

SECTION 5

FARM RENTAL INCOME COVERAGE

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

Indemnity Agreement

If an insured building is damaged or destroyed by an insured peril under this policy and Farm Rental Income Coverage is shown on the "Declaration Page" as applying to such building, "we" agree to pay the subsequent:

- a) loss of "rental income" for the portion of the building "you" were renting; and
- b) "rental value" for the portion of the building "you" were using and have to rent from others; during the necessary interruption of business.

"We" will only pay for loss during the "indemnity period".

Any operating expenses, which do not necessarily continue due to the loss of the building, reduces the amount owing under this coverage.

Coinsurance

"You" are required to maintain a limit of insurance on Farm Rental Income Coverage at 100% of the annual "Rental Income" and "Rental Value" amounts combined of the described building(s). If "you" fail to do so, "we" will only pay for that portion of any loss that the limit of insurance bears to the amount of annual "rental income" and "rental value" combined.

Loss or Damage not Insured

We will not pay for:

- a) any increase of loss due to interference at the described "premises" by strikers or other persons, with rebuilding, repairing or replacing the property, or with the resumption or continuation of business or free access to or control of the "premises";
- b) loss due to the suspension, lapse or cancellation of any lease or contract, which may affect your "rental income" and "rental value" after the "indemnity period".

Extension of Coverage

If a civil authority prohibits access to the described "premises" as a result of damage by an Insured Peril to a neighbouring premise, this coverage is extended for a period not exceeding two weeks.

Special Definitions

"Rental Income" means the income generated from renting out all or a portion of the building. It also includes the reasonable "rental income" that would be expected for any unoccupied portion of the building that was advertised for rent.

"Rental Value" means "your" cost of renting a similar space for "your" own business.

"Indemnity Period" means the reasonable period of time, starting with the date of the damage or destruction, as would be required to rebuild, repair or replace the damaged or destroyed building(s) with comparable building(s). The "indemnity period" is not limited by the expiry date of this policy however, it does not extend beyond 12 months from the date of the insured loss.

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