

SECTION 4

EXTENSIONS OF COVERAGE – ENHANCED

(Words and phrases that appear in quotation marks have special meaning. Refer to the General Definitions of this policy. This coverage must be shown on the “Declaration Page” of “your” policy for it to apply.)

The amount recoverable under any Extension of Coverage in this form shall apply only as excess insurance over any coverage in this or any other form or endorsement made a part of this policy. All the underlying coverages, exclusions provisions and conditions apply to these extensions. Unless otherwise specified on the “Declaration Page”, the limits shown under each extension apply.

SUMMARY OF EXTENSIONS

This table shows the title and maximum limit, if applicable, for each extension provided by this form. It is for reference purposes only. You must refer to each extension described in the following pages for exact details.

DESCRIPTION OF EXTENSION	LIMIT (If applicable)
1. Accounts Receivable	\$25,000
2. Automatic Fire Suppression System Recharge Expense	\$25,000
3. By-laws	\$25,000
4. Conviction Reward	\$1,000
5. Debris Removal	5%
6. Electronic Data Processing (EDP) Equipment, “Data” and Media	\$25,000 Equipment, \$10,000 “Data” and Media
7. Environmental Upgrade	\$25,000
8. Extra Expense – Nutrient Management Plan	\$5,000
9. “Farm Buildings” and Additions in the Course of Construction	\$250,000
10. Fire Department Service Charges	\$10,000
11. Good Neighbour Cargo	\$25,000
12. “Machinery and Equipment” – Enhanced Special Limits	\$3,000
13. Milk Contamination Extension	\$25,000
14. Newly Acquired “Farm Buildings”	\$500,000
15. Newly Acquired “Livestock”	50% of limit, \$5,000 max/animal, 30 days
16. Newly Acquired “Machinery & Equipment”	50% of limit, 30 days
17. Non-owned “Livestock”	10% of limit or \$25,000 (highest amount)
18. Non-owned “Machinery or Equipment”	10% of limit or \$25,000 (highest amount)
19. Non-owned “Produce”	10% of limit or \$25,000 (highest amount)
20. Outdoor Property	\$25,000
21. Personal Effects	\$1,000 /person, max \$25,000
22. Pollutant “Clean Up” and Removal	\$50,000
23. Power Fluctuation Coverage	\$10,000
24. Professional Fees	\$10,000
25. Removal to Prevent Loss or Damage	14 days
26. Sign	\$5,000
27. Standing or Swathed “Grain” and Swathed Seed Crops	Must insure produce \$30/acre
28. Tenant’s Improvements	\$10,000
29. Valuable Papers	\$5,000
30. Top Up	\$10,000

1. Accounts Receivable:

This insurance is extended to apply to “your” loss of Accounts Receivable which becomes uncollectable because of loss or damage to records of the Accounts Receivable on or within 100 feet of the “premises” described in the “Declaration Page” caused by, or resulting from, an insured peril.

Records of the Accounts Receivable are any printed, written or recorded records detailing the Accounts Receivable, including such records which have been converted to a form useable in “your” data processing operations. Accounts Receivables include records of work in progress and unbilled disbursements.

The most “we” will pay in any one occurrence under this Extension of Coverage is \$25,000.

2. Automatic Fire Suppression System Recharge Expense:

“We” insure any automatic fire suppression system recharge expense incurred by “you” due to the leakage or discharge of the fire suppressant within any automatic fire suppression system. This applies only at “your” “premises” as specified on the “Declaration Page” and where such discharge or leakage is caused by, or results from, a peril insured against under this Policy.

The most “we” will pay in any one occurrence under this Extension of Coverage is \$25,000.

3. By-Laws:

The following extension is subject to all the terms and conditions of this form except as specifically modified in this extension and applies to “farm buildings” insured by this form.

The coverage provided by this extension shall apply only as a result of a peril insured to indemnify “you” for:

- (a) loss occasioned by the demolition of any undamaged portion of the “farm buildings” or structures, or
- (b) cost of demolishing and clearing the site of any undamaged portion of the “farm buildings” or structures, or
- (c) any increase in the cost of repairing, replacing, constructing or reconstructing the “farm buildings” or structures on the same site or on an adjacent site, of like height, floor area and style, and for like occupancy arising from the enforcement of the minimum requirements of any by-law, regulation, or ordinance of law which regulates zoning or the demolition, repair or construction of damaged “farm buildings” or structures; and is in force at the time of such loss or damage.

“We” shall not be liable under this extension for losses occasioned by the enforcement of any by- law, ordinance or law which prohibits “you” from rebuilding or repairing on the same site or an adjacent site or prohibits continuance of like occupancy.

The most “we” will pay in any one occurrence under this Extension of Coverage is \$25,000.

4. Conviction Reward:

“We” will pay up to \$1,000 in any one occurrence for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to a peril insured by this form to property insured by this policy. Any such reward will be handled and administered by the authorities with jurisdiction in the matter.

5. Debris Removal:

The following Extension of Coverage shall not increase the amounts of insurance applying under this form. In this extension “debris” also includes “deadstock”:

- (a) Debris Removal: “we” will indemnify “you” for expenses incurred in the removal from the “premises” of debris of the property insured, occasioned by loss or damage to such property, for which loss or damage is covered under this form. The amount payable under this extension shall not exceed 25% of the total amount payable for the direct physical loss to property insured;
- (b) Removal of Windstorm Debris: “we” will indemnify “you” for expenses incurred in the removal of debris or other property which is not insured by this form but which has been blown by windstorm onto a location specified by this policy.

Extensions of Coverage (a) and (b) do not apply to costs or expenses:

- (i) to “clean up” “pollutants” from land or water; or
- (ii) for testing, monitoring, evaluating, assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, “seepage”, “leakage”, migration, release or escape of “pollutants”.

If the total amount, for both loss to property and debris removal expense, exceeds the amount of insurance applying to the property, an additional amount of insurance, up to 5% of the limit of liability for such property will apply to the amount of debris removal expense.

6. Electronic Data Processing (EDP) Equipment, "Data" and Media:

This form insures, subject to all terms and conditions, for not more than the following amounts;

- (a) \$25,000 on electronic data processing and word processing equipment including their component parts, newly acquired equipment, and similar property of others, for which "you" are legally liable, while such property is anywhere in Canada including while in transit within Canada;
- (b) \$10,000 on electronic "data" and media including newly acquired electronic "data" and media, and similar property of others for which "you" are legally liable, while such property is at a location described in the "Declaration Page", at any temporary or newly acquired location or in transit, in Canada or the continental United States.

This extension does not insure loss or damage caused directly or indirectly by:

- (a) wear and tear or gradual deterioration, however, to the extent otherwise insured and not otherwise excluded under this extension, resultant damage is insured;
- (b) any dishonest or criminal act on the part of "you" or any other party or interest, employees or agents of "you", or any person to whom the property may be entrusted (bailees for hire excepted), but this exclusion does not apply to physical damage, caused directly by employees of "you", which results from a peril otherwise insured and not otherwise excluded under this extension;
- (c) delay, loss of market, or loss of "farm" or other income;
- (d) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (e) any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, nuclear explosion or contamination by radioactive material;
- (f) programming errors or faulty machine instructions;
- (g) interference by strikers or other persons with repairs to damaged property, or with resumption of normal "business" operations;
- (h) the suspension, lapse or cancellation of any lease, license, contract or order;

For the purposes of this extension, in addition to the deductible provisions outlined in this form, \$1,000 minimum deductible applies in respect of "breakdown" coverage, in any one occurrence.

"Breakdown" coverage includes mechanical failure, faulty construction, or error in design of the property insured; short circuit, blow-out or other electrical or magnetic disturbance, other than lightning, within electric or electronic equipment, apparatus, or devices; any repairing, servicing or processing operation; damage to "data" or media when data processing equipment or word processing equipment breaks down or malfunctions while "data" or media is being run through the system.

7. Environmental Upgrade:

(a) Insured Property:

"We" agree to extend the insurance provided by "farm building" to apply to loss or damage of "your" property at "your" "premises", that is insured on a "replacement cost" basis of settlement, caused directly by an insured peril to:

- (i) any increase cost in the "replacement cost" that is "green certified";
- (ii) any additional fees incurred by "you" for a professional Certified by Canada Green Building/LEED Canada, to participate in the design and construction, repairing or rebuilding of physically damaged property as "green certified";
- (iii) any additional cost incurred by "you" for certification or re-certification of the repaired or replaced insured property as "green certified".

(b) Provisions:

Settlement under this extension of coverage is subject to the following provisions:

- (i) replacement under the terms of this extension of coverage is at "your" option;
- (ii) replacement will be effected by "you" with due diligence and dispatch;

- (iii) settlement will be made only when replacement has been effected by “you” and in no event will it exceed the amount actually and necessarily expended.
- (iv) Failing compliance by “you” with any of the provisions above, settlement will be made as if this extension of coverage has not been in effect.

(c) Limit of Liability:

The most “we” will pay under this extension of coverage in any one policy year is \$25,000.

8. Extra Expense – Nutrient Management Plan:

This extension provides up to \$5,000 aggregate, in any one policy year, for costs incurred by “you” to prepare and file an Environmental Farm Plan and/or Nutrient Management Plan, subsequent to the total loss of a “farm building” insured by this form from a peril insured against.

9. “Farm Buildings” and Additions in the Course of Construction:

This form, subject to all terms and conditions, insures “farm buildings” and additions in the course of construction, including materials and supplies, at the “premises” for not more than \$250,000. This limit of liability attaches at the time construction begins and extends for 90 days or until endorsed on whichever occurs first. “You” agree to keep an accurate record of the date of commencement of construction, description and value of each item so covered and to pay additional premium as calculated by “us”.

10. Fire Department Service Charges:

“We” will reimburse “you” for up to \$10,000 for any “extraordinary expenses” incurred by the fire department for attending the “premises” to save or protect insured property from loss or damage, or further loss or damage insured against, by this policy.

“Extraordinary Expenses” means the cost to procure or obtain any extra equipment, apparatus or specialized fire suppression products of any description, which is not owned, leased or otherwise in the possession and control of the responding fire department. It also includes the expense of extra personnel retained by the department, in addition to the normal compliment of department personnel, to transport, repair, operate or use the extra equipment, apparatus or specialized suppression products.

No deductible applies to this Additional Coverage.

11. Good Neighbour Cargo:

“We” will pay up to \$25,000 in respect of any one loss for “grain”, “farm produce” and “livestock” owned by others, while in “your” care, custody and control in transit against losses covered by this form, including loading and unloading.

12. “Machinery and Equipment” – Enhanced Special Limits:

This extension enhances the special limits provided under “Machinery and Equipment” coverage as follows:

- (a) Unless specifically scheduled, coverage will be limited to not more than \$3,000 on any individual item or building materials.
- (b) Coverage for loss or damage to tires and tubes will be limited to not more than \$3,000 on any individual item of machinery or equipment. This limit shall not apply to loss or damage caused by fire, windstorm, theft, or vandalism and malicious acts or when the loss happens at the same time as other loss or damage insured by this coverage.
- (c) Coverage for loss or damage to fuel used to operate insured “machinery and equipment” will be limited to not more than \$3,000 in any one storage unit. Theft of fuel applies only if the fuel tank(s) is locked and there must be visible signs of forced entry to the fuel tank(s) for this extension to apply.

13. Milk Contamination Extension:

“We” will pay up to \$25,000 for refrigerated milk, which is condemned by any Provincial Milk Marketing Board or any other similar provincial authority, due to contamination resulting from:

- (a) “livestock” medications including antibiotics;
- (b) the presence of a cleaning solution;
- (c) the failure to activate the bulk milk cooling tank(s) on “your” “farm” “premises”;

"We" will not pay for condemned milk contaminated from:

- (a) any intentional act by "you" or "your" employees;
- (b) any medication or growth hormone not approved for use in Canada;

"We" will not pay for any fines, suspension of marketing agreement or loss of market due to contaminated milk, however caused.

14. Newly Acquired "Farm Buildings":

"We" agree to pay up to:

- (a) \$500,000 on "farm buildings";

acquired by "you" during the policy term and this limit of liability attaches at the time of such acquisition and extends for 90 days or until endorsed on, whichever occurs first. "You" agree to keep an accurate record of acquisition date, description and value of each item so covered and to pay additional premium as calculated by "us".

15. Newly Acquired "Livestock":

"We" agree to pay up to:

- (a) \$5,000 maximum per animal;
- (b) Up to 50% of the insured limit on "Livestock";

acquired by "you" during the policy term and this limit of liability attaches at the time of such acquisition and extends for 30 days or until endorsed on, whichever occurs first. "You" agree to keep an accurate record of acquisition date, description and value of the "livestock" so covered and to pay additional premium as calculated by "us".

16. Newly Acquired "Machinery & Equipment":

"We" agree to pay up to:

- (a) Up to 50% of the insured limit on "Machinery & Equipment";

acquired by "you" during the policy term and this limit of liability attaches at the time of such acquisition and extends for 30 days or until endorsed on, whichever occurs first. "You" agree to keep an accurate record of acquisition date, description and value of the "machinery & equipment" so covered and to pay additional premium as calculated by "us".

17. Non-owned "Livestock":

At "your" option, up to 10% of the limit of insurance on "livestock" or \$25,000, whichever is greater, to a maximum of \$5,000 per animal, may be applied for loss to non-owned "livestock" while it is on "your" farm premises, but "we" do not insure "livestock" which "you" are boarding for a fee.

18. Non-owned "Machinery or Equipment":

At "your" option, up to 10% of the limit of insurance on "machinery and equipment" or \$25,000, whichever is the greater, may be applied for loss or damage to non-owned "machinery and equipment" while in "your" care, custody or control. This extension also applies to non-owned "machinery and equipment" in "your" control through any rental or lease agreement.

19. Non-owned "Produce":

At "your" option, up to 10% of the limit of insurance on "produce" or \$25,000, whichever is greater, may be applied for loss or damage to non-owned "produce" while it is on "your" farm premises.

20. Outdoor Property:

"We" agree to extend the insurance provided by "farm buildings" to "your" outdoor property on "your" "premises". Outdoor property includes:

- (a) radio, television, satellite, dish-type or other antennae and their masts;
- (b) towers and lead-in wiring;
- (c) submersible pumps and related well water equipment used to supply water to "farm buildings" or "livestock";
- (d) utility and hydro poles and transmission lines, "exterior wiring systems", including underground transmission lines and pipes on "your" "premises" furnishing heat, light, power or gas to "your" "premises";
- (e) farm fences or corrals;
- (f) bunker silos;
- (g) decorative windmills;
- (h) bridges, driveways and laneways used to access insured "farm buildings";
- (i) "livestock" feeders.

The most "we" will pay under this extension of coverage is \$25,000.

21. Personal Effects:

This insurance is extended to apply to loss or damage to personal effects owned by "you", or "your" officers, directors, partners or employees while such property is at "your" "premises".

The most "we" will pay for loss or damage at "your" "premises" in any one policy year is \$25,000.

The most "we" will pay in respect of property of any one officer, director, partner or employee is \$1,000 in any one occurrence.

"We" will not cover any loss or damage to personal effects that is covered by any other insurance, even if "you" or the owner of the personal effects cannot collect under that insurance for any reason. (what coverage is triggered in the underlying?)

22. Pollutant "Clean Up" and Removal:

This form insures, subject to all its terms and conditions, for not more than \$50,000 (or the limit stated on the Declarations page in any one occurrence and in the aggregate, the expense incurred to extract "pollutant" from land or water at "your" "premises". This coverage also extends to "premises" rented, occupied, loaned or otherwise used by "you", but only for loss or damage caused by "you" or for which "you" would be legally liable.

23. Power Fluctuation Coverage:

The Insurer will indemnify "you" for any direct loss or damage to insured "content(s)"(what is considered "contents"?) caused by a power fluctuation, meaning a sudden rise or fall of electrical power that is not caused by lightning. This extension will not apply:

- a) to property undergoing any process or while being worked on where the damage results from such process or work;
- b) to the property item which generated the power fluctuation;
- c) to any loss for which indemnity is provided under an Equipment Breakdown Rider.

The most "we" will pay under this extension of coverage is \$10,000.

24. Professional Fees:

This form insures, subject to all its terms and provisions for not more than \$10,000 of reasonable expenses incurred by "you" or reasonable fees payable to "your" auditors, accountants, lawyers, architects, engineers, or other consultants, except public adjusters for production particulars or details or other proofs, information or evidence as may be required by "you" for the purpose of investigating or verifying any claim under this policy.

25. Removal to Prevent Loss or Damage:

If any of the insured property is necessarily removed from the location(s) specified on the "Declaration Page" to prevent loss, that part of insurance under this form that exceeds the amount of "our" liability for any loss already incurred shall, for 14 days only, or for the unexpired term of this policy if less than 14 days, insure the property removed and any property remaining at location(s) specified in the proportion which the value of the property at each of the respective locations bears to the value of the property in total.

26. Sign:

"We" will pay up to \$5,000 in any one occurrence for the physical loss of, or damage to, signs located on "your" premises.

27. Standing or Swathed "Grain" and Swathed Seed Crops:

"We" will include "your" standing or swathed "grain" and swathed seed crops in the "Produce" coverage but only against loss or damage caused by fire, theft and malicious acts, and provided the insurance carried on "produce" is not less than \$30.00 per acre of land farmed by "you". (\$30.00 still relevant?)

28. Tenant's Improvements:

"We" insure your "building" improvements, alterations and betterments made at "your" expense to a barn or implement shed occupied by "you" and which are not otherwise insured, provided that "you" are not the owner of such barn or implement shed. If "you" purchased the use interest in "tenant's improvements" made by a previous tenant, this coverage applies as though such "tenant's improvements" had been made at "your" expense.

The most "we" will pay under this extension of coverage is \$10,000 (seems low; \$25,000? Option to buy up).

29. Valuable Papers:

"We" insure, subject to all its terms and provisions, for not more than \$5,000 for the extra expense necessarily incurred in the cost of compiling books of account, drawings, card index systems or other records, including film, tape, disc, drum, cell or other magnetic recording or storage media for electronic data processing when such property is lost or damaged by an insured peril as insured under this form.

SPECIAL EXTENSION

30. Top up:

If the amount of insurance provided by any of the extensions on this form are inadequate to fully cover "your" loss, "we" will top up the limit of one of the extensions by up to \$10,000. In the case where one loss involves multiple extensions on this form, only one extension can be topped up. This does not top up any sub-limit under the extension nor does it apply to Extension #12.

The limit "we" will pay is:

- (a) the amount required to fully cover "your" insured loss under one of the extensions on this form; or
- (b) \$10,000,

whichever is less.

ALL THE STATUTORY AND ADDITIONAL CONDITIONS, GENERAL DEFINITIONS AND GENERAL LOSS OR DAMAGE NOT INSURED ALSO APPLY TO THIS COVERAGE