

AGRIBUSINESS MOBILE MACHINERY AND EQUIPMENT 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 or 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 Mobile "farm machinery" and equipment as described in the "Declaration Page":
 - a. the property owned by "you";
 - b. the property of others of a similar nature in "your" custody or control and for which "you" are legally liable, anywhere within Canada and the Continental United States.

Deductible

3. "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

4. 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

5. This form, except herein provided, insures against All Risks of direct physical loss of or damage to the property insured subject to the exclusions and conditions in this form.

Exclusions

6. A. Property Excluded or Limited

This Form does not insure loss or damage to:

- a. automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property, but this exclusion shall not apply to watercraft, amphibious or air cushion vehicles held for sale, unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the "premises" of the Insured;
- b. ;
- c. Portable sawmills or machinery/equipment used in logging or forestry operations and the equipment and attachments of all of them, unless specifically listed and additional premium paid;
- d. Any property while being used in any operation in a forest or bush but this exclusion shall not apply to insured property being used by "you" on "your" own land for farming purposes;
- e. Fixed machinery or other fixed property;
- f. Property while waterborne, except while being transported on any regular ferry or in or on railway cars or transfers in connection therewith. This form insures against direct physical loss or damage due to the property caused by fire or the stranding, sinking or collision of the vessel, including general average and salvage charges;
- g. Tires or tubes unless the loss or damage is caused by fire, windstorm, vandalism or theft or is coincident with other loss or damage insured by this form;
- h. Any property illegally acquired, or kept, or any property lawfully seized or confiscated.

B. Perils Excluded

This form does not cover any loss or damage by:

- a. Latent defect, inherent vice, gradual deterioration or wear and tear;
- b. Electrical disturbances to electrical devices of any kind (including wiring) due to electrical currents artificially generated, unless fire or explosion ensues and then only for the loss or damage caused by such ensuing fire or explosion, except as provided under Part II - Item 8. Computer Breakdown – Mobile "Farm Machinery";
- c. Sustained while the property insured is actually being worked on or repaired and directly resulting from or caused by any repairing, adjusting or servicing of the property insured, unless fire or explosion ensues and then only for the loss or damage caused by such ensuing fire or explosion;
- d. Corrosion, rust, dampness of atmosphere, freezing or extremes of temperature, wet or dry rot, "fungi", "spores" or contamination;
- e. Misappropriation, secretion, conversion, infidelity or any dishonest act on the part of "you" or other party of interest, "your" or their employees or agents or any person(s) to whom the property may be entrusted, except bailees for hire;
- f. Any mysterious disappearance or any loss or shortage disclosed on taking inventory;
- g. Resulting from delay, loss of market or loss of use;

- h. Explosion, rupture or bursting of steam boilers, steam pipes, steam turbines, steam engines or flywheels, if any of the foregoing are owned, operated or controlled by "you";
- i. The weight of a load imposed on a machine exceeding the capacity for which such machine was designed;
- j. Mechanical breakdown, mechanical defect, scraping, scratching or marring;
- k. Breaking or falling through ice;
- l. Rodents, insects, birds, vermin or pests;
- m. While in any race, speed test or tractor pull event;
- n. "Data" except where specified coverage provided:
This does not insure loss or damage caused directly or indirectly by a "data problem" regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage. However:
 - 1. if loss or damage caused by a "data problem" results in the occurrence of further loss or damage to insured property that is directly caused by fire, explosion, smoke, "leakage" from fire protective equipment, all as defined in Part I - Named Perils, this exclusion shall not apply to such resulting loss or damage.

C. General Exclusions

- 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:
 - a. 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;
 - b. 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

- 7. The following extensions of coverage are in addition to the amount of insurance applying under this Form and are subject to all the conditions of this Form.

A. New Acquisitions:

This form is extended to cover additional items of mobile "farm machinery" & equipment similar in nature to property already insured by this form, which is "your" property and have been acquired subsequent to the attachment date and during the term of this policy. In consideration of this provision, "you" agree to report such additions to "us" within 90 days from the date acquired and to pay additional premium from the date acquired as calculated by "us". It is understood and agreed that this form shall cease to cover such additional items acquired if they are not reported "us" within the said 90-day period. Liability assumed by "us" under this clause shall not increase the total amount of insurance provided under this form.

This coverage is subject to the mobile "farm machinery" & equipment deductible.

B. Damage to Non-Owned Mobile "Farm Machinery":

At "your" option, "you" may apply up to \$100,000 for loss or damage to non-owned mobile "farm machinery" while in "your" care, custody or control and caused by a peril insured against in this form

C. Computer Breakdown – Mobile "Farm Machinery":

This provision is only applicable to mobile "farm machinery" 15 years of age or less.

"We" will extend coverage to "your" mobile "farm machinery" to cover against direct physical loss or damage to on-board computer equipment and components attached to and forming part of the insured mobile "farm machinery" from mechanical breakdown, machinery breakdown, short circuit, burn out or other electrical damage to computer modules, apparatus, devices or wiring, including errors in design or use of faulty materials in the development, manufacture or installation of the computer equipment, provided such installation has not been done by "you" or "your" employees.

Each claim for loss or damage under this provision is subject to the deductible for mobile "farm machinery" shown on the "Declaration Page" and subject to a minimum deductible of \$1,000 per occurrence.

D. Tires and Tubes Puncture:

Coverage for loss or damage to tires or tubes as a result of a tire or tube puncture is extended up to \$2,500 for any individual item of mobile "farm machinery".

"Our" liability for loss or damage under this extension is limited to the lesser of:

- a. The "actual cash value" of the property at the time of loss; or
- b. The applicable limit of insurance.

No deductible is applicable to this extension of coverage.

E. Fire Protection Benefit:

Any item of mobile "farm machinery" insured by this form for a value of \$50,000 or more will, at all times during its use, carry a fully charged minimum five-pound ABC rated fire extinguisher and, in the event of a fire loss to that mobile "farm machinery", if "you" use the fire extinguisher to extinguish the fire and prevent a total loss to the item, "we" will waive any deductible amount that would otherwise apply to such loss.

F. Loss of Use:

"We" agree to pay expenses up to \$5,000 incurred by "you" for the rental of mobile "farm machinery" similar in size, capacity and purpose to an item of mobile "farm machinery" insured by this form, which has become inoperative due to an insured loss, which exceeds "your" deductible, in order for "you" to continue "your" normal farming operations.

This coverage applies separately to each item of mobile "farm machinery" insured by this form should two or more items of mobile "farm machinery" become inoperable from the same insured occurrence.

Limits:

"Our" payment shall be limited to:

- a. The actual rental expense incurred by "you" for the rental of substitute mobile "farm machinery". Payment shall end on the date of completion of repairs or replacement of the lost or damaged mobile "farm machinery" or the date that "we" make or tender settlement for such loss or damage, whichever occurs first;
- b. The limit shown in the "Declaration Page".

Loss or Damage not Insured:

"We" will not pay for:

- a. Costs of transporting the substitute mobile "farm machinery";
- b. Normal maintenance and operating costs of the substitute mobile "farm machinery" including but not limited to lubricants, oil, fluids, tires and fuel.

Conditions:

It is a condition of this coverage that "you" agree to:

- a. Notify "us" of rental of substitute mobile "farm machinery" within 72 hours of the rental;
- b. Provide "us" with documentation to support "your" expenses incurred in renting substitute mobile "farm machinery".

Other Mobile "Farm Machinery" Not Available Option:

In the event that no other similar or comparable mobile "farm machinery" is available for rent anywhere in a reasonable geographic area, at "our" option, "we" will agree to pay the extra costs that "you" incur to contract with another party with suitable mobile "farm machinery" the normal "farm" operations that the damaged or destroyed mobile "farm machinery" performed. "We" will not pay any more under this option than the amount determined under limits above.

This Loss of Use coverage is not subject to a deductible.

G. Short Term Rental:

"We" will cover "you" for mobile "farm machinery" or equipment rented for a period of 30 days from the date of the rental agreement, for a limit of insurance up to \$100,000 while in "your" care, custody or control. "You" shall report to "us" no later than 30 days from the date of the rental agreement if insurance is required for the rented mobile "farm machinery".

This Short-Term Rental coverage is subject to the policy deductible.

Condition

Basis of Loss Settlement:

"We" shall not be liable for more than the "actual cash value" of the mobile "farm machinery" at the time loss or damage occurs and shall in no event exceed the cost to repair or replace the same with material of like quality and value.

When Waiver of Depreciation is indicated in the "Declaration Page" "we" agrees to waive the application of depreciation with respect to necessary repair or replacement, provided that:

- a. The owner/lessee must be the first owner/lessee of the mobile "farm machinery";
- b. The loss or damage occurs within 60 months of the date on which the mobile "farm machinery" is new at the time of delivery.

This waiver will not apply with respect to:

1. tires, batteries, belts, chains, filters and fluids;
2. betterment resulting from the repair or replacement of parts having prior unrepaired damage;

"We" shall in no event be liable for more than the actual purchase price of the mobile "farm machinery" or the manufacturer's suggested list price at the original date of purchase of the mobile "farm machinery", whichever is less.

Definitions

1. 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. **“Business”** means any full time or part time pursuit undertaken for financial gain including a trade, profession, job or occupation.
- d. **“Clean up”** means expenses for the removal or neutralization of “pollutants”.
- e. **“Data”** means representations of information or concepts, in any form.
- f. **“Data Problem”** means:
 1. erasure, destruction, corruption, misappropriation or misinterpretation of “data”;
 2. error in creating, amending, entering, deleting, or using “data”, or,
 3. inability to receive, transmit, or use “data”, or damage to electronic data processing equipment or other related component, system, process, device or cloud storage.
- g. **“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;
- h. **“Domestic Fuel Tank”** means a permanently installed, above-ground “domestic fuel tank(s)” that is a part of a heating unit for an insured “dwelling” or for an insured detached structure(s) occupied by “you” for “your” personal use. The “domestic fuel tank” includes equipment, apparatus or piping which forms part of the permanent “domestic fuel tank” installation. A permanently installed “domestic fuel tank(s)” located in the basement of an insured “dwelling” or an insured detached private structure(s) is to be deemed to be above-ground.
- i. **“Dwelling”** means the building occupied by “you” as a private residence only.
- j. **“Exterior Wiring Systems”** means all utility poles and includes attached lighting, electrical equipment and wiring which is owned by “you” and located on “your” “premises”.
- k. **“Farm”** means an area of land and “farm buildings” used for the growing of crops and/or raising of animals.
- l. **“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.
- m. **“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.
- n. **“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”.
- o. **“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.
- p. **“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.
- q. **“Grain”** includes swathed “grain”, seed, and swathed seed crops.
- r. **“Leakage”** means the accidental entry, escape or release of water or other fluid through a gap, flaw or other opening.
- s. **“Livestock”** includes, but is not limited to, “livestock” such as poultry, swine, sheep, goats, cattle, horses kept for use in “your” farming operation.
- t. **“Premises”** means “farm buildings” declared including the land immediately surrounding and belonging to it.
- u. **“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”.
- v. **“Seepage”** means the slow movement or oozing of water or other fluid through small openings, cracks or pores.
- w. **“Spore(s)”** includes, but is not limited to, any reproductive particle or microscopic fragments produced by, emitted from or arising out of any “fungi”.
- x. **“Spouse”** means either of two persons who are:
 1. Married to each other or who have together entered into a marriage that is voidable or void; or
 2. 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
 3. Considered “spouses” under the Family Law Act, or its equivalent, in the jurisdiction in which the policy was issued
- y. **“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.
- z. **“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.
- aa. **“We”, “our” or “us”** means the Company or Insurer providing this insurance.
- 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”.