

AGRICULTURAL PROPERTY COVERAGE

EXTENSION OF COVERAGE – FARM BUILDING IN CONSTRUCTION OR MAJOR RENOVATION

This Endorsement Changes the Policy. Please Read It Carefully.

Certain words and phrases that appear in bold have special meaning as defined in the form to which this Endorsement is attached.

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

This Endorsement is attached to the Farm Buildings and/or Building Equipment Form, and, except as otherwise provided under this endorsement, is subject to all terms, conditions, limitations, and exclusions of such Form.

The insurance provided by this Form is extended to cover direct physical loss or direct physical damage caused to **farm buildings** and/or **building equipment** in course of construction, installation, re-construction or repair on the **premises** for the period shown on the Declaration Page(s).

1. The definition of **farm building(s)** is amended to add the following property, provided that the value of the described property is included in the amount of insurance:
 - 1.1. the property described below, at the **premises**, whether owned by the **Insured** or by others:
 - 1.1.1. property in course of construction or installation, all to enter into and form part of the completed project including expendable materials and supplies, not otherwise excluded, necessary to complete the project;
 - 1.1.2. temporary buildings, scaffolding, falsework, forms, hoardings, excavation, site preparation and similar work, but only to the extent that replacement or restoration is necessary to complete the project;
 - 1.2. the property described above, while in transit anywhere in Canada or continental United States of America, acquired by the **Insured** and to be installed on the **premises**.

This Form does not insure:

2. contractors' tools and equipment including spare parts and accessories whether owned, loaned, hired, or leased, except the property described under sub-paragraph 1.1.2.;
3. fines, penalties or compensatory damages for non-completion of, delay in completion of contract or non-compliance with contract conditions. This Form does not insure costs incurred by the **Insured** solely in an effort to eliminate or reduce such fines, penalties or compensatory damages;
4. loss or damage caused directly or indirectly by cessation of work or by interruption of construction, unless directly caused by a peril otherwise insured in this form.

The following sub-paragraphs are added to paragraph 3. **BASIS OF EVALUATION** under the **SPECIAL PROVISIONS** Section of such Form.

PREMIUM ADJUSTMENT

The premium shown on the Declaration Page(s) of this Form is provisional. Within 30 days after the termination or expiration of this insurance, the **Insured** shall report to the Insurer the actual completed contract price and the value of any property not included in such completed contract price and insured by this Form or, in the absence of a contract price, the **Insured** shall report the total completed value of the project.

The actual premium shall be calculated, from the inception date of this extension of coverage, on the total value so reported at the rate shown on the Declaration Page(s). If the premium so calculated exceeds the provisional premium, the **Insured** shall pay to the Insurer the amount of such excess. If such premium is less than the provisional premium, the Insurer shall refund to the **Insured** the amount of the difference. Nothing in this clause shall increase the limit of the Insurer's liability.

This Extension is limited to the amount of insurance shown on the Declaration Page(s) for the **farm building** and/or **building equipment** being built.

The Insurer is liable for the amount by which the loss or damage caused by a peril insured exceeds the amount of the deductible specified on the Declaration Page(s) in any one occurrence.

All other terms and conditions of the Policy remain unchanged.