

## SECTION 4 – FARM OFFICE EQUIPMENT ALL RISK FORM

SEE ALSO, DEFINITIONS AND GENERAL LOSS OR DAMAGE NOT INSURED OF SECTION 4  
(Words and phrases that appear in quotation marks have special meaning. Refer to definitions of this policy.)

### Indemnity Agreement

"We" will indemnify "you" against loss or damage to "farm office equipment" caused by the Insured Perils as described and limited.

### Farm Office Equipment Insured

"We" insure the following property at the location(s) specified on the "Declaration Page":

**Office Contents**, including all materials and supplies usual to "your" farm business, including furniture, furnishings, fittings, fixtures, machinery, tools, utensils, appliances, books of accounts, drawings, card index systems and other records and generally all office contents of every description used in the conduct of "your" business or profession; and

**Tenants Improvements** which are defined as building improvements, alterations and betterments made at "your" expense to a building "you" occupy as your farm office and which are not otherwise insured; provided "you" are not the owner of such building. If "you" purchased the use interest in tenants improvements made by a predecessor tenant, this coverage applies as though such tenants improvements had been made at "your" expense.

### Deductible

In any one occurrence, "we" are responsible only for the amount by which the insured loss or damage exceeds the amount of the deductible shown on the "Declaration Page". If one occurrence could lead to the application of more than one deductible, only the largest deductible will apply.

### Co-Insurance

"You" are required to maintain a limit of insurance on the "farm office equipment" equal to at least the amount that is calculated when 80% is multiplied against the replacement cost of the insured "farm office equipment" at the time of the loss. Failure to do so will result in "you" 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.

This clause will apply only where the total loss exceeds the lesser of 2% of the applicable amount of insurance or \$5,000.

### Insured Perils

If the "Declaration Page" shows Farm Office Equipment All Risk Form applies, "you" are insured against all risks of direct physical loss of or damage to the property insured, subject to the General Exclusions of Section 4, exclusions, terms and conditions below.

### Exclusions

#### PROPERTY EXCLUDED

This Form does not insure loss or damage to:

- a. property at locations which to "your" knowledge, are vacant, unoccupied or shut down for more than thirty (30) consecutive days;
- b. growing plants, trees, shrubs or flowers except those which are used for decorative purposes within the buildings;
- c. money, bullion, platinum and other precious metals and alloys, securities, stamps, tickets and tokens, evidence of debt or title;
- d. property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
- e. property used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing, marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substance Act, whether or not "you" are aware of such use of the property.

#### PERILS EXCLUDED

This Form does not insure against loss or damage resulting from, contributed to or caused directly or indirectly:

- a. by centrifugal force, mechanical or electrical breakdown or derangement in or on the “premises” unless fire ensues and then only for the loss or damage caused directly by such ensuing fire;
- b. by loss or damage sustained to office contents while actually being worked upon and directly resulting therefrom or caused by any repairing, adjusting or servicing of office contents unless fire or explosion ensues and then only for such ensuing loss or damage.

## Reinstatement

Loss under any item of this Form shall not reduce the applicable amount of insurance.

## Basis of Settlement

Office Contents: “We” agree to pay the cost to repair or replace, whichever is the least, the insured property with property of like kind, quality and function subject to the terms, conditions and limitations of this Policy and to the following:

- i. the repair or replacement must be effected by “you” with due diligence and dispatch;
- ii. any other insurance effected by or on “your” behalf in respect of the perils insured against by the Policy on the property to which this coverage is applicable shall be upon the replacement cost basis as set out herein;
- iii. in the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that damaged or destroyed and which is capable of performing the same function shall be deemed to be new property of like kind and quality for the purposes of this coverage document.

Failing compliance by “you” with any of the foregoing provisions the basis of settlement will be on an “actual cash value” basis.

Tenant’s Improvements: “We” agree to pay the cost to repair or replace or reconstruct, whichever is the least, the insured property on the same site or on an adjacent site, with standard building materials of like kind and quality and currently available in North America and for like occupancy subject to the terms, conditions and limitations of this Policy and to the following:

- i. the repair or replacement must be effected by “you” with due diligence and dispatch;
- ii. any other insurance effected by or on “your” behalf in respect of the perils insured against by the Policy on the property to which this coverage is applicable shall be upon the replacement cost basis as set out herein;
- iii. if not repaired or replaced with due diligence and dispatch after such loss, that portion of the original cost of the damaged or destroyed tenant’s improvements which the unexpired term of the lease at the time of loss bears to the period(s) from the date(s) such tenant’s improvements were made to the expiration date of the lease.

Failing compliance by the Insured with any of the foregoing provisions the basis of settlement will be on an “actual cash value” basis

“Actual Cash Value” will take into account such things as the resale value and the normal life expectancy, the cost of replacement less any depreciation, and in determining depreciation, “we” will consider the condition immediately before the damage.

If “you” qualify for a tax credit, the loss payment will be reduced by that amount.

Any loss or damage will not reduce the amounts of insurance provided by this Form.

## Definitions

“Farm Building” means the building(s) described on the “Declaration Page”;

“Farm Building” includes:

- (i) additions and extensions communicating and in contact with the building(s);
- (ii) permanent fittings and fixtures attached to and forming part of the building(s);
- (iii) materials, equipment and supplies on the “premises” for maintenance of and normal repairs and minor alterations to the “building” or for building services;

“Farm Building” does not include:

- (i) “Outdoor Property”;
- (ii) Solar Power panels and related equipment, but this does not include solar equipment used to heat water.

ALL THE STATUTORY AND ADDITIONAL CONDITIONS OF THIS POLICY ALSO APPLY TO THIS COVERAGE