

**AGRIBUSINESS LIVESTOCK FORM**  
WORDS AND PHRASES IN QUOTATIONS HAVE SPECIAL MEANING

**Indemnity Agreement**

1. In the event that any of the property insured be lost or damaged by the perils insured against, "we" will indemnify "you" against the direct loss so caused to an amount not exceeding whichever is the least of:
  - a. the "actual cash value" of the property at the time of loss or damage;
  - b. "Your" interest in the property;
  - c. the amount of insurance specified in the "Declaration Page" in respect of the property lost or damaged.Provided, however, that where the insurance applies to the property of more than one person or interest, "our" total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the amount or amounts of insurance specified in the "Declaration Page".

**Property Insured**

2. This form insures:
  - a. "livestock" owned by "you" including similar property belonging to others held in trust, on consignment or commission, or sold but not yet removed from the "premises", and for which "you" are obligated to keep insured, or for which "you" are legally liable or responsible anywhere within the territorial limits of Canada and the Continental United States of America and inland and coastal waterways.

**Limit of Liability**

3. "Our" liability in any one loss, casualty or disaster including salvage charges or other expenses all combined is limited to the amounts shown on the "Declaration Page".

**Deductible**

4. "We" are liable for the amount by which the loss or damage caused by any of the perils insured against exceeds the amount of the deductible specified on the "Declaration Page".

**Co-Insurance**

5. If the "Declaration Page" shows that a co-insurance percentage applies to any item, this clause will apply only where the total loss exceeds the lesser of 2% of the applicable amount of insurance or \$5,000. If no co-insurance percentage appears on the "Declaration Page" it is understood that the co-insurance percentage applicable to Machinery and Equipment, "Livestock" and Produce shall be 80%.

The Insured is required to maintain a limit of insurance on each item to which this clause applies equal to at least the amount that is calculated when the Co-insurance percentage designated on the "Declaration Page" (or 80% for Machinery and Equipment, "Livestock" and Produce) is multiplied against the actual cash value of the insured property at the time of the loss. Failure to do so will result in the Insured only being entitled to recover 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.

**Insured Perils**

6. This form insures against loss of "livestock" directly resulting from:
  - a. Fire;
  - b. Lightning;
  - c. Explosion: This peril does not include loss or damage caused by explosion of steam pressure vessels when their normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
  - d. Smoke: including loss from smoke due to the sudden, unusual and faulty operation of any heating unit; except loss or damage by smoke from any industrial or agricultural smudging operations, woodstove or any intentional fire set by "you" is excluded;
  - e. Windstorm, cyclone, tornado and/or hurricane;
  - f. Hail;
  - g. Riot: includes open assemblies of strikers inside or outside the "premises" who have quitted work and of locked-out employees, or a civil commotion;
  - h. "Earthquake";
  - i. Collapse of any "farm building", bridge or culvert, any falling structure, tree, or part thereof;
  - j. "Flood";
  - k. Collision, upset or overturn of any transporting vehicle;
  - l. Impact by aircraft or spacecraft or land vehicle: aircraft and spacecraft includes articles dropped from these vehicles. There is no liability due to cumulative damage or for loss or damage:
    - a. caused by land vehicles belonging to "you" or under the control of "you" or any of "your" employees,
    - b. to aircraft, spacecraft or land vehicles causing the loss,
    - c. caused by any aircraft or spacecraft when being taxied or moved inside or outside of any "farm building";
  - m. Stranding, sinking, burning or collision of any regular ferry, including general average and salvage charges;
  - n. Theft or burglary but excluding mysterious disappearance or escape;
  - o. Accidental death caused by drowning, or by the actions of predatory animals (including non-owned dogs), or by accidental discharge of firearms by persons other than "you" or "your" employees. Loss as a result of actions of predatory animals will only be in excess of any government compensation scheme available to "you";
  - p. Electrocutation;
  - q. Blizzard, snowstorm, sleet storm or rainstorm;
  - r. Vandalism and malicious acts;
  - s. Power interruption;
  - t. Electrical or mechanical breakdown of the heating or ventilation systems of the "farm building" in which the insured "livestock" are confined;
  - u. Huddling, piling, smothering, freezing, or stampeding: this peril does not apply unless it is the immediate and direct result of one of the perils a. to t. above causing actual physical damage to the "farm buildings" in which such insured "livestock" are confined;
  - v. Entrapment: This peril means the accidental and involuntary physical restraint of "livestock" resulting in the death or destruction of the entrapped "livestock". There is no coverage under this peril:
    1. for "livestock" in the process of being bred, either by natural or artificial means,
    2. for death due to animal birth or while the animal is birthing,
    3. for "livestock" in transit or while being loaded or unloaded,

4. for choking on objects, food, bloat or medicine taken,
5. for any "livestock" which contracted a disease or is sick prior to entrapment,
6. for "livestock" being handled or forcibly restrained for care or treatment,
7. for death caused by huddling, piling, smothering, freezing or stampeding,
8. for death resulting from physical injury due to "livestock" having been split,
9. for suffocation of "livestock" in their own fluids, when caused by the "livestock's" natural inability to regain an upright position;

- a. Fumes;
- b. Water escape from burst or ruptured pipes;
- c. Accidental falling out of vehicles while being transported;

**Optional "Livestock" Perils**

- d. Heat prostration: Optional "livestock" coverage applies if indicated on the "Declaration Page".

For coverage to apply, the following must be in place:

1. The "farm buildings" housing the "livestock" insured contain specifically designed cooling, heating, and ventilation units in working order adequate for the risk and operating at maximum capacity at the time of loss;
2. "You" shall maintain, at all times, an operating generator of sufficient capacity to produce an alternative source of electricity to the "farm building(s)" housing the "livestock" insured;
3. "You" shall test the generator every 30 days to ensure it is generating sufficient electricity and maintain verifiable records of the dates such tests were made and allow "us" to have access to these records upon request;
4. "You" shall maintain at all times, an operating alarm system monitoring power interruption in areas of the "farm building" housing the "livestock". "You" further agree to test the alarm system every 30 days to ensure it is operating properly and to maintain verifiable records of the dates such tests were made and allow "us" to have access to these records upon request;
5. You shall immediately notify "us" in writing of any interruption, flaw or defect in the aforementioned generating and/or alarm systems;
6. Mechanical breakdown of equipment supplying services on the "premises";
7. The stocking density of the "livestock" in the "farm building" at the time of loss is not greater than the total maximum weight shown on the "Declaration Page".

There is no coverage for heat prostration for loss resulting from:

1. Any intentional interruption or disconnection of electrical power supply;
2. Any maintenance procedures usual to the operation while the systems are being worked upon;
3. Failure to have all ventilation fans operating at maximum capacity;
4. The stocking density exceeds the total maximum weight shown on the "Declaration Page".

A deductible of 5 percent of the loss shall be applied subject to a minimum of \$1,000 deductible, and maximum \$2,500 deductible, whichever is greater.

**"Livestock" Loss or Damage Not Insured**

7. "We" will not pay under this Part for loss resulting from or arising out of:
  - a. Death or destruction of "livestock" due to or made necessary by sickness or disease whether or not such loss be in any way caused by, contributed to or aggravated by any of the perils insured against by this form;
  - b. Death or destruction of any diseased "livestock" that dies or is destroyed as a result of any of the perils insured against;
  - c. Mysterious disappearance or other unaccountable shortage;
  - d. Loss of market or loss or damage caused by delay;
  - e. Any "livestock" that have become non-functional for the purpose which the "livestock" are kept;
  - f. Loss or damage resulting from any dishonest act by "you" or other party of interest or employees or agents or any person to whom the "livestock" may be entrusted (bailees for hire excepted);

**General Exclusions**

8. "We" will not pay under this form for loss resulting from or arising out of:
  - a. Mould, "Fungi" and "Spores": Loss or damage by any "fungi" or "spores" unless such "fungi" or "spores" are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this form; as well as the cost or expense for any testing, monitoring, evaluating or assessing of "fungi" or "spores".
  - b. Nuclear: This form does not insure any loss or damage caused directly or indirectly by:
    1. Any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
    2. Contamination by radioactive material.
  - c. Pollution: This form does not insure 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".
  - d. "Terrorism" This form does not insure any loss or damage caused directly or indirectly, in whole or in part, by "terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "terrorism" regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but "you" are still insured for ensuing loss or damage which results directly from fire or explosion.
  - e. War: This form does not insure any loss or damage caused directly or indirectly by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.

**Extensions of Coverage**

9. This form extends to cover additional items listed below:

**A. Debris Removal:**

"We" will pay the cost of removing debris of the "livestock" as a result of any Insured Peril. When the damage to the insured "livestock" plus the cost of "clean up" and removal of debris exceed the limit of insurance for the damaged "livestock", an additional 10% of the limit of insurance on the "livestock" as shown in the "Declaration Page", will be available to cover debris and carcass removal expenses. This extension does not insure against direct or indirect loss, damage, cost or expense, arising out of the "clean up", removal, containment, treatment, detoxification, decontamination, stabilization, neutralization or remediation resulting from any actual, alleged, potential or threatened spill, discharge, emission,

dispersal, "seepage", "leakage", migration, release or escape of "pollutants". Further, the extension does not insure against direct or indirect loss, damage, cost or expense for 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".

**B. Mitigation:**

"We" will pay costs incurred to protect or secure "livestock" insured by this form against further potential loss or damage by an insured peril immediately following an insured occurrence. Mitigation costs include costs to transport insured "livestock" to another facility to save and protect the "livestock" from further loss or damage.

**C. Impending Peril:**

In the event a peril covered by this form is an immediate threat to cause loss or injury to the "farm buildings and "livestock" insured, "we" agree to pay all reasonable expense:

1. to move "livestock" to a safe location; and,
2. for temporary accommodation of "livestock".

**D. Newly Acquired "Livestock":**

If "you" acquire additional "livestock" similar to those insured by this form, "we" will automatically insure these under this form if "you" notify "us" within 60 days. "We" will pay a maximum of 25% of the total amount of insurance per class of "livestock" shown on the "Declaration Page", up to a limit of \$5,000 per class of "livestock" or the purchase price whichever is less.

**E. Non-owned "Livestock":**

"We" will insure "livestock" of others, not otherwise insured, while on "your" "premises" to a maximum limit of \$5,000 per class of "livestock". This extension does not apply to "livestock" which "you" are boarding for a fee.

**F. "Livestock" Medicines:**

"We" insure up to a maximum of 5% of the total limit of insurance for "livestock" shown in the "Declaration Page", for approved medication for "your" "livestock" while stored on "your" "premises" if damaged by any of the perils provided by this form.

**G. "Livestock" Roundup:**

"We" agree to pay for reasonable fees due to persons "you" employ to roundup "livestock" insured by this form or for which "you" are legally liable. "We" will also extend the Peril O. accidental discharge of firearms to cover "livestock" shot in the roundup to prevent bodily injury or property damage to others. The maximum limit "we" will pay for this extension is \$5,000.

**H. Exhibition Coverage:**

"We" will pay for loss or damage to "farm" "livestock" from the time it leaves "your" "premises", while at an exhibition site and while in transit to or from "your" "farm" "premises" for the perils insured by this form.

**I. Emergency Veterinary Expense:**

In the event of loss or damage to "your" "livestock" which is insured by this form, "we" will pay:

1. Veterinarian expenses incurred by "you" for emergency attendance and treatment of "your" "livestock" insured by this form by a qualified veterinarian surgeon, but only when made necessary by a peril for which the "livestock" is insured against;
2. Expenses incurred by "you" for euthanasia, meaning emergency humane destruction of "your" "livestock" insured by this form, but only when made necessary by a peril which the "livestock" is insured against;
3. The cost of veterinarian services which are incurred for the purpose of minimizing a loss under this form, or determining cause of death;

The most "we" will pay under this extension is \$10,000 in any one policy year aggregate and the coverage provided by this extension does not take effect until thirty (30) days after the inception date of this policy, and does not apply to newly acquired "livestock" until thirty (30) days after the date of such acquisition.

**J. "Working Farm Dog" Extension:**

"We" will pay up to \$1,500. in all for the following expenses for "your" "working farm dog" when an insured peril causes death, destruction, loss or injury:

1. Veterinary charges to treat, euthanize, bury or cremate "your" injured "working farm dog";
2. Costs associated with replacing "your" deceased "working farm dog" with one of a similar breed and pedigree;
3. Costs associated with training a replacement "working farm dog" if "your" deceased or injured "working farm dog" can no longer perform farming duties.

"We" do not insure loss or damage resulting from:

1. Theft, mysterious disappearance or escape;
2. Exposure to excessive hot or cold temperatures such as freezing, cold, snowstorms, or heatwaves;
3. Any other person at the direction of any person insured by this policy;
4. "Your" employees or other person(s) to whom the "working farm dog" is entrusted.

This coverage is not subject to a deductible.

## Conditions and Requirements after Loss

### Treatment and Notice of Injury

1. "You" must give immediate notice to "us" of damage or injury to "livestock" insured by this Part and "you" must at "your" own expense, provide for immediate adequate treatment by a qualified veterinarian.

### Necessary Euthanasia

2. When destruction of "livestock" is made necessary as a result of an Insured Peril, "you" must produce a certificate from a veterinarian to confirm the cause of injury or damage which necessitated the destruction.

### Removal and Confirmation

3. In the event of a loss by a suspected insured peril, the carcass(s) shall not be removed or disposed of without prior approval by "us". Attendance by a qualified veterinarian shall be required to confirm whether or not the death was the result of an insured peril and "we" will reimburse "you" for the cost of such veterinarian report.

### Government Subsidies

4. Payment will include any accrued subsidies (where applicable) but limited to payment in excess of any government compensation.

### Basis of Claim Settlement

5. "Our" liability shall be limited to whichever is the least of:
  - a. That proportion of "your" interest in the "livestock";
  - b. The market value of the "livestock" at the time of loss;
  - c. The limit of insurance for "livestock" provided on the "Declaration Page".

### Definitions

6. Wherever used in this Form:
  - a. "**Actual Cash Value**" means the cost of replacement of the property lost or damaged less any depreciation, and in determining depreciation, "we" will consider the condition immediately before the loss or damage, the resale value, the upkeep, condition and maintenance of such property and the normal life expectancy.
  - b. "**Barn**" means a "farm building" originally designed and built to house "livestock" and/or "farm produce", regardless of its present use.
  - c. "**Building**" means:  
the building(s) described on the "Declaration Page" and includes:
    - I. fixed structures pertaining to the building(s) and located on the "premises";
    - II. additions and extensions communicating and in contact with the building(s);
    - III. permanent fittings and fixtures attached to and forming part of the building(s);
    - IV. materials, equipment and supplies on the "premises" for maintenance of and normal repairs and minor alterations to the "building" or for building services;
    - V. growing plants, trees, shrubs or flowers inside the "building" used for decorative purposes when the Insured is the owner of the building.
  - d. "**Business**" means any full time or part time pursuit undertaken for financial gain including a trade, profession, job or occupation.
  - e. "**Clean up**" means expenses for the removal or neutralization of "pollutants".
  - f. "**Declaration Page**" means the section of "your" insurance policy containing the basic information such as "your" name and address, the description and location of the insured property, the policy term, the amount of coverage, and premium amounts.
  - g. "**Earthquake**" means snow slide, ice slide, landslide or other earth movements occurring concurrently with and directly resulting from an "earthquake" shock.
  - h. "**Farm**" means an area of land and "farm buildings" used for the growing of crops and/or raising of animals.
  - i. "**Farm Building(s)**" means "barns", implements sheds, storage buildings, private workshops, silos and "grain" bins that are owned by "you" which are designed and built for the storage or housing of "farm produce" and/or "livestock" or "farm machinery" including additions, extensions or lean-tos in contact with the "farm building". "Farm building" also includes materials and supplies on "premises" intended for use in construction, alteration, repair, service or maintenance of a "farm building" and fixtures attached to the "farm building" including ventilation fans, stabling, stalls, pens, and lighting.
  - j. "**Farm Machinery**" means all mobile machinery, "farm tools", equipment and implements used in the "farm" operation, only while in use for agricultural purposes, which are not fixed to any "farm building" or the ground. "Farm machinery" does not include vehicles subject to registration under any government authority.
  - k. "**Farm Tools**" means any device, apparatus or instrument which is independent of any other apparatus and is used on its own for machinery or "farm building" repair, construction or maintenance usual to a "farm" operation and not used for any "business".
  - l. "**Farm Produce**" means all harvested agricultural products of the soil including but not limited to, milk, eggs, fruit, "grain:" vegetables, "feed", fodder, hay, fertilizer, "farm" chemicals, herbicides, pesticides, straw, or silage. "Farm produce" does not include tobacco, lumber, and unharvested crops.
  - m. "**Feed**" means any ground "feed", manufactured and compounded stock foods and commercial "feed".
  - n. "**Flood**" includes, but is not limited to waves, tides, tidal waves, the overflow of any body of water, whether natural or man-made, breakage or overflow of man-made dikes, flood walls, levees or similar water control measures.
  - o. "**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.
  - p. "**Grain**" includes swathed "grain", seed, and swathed seed crops.
  - q. "**Leakage**" means the accidental entry, escape or release of water or other fluid through a gap, flaw or other opening.
  - r. "**Livestock**" includes, but is not limited to, "livestock" such as poultry, swine, sheep, goats, cattle, horses kept for use in the Insured's farming operation.
  - s. "**Pollutants**" means any solid, liquid, gaseous or thermal irritant, or contaminants including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" do not mean fuel oil that is contained in a "domestic fuel tank", apparatus or pipes used to heat "your" "dwelling".
  - t. "**Premises**" means "farm buildings" declared on the "Declaration Page" including the land immediately surrounding and belonging to it.
  - u. "**Seepage**" means the slow movement or oozing of water or other fluid through small openings, cracks or pores.

- v. **“Spores”** includes, but is not limited to, any reproductive particle or microscopic fragments produced by, emitted from or arising out of any “fungi”.
- w. **“Spouse”** means either of two persons who are:
  - a. Married to each other or who have together entered into a marriage that is voidable or void; or
  - b. Living together in a conjugal relationship outside marriage and have so lived together continuously for a period of three years or, if they are the natural or adoptive parents of a child, for a period of one year; or
  - c. Considered “spouses” under the Family Law Act, or its equivalent, in the jurisdiction in which the policy was issued.
- x. **“Student”** means any “student” insured by this policy, who is temporarily living away from home for the purposes of attending a school, college or university. The “student” must be a dependent of “you” or “your” “spouse” for support and maintenance in order for coverage on this form to extend to him/her.
- y. **“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.
- z. **“We”, “our” or “us”** means the Company or Insurer providing this insurance.
- aa. **“Working Farm Dog”** means any breed of dog specifically purchased, trained, able and being used for herding “farm” “livestock”.
- bb. **“You” or “your”** means the person(s) named as insured on the “Declaration Page” and, while living in the same household, his or her “spouse”, and the relatives of either or any person under the age of 21 years in their care. This includes any “student” insured by this policy, who is temporarily living away from home for the purpose of attending a school, college or university.

“You” and “your” also includes a corporation if such entity is shown on the “Declaration Page” of this policy. Only the person or entity named on the “Declaration Page” may take legal action against “us”.