

AGRICULTURAL PROPERTY COVERAGE

FARM PRODUCTS – BROAD FORM

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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

1. In the event that any of the insured property is physically lost or physically damaged during the policy period by an insured peril, the Insurer will indemnify the **Insured** against the direct physical loss or direct physical damage so caused to an amount not exceeding whichever is the least of:

- 1.1. the value of the physically lost or physically damaged property as determined in the **BASIS OF VALUATION** Section of the **SPECIAL PROVISIONS**;
- 1.2. the interest of the **Insured** in the property;
- 1.3. the amount of insurance specified in the Declaration Page(s) for the physically lost or physically damaged property.

The inclusion of more than one **Insured** or interest shall not increase the Insurer's liability.

2. **INSURED PROPERTY**

This Form insures those of the following items:

Farm Product(s) owned by the **Insured**, within Canada or the continental United States of America, including during land or rail transport, from the beginning of **loading** until the end of **unloading**, for which an amount of insurance is specified in the Declaration Page(s).

Farm Product(s) owned by others which the **Insured** is under the obligation to keep insured or for which he is legally liable, located within Canada or the continental United States of America, including during land or rail transport, from the beginning of **loading** until the end of **unloading**, for which a description and an amount of insurance are specified in the Declaration Page(s).

3. **INSURED PERILS**

Except as otherwise provided, this form insures against all risks of direct physical loss or direct physical damage to insured property.

EXCLUSIONS

1. **EXCLUDED PROPERTY**

Except as provided under the **EXTENSIONS OF COVERAGE** section, this Form does not insure loss or damage caused directly or indirectly to:

- 1.1. OUTSIDE GROWING PLANTS, TREES, SHRUBS, LAWNS OR FLOWERS
growing plants, trees, shrubs, lawns or flowers, all while outside the **farm building**.
- 1.2. LIVESTOCK
livestock.
- 1.3. FURS AND JEWELLERY
furs, fur garments, jewels, jewellery, watches, pearls, precious and semi-precious stones.
- 1.4. FARM BUILDING(S) AND BUILDING EQUIPMENT
farm building(s) and **building equipment**.
- 1.5. FARM EQUIPMENT
farm equipment.
- 1.6. PROPERTY INSURED UNDER THE TERMS OF ANY MARINE INSURANCE
property insured under the terms of any Marine Insurance or property while waterborne, except while on a regular ferry or railway car transfer in connection with land transportation.
- 1.7. PROPERTY NOT IN THE INSURED'S CUSTODY
property from the time of leaving the **Insured's** custody if it is sold by the **Insured** under conditional sale or instalment payment or other deferred payment plan. This exclusion applies even if the sale was made as a result of fraud or subterfuge.
This exclusion does not apply while such property is in the custody of a carrier for hire for the purpose of delivery at the risk of the **Insured**, or while such property is stored in a warehouse outside the **premises** and waiting to be delivered to the **Insured's** client if stated on the Declaration Page(s).
- 1.8. PROPERTY ILLEGALLY ACQUIRED, PROPERTY SEIZED OR CONFISCATED
 - 1.8.1. property illegally acquired, kept, stored or transported;
 - 1.8.2. property seized or confiscated for breach of any law or by order of any public authority. This exclusion shall not apply to any property lawfully seized or confiscated for the purpose of destruction at the time of fire for the prevention of the spread of such fire.
- 1.9. PROPERTY PERTAINING TO OTHER COMMERCIAL BUSINESSES
property pertaining to a commercial business, profession or occupation other than farming, unless specifically described in the Declaration Page(s).
- 1.10. FARM PRODUCTS WORKED UPON
farm products while actually being worked upon and such loss or damage directly resulting from any process involving the application of heat. This exclusion does not apply to loss or damage caused directly by resultant fire or explosion as described in the **named perils** definition.

2. **EXCLUDED PERILS**

Except as provided under the **EXTENSIONS OF COVERAGE** section, this Form does not insure against increased costs, loss or damage, caused directly or indirectly:

- 2.1. WAR
in whole or in part by war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

2.2. NUCLEAR INCIDENT

- 2.2.1. by any nuclear incident (as defined in the *Nuclear Liability and Compensation Act*, SC 2015, c.4, s.120, any other nuclear liability act, law or statute, or any amending law) or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
- 2.2.2. by contamination by radioactive material.

2.3. LOSS OR DAMAGE CAUSED BY PRESSURE VESSELS OR BOILERS

by explosion (except explosion of natural, coal, or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the **Insured**:

- 2.3.1. the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
- 2.3.2. piping and apparatus or their parts normally containing steam or water under steam pressure from an external source and while under such pressure;
- 2.3.3. other vessels and apparatus and their connected pipes while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure, but this exclusion does not apply to loss or damage resulting directly from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;
- 2.3.4. moving or rotating machinery or its parts;
- 2.3.5. any vessels and apparatus and their connected pipes while undergoing pressure tests, but this exclusion does not apply to other insured property that has been damaged by such explosion;
- 2.3.6. gas turbines.

The following are not explosions within the intent or meaning of this paragraph:

- 2.3.7. electric arcing or any coincident rupture of electrical equipment due to such arcing;
- 2.3.8. bursting or rupture caused by hydrostatic pressure or freezing;
- 2.3.9. bursting or rupture of any safety disc, rupture diaphragm or fusible plug.

This exclusion (2.3.) does not apply to loss or damage caused by resultant fire.

2.4. DISAPPEARANCE

- 2.4.1. by mysterious disappearance;
- 2.4.2. by shortage of **farm products** disclosed on taking inventory;

2.5. WATER DAMAGE

- 2.5.1. by seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings, foundations, basement floors, sidewalks or sidewalk lights, unless concurrently and directly caused by an insured peril not otherwise excluded in this Form;
- 2.5.2. by the backing up or overflow of water from sewers, sumps, septic tanks, manure tanks or drains, wherever located, unless concurrently and directly caused by an insured peril not otherwise excluded in this Form;
- 2.5.3. by the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings, unless through an aperture concurrently and directly caused by an insured peril not otherwise excluded in this Form;

2.6. CENTRIFUGAL FORCE, BREAKDOWN

by centrifugal force, mechanical or electrical breakdown or derangement, in or on the **premises**. This exclusion does not apply to loss or damage caused directly by resultant fire.

2.7. PEST

by rodent, insects or vermin, including but not limited to bats, raccoons, skunks, birds, groundhogs, termites and pest. This exclusion does not apply to loss or damage caused directly and concurrently by an insured peril not otherwise excluded in this Form.

2.8. DELAY

by delay, loss of market, or loss of use or occupancy.

2.9. SNOWSLIDE

by snowslide, landslide, subsidence or other earth movement. This exclusion does not apply to property in transit or to loss or damage caused directly by resultant fire, explosion, smoke or **leakage from fire protective equipment**, all as described in the **named perils** definition.

2.10. SMOKE

by smoke from agricultural smudging or industrial operations.

2.11. WET ROT, DRY ROT, CONDENSATION OR ACID RAIN

by wet or dry rot, condensation or acid rain.

2.12. WINDSTORM, HAIL, SNOW LOAD OR ICE LOAD – WOODEN SILOS, GREENHOUSES OR TUNNELS

to **farm products** contained inside wooden silos, greenhouses or tunnels directly resulting from a loss or damage caused by windstorm, hail, snow load or ice load.

3. POLLUTION EXCLUSION

This Form does not insure against:

- 3.1. loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**, nor the cost or expense of any resulting **clean up**. **This exclusion does not apply:**
 - 3.1.1. if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants** is directly caused by an insured peril not otherwise excluded in this Form; or
 - 3.1.2. to loss or damage caused directly by a resultant insured peril not otherwise excluded in this Form.
- 3.2. cost or expense for by 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**.

4. DATA AND DATA PROBLEM EXCLUSION

- 4.1. this Form does not insure **data**;
- 4.2. this Form does not insure loss or damage caused directly or indirectly by a **data problem**;

Sub-paragraph 4.2. does not apply to loss or damage caused directly by resultant fire, explosion of natural, coal or manufactured gas, smoke, **leakage from fire protective equipment** or water damage caused by bursting of frozen pipes and tanks.

5. TERRORISM EXCLUSION

This Form does not insure loss or damage caused directly or indirectly, in whole or in part;

- 5.1. by **terrorism**;
- 5.2. by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**.

This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

If any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

6. FUNGI AND SPORES EXCLUSION

This Form does not insure:

- 6.1. loss or damage consisting of or caused directly or indirectly, in whole or in part, by any **fungi** or **spores**, unless such **fungi** or **spores** are directly caused by an insured peril not otherwise excluded by this Form;
- 6.2. the cost or expense for any testing, monitoring, evaluating or assessing of **fungi** or **spores**.

7. FAULTY OR IMPROPER MATERIAL, WORKMANSHIP, DESIGN EXCLUSION

This Form does not insure the cost of making good faulty or improper:

- 7.1. material;
- 7.2. workmanship;
- 7.3. design;

This exclusion (7.) does not apply to loss or damage caused directly by a resultant insured peril not otherwise excluded in this Form.

8. OTHER EXCLUDED LOSSES

This Form does not insure loss of or damage to property insured caused directly or indirectly:

- 8.1. DISHONEST OR CRIMINAL ACT
 - 8.1.1. by any dishonest or criminal act committed by the **Insured** or any agent of the **Insured**, acting alone or in collusion with others (except bailees for hire);
 - 8.1.2. by theft or attempted theft committed by any employee of the **Insured**, acting alone or in collusion with others;
 - 8.1.3. by any dishonest or criminal act committed by anyone, except as stated in 8.1.2., when the **Insured** or any agent of the **Insured** knew or ought to have known prior to the loss or damage, of the dishonest or criminal act.
- 8.2. WEAR AND TEAR, DEFECTS
 - 8.2.1. by wear and tear;
 - 8.2.2. by rust or corrosion;
 - 8.2.3. by gradual deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

This exclusion (8.2.) does not apply to loss or damage caused directly by a resultant insured peril not otherwise excluded in this Form.
- 8.3. DRUG
 - 8.3.1. **drug operations**;
 - 8.3.2. any activity or decision of a government agency or other entity to prevent, respond to or terminate **drug operations**;

where the **Insured** or any agent of the **Insured** knew or ought to have known of the **drug operations** prior to the loss or damage. Unless the **Insured** or any agent of the **Insured** already knows that loss or damage has occurred, this exclusion does not apply if, upon becoming aware of **drug operations**, the **Insured** or any agent of the **Insured** immediately notifies the police and the Insurer.
- 8.4. SETTLING, EXPANSION, SHIFTING OR CRACKING

settling, expansion, contraction, moving, shifting or cracking. This exclusion does not apply to loss or damage caused directly and concurrently by an insured peril not otherwise excluded in this Form.
- 8.5. ATMOSPHERIC OR TEMPERATURE CHANGES, SUPPLY INTERRUPTION
 - 8.5.1. dampness or dryness of atmosphere;
 - 8.5.2. changes in or extremes of temperature, heating or freezing;
 - 8.5.3. total or partial interruption to the supply of electricity, water, gas or steam.
 - 8.5.4. shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, or change in colour or texture or finish;
 - 8.5.5. contamination;
 - 8.5.6. marring, scratching or crushing.

This exclusion (8.5.) does not apply to loss or damage caused directly to farm products arising from:

 - 8.5.7. **named perils**;
 - 8.5.8. theft or attempted theft;
 - 8.5.9. an accident involving a transporting conveyance containing such **farm products**.

EXTENSIONS OF COVERAGE

If a loss is covered by several coverages or extensions of coverage that are identical, similar or of the same nature, whether in this form or in another form or endorsement attached to this Policy, resulting in duplication of coverage, only the coverage with the highest limit shall apply. When direct physical loss or direct physical damage gives rise to the application of more than one distinct coverage, all of such coverages may apply.

The following Extensions of coverage are being offered and are not subject to the **CO-INSURANCE CLAUSE** under the **SPECIAL PROVISIONS** section of this Form, unless otherwise stated in a specific Extension of coverage.

1. EXTENSIONS OF COVERAGE INCLUDED IN THE AMOUNTS OF INSURANCE

The following Extensions of coverage shall not increase the amounts of insurance stated in the Declaration Page(s) and are being offered on a broad form basis only.

1.1. SALVAGE

The insurance provided by this Form is extended to cover expenses related to the prevention or protection of the **farm products** in order to mitigate or prevent direct physical loss or direct physical damage to such **farm products**, arising from an insured peril.

Reimbursement of expenses shall be paid by the Insurer according to the amount of insurance remaining after payment of the loss (notwithstanding the reinstatement clause provided elsewhere in this Policy). This Extension of Coverage also includes reasonable transportation expenses incurred during the preventive removal of such **farm products**, without increasing the amount of insurance.

1.2. **UNSCHEDULED FARM PRODUCTS OWNED BY OTHERS**

The insurance provided by this Form is extended to cover direct physical loss or direct physical damage caused to **farm products** owned by others which the **Insured** is under obligation to keep insured or for which he may be held legally liable, for which no description and no amount of insurance are specified in the Declaration Page(s).

This Extension is limited, in respect of any one occurrence, to 10% of the amount of insurance applicable to Farm Products owned by the **Insured**, for which an amount of insurance is specified in the Declaration Page(s).

The insurance afforded by this Extension of Coverage shall apply as excess over any other valid and collectible insurance available to the **Insured** or any other interested party, unless the **Insured** has no other valid and collectible insurance, in which case this Extension of Coverage shall be primary.

1.3. **CONSEQUENTIAL LOSS ASSUMPTION CLAUSE FOR BULK MILK TANK CONTENTS**

In the event of an interruption of the main electrical power service or of an insured peril to an insured **farm building** or an insured **building equipment**, the insurance provided by this Form is extended to cover direct physical loss or direct physical damage caused to insured milk inside bulk milk tanks, up to a maximum of \$5,000 in respect to any one occurrence.

2. **EXTENSIONS OF COVERAGE IN ADDITION TO THE AMOUNTS OF INSURANCE**

The following Extensions of coverage apply in addition to the amounts of insurance stated in the Declaration Page(s) and are being offered on a broad form basis only.

2.1. **FIRE OR POLICE DEPARTMENT SERVICE CHARGES**

The insurance provided by this Form is extended to cover service charges assessed when a fire or police department is called to save or protect the insured property from fire or another insured peril at the **premises** specified in the Declaration Page(s) or off-**premises**, up to a maximum of \$25,000 in respect to any one occurrence.

This Extension of coverage only provides reimbursement for service charges for which the **Insured** is liable and which have been invoiced directly from:

2.1.1. the **Insured's** municipal fire or police department; or

2.1.2. a neighbouring municipality's fire department or police department for which there is an inter-municipal agreement.

2.2. **DEBRIS REMOVAL**

The insurance provided by Farm Products Form is extended to cover expenses incurred by the **Insured** in the removal from the **premises** of debris of the **farm products**, caused by direct physical loss or direct physical damage, for which such direct physical loss or direct physical damage is caused by an insured peril under this Farm Product Form.

This Extension of Coverage does not apply to costs or expenses:

2.2.1. to **clean up pollutants** from land or water; or

2.2.2. for testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**.

This Extension of Coverage is limited, in respect of any one occurrence, to the lesser of \$250,000 or 10% of the amount of insurance stated in the Declaration Page(s) applicable to Farm Products.

2.3. **PEAK SEASON INCREASE (APPLICABLE TO FERTILIZER AND CHEMICALS ONLY)**

The amount of insurance shown in the Declaration Page(s) insured under this Form shall be automatically increased by 25% to provide for seasonal variations, for fertilizer and chemicals only.

However, this insurance shall not apply unless the amount of insurance shown in the Declaration Page(s) for **farm products** is 100% or more of the **Insured's farm products** average monthly values for the 12 months immediately preceding the latest effective date (inception or renewal), or in the event the **Insured** has been in business for less than 12 months, such shorter period of time.

2.4. **FARM PRODUCTS ON NEWLY ACQUIRED LOCATION**

The insurance provided by this Form is extended to cover direct physical loss or direct physical damage caused to **farm products** at any newly acquired location, within Canada or the continental United States of America, that is owned, rented or controlled by the **Insured** for the purposes stated in the Declaration Page(s), in whole or in part, and in or on, **automobiles** within 100 metres (328 feet) of such locations, up to a maximum recovery of \$100,000 in respect to any one occurrence.

All **farm products** on each newly acquired location shall be added on this Policy retroactively to the date of acquisition and is subject to the payment of the prorated additional premium for the addition of such **farm products**.

This Extension of Coverage shall take effect at the time of the acquisition and shall cease:

2.4.1. sixty (60) consecutive days after the date of acquisition; or

2.4.2. at the inception of more specific insurance insuring the **farm products** located at the new acquired location; or

2.4.3. at the expiry date of this Policy;

whichever occurs first.

This Extension of Coverage applies only to **farm products** when on newly acquired location by the **Insured**, except for those already covered under the extension **2.5. NEWLY ACQUIRED FARM PRODUCTS**.

2.5. **NEWLY ACQUIRED FARM PRODUCTS**

The insurance provided by the Farm Products Form is extended to cover direct physical loss or direct physical damage caused to newly acquired **farm products**, within Canada or the continental United States of America.

All newly acquired **farm products** shall be added on this Policy retroactively to the date of acquisition and is subject to the payment of the prorated additional premium for the addition of such newly acquired **farm products**.

This Extension of Coverage shall take effect at the time of the acquisition of such **farm products** and shall cease:

2.5.1. sixty (60) consecutive days after the date of acquisition; or

2.5.2. at the inception of more specific insurance insuring the new acquired **farm products**; or

2.5.3. at the expiry date of this Policy;

whichever occurs first.

This Extension of Coverage is limited to 30% of the amount of insurance stated in the Declaration Page(s) applicable to Farm Products and applies only to newly acquired **farm products** by the **Insured**, except for those already covered under the extension of Coverage **2.4. FARM PRODUCTS ON NEWLY ACQUIRED LOCATION**.

SPECIAL PROVISIONS

1. DEDUCTIBLE

The Insurer is liable for the amount by which the direct physical loss or direct physical damage caused by an insured peril exceeds the amount of the deductible specified in the Declaration Page(s) in any one occurrence. However, the deductible does not apply if the payable indemnity amount:

- 1.1. reaches ten times the amount of the deductible stated in the Declaration Page(s), before applying such deductible; and
- 1.2. is more than \$25,000.

If more than one **agricultural property form** is involved in one occurrence or several insured perils occur at the same time contributing to the loss, and different deductibles apply, only the highest of those deductibles stated in the Declaration Page(s) will apply to the damages insured under those forms.

2. CO-INSURANCE

This clause applies separately to each Form for which a co-insurance percentage is specified in the Declaration Page(s).

The **Insured** shall maintain insurance concurrent with this Form on the insured property to the extent of at least the amount produced by multiplying the value of the property as defined under Item 3. **BASIS OF VALUATION** of the **SPECIAL PROVISIONS** by the co-insurance percentage specified in the Declaration Page(s). The Co-Insurance clause shall be applicable to the value of the property as determined by the basis of valuation stated in the Declaration Page(s). If the **Insured** fails to do so, the **Insured** shall be entitled to recover only that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

This clause applies only where the amount of loss or damage exceeds \$25,000 per Form.

3. BASIS OF VALUATION

Farm Products value shall be determined as **Actual Cash Value** as stated in the Declaration Page(s):

- 3.1. unsold **farm products**: the **actual cash value** at the time and place of loss or damage, but not exceeding what it would cost to repair or replace with material of like kind and quality;
- 3.2. sold **farm products**: the selling price after allowance for discounts;
- 3.3. all other insured property under this Form and for which no more specific conditions have been set out: the **actual cash value** at the time and place of loss or damage, but not exceeding what it would then cost to repair or replace with material of like kind and quality;
- 3.4. if the **Insured** produces feed, grows forage for the **livestock's** needs on the farm or for dairy operations, the basis of valuation shall include the cost of transportation to the **Insured's premises** including the hiring of a common carrier. However, the cost of transportation is not subject to the co-insurance clause above;
- 3.5. this clause applies separately to each item listed in the Declaration Page(s);
- 3.6. **Actual cash value** means various factors that shall be considered in the determination of **actual cash value**. The factors to be considered shall include, but not be limited to, market value. In determining depreciation, consideration shall be given to the condition of the **farm product** immediately before the damage, the resale value, the normal life expectancy of such **farm product**.

4. PROPERTY PROTECTION SYSTEMS

- 4.1. If the **Insured** has represented to the Insurer the existence of:
 - 4.1.1. sprinkler or other fire extinguishing system; or
 - 4.1.2. fire detection system; or
 - 4.1.3. intrusion detection system; or
 - 4.1.4. electrical failure detection system;

the **Insured** shall immediately notify the Insurer of any interruption to, or flaw or defect of such systems and also of the cancellation or non-renewal of any contract which provides monitoring or maintenance services to any of these systems or, of the notification of the suspension of police service in response to any of these systems. Failure of the **Insured** to comply with this warranty shall suspend the related property coverages until the **Insured** respects the abovementioned obligations arising from this warranty clause.

5. PROPERTY OF OTHERS

At the option of the Insurer, any loss may be paid to the **Insured** or adjusted directly with the owner of the property and paid such owner.

6. PREMIUM ADJUSTMENT – FARM PRODUCTS

If, within six months after the expiry or anniversary date of each policy period, the **Insured** shall file with the Insurer a premium adjustment request, for the policy period, the value of the **farm products** on the last day of each month at each **premises** as commented upon by the **Insured**, the actual premium for the policy period shall then be calculated at the rate applying to each **premises** for the average amount of the total values declared. If the premium paid by the **Insured** for such **farm products** exceeds the actual premium thus calculated, the Insurer shall refund to the **Insured** any excess paid, subject to a maximum refund of 50% of the premium paid. In the event of any monthly declared values being in excess of the amount of insurance, the amount of the excess shall not be included in the premium adjustment calculations.

DEFINITIONS

Wherever used in this Form:

1. **Agricultural Property Forms** means:

- 1.1. Agricultural Property Coverage - Farm Buildings and/or Building Equipment Forms;
- 1.2. Agricultural Property Coverage - Farm Equipment Form;
- 1.3. Agricultural Property Coverage - Farm Products Forms;
- 1.4. Agricultural Property Coverage - Livestock Forms.

2. **Automobile** means any land motor vehicle, trailer or semi-trailer, with any attached machinery or equipment, including any private passenger vehicle, truck, moped, lightweight motorcycle, motorcycle, snowmobile, toy vehicle, recreational vehicle or all-terrain vehicle (ATV).

3. **Building equipment** means:

- 3.1. generally all contents including furniture, furnishings, fittings, accessories, equipment, machinery, utensils, fixtures and appliances, usually used inside a specific **farm building** for the **Insured's** activities both described in the Declaration Page(s);
- 3.2. spare parts of the contents and equipment described under the above sub-paragraph;

- 3.3. similar property belonging to others which the **Insured** is under obligation to keep insured or for which he is legally liable;
- 3.4. tenant's improvements, which are defined as **farm building** improvements, alterations and betterments made at the expense of the **Insured** to a **farm building** occupied by the **Insured** and which are not otherwise insured, provided the **Insured** is not the owner of such **farm building**. If the **Insured** purchased the use interest in tenant's improvements made by a predecessor tenant, this Form applies as though such tenant's improvements had been made at the expense of the **Insured**.
4. **Clean up** means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization, or remediation of **pollutants**, including testing which is integral to any of these processes.
5. **Cord** means wood volume of 128 cubic feet (3.625 cubic metres).
6. **Data** means representations of information or concepts, in any form.
7. **Data problem** means:
 - 7.1. erasure, destruction, corruption, misappropriation, misrepresentation of **data**;
 - 7.2. error in creating, amending, entering, deleting or using **data**; or
 - 7.3. inability to receive, transmit or use **data**.
8. **Drug operations** means all operations, including but not limited to, cultivating, harvesting, processing, manufacturing, storage, warehousing, distributing or selling of any controlled substance listed in the *Controlled Drugs and Substances Act*, (S.C.1996, c.19), or any similar substance not listed in such act.
9. **Farm building(s)** means, the building(s) described on the Declarations Page(s) and includes, if not specifically insured:
 - 9.1. fixed structures pertaining to the **farm building(s)** and located on the **premises**. Such structures include, but are not limited to, signs attached to the **farm building(s)**;
 - 9.2. additions and extensions communicating and in contact with the **farm building(s)**;
 - 9.3. permanent fittings and fixtures attached to and forming part of the **farm building(s)**, such as lighting, heating, air conditioning and ventilation systems;
 - 9.4. materials, equipment and supplies on the **premises** for maintenance of, and normal repairs and minor alterations to the **farm building** or for **farm building** services;
 - 9.5. growing plants, trees, shrubs or flowers inside the **farm building**, not held for sale and used for decorative purposes of the **farm building**, when the **Insured** is the owner of the **farm building**;
 - 9.6. stationary mobile homes maintained on permanent foundations, connected to electrical, water, sewage systems or septic tanks and located on the **premises** used:
 - 9.6.1. for farm operations; or
 - 9.6.2. as dorms or facilities for the employees of the **Insured**.
10. **Farm equipment** means:
 - 10.1. **tools**;
 - 10.2. machinery and implements that are not fixed to any building or the ground, whether self-propelled or not, including their GPS system, accessories and spare parts; that are usual and incidental to a farming operation.
11. **Farm products** means:
 - 11.1. **farm products** of the soil when picked, gathered or harvested;
 - 11.2. milk and eggs;
 - 11.3. honey and maple syrup (including their pure derived products);
 - 11.4. **farm products** washed with water, **farm products** refrigerated for conservation;
 - 11.5. **farm products** grown in greenhouses or grown in vertical farming buildings, only if shown in the Declaration Page(s);
 - 11.6. semen, non-implanted embryos and semen tanks kept in use at your **premises**, only if shown in the Declaration Page(s);
 - 11.7. **processed farm products** of the **Insured** for resale, only if shown in the Declaration Page(s);
 - 11.8. packing, wrapping and advertising materials for **farm products**;
 - 11.9. products used for or produced in the farm operations, including feed for livestock, seeds, chemicals, fertilizers, herbicides, pesticides, fuel, motor oil, lubricant, cleaning products, non-installed wire for fences, drains and pickets, firewood intended for sale (maximum 100 **cords**) or for the use of the farm, but does not include standing lumber.
12. **Fire protective equipment** includes tanks, **watermains**, hydrants, valves and any other apparatus whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
 - 12.1. branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
 - 12.2. any **watermains** or appurtenances located outside of the **premises** and forming a part of the public water distribution system;
 - 12.3. any pond or reservoir in which the water is impounded by a dam.
13. **Fungi** includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any **fungi** or **spores** or resultant mycotoxins, allergens, or pathogens.
14. **Insured**, if an individual, means the person(s) named as **Insured** in the Declarations Page(s) and, while living in the same household:
 - 14.1. his or her **spouse**;
 - 14.2. the relatives of either;
 - 14.3. any person under 21 years of age in their care;
 - 14.4. any **student**.
15. **Leakage from Fire Protective Equipment** means:
 - 15.1. the leakage or discharge of water or other substances from;
 - 15.2. the collapse of;
 - 15.3. the rupture due to freezing of;**fire protective equipment** for the **premises** or for adjoining structures.
16. **Livestock** means animals, birds, fish or insects.
17. **Loading** means moving Property Insured from a location immediately adjacent to a **automobile**, whether a **loading** dock, a platform or the ground, into or onto the **automobile**.
18. **Named Perils** means:
 - 18.1. FIRE OR LIGHTNING;
 - 18.2. EXPLOSION of natural, coal or manufactured gas;
 - 18.3. IMPACT BY AIRCRAFT, SPACECRAFT OR AUTOMOBILE: The terms "aircraft" and "spacecraft" include articles dropped therefrom. There shall in no event be any liability for loss or damage caused:

- 18.3.1. to aircraft, spacecraft or **automobiles** causing the loss;
- 18.3.2. by any aircraft or spacecraft when being taxed or moved inside or outside of a **farm building**.
- 18.4. RIOT, VANDALISM OR MALICIOUS ACTS. The term "riot" includes open assemblies of strikers inside or outside the **premises** who have quitted work and of locked-out employees. There shall in no event be any liability for loss or damage:
- 18.4.1. due to cessation of work or by interruption to process or business operations, or by change in temperature;
- 18.4.2. due to flood or release of water impounded by a dam, or due to any explosion other than an explosion in respect of which there is insurance under sub-paragraph 18.2. Explosion hereinabove.
- 18.4.3. due to theft or attempted theft.
- 18.5. SMOKE due to a sudden, unusual and faulty operation of any stationary furnace, heating unit or cooking unit, but not smoke from fireplaces. This peril does not include smoke from agricultural smudging or industrial operations. There shall in no event be any liability for any cumulative damage.
- 18.6. **LEAKAGE FROM FIRE PROTECTIVE EQUIPMENT;**
- 18.7. WINDSTORM OR HAIL:
- This Form does not insure loss of or damage:**
- 18.7.1. 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, high water, overflow, flood, waterborne objects, waves, ice, land subsidence or landslide;
- 18.7.2. to **farm products** contained inside wooden silos, greenhouses and tunnels;
- 18.8. FALLING OBJECT:
- means a falling object which strikes the exterior of a **farm building** or creates an opening damaging **farm products**. This insurance does not insure loss or damage arising from snowslide or landslide;
- 18.9. THEFT OR ATTEMPTED THEFT;
- 18.10. EARTHQUAKE OR FLOOD, including waves, tides, tidal waves, tsunamis or the breaking out or overflow of any natural or artificial body of water.
All earthquake shocks which occur within 168 consecutive hours, commencing during the policy period on or after the effective date of this endorsement shall be considered a single earthquake. The expiration of this policy will not reduce the 168-hour period;
- 18.11. ACCIDENTAL COLLISION, UPSET, DERAILMENT OR OVERTURN OF A LAND VEHICLE, ATTACHED TRAILER OR ANY OTHER LAND CONVEYANCE means an accidental contact of a land vehicle with another land vehicle, with an object or with an animal, while the **farm products** are being transported.
- The following shall not be deemed a collision:**
- 18.11.1. buffering or collision between railroad cars, trailers attached to motor vehicles or tractors during coupling or uncoupling operations;
- 18.11.2. striking a sidewalk, a roadway, rails or railways;
- 18.11.3. striking a fixed object while backing up for purposes of **loading or unloading**;
- 18.11.4. breakage due to normal handling of such **farm products** during **loading or unloading**.
- 18.12. STRANDING, SINKING, BURNING OR COLLISION OF VESSELS on which the **farm products** is being transported, including general average and salvage charges incurred while waterborne on land conveyances on board any regular ferry while operated on inland or coastal waters only;
- 18.13. COLLAPSE OF BRIDGES, CULVERTS, RAMPS OR DOCKS;
- 18.14. COLLAPSE OF BUILDINGS. There shall in no event be any liability for loss or damage directly or indirectly caused by windstorm, hail, snow-load or ice-load to **farm products** contained inside wooden silos, greenhouses or tunnels.
19. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
20. **Premises** means:
- 20.1. the entire area within the property lines at the location(s) described in the Declaration Page(s) or at any newly acquired location, including:
- 20.1.1. areas under adjoining sidewalks and driveways;
- 20.1.2. in or on **automobiles** within 100 metres (328 feet) of such property lines described in 20.1.;
- 20.2. in the open within 305 metres (1000 feet) of such property lines described in 20.1.
21. **Processed farm products** means products that are:
- 21.1. no longer in their natural state; or
- 21.2. cooked, canned, bottled, cut, peeled, dried or frozen;
22. **Spores**, includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any **fungi**.
23. **Spouse** means:
- 23.1. a person who is married to or has entered into a civil union with another person and is living with that person.
- 23.2. a person who is not married but lives in a marital relationship in the same household for at least one year with another person who is publicly presented as his or her **spouse**.
- Such person will be considered to be a **spouse** in the following cases:
- 23.2.1. a child has been born or is to be born of their union;
- 23.2.2. they have adopted a child together;
- 23.2.3. one of them has adopted a child of the other.
24. **Student** means a person who is enrolled in and actually attends a school, college or university on a full time basis and who is dependent on the Named **Insured** or his or her **spouse** for support and maintenance, even if temporarily residing away from the principal residence.
25. **Terrorism** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.
26. **Tools** means any device, apparatus or instrument, lightweight and transportable by the strength of a single individual, used for machinery, equipment or building repair, construction or maintenance.
27. **Unloading** means moving Property Insured from a **automobile** to a location immediately adjacent to the **automobile**, whether a **loading** dock, a platform or the ground, where it is finally delivered.
28. **Watermain** means a pipe forming a part of a water distribution system, which conveys water but not wastewater.