repairing, or replacing the property damaged or destroyed or the resumption or continuation of farming operations or free access to or control of the **premises** or due to the action of sympathetic strikers elsewhere;
6. loss due to fines or damages for breach of contract for late or non-completion of orders, or for any penalties of whatever nature;
7. loss due to the suspension, lapse or cancellation of any lease or license, contract or order;
8. the cost of compiling books of account, abstracts, drawings, card index systems or other records including film, tape, disc, drum, cell or other magnetic recording or storage media for electronic data processing.

ADDITIONAL DEFINITIONS

Whenever used in this Form:

1. **Extra expense** means the excess (if any) of the total cost during the **restoration period** for the purpose of continuing the **Insured's** farm operations over and above the total cost that would **normally** have been incurred to conduct the farm operations during the same period had no direct physical loss or no direct physical damage occurred. The cost in each case to include expense of using other property or facilities of other concerns or other similar necessary emergency expenses.
The Insurer shall also be liable for **extra expense** incurred in obtaining property for temporary use during the period of restoration necessarily required for the conduct of the **Insured's** farm operations. Any salvage value of such property remaining after resumption of **normal** operations shall be taken into consideration in the adjustment of any loss hereunder.
2. **Normal** or **Normally** mean the condition which would have existed had no loss occurred.
3. **Restoration period** means any period commencing with the date of the loss and not limited by the date of expiration of this Policy, as shall be required with the exercise of due diligence and dispatch to repair or replace the lost or damaged property, or to continue **normal** farm operations.