

IN THE STATE OF SOUTH CAROLINA

In the Court of Appeals

APPEAL FROM LANCASTER COUNTY
Court of Common Pleas

Robert E. Hood, Circuit Court Judge

Case No. 2025-CP-29-00096

RECEIVED

Jul 15 2026

SC Court of Appeals

South Carolina Farm Bureau Mut. Ins. Co. Appellant,

v.

John Milin and Angela M. Leone..... Respondents.

RECORD ON APPEAL

July 9, 2026

s/J.R. Murphy

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INDEX

	Page
<u>ORDERS</u>	
Order of October 27, 2025	1
Form 4 Order of January 13, 2026.....	7
<u>PLEADINGS</u>	
Summons and Complaint.....	10
Ex. A Farm Bureau Farm Policy.....	17
Ex. B Underlying Complaint	149
Ex. C Farm Bureau Homeowners Policy	158
Answer of Angela Leone	230
Answer of John Milin	233
Ex. A Report from Setcavage Consulting, LLC	238
<u>MOTIONS</u>	
John Milin's Motion for Summary Judgment filed May 21, 2025	247
Farm Bureau's Motion for Summary Judgment filed June 25, 2025	259
Farm Bureau's Memorandum in Support of its Motion for Summary Judgment filed July 10, 2025.....	261
Ex. A Underlying Complaint	271
Ex. B Farm Bureau Homeowners Policy	280
Ex. C Affidavit of Joseph Barrett	352
Ex. D Farm Bureau Farm Policy.....	354
Angela Leone's Memorandum in Support of John Milin's Motion for Summary Judgment filed September 2, 2025.....	486
Farm Bureau's Motion to Alter or Amend Order or, In the Alternative, Motion to Clarify Order filed October 31, 2025	491
Certificate of Counsel	500

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
COUNTY OF LANCASTER	)	SIXTH JUDICIAL CIRCUIT
	)	
SOUTH CAROLINA FARM BUREAU	)	C.A. No. 2025-CP-29-00096
MUTUAL INSURANCE COMPANY,	)	
	)	
Plaintiff,	)	ORDER GRANTING DEFENDANT’S
	)	MOTION FOR SUMMARY
vs.	)	JUDGMENT
	)	
JOHN MILIN AND ANGELA M. LEONE,	)	
	)	
Defendants.	)	
	)	
	)	

This matter is before the Court upon Defendant John Milin’s Motion for Summary Judgment and Plaintiff’s Motion for Summary Judgment. A hearing was held on September 3, 2025, at which counsel for Plaintiff, John Robert Murphy of Murphy & Grantland Law Firm; counsel for Defendant Milin, Thomas E. Pope and Zachary Griffin of Elrod Pope Law Firm and Mark S. Jetton, Jr. of Jetton & Meredith, PLLC (pro hac vice); counsel for Defendant Leone, Baxter Burnette of Burnette & Payne; and Defendant Milin were present. Having reviewed the motion, the pleadings, the policies at issue, the parties’ memoranda, and the applicable law, and having heard argument of counsel, the Court finds as follows:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Policy construction and enforceability present questions of law appropriate for summary disposition where, as here, there is no genuine issue of material fact regarding the policies’ terms or the incident.
2. There is no genuine issue of material fact as to the terms of the South Carolina Farm Bureau Mutual Insurance Company (“Farm Bureau”) policies (#HO 0482350 and #390100000547), issued to Angela M. Leone or as to the circumstances of the June 13,

2023 incident involving Defendant Milin. The Homeowners Policy provides a Three Hundred Thousand and 00/100 Dollars (\$300,000.00) personal liability limit, and Farm Bureau has tendered those limits in the Underlying Action (C.A. No. 2024-CP-29-01058).¹

3. The question presented is a matter of law: whether Farm Bureau's "Farm Policy" (#390100000547) affords coverage for the underlying June 13, 2023 incident and whether Farm Bureau owes defense and indemnity obligations to Ms. Leone in the Underlying Action.
4. The Farm Policy's SFL 01 10 04 16 'Insurance Under More Than One Policy' endorsement (the "other insurance/escape" language) conflicts with the Homeowners Policy's excess framework, creating a circular conflict the Court concludes is unenforceable. The clauses are mutually repugnant and are disregarded² to prevent an illusory absence of primary coverage where separate premiums were collected for overlapping protections. Independently, even if the provisions were susceptible of reconciliation, the Farm Policy would be, at minimum, co-primary with the Homeowners Policy and could not be nullified by SFL 01 10.³
5. Farm Bureau's tender and/or exhaustion of limits under the Homeowners Policy does not extinguish coverage otherwise afforded by the Farm Policy. Nothing in the Farm Policy

¹ Plaintiff's MSJ memorandum (July 10, 2025) acknowledging the \$300,000 Homeowners Policy limit and Farm Bureau's tender of those limits in the Underlying Action (C.A. No. 2024-CP-29-01058).

² See *S.C. Ins. Co. v. Fidelity & Guar. Ins. Underwriters*, 327 S.C. 207, 489 S.E.2d 200, 203–04 (1997) (treating conflicting other insurance clauses as mutually repugnant and disregarding them); cf. *S.C. Farm Bureau Mut. Ins. Co. v. S.E.C.U.R.E. Underwriters Risk Retention Grp.*, 353 S.C. 249, 578 S.E.2d 8, 11–12 (2003) (declining to apply 'total policy insuring intent' to defeat bargained-for coverage).

³ Endorsement SFL 01 10 (04 16) adds Paragraph c. to Loss Condition 6 ("Other Insurance") and provides in relevant part: "However, regardless of the provisions of Paragraphs a. and b. above, this Policy does not apply to any loss or damage or defense against a 'suit' which: (1) is covered under any other policy ...; or (2) would be covered under another policy ... had the limits of such policy not been exhausted."

converts payment under any other policy into a release, merger, or novation of the Farm Policy obligations. The Farm Policy remains applicable to the loss consistent with its insuring agreement and Declarations, as set forth in ¶3 above. Farm Bureau received separate premiums for the Homeowners Policy and the Farm Policy; performance under one contract cannot unilaterally discharge obligations under the other. Accordingly, Endorsement SFL 01 10 (‘Insurance Under More Than One Policy’) is unenforceable as applied on these facts. The Farm Liability Declarations (Form FPP 40 04 16) show ‘Coverage H — Bodily Injury & Property Damage Liability — Each Occurrence \$1,000,000,’⁴ and the Declarations separately list premiums for Coverage H.

6. Any punitive damages exclusion in the Farm Policy, to the extent applicable, does not negate Farm Bureau’s duty to defend the entirety of the Underlying Action and does not preclude indemnity for covered actual (i.e., non-punitive) damages, including economic and noneconomic damages.
7. Accordingly, Defendant Milin is entitled to judgment as a matter of law.

It Is Therefore ORDERED, ADJUDGED, and DECLARED that:

- A. Defendant Milin’s Motion for Summary Judgment is **GRANTED**.
- B. Plaintiff’s Motion for Summary Judgment is **DENIED**.
- C. **Coverage Declaration.** The Farm Policy (#390100000547) affords coverage for the June 13, 2023 incident described in the pleadings. Specifically, Coverage H — Bodily Injury

⁴ Farm Liability Declarations (Form FPP 40 04 16), “Coverage H — Bodily Injury & Property Damage Liability — Each Occurrence \$1,000,000.”

& Property Damage Liability — applies, with a One Million and 00/100 Dollars (\$1,000,000) Each Occurrence limit as shown in the Farm Liability Declarations.⁵⁶

- D. **Other Insurance Endorsement (SFL 01 10).** As applied to the June 13, 2023 occurrence, the ‘Insurance Under More Than One Policy’ endorsement (SFL 01 10 04 16) is unenforceable and does not bar Coverage H under the Farm Policy. The endorsement’s attempted escape in the presence of other coverage is mutually repugnant to the Homeowners Policy’s excess clause and therefore disregarded for priority purposes. In any event, the Farm Policy affords, at minimum, co-primary coverage with the Homeowners Policy and cannot be eliminated by SFL 01 10.
- E. **Duty to Defend.** Farm Bureau shall continue to defend Angela M. Leone in the underlying Lancaster County action, C.A. No. 2024-CP-29-01058, arising from the June 13, 2023 incident, through final disposition of that action, notwithstanding any payment, exhaustion, or attempted exhaustion of limits under any other policy.
- F. **Duty to Indemnify (Actual Damages).** Farm Bureau shall indemnify Angela M. Leone for actual (i.e., non-punitive) damages, including economic and noneconomic damages, if any, awarded in the Underlying Action, subject to the Farm Policy’s applicable limits and terms, including the Coverage H ‘Each Occurrence’ limit stated in the Declarations.
- G. **Disposition.** Judgment is entered in favor of Defendant Milin on the coverage issues presented. Farm Bureau’s contrary requests for declaratory relief are **DENIED**. This action is dismissed with prejudice to the extent it seeks declarations inconsistent with this Order. This Order is final as to the coverage issues decided herein; any questions

⁵ Farm Liability Declarations (Form FPP 40 04 16), “Coverage H — Bodily Injury & Property Damage Liability — Each Occurrence \$1,000,000.”

⁶ Farm Liability Coverage Form, Section II — Limits of Insurance (“the Each Occurrence Limit is the most we will pay for ... damages under Coverage H”), with the amount shown in the Declarations.

regarding punitive damages (if any are awarded) are reserved and not decided by this Order. All remaining arguments are overruled or deemed moot.

AND IT IS SO ORDERED.

_____, 2025

Judge Robert E. Hood
Circuit Court Judge



Lancaster Common Pleas

Case Caption: South Carolina Farm Bureau Mutual Insurance Company VS John Milin , defendant, et al
Case Number: 2025CP2900096
Type: Order/Summary Judgment

So Ordered

s/ R.E. Hood #2164

Electronically signed on 2025-10-27 14:15:10 page 6 of 6

FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF Lancaster
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NO. 2025CP2900096

South Carolina Farm Bureau Mutual Insurance Company
PLAINTIFF(S)

John Milin et al
DEFENDANT(S)

DISPOSITION TYPE (CHECK ONE)

- ☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- ☐ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.
- ☐ **ACTION DISMISSED** (*CHECK REASON*): ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled);
☐ Other
- ☐ **ACTION STRICKEN** (*CHECK REASON*): ☐ Rule 40(j), SCRCP; ☐ Bankruptcy;
☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award;
☐ Other
- ☐ **STAYED DUE TO BANKRUPTCY**
- ☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT** (*CHECK APPLICABLE BOX*):
☐ Affirmed; ☐ Reversed; ☐ Remanded;
☐ Other

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: ☐ See attached order (formal order to follow) ☐ Statement of Judgment by the Court:

This matter comes before the Court on the Plaintiff's Motion to Alter or Amend Order or, in the Alternative, Motion to Clarify Order. After consideration of the filings, the record, and the applicable law, the Court finds that the Plaintiff's Motion to Alter or Amend Order is denied. The Court further finds that the Plaintiff's alternative Motion to Clarify Order is also denied.

ORDER INFORMATION

This order ☐ ends ☐ does not end the case.

☐ See Page 2 for additional information.

For Clerk of Court Office Use Only

This judgment was electronically entered by the Clerk of Court as reflected on the Electronic Time Stamp, and a copy mailed first class to any party not proceeding in the Electronic Filing System on 01/13/2026 .

NAMES OF TRADITIONAL FILERS SERVED BY MAIL

Court Reporter:

E-Filing Note: The date of Entry of Judgment is the same date as reflected on the Electronic File Stamp and the clerk's entering of the date of judgment above is not required in those counties. The clerk will mail a copy of the judgment to parties who are not E-Filers or who are appearing pro se. See Rule 77(d), SCRCP.



Lancaster Common Pleas

Case Caption: South Carolina Farm Bureau Mutual Insurance Company VS John Milin , defendant, et al

Case Number: 2025CP2900096

Type: Order/Electronic Form 4

So Ordered

s/ R.E. Hood #2164

Electronically signed on 2026-01-13 10:57:16 page 3 of 3

STATE OF SOUTH CAROLINA,	)	
	)	IN THE COURT OF COMMON PLEAS
COUNTY OF LANCASTER	)	
	)	
South Carolina Farm Bureau Mutual	)	SUMMONS
Insurance Company	)	
Plaintiff,	)	
	)	
vs.	)	FILE NO. 2025-CP-
	)	
John Milin and Angela Leone,	)	
Defendant.	)	

TO THE DEFENDANTS ABOVE-NAMED:

YOU ARE HEREBY SUMMONED and required to answer the complaint herein, a copy of which is herewith served upon you, and to serve a copy of your answer to this complaint upon the subscriber, at the address shown below, within thirty (30) days after service hereof, exclusive of the day of such service, and if you fail to answer the complaint, judgment by default will be rendered against you for the relief demanded in the complaint.

Columbia, South Carolina

Dated: January 24, 2025

Address:

s/J.R. Murphy
Attorney for Plaintiff
J.R. Murphy, Esquire (SC Bar #7941)
P.O. Box 6648
Columbia, SC 29260
803-782-4100
jrmurphy@murphygrantland.com

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF LANCASTER

CIVIL ACTION NO: 2025-CP-

South Carolina Farm Bureau Mutual Insurance
Company,

Plaintiff,

v.

John Milin and Angela Leone,

Defendants.

COMPLAINT
(Declaratory Judgment)
(Non-jury)

The Plaintiff, South Carolina Farm Bureau Mutual Insurance Company (hereinafter “Farm Bureau”), seeks declaratory relief to determine the rights of the parties, and alleges and shows as follows.

JURISDICTION AND VENUE

1. Farm Bureau is an insurance company organized and existing under the laws of the State of South Carolina with its principal place of business in the State of South Carolina. Farm Bureau is authorized to issue insurance policies in the State of South Carolina.

2. Upon information and belief, Defendant John Milin is a citizen and resident of Lancaster County, South Carolina.

3. Upon information and belief, Defendant Angela Leone is a citizen and resident of Lancaster County, South Carolina.

4. This action is brought pursuant to Rule 57 of the S.C. Rules of Civil Procedure and pursuant to the Uniform Declaratory Judgment Act, S.C. Code Ann. §§ 15-53-10 through 15-53-140; there is a real and justiciable controversy between the parties, and by these proceedings Farm

Bureau asks this Court to inquire into and declare the rights and obligations of the parties hereto arising out of the facts set forth below.

5. Venue is proper in Lancaster County pursuant to S.C. Code Ann. § 15-7-30(C) as the Defendants are residents of Lancaster County, South Carolina and the most substantial part of the alleged acts giving rise to this action occurred in Lancaster County, South Carolina.

FACTS

6. Farm Bureau issued a farm policy, Policy No. 390100000547, to Angela Leone with effective dates of October 6, 2022 to October 6, 2023 (hereinafter the “Farm Policy”). A copy of the Farm Policy is attached hereto as Exhibit A.

7. The Farm Policy provides coverage to persons qualifying as insureds for liability arising out of certain risks set forth in the insuring agreement and excludes certain risks through the policy exclusions and limitations. The Farm Policy, and all of its terms, conditions, and provisions, are incorporated by reference herein.

8. The Farm Policy provides in pertinent part:

SECTION III – FARM LIABILITY CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

Loss Conditions

6. Other Insurance

This condition applies only if, in addition to the insurance provided under this Coverage Form, the “insured” has other insurance under this or any other policy covering the same obligations to pay damages and provide defense against “suits” for damages.

- a. We will pay only the portion of covered damages and related defense costs that the applicable Limit of Insurance under this Coverage Form bears to the total amount of all your insurance, in covered “occurrences” arising from any cause except the ownership, maintenance, use, operation or “loading or unloading” of a:
 - (1) “Motor vehicle”;
 - (2) Vehicle which qualifies as “mobile equipment” only while used on premises you own or rent; or

- (3) Watercraft.
- b. In covered “occurrences” arising from the ownership, maintenance, operation, use, or “loading or unloading” of a conveyance described in Paragraphs a.(1), (2) or (3) above, this insurance will not apply to the extent that any collectible insurance, whether primary, excess or contingent, is available to any “insured”.

INSURANCE UNDER MORE THAN ONE POLICY

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

The following Paragraph c. is added to Loss Condition 6. Other Insurance in Section III – Farm Liability Conditions:

- c. However, regardless of the provisions of Paragraphs a. and b. above, this Policy does not apply to any loss or damage or defense against a "suit" which:
 - (1) Is covered under any other policy or any renewal or replacement thereof;
 - or
 - (2) Would be covered under another policy or any renewal or replacement thereof, had the limits of such policy not been exhausted.

9. On August 15, 2024, John Milin filed suit in the Lancaster County Court of Common Pleas against Angela Leone, Civil Action No. 2024-CP-29-01058 (hereinafter the “Underlying Action”). The complaint in the Underlying Action is attached hereto as Exhibit B.

10. The complaint in the Underlying Action alleges that on June 13, 2023 John Milin was cutting the grass at Angela Leone’s property when he was attacked by her dog. The complaint in the Underlying Action alleges that John Milin sustained injuries as a result of the dog attack.

11. The complaint in the Underlying Action alleges that the incident took place on Angela Leone’s property located at 3135 Old Hickory Road in Lancaster, South Carolina.

12. The complaint in the Underlying Action seeks actual and punitive damages.

13. Farm Bureau also issued a homeowners policy, Policy No. HO 0482350, to Angela Leone with effective dates of February 9, 2023 to October 7, 2023 (hereinafter the “Homeowners Policy”). The Homeowners Policy lists the residence premises as 3135 Old Hickory Road, Lancaster, South Carolina. The Homeowners Policy provides a \$300,000 personal liability limit. A copy of the Homeowners Policy is attached hereto as Exhibit C.

14. Farm Bureau is currently providing a defense for Angela Leone in the Underlying Action under the Homeowners Policy.

15. Farm Bureau has tendered the Homeowners Policy’s \$300,000 personal liability limit to counsel for John Milin for the claims he alleges against Angela Leone in the Underlying Action.

16. Despite Farm Bureau having tendered its liability limit under the Homeowners Policy to Defendant John Milin for the June 13, 2023 incident, he continues to make claims for liability coverage under the Farm Policy for the June 13, 2023 incident.

FOR A FIRST DECLARATION

17. Farm Bureau repeats and realleges the allegations above as if set forth fully verbatim below.

18. Under the terms of the Farm Policy, it does not apply to any loss or damage or defense against a “suit” which is covered under any other policy or would be covered under another policy had the limits of such policy not been exhausted.

19. Farm Bureau issued the Homeowners Policy to Angela Leone. The Homeowners Policy provides liability coverage for the claims alleged against Angela Leone in the Underlying Action.

20. Farm Bureau is currently providing Angela Leone a defense under the Homeowners Policy for the claims alleged against her in the Underlying Action.

21. Farm Bureau has also tendered the liability limit of the Homeowners Policy to Defendant John Milin for the injuries he allegedly sustained in the June 13, 2023 incident.

22. Therefore, Farm Bureau is entitled to a declaration that the Farm Policy does not provide any liability coverage for any injuries or damages resulting from the June 13, 2023 incident and Farm Bureau has no duty to defend Angela Leone under the Farm Policy against any suits resulting from such incident.

FOR A SECOND DECLARATION
(In the Alternative)

23. Farm Bureau repeats and realleges the allegations above as if set forth fully verbatim below.

24. The Farm Policy excludes liability coverage for punitive and exemplary damages.

25. The complaint in the Underlying Action seeks punitive damages.

26. Therefore, Farm Bureau is entitled to a declaration that the Farm Policy does not provide liability coverage for any punitive or exemplary damages.

WHEREFORE, Farm Bureau respectfully requests that this Court inquire into these matters and declare that the Farm Policy does not provide liability coverage for the claims and damages alleged in the Underlying Action and Farm Bureau has no obligation under the Farm Policy to pay, indemnify, defend, or otherwise perform under that policy for any and all claims arising out of the June 13, 2023 dog incident, together with such other and further relief as the Court may deem just and proper.

[SIGNATURE ON FOLLOWING PAGE]

MURPHY & GRANTLAND, P.A.

s/J.R. Murphy

J.R. Murphy, Esquire (SC Bar #7941)

P.O. Box 6648

Columbia, SC 29260

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Attorneys for the Plaintiff South Carolina Farm

Bureau Mutual Insurance Company

Columbia, South Carolina
January 24, 2025



South Carolina Farm Bureau® Mutual Insurance Company
PO Box 2124
West Columbia, SC 29171-2124
www.SCFBIns.com

Real Service. Real People.®

390100000547

Angela Leone
3135 Old Hickory Rd
Lancaster, SC 29720-8897

Policy Number 390100000547
Named Insured Angela Leone



Welcome to AG PROMISE®.
Farm Coverage. Farm Bureau Service.

Dear Policyholder:

As a farmer, your work is built on a promise - to the land as well as the community. At Farm Bureau® insurance, our work is built on a promise to you.

With that in mind, we would like to officially welcome you as a new AG PROMISE policyholder. You have made an excellent decision to go with AG PROMISE, and we are confident that you will enjoy all the benefits that come with this exceptional new policy.

AG PROMISE was created to offer a variety of enhanced coverages tailored to your specific needs, and since it is from Farm Bureau insurance, you can rest easy knowing that our team is ready to help you however possible.

If you have any questions, we invite you to stop by your local county office or give your agent a call. Our promise is to do whatever we can to make a difference in your life and on your farm, and that promise begins today.

Sincerely,

A handwritten signature in black ink, appearing to read "Courtney B. Cowart".

Courtney B. Cowart
Senior Vice President - State Manager
South Carolina Farm Bureau® Mutual Insurance Company

ROA - 017

EXHIBIT
A



South Carolina Farm Bureau® Mutual Insurance Company
PO Box 2124
West Columbia, SC 29171-2124
www.SCFBIns.com

Real Service. Real People.®



Tom Baker
Po Box 2228
Lancaster, SC 29720
803-283-9908
Tombaker@Scfbins.Com

AG PROMISE® POLICY DECLARATIONS

NAMED INSURED AND ADDRESS

Angela Leone

3135 Old Hickory Rd
Lancaster, SC 29720-8897

Policy Number: 390100000547
County Farm Bureau® Member Number: 001009070
Printed Date: 10/19/2022
Term: 1

Policy Effective Date: 10/06/2022
Policy Expiration Date: 10/06/2023
at 12:01 a.m.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

IMPORTANT NOTICE:

Thank you for choosing AG PROMISE. We appreciate the opportunity to provide you with your insurance services. We recommend you read your policy carefully. There are definitions, conditions and exclusions that apply to your coverages. If you have any questions about your policy or if you need other insurance coverages, please give your insurance agent a call. Your agent will be happy to assist you. 'THE INSURER CAN CANCEL THIS POLICY FOR WHICH YOU ARE APPLYING WITHOUT CAUSE DURING THE FIRST 120 DAYS. THAT IS THE INSURER'S CHOICE. AFTER THE FIRST 120 DAYS, THE INSURER CAN ONLY CANCEL THIS POLICY FOR REASONS STATED IN THE POLICY.'

COINSURANCE CLAUSE

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM	
FARM PROPERTY	\$	2,287.42
FARM LIABILITY	\$	580.83
TOTAL	\$	2,868.25
Applicable Discounts		
Account Discount		
Claims-Free Discount		
Continuous Coverage Discount		
Farm Package Discount		
Financial Responsibility Discount		

FORMS APPLICABLE TO ALL COVERAGE PARTS

Code	Edition
SIL 00 17	04 16
SIL 00 21	04 16
SIL 01 95	07 22
SIL 02 49	04 21
SIL P 001	04 16

COUNTERSIGNED DATE: 10/19/2022

BY:



ROA - 020

UNDERWRITING INFORMATION PROCEDURES

As part of our underwriting procedures, we may make a routine inquiry into your past insurance claims history (C.L.U.E. Report). We may also make an inquiry concerning drivers and any physical impairments, automobile accidents, traffic violations, and use of vehicles (MVR Report). We may also obtain a credit report or use a credit-based insurance score based on the information obtained in that credit report. We may use a Consumer Reporting agency in connection with the development of your insurance score. Further information about your credit report or any other of these reports will be available from the Consumer Reporting Agency. We will provide you with the name and address of the agency at your request.

FOR YOUR INFORMATION

If you have any questions, please contact your local Farm Bureau agent.

You may contact our state office at:

South Carolina Farm Bureau Insurance Companies
Post Office Box 2124
West Columbia, South Carolina 29171-2124

Our toll-free 24-hour Claims Call Center number is 1-800-799-7500.

Form Number	Description
SFB 150 04 16.....	AG PROMISE® Letter
FPP 20 04 16.....	Common Policy Declarations
FPP 97 05 18.....	Dec Page Attachment - South Carolina
FPP 96 04 16.....	Table of Contents
SIL 00 17 04 16.....	Common Policy Conditions
SFP 10 25 09 20.....	Cyber Event Exclusion
SIL 00 21 04 16.....	Nuclear Energy Liability Exclusion Endorsement
SIL 01 95 07 22.....	South Carolina Changes
SIL 02 49 04 21.....	South Carolina Changes- Cancellation and Nonrenewal
SIL P 001 04 16.....	U. S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders
FPP 30 04 16.....	Farm Property Declarations
FPP 31 04 16.....	Schedule of Farm Personal Property - Coverage E
SFP 00 13 02 20.....	Farm Property - Farm Personal Property Coverage Form
SFP 00 14 04 16 (REV 05 18).....	Farm Property - Barns, Outbuildings and Other Farm Structures
SFP 00 90 09 22.....	Farm Property - Other Farm Provisions Form - Additional Coverages, Conditions, Definitions
SFP 01 39 01 21.....	South Carolina - Valuation
SFP 04 04 04 16.....	Farm Building Replacement Cost Protection
SFP 04 20 04 16.....	Foreign Objects In Machinery
SFP 05 21 04 16.....	Replacement Cost - Farm Machinery, Vehicles, and Equipment
SFP 10 21 04 16.....	Exclusion of Certain Computer-Related Losses
SFP 10 34 04 16.....	Exclusion of Loss Due to By-Products of Production or Processing Operations (Rental Properties)
SFP 10 60 04 16.....	Causes of Loss Form - Farm Property
SFP 99 04 12 19.....	Cannabis Exclusion with Industrial Hemp Exception
FPP 40 04 16.....	Farm Liability Declarations
SFL 00 20 04 16.....	Farm Liability
SFL 01 10 04 16.....	Insurance Under More Than One Policy
SFL 04 65 04 16.....	Coverage K - Farm Employers' Liability and Coverage L - Farm Employees' Medical Payments Insurance
SFL 10 12 04 16.....	Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception
SFL 10 15 07 18.....	Exclusion - Raw Milk
SFL 10 44 04 16.....	Exclusion of Certified Nuclear, Biological, Chemical or Radiological Acts of Terrorism: Cap on Losses From Certified Acts of Terrorism.
SFL 10 55 04 16 (REV 11 17).....	Exclusion - Aviation Liability
SFL 22 50 01 20.....	Exclusion - Failure to Supply
SFL 40 15 12 19.....	Cannabis Exclusion with Industrial Hemp Exception
SFL P 100 08 20.....	Policyholder Disclosure Notice of Terrorism Insurance Coverage

COMMON POLICY CONDITIONS

This endorsement modifies insurance provided in this Policy. Please read it carefully.

All Coverage Parts included in this Policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this Policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this Policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this Policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This Policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this Policy with our consent. This Policy's terms can be amended or waived only by endorsement issued by us and made a part of this Policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this Policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs **D.1.** and **D.2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph **D.2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this Policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER EVENT EXCLUSION

This endorsement modifies insurance provided under the following:

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM
FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS FORM – FARM PROPERTY
FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS

Unless otherwise directed in this endorsement, the “cyber event” exclusion applies to all Property Coverage Parts in the Policy to which this endorsement is attached.

A. Cyber Event Exclusion

We will not pay for any loss, damage, cost or expense directly or indirectly caused by, resulting from, or arising out of a “cyber event”. Such loss, damage, cost or expense is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

As used in this endorsement, “cyber event” includes, but is not limited to, any of the following:

1. Unauthorized access to or use of or any unauthorized attempt to access or use any computer system, network, electronic device, or electronic data.
2. The introduction of any malicious code, virus, worm, spyware, malware, or any other harmful computer code which is used or designed to access, collect, encrypt, steal, destroy, alter, retrieve, disrupt, exploit or otherwise harm or perpetuate a fraud upon any computer system, network, electronic device, or electronic data.
3. Any denial of service attack, threat, or demand for any type of payment, which involves a malicious or otherwise harmful restriction of access to, disablement of, impairment of, or disruption of the normal use, functioning or operation of any computer system, network, electronic device, or electronic data.

B. Exceptions And Limitations

1. Fire Or Explosion

If a “cyber event”, as defined in this endorsement, causes or results in fire or explosion, we will pay for the ensuing loss or damage caused by that fire or explosion.

2. The “cyber event” exclusion in Paragraph **A.** does not apply to the extent that coverage for a “cyber event” is specifically provided under any endorsement or other coverage under this Policy.

C. Vandalism

The following exclusion applies to any Vandalism coverage provided in the Causes of Loss Form – Farm Property under the Basic, Basic With Collapse, Broad, or Special coverages.

Vandalism does not include loss or damage arising out of a “cyber event” as described in Paragraph **A** of this endorsement.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

FARM COVERAGE PART

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

(a) Any "nuclear reactor";

- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**SOUTH CAROLINA CHANGES**

This endorsement modifies insurance provided under the following:

FARM COVERAGE PART**A. Mutual Policy Conditions**

This Policy is issued by South Carolina Farm Bureau® Mutual Insurance Company (Mutual Company). By virtue of this Policy being in force, and as a policyholder, you are a member of the Mutual Company. You are entitled to cast one vote in the election of directors and upon each matter coming to a vote at meetings of the members. You may vote in person or by proxy. If you vote by proxy, unless previously given by virtue of your insurance application, the proxy must be executed and filed with the secretary of the corporation at least ten days before the meeting as to which it is to be effective. Your proxy may be revoked at any time by attending in person any membership meeting of the corporation or by written request to the secretary of the corporation not less than twenty days before the date of any membership meeting of the corporation. Unless otherwise specified, any such revocation shall be solely with respect to the meeting which you attend or the meeting for which you have revoked the proxy in order to cast a vote. Unless revoked as provided herein, your proxy shall be effective for an initial term of one year or the duration of the policy, whichever period is shorter, and shall be deemed to be automatically reestablished for additional terms of one year or the duration of the policy, whichever is shorter, upon each subsequent renewal or reinstatement of your policy.

The annual meeting of the members of the Mutual Company shall be held on the dates of, at the time and place of, and in conjunction with the Annual Convention of the South Carolina Farm Bureau® Federation.

B. Local Farm Bureau Membership

Membership in your local Farm Bureau agricultural organization is a condition precedent or prerequisite to your ability to both apply for and to renew the Policy. Failure to maintain membership in your local Farm Bureau agricultural organization will result in the cancellation or nonrenewal of your Policy.

Any dues paid or payable to your local Farm Bureau agricultural organization are solely in consideration of membership in that organization. Such membership dues are not insurance premiums and therefore, are not in consideration of insurance provided by this Policy.

C. Participating Conditions

If a dividend is declared for the period during which this Policy is in force, the Named Insured may participate in any dividends to the extent and on the conditions determined, fixed and declared by the Board of Directors in accordance with the law.

IN WITNESS WHEREOF, the South Carolina Farm Bureau® Mutual Insurance Company, has caused this Policy to be signed by an officer of the company and shall not be valid unless countersigned on the Declarations by a duly authorized representative of the Company.

South Carolina Farm Bureau® Mutual Insurance Company



Courtney B. Cowart
Senior Vice President – State Manager

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

FARM COVERAGE PART

A. Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are deleted.

B. The following conditions are added to the **Cancellation** Common Policy Condition:

7. Cancellation Of Policies In Effect For Less Than 120 Days

If this Policy has been in effect for less than 120 days and is not a renewal of a previously existing policy we issued, we may cancel this Policy without cause and for any reason by mailing or delivering to the first Named Insured's and agent's last known address written notice of cancellation:

- a.** At least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- b.** At least 30 days before the effective date of cancellation, if we cancel for any other reason.

8. Cancellation Of Policies In Effect For 120 Days Or More

a. If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy by mailing or delivering to the first Named Insured's and agent's last known address written notice of cancellation:

- (1)** At least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2)** At least 30 days before the effective date of cancellation if we cancel for any other reason.

b. We may only cancel this Policy based on one or more of the following reasons:

- (1)** Nonpayment of premium;

(2) Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;

(3) Substantial change in the risk assumed, except to the extent that:

(a) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

(b) We should reasonably have foreseen the change or contemplated the risk in writing the policy;

(4) Substantial breaches of contractual duties, conditions or warranties; or

(5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **(5)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

FARM
SIL 02 49 04 21

2. If we decide not to renew this Policy, we will:
 - a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
 - (1) The expiration date of this Policy, if the policy is written for a term of one year or less; or
 - (2) An anniversary date of this Policy, if the policy is written for a term of more than one year or for an indefinite term; and
 - b. Provide at least 60 days' notice of nonrenewal.
3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your Policy. You should read your Policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential Declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organization; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site - <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments, nor premium refunds, may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

PROPERTY



South Carolina Farm Bureau® Mutual Insurance Company
PO Box 2124
West Columbia, SC 29171-2124
www.SCFBIns.com

® Real Service. Real People. ®



Tom Baker
Po Box 2228
Lancaster, SC 29720
803-283-9908
Tombaker@Scfbins.Com

AG PROMISE® PROPERTY DECLARATIONS

NAMED INSURED AND ADDRESS

Angela Leone

3135 Old Hickory Rd
Lancaster, SC 29720-8897

Policy Number: 390100000547
County Farm Bureau® Member Number: 001009070
Printed Date: 10/19/2022
Term: 1

Policy Effective Date: 10/06/2022
Policy Expiration Date: 10/06/2023
at 12:01 a.m.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

TOTAL PREMIUM: \$2,287.42

IMPORTANT NOTICE:

COINSURANCE CLAUSE

FARM LOCATIONS				
Location Number	Address City	Zip Code	County	State
1	3135 Old Hickory Rd Lancaster	29720-8897	Lancaster	South Carolina

LOCATION ENDORSEMENTS

FARM PROPERTY ENDORSEMENTS

SFP 00 13 02 20	Farm Property - Farm Personal Property Coverage Form
SFP 00 14 04 16 (REV 05 18)	Farm Property - Barns, Outbuildings And Other Farm Structures Coverage Form
SFP 00 90 09 22	Farm Property - Other Farm Provisions Form - Additional Coverages, Conditions, Definitions
SFP 10 60 04 16	Causes of Loss Form - Farm Property
SFP 10 21 04 16	Exclusion of Certain Computer-Related Losses
SFP 10 25 09 20	Exclusion - Cyber Event Exclusion
SFP 10 34 04 16	Exclusion of Loss Due to By-Products of Production or Processing Operations (Rental Properties)
SFP 99 04 12 19	Exclusion - Cannabis Exclusion with Industrial Hemp Exception

ROA - 039

FPP 30 04 16

COUNTERSIGNED DATE: 10/19/2022

BY:

A handwritten signature in black ink, appearing to be "L. B. Cant", written over a horizontal line.

ROA - 040

Farm Structures

COVERAGES PROVIDED Insurance at the "Insured Locations" applies only for coverages for which Limits of Insurance are shown.

Barns, Outbuildings, And Other Structures (Sec. G)									
Loc #	Bldg #	Year	Type / Description	Construction Type	Limit	Cause of Loss	Deductible	Valuation	Premium
1	1	2020	Cattle Shed Building# 1	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	2	2020	Cattle Shed Building# 2	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	3	2020	Cattle Shed Building# 3	Aluminum	\$10,000	Basic	\$2,000	RC	\$96.61
1	4	2020	Cattle Shed Building# 4	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	5	2020	Cattle Shed Building# 5	Aluminum	\$10,000	Basic	\$2,000	RC	\$96.61
1	6	2020	Cattle Shed Building# 6	Aluminum	\$10,000	Basic	\$2,000	RC	\$96.61
1	7	2020	Cattle Shed Building# 7	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	8	2020	Cattle Shed Building# 8	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	9	2020	Cattle Shed Building# 9	Frame	\$20,000	Basic	\$2,000	RC	\$170.01
1	10	2020	Cattle Shed Building# 10	Frame	\$10,000	Basic	\$2,000	RC	\$119.37
1	11	2020	Cattle Shed Building# 11	Frame	\$10,000	Basic	\$2,000	RC	\$119.37
1	13	2020	Cattle Shed Building# 13	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	14	2020	Cattle Shed Building# 14	Aluminum	\$10,000	Basic	\$2,000	RC	\$96.61
1	15	2020	Cattle Shed Building# 15	Frame	\$10,000	Basic	\$2,000	RC	\$119.37
1	16	2020	Barn	Frame	\$20,000	Basic	\$2,000	RC	\$137.65
1	17	2020	Cattle Shed Building# 16	Frame	\$10,000	Basic	\$2,000	RC	\$119.37
1	18	2020	Cattle Shed Building# 16	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59

ACV = Actual Cash Value

RC = Replacement Cost

OPTIONAL COVERAGES**INCREASE LIMITS - COVERAGE EXTENSIONS AND ADDITIONAL COVERAGES**

Limit is Part of and not in addition to Coverage E, F, or G Limit Of Insurance.

COVERAGE EXTENSIONS / ADDITIONAL COVERAGES

SFP 00 13 02 20

Borrowed Farm Machinery, Vehicles, and Equipment
Total Limit - \$10,000

SFP 00 13 02 20

Coverage Extensions and Additional Coverages

\$47.00

ROA - 041

FPP 30 04 16

SFP 00 13 02 20 Rented or Leased Farm Machinery, Vehicles, and Equipment
 Total Limit - \$75,000
 Number of Days - 60 Days
 Deductible - \$500

SFP 00 14 04 16 (REV 05 18) Coverage Extensions and Additional Coverages \$12.50

ENDORSEMENTS

SFP 04 04 04 16 Farm Building Replacement Cost Protection

MORTGAGEE

Loc. #	Bldg #	Name	Address	City / County	State	Zip Code
1	1	NONE				
1	2	NONE				
1	3	NONE				
1	4	NONE				
1	5	NONE				
1	6	NONE				
1	7	NONE				
1	8	NONE				
1	9	NONE				
1	10	NONE				
1	11	NONE				
1	13	NONE				
1	14	NONE				
1	15	NONE				
1	16	NONE				
1	17	NONE				
1	18	NONE				

Farm Equipment**COVERAGE E - FARM PROPERTY - SCHEDULED FARM PERSONAL PROPERTY****SCHEDULED FARM EQUIPMENT**

Item	Year	Make	Model / Type / Serial Number	Cause of Loss	Deductible	Valuation	Theft Exclusion	Vandalism Exclusion	Custom Farming	Glass Breakage	Damage to Tires	Premium
1	2006	John Deere	5525 Tractor 156664646	Special	\$ 2,000	ACV	N	N	N	N	N	\$ 73.62
2	2017	Honda	300 4 wheeler 1649646129	Special	\$ 2,000	ACV	N	N	N	N	N	\$ 41.52
3	2014	Kawasaki	641611514 4-wheeler (side by side) 6416406949169	Special	\$ 2,000	ACV	N	N	N	N	N	\$ 43.73
4	2020	Ferris	5901796 Riding Lawn Mower 49T8770010G1	Special	\$ 2,000	RC	N	N	N	N	N	\$ 67.34

ACV = Actual Cash Value

RC = Replacement Cost

Endorsements

SFP 04 20 04 16 Foreign Objects in Machinery

SFP 05 21 04 16 Replacement Cost - Farm Machinery, Vehicles, and Equipment

Loss Payee

Item	Loss Payee	Address
1	NONE	
2	NONE	
3	NONE	
4	NONE	

FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Form, the words "you" and "your" refer to the Named Insured shown in the Declarations. If the Named Insured shown in the Declarations and spouse are members of the same household, the words "you" and "your" also refer to the spouse. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions Section of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

SECTION I – COVERAGES

COVERAGE E – SCHEDULED FARM PERSONAL PROPERTY

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the "insured location" described in the Declarations, or elsewhere as expressly provided below, caused by or resulting from any Covered Cause of Loss.

1. Covered Property

All of the following are Covered Property under Coverage E of this Coverage Form, provided the specific type of property is scheduled or a Limit Of Insurance is shown in the Declarations for the specific type of property:

- a. Grain, threshed seeds and beans, ground feed, silage, and manufactured and blended "livestock" feed in buildings or structures or in sacks, wagons or trucks.
- b. Grain in stacks, shocks, swaths or piles in the open, but for this property, fire or lightning, vandalism, vehicles and theft are the only Covered Causes of Loss.
- c. Hay, straw and fodder:
 - (1) In buildings or structures; and
 - (2) In stacks, windrows or bales, but for this property, fire or lightning, windstorm or hail, vandalism, vehicles and theft are the only Covered Causes of Loss.

A stack means hay, straw or fodder in one area separated by a clear space of 100 feet or more from any other hay, straw or fodder in the open.

- d. Farm products, materials and supplies shown in the Declarations. These include farm materials and related packing materials and containers usual to the operations of a farm, but not hay, grain or any growing crops.

- e. "Poultry" (excluding turkeys unless specified):

- (1) In the open; or
- (2) In any building designated for "poultry" in the Declarations.

But for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.

- f. Trays, boxes and box shook, each item or set in the proportion that its value bears to the total value of all trays, boxes and box shook covered under this Coverage Form.

- g. Computers and related software used principally as aids in farm management.

But an item of software is Covered Property only up to the amount required to replace it as a prepackaged program, or in unexposed or blank form, whichever is greater.

- h. Miscellaneous equipment, usual or incidental to the operation of a farm (including machinery, vehicles, tools, and supplies of all kinds), covered under a single Limit Of Insurance shown for Miscellaneous Equipment in the Declarations.

But such miscellaneous farm equipment does not include:

- (1) Threshing machines, tractors, combines, corn pickers, hay balers, harvesters, peanut diggers, potato diggers and pickers, cotton pickers, crop driers, sawmill equipment or other self-propelled equipment;
- (2) Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles, all-terrain vehicles; mobile homes, house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft or aircraft; or the equipment, tires or parts of any of these;
- (3) Liquefied petroleum or manufactured gas or fuel, or their containers;

- (4) Bulk milk tanks, bulk feed tanks or bins attached to buildings or structures; barn cleaners, pasteurizers or boilers; any permanent fixtures within or attached to a building;
 - (5) Brooders;
 - (6) Fences; windmills or windchargers or their towers;
 - (7) Outdoor radio or television equipment, antennas, masts and towers, including any guy wires and lead-in wiring; private power and light poles;
 - (8) Irrigation equipment not including polypipe, other disposable pipe, or irrigation supplies;
 - (9) Portable buildings and portable structures;
 - (10) Household personal property or property usual to a "dwelling"; or
 - (11) Property more specifically covered under another coverage or Coverage Form of this or any other policy.
- i. Farm machinery, vehicles and equipment that you borrow or rent, whether or not under a written contract, except while on the premises of its owner. The borrowed or rented property must be:
- (1) Usual or incidental to farming operations;
 - (2) In your care, custody or control; and
 - (3) Property in which you have no interest as owner or lienholder.
- But Covered Property does not include borrowed or rented property of the following types:
- (a) Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles, all-terrain vehicles; mobile homes, house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft or aircraft; or the equipment, tires or parts of any of these; or
 - (b) Dealers' demonstration machinery, vehicles or equipment.
- j. Farm machinery, vehicles and equipment which are individually described and specifically covered in the Declarations, while on or away from the "insured location", except while in the custody of a common or contract carrier.
- k. "Livestock" on or away from the "insured location", but for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.

But we do not cover "livestock" while:

- (1) In the custody of a common or contract carrier;
 - (2) At public stockyards, sales barns or sales yards; or
 - (3) At packing plants or slaughterhouses.
- l. Bees, but for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.
- m. Worms, but for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.
- n. Fish, but for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.
- o. Other animals, but for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.
- p. Portable buildings and portable structures that you own.

2. Property Not Covered

Under Coverage E, Covered Property does not include:

- a. Growing crops, trees, plants, shrubs or lawns;
- b. Household personal property or property usual to a "dwelling";
- c. Magnetic recording or storage media for electronic data processing, such as cell, disc, drum, film and tape, over or above their replacement value:
 - (1) As prepackaged software programs; or
 - (2) In unexposed or blank form;
 whichever is greater;
- d. Any permanent fixtures within or attached to a building;
- e. Outdoor radio or television equipment, antennas, masts and towers, including any guy wires and lead-in wiring; private power and light poles;
- f. Contraband or property in the course of illegal transportation or trade; or
- g. "Agritainment property".

3. Special Limits Of Insurance Under Coverage E – Scheduled Farm Personal Property

Under Coverage E, certain individual items of Covered Property are subject to Special Limits Of Insurance. These Special Limits are part of, not in addition to, the applicable Limits Of Insurance shown in the Declarations.

- a. If no specific stack limit is shown in the Declarations for hay, straw or fodder in the open, the limit will be \$10,000 on any one stack.
- b. For covered "poultry", the Limit of Insurance per bird under any provision of this Coverage Form applicable to "poultry" will be its cash market value as of the time of loss.
- c. The Limit of Insurance on any one item of miscellaneous equipment is \$15,000.
- d. The most we will pay for loss of or damage to any one head of "livestock" (other than animals individually described and specifically covered under this coverage) is the least of the following amounts:
 - (1) 120% of the amount obtained by dividing the total insurance on the class and type of animal involved by the number of head of that class and type owned by you as of the time of loss. For this calculation, each horse, mule or head of cattle under one year of age as of the time of loss will be counted as ½ head;
 - (2) The actual cash value of the animal destroyed or damaged; or
 - (3) \$2,000.

B. Coverage E Scheduled Farm Personal Property Conditions

Coverage **E** is subject to the following Loss Conditions as well as to the Farm Property Conditions (see Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions) and Common Policy Conditions:

LOSS CONDITIONS

1. Portable Buildings And Portable Structures That You Own

The most we will pay for loss of or damage to this property in any one occurrence is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the value of all portable buildings and portable structures you own as of the time of loss.

2. "Livestock", "Poultry", Bees, Fish, Worms And Other Animals

With respect to "livestock", "poultry", bees, fish, worms, and other animals, the phrase loss of or damage to means death or destruction caused by, resulting from or made necessary by a Covered Cause of Loss.

3. Valuation

In the event of loss of or damage to Covered Property, we will settle at actual cash value as of time of loss, but we will not pay more than the amount necessary for repair or replacement.

4. Coverage Territory

We cover loss or damage commencing within the coverage territory. The coverage territory is:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

COVERAGE F – UNSCHEDULED FARM PERSONAL PROPERTY

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the "insured location" described in the Declarations, or elsewhere as expressly provided below, caused by or resulting from any Covered Cause of Loss.

1. Covered Property

All of the following are Covered Property under Coverage **F** of this Coverage Form, provided a Limit Of Insurance is shown in the Declarations:

- a. All items of "farm personal property" on the "insured location", except for items specified under Paragraph **2. Property Not Covered**.

But for "livestock", the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss; and

- b. The following items of "farm personal property" away from the "insured location":

- (1) Grain, ground feed, fertilizer, fodder, hay, herbicides, manufactured and blended "livestock" feed, pesticides, silage, straw, threshed beans and threshed seeds, except while:

- (a) Being stored or processed in commercial drying plants, manufacturing plants, public elevators, seed houses or warehouses; or
- (b) In the custody of a common or contract carrier.

- (2) "Livestock", except while:

- (a) In the custody of a common or contract carrier;
- (b) At public stockyards, sales barns or yards; or
- (c) At packing plants or slaughterhouses.

But for "livestock", the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.

- (3) Farm machinery, equipment, implements, tools and supplies, except:

- (a) Items specified under Paragraph **2. Property Not Covered**; or

- (b) While in the custody of a common or contract carrier.

2. Property Not Covered

Covered Property does not include:

- a. Household or personal property usual to a "dwelling";
- b. Magnetic recording or storage media for electronic data processing, such as cell, disc, drum, file and tape, over or above their replacement value:
 - (1) As prepackaged software programs; or
 - (2) In unexposed or blank form; whichever is greater;
- c. Animals other than "livestock";
- d. "Poultry", bees, fish or worms;
- e. Racehorses, show horses or show ponies;
- f. Any of the following while being stored or processed in manufacturing plants, public elevators, warehouses, seed houses or commercial drying plants: grain, threshed seeds, threshed beans, hay, straw, fodder, silage, ground feed, herbicides, fertilizer, manufactured or blended "livestock" feed;
- g. Trees, plants, shrubs or lawns;
- h. Tobacco, cotton, vegetables, root crops, potatoes, bulbs, fruit or nursery stock;
- i. Crops in the open, except to the extent provided for in the applicable Coverage Extension in Section II of this Coverage Form;
- j. Contents of chicken fryer or broiler houses, laying houses, "poultry" brooder or duck or turkey houses;
- k. Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles, all-terrain vehicles; mobile homes, house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft or aircraft; or the equipment, tires or parts of any of these;
- l. Fences; windmills or windchargers or their towers;
- m. Bulk milk tanks, bulk feed tanks or bins attached to buildings or structures; barn cleaners, pasteurizers or boilers; any permanent fixtures within or attached to a building;
- n. Outdoor radio or television equipment, antennas, masts and towers, including any guy wire and lead-in wiring;
- o. Portable buildings or portable structures;

- p. Irrigation equipment not including polypipe, other disposable pipe, or irrigation supplies;
- q. Property separately described and specifically covered in whole or in part under another coverage or Coverage Form of this or any other policy;
- r. Cotton pickers and harvester-thresher combines;
- s. Contraband or property in the course of illegal transportation or trade;
- t. "Agritainment property"; or
- u. Any property shown in the Declarations under the heading Other Property Not Covered Under Coverage F.

3. Special Limits Of Insurance Under Coverage F – Unscheduled Farm Personal Property

Under Coverage F, individual "livestock" are subject to Special Limits Of Insurance. These Special Limits are part of, not in addition to, the applicable Limit Of Insurance shown in the Declarations.

The most we will pay for loss of or damage to any one head of "livestock" is:

- a. \$1,000 on any horse, mule or head of cattle under one year of age as of time of loss; and
- b. \$2,000 on any head of "livestock" not included under Paragraph a. above.

If it becomes necessary to impose the penalty provided for in the first paragraph of the Coverage F Loss Condition – Coinsurance (see Paragraph B.2. below), no amount used as the actual cash value of an animal will exceed the applicable Limit of Insurance specified above.

B. Coverage F Unscheduled Farm Personal Property Conditions

Coverage F is subject to the following Loss Conditions as well as to the Farm Property Conditions (see Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions) and the Common Policy Conditions:

LOSS CONDITIONS

1. "Livestock"

With respect to "livestock", the phrase loss of or damage to means death or destruction caused by, resulting from or made necessary by a Covered Cause of Loss.

2. Coinsurance

You must maintain insurance on unscheduled "farm personal property" to the extent of at least 80% of its actual cash value as of the time of loss. If you fail to do this, the percentage we pay of any loss will be the result produced by dividing the Limit of Insurance actually carried by the required Limit of Insurance.

The following provision applies in the event of loss of or damage to machinery or equipment within 60 days after the purchase of additional or replacement machinery or equipment.

If the Limit of Insurance actually carried becomes inadequate due to the purchase of additional or replacement machinery or equipment, then, up to \$100,000 of the value of the newly purchased additional machinery or equipment and \$75,000 of the value of the newly purchased replacement machinery or equipment will be omitted in determining the required Limit of Insurance.

3. Valuation

In the event of loss of or damage to covered "farm personal property", we will settle at actual cash value as of time of loss, but we will not pay more than the amount necessary for repair or replacement.

4. Coverage Territory

We cover loss or damage commencing within the coverage territory. The coverage territory is:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

SECTION II – COVERAGE EXTENSIONS

A. Property In The Custody Of A Common Or Contract Carrier

This Coverage Extension applies to Coverages **E** – Scheduled Farm Personal Property and **F** – Unscheduled Farm Personal Property.

Coverage is extended to apply to "farm personal property", insured under Coverage **E** – Scheduled Farm Personal Property or Coverage **F** – Unscheduled Farm Personal Property, while in the custody of a common or contract carrier, for up to a total of \$2,500 under each of these coverages. However, if a higher limit is specified in the Declarations for Coverage **E** or Coverage **F** –

Property in the Custody of a Common or Contract Carrier, the higher limit will apply to the coverage(s) specified, instead of \$2,500.

B. Covered Property Away From The "Insured Location"

This Coverage Extension applies to Coverage **E** – Scheduled Farm Personal Property.

1. Coverage is extended to apply to Covered Property while away from the "insured location", for up to a certain percentage of the Limit Of Insurance shown in the Declarations for the specific type of property, as follows:
 - a. 25%, for Miscellaneous Equipment Usual or Incidental to the Operation of a Farm; or
 - b. 10%, for other types of property.
2. This Coverage Extension is part of, not in addition to, the applicable Limit of Insurance or Special Limit of Insurance.
3. This Coverage Extension does not apply to:
 - a. "Livestock" or individually insured farm machinery, vehicles or equipment which are described in Paragraph **1.j.** or **1.k.** of Covered Property;
 - b. Property while in the custody of a common or contract carrier;
 - c. Property stored or being processed in manufacturing plants, public elevators, warehouses, seed houses or commercial drying plants; or
 - d. Property in public sales barns or public sales yards.
4. Under this Coverage Extension, the greatest proportion we will pay of any one loss is the proportion we would have paid if every policy covering the property involved in the loss had provided the same coverage as this Coverage Extension.

C. Replacement Machinery, Vehicles And Equipment Newly Purchased

This Coverage Extension applies to Coverage **E** – Scheduled Farm Personal Property.

1. A Special Limit of Insurance equal to \$75,000 plus the actual cash value of the replaced item scheduled in the Declarations for individually scheduled items of Farm Machinery, Vehicles and Equipment applies to any item of property purchased as a replacement of such machinery, vehicle or equipment.

The additional \$75,000 coverage will end:

- a. 60 days after the date of purchase of the replacement item; or
- b. When this Policy expires; whichever comes first.
2. When values for Newly Purchased Replacement Farm Machinery, Vehicles, and Equipment are reported under this Coverage Extension, additional premium for these values will be due and payable from the date of purchase.

3. In no event will we pay more than the actual cash value as of the time of loss.
4. The deductible applicable to the replaced property also applies to coverage provided under this extension.
5. A newly purchased vehicle or item of machinery or equipment is covered under this Coverage Extension only to the extent that it is not covered under another coverage or Coverage Form of this or any other policy of the "insured".

D. Additional Machinery, Vehicles And Equipment Newly Purchased

This Coverage Extension applies to Coverage **E** – Scheduled Farm Personal Property.

1. Coverage on such items of farm equipment, machinery and vehicles such as tractors, combines, harvesters, corn pickers and hay balers will extend to apply to newly purchased additional farm equipment, machinery and vehicles.
2. The most we will pay under this Coverage Extension is \$100,000 for loss of or damage to all such Newly Purchased Additional Farm Equipment, Machinery and Vehicles. This \$100,000 limit is part of, not in addition to, the applicable Limit of Insurance.
3. When values for Newly Purchased Additional Farm Equipment, Machinery and Vehicles are reported under this Coverage Extension, additional premium for these values will be due and payable from the date of purchase.
4. A \$500 deductible applies to this Coverage Extension.
5. None of the following is covered under this Coverage Extension:
 - a. Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles; all-terrain vehicles; mobile homes or house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft, aircraft; or their equipment, tires or parts;
 - b. Liquefied petroleum or manufactured gas or fuel, or their containers;
 - c. Brooders, fences, windmills or windchargers or their towers; or
 - d. Any farm equipment, machinery, or vehicles purchased as replacements of equipment, machinery, vehicles or equipment specifically described in the Declarations.
 - e. Any property listed as not covered under Coverage **E** in Provision **A.2. Property Not Covered**.
6. This Coverage Extension will end:
 - a. 60 days after the date of acquisition of the additional item; or
 - b. When this Policy expires;
 whichever comes first.
7. Newly Purchased Additional Farm Equipment, Machinery and Vehicles are covered under this Coverage Extension only to the extent that they are not covered under another coverage or Coverage Form of this or any other policy of the "insured".

E. Additional Acquired "Livestock"

This Coverage Extension applies to Coverage **E** – Scheduled Farm Personal Property.

1. If Coverage **E** covers "livestock":
 - a. Specifically declared and described in the Coverage **E** Declarations; or
 - b. With separate Limits Of Insurance per class shown in the Coverage **E** Declarations;
 we will cover additional "livestock" you acquire during the policy period, for up to 30 days from acquisition.
2. The most we will pay under this Coverage Extension is the lesser of:
 - a. The actual cash value of the additional "livestock"; or
 - b. 25% of the total of the Limits Of Insurance shown in the Coverage **E** Declarations for:
 - (1) Specifically declared and described "livestock"; and
 - (2) "Livestock" with separate limits per class.
3. You must report the additional "livestock" within 30 days from the date of acquisition and pay any additional premium due. If you do not report such property, coverage will end 30 days after the date of acquisition.

F. Rental Reimbursement On Farm Machinery And Equipment

This Coverage Extension applies to Coverage **E** – Scheduled Farm Personal Property and Coverage **F** – Unscheduled Farm Personal Property.

1. In the event of loss or damage to covered farm machinery or equipment by a Covered Cause of Loss, we will also cover your cost to rent similar farm machinery or equipment to replace the covered property. This applies only if:
 - a. The Covered Property cannot be used;
 - b. You do not have other equipment available for similar use; and
 - c. It is necessary for you to rent farm machinery and equipment to continue your normal farming operations.

2. The amount of coverage provided by this additional coverage is limited to actual expenses incurred up to \$1,000 for each day subject to a maximum of \$5,000 for each loss. This coverage is additional insurance.
3. Coverage begins upon your notification to us that a covered loss has occurred. It ends at the earlier of the following:
 - a. When the covered property has been replaced or restored to service; or
 - b. When the need for rental property no longer exists.
4. This additional coverage is not subject to a deductible or the coinsurance provision.

G. Rented Or Leased Farm Machinery, Vehicles, And Equipment

This Coverage Extension applies to Coverage E – Scheduled Farm Personal Property.

1. We will pay up to \$75,000 during the policy period for loss or damage to rented or leased farm machinery, vehicles and equipment caused by the Special Covered Causes of Loss as described in the Causes of Loss Form – Farm Property. But if a higher limit is specified on the Declarations, the higher limit will apply.

The rented or leased farm machinery, vehicles or equipment must be:

- a. Usual or incidental to farming operations;
- b. In your care, custody or control at the time of loss or damage;
- c. Initially rented or leased by you after the beginning of the policy period; and
- d. Property in which you have no interest as owner or lienholder.

However, we will not pay for loss of or damage to borrowed or rented property of the following types:

- (1) Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles, all-terrain vehicles; mobile homes, house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft or aircraft; or the equipment, tires or parts of any of these; or
- (2) Dealers' demonstration machinery, vehicles or equipment.
2. This Coverage Extension does not apply to any farm machinery, vehicles and equipment while on the premises of its owner.
3. None of the following is covered under this Coverage Extension:
 - a. Any items of nonowned property specifically described in the Declarations; or

- b. Any property listed as not covered under Coverage E in Provision A.2. Property Not Covered.

4. Insurance under this extension is excess over any other valid and collectible insurance available to the owner of the property.
5. This Coverage Extension will end:
 - a. 60 days after the farm machinery, vehicles, or equipment was rented or leased; or
 - b. When this Policy expires;
 whichever comes first.
6. A \$500 deductible applies to this Coverage Extension.
7. If any property covered under this Coverage Extension remains in your possession for a period of more than 60 days, you must report value for it, and additional premium will be due and payable from the 61st day after you took possession.

H. Borrowed Farm Machinery, Vehicles And Equipment

This Coverage Extension applies to Coverage E – Scheduled Farm Personal Property.

1. We will pay up to \$10,000 in any one occurrence for loss or damage to borrowed farm machinery, vehicles and equipment (not listed for road use) caused by the Special Covered Cause of Loss as described in the Causes of Loss Form – Farm Property. This is primary insurance. However, if a higher additional Limit of Insurance is specified in the Declarations, the higher limit will apply. The borrowed farm machinery, vehicles and equipment must be:
 - a. Usual or incidental to farming operations;
 - b. In your care, custody or control at the time of loss or damage;
 - c. Initially borrowed by you after the beginning of the policy period; and
 - d. Property in which you have no interest as owner or lienholder.
2. No deductible applies to this Coverage Extension.
3. At our option, we will either:
 - a. Pay the actual cash value of the property; or
 - b. Repair or replace the property with other property of like quality and kind.
4. This coverage does not apply to loss or damage to any property of the following types:

- a. Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles, all-terrain vehicles; mobile homes, house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft or aircraft; or the equipment, tires or parts of any of these; or

- b. Dealers' demonstration machinery, vehicles or equipment.

5. This Coverage Extension does not apply to any farm machinery, vehicles and equipment while on the premises of its owner.

6. Insurance under this Coverage Extension will end:

- a. 30 days after the farm machinery, vehicles or equipment is borrowed; or

- b. When this Policy expires;

whichever comes first.

7. If any property covered under this Coverage Extension remains in your possession for a period of more than 30 days, you must report value for it, and additional premium will be due and payable from the 31st day after you took possession.

I. Farm Products In The Open – Coverage Against Certain Causes Of Loss

This Coverage Extension applies to Coverage F – Unscheduled Farm Personal Property.

You may apply up to 10% of the Limit Of Insurance shown in the Declarations for "farm personal property" to cover the following in the open:

1. Grain in piles, shocks, stacks or swaths;
2. Hay, straw and fodder in stacks, windrows or bales; but the most we will pay for loss or damage is \$10,000 for any one stack of hay, straw or fodder.

A stack means hay, straw or fodder in one area separated by a clear space of 100 feet or more from any other hay, straw or fodder in the open.

Fire or lightning, windstorm or hail, vandalism, vehicles and theft are the only Covered Causes of Loss for the property named in Paragraphs 1. and 2. above.

3. Unharvested barley, corn, oats, rye, wheat and other grains, flax, soy beans and sunflowers (but not on seed or forage crops, straw or stubble).

Fire or lightning is the only Covered Cause of Loss for this property.

This extension is part of, not in addition to, the applicable Limit of Insurance.

SECTION III – ADDITIONAL COVERAGES

A. Cost Of Restoring Farm Operations Records

For any one loss we will pay up to \$2,000 to cover your cost to research, replace or restore the lost information on farm operations records damaged by a Covered Cause of Loss.

No deductible applies to this Additional Coverage.

B. Extra Expense

We will pay up to \$2,000 for the actual and necessary expenses you incur to resume normal farming operations interrupted as the result of direct physical loss of or damage to Covered Property by a Covered Cause of Loss.

Coverage for such extra expense is not limited by the expiration of this Policy. But, we will not pay extra expense you incur after the period required for repair, rebuilding or replacement of Covered Property.

But, if a higher Limit Of Insurance is specified in the Declarations, the higher limit will apply.

Extra Expense Coverage does not include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires any "insured" or others to abate, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of, "pollutants".

No deductible applies to this Additional Coverage.

C. Other Additional Coverages

For other Additional Coverages, see Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

SECTION IV – OTHER PROVISIONS

A. Covered Causes Of Loss, Exclusions And Limitations

See Causes of Loss Form – Farm Property, for Basic, Basic with Collapse, Broad or Special coverage as shown in the Declarations.

B. Limits Of Insurance

See Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

C. Deductible

See Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions, unless a specific deductible is otherwise indicated in this Coverage Form.

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Form the words "you" and "your" refer to the Named Insured shown in the Declarations. If the Named Insured shown in the Declarations and spouse are members of the same household, the words "you" and "your" also refer to the spouse. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions Section of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

SECTION I – COVERAGES

COVERAGE G – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the "insured location" described in the Declarations, or elsewhere as expressly provided below, caused by or resulting from any Covered Cause of Loss.

1. Covered Property

All of the following are Covered Property under Coverage G of this Coverage Form, provided a Limit Of Insurance is shown in the Declarations for the specific type of property:

- a. Farm buildings and structures other than "dwellings", including attached sheds and permanent fixtures;
- b. Silos individually described in the Declarations or on a schedule, whether or not attached to buildings;
- c. Portable buildings and portable structures;
- d. All fences (except field and pasture fences), corrals, pens, chutes and feed racks;
- e. Outdoor radio and television equipment, antennas, masts and towers, including any guy wire and lead-in wiring;
- f. Improvements and Betterments. Improvements and betterments are additions, alterations, fixtures or installations made part of the described building, but do not include

items that may be legally removed by the "insured". If you are a tenant we cover your interest in the improvements and include items that may be legally removed by an "insured". If you are a tenant, we cover your use interest in the improvements and betterments you make at your expense to a building you do not own at the "insured location"; and

g. Building Materials and Supplies:

- (1) For use in building, altering or repairing farm buildings or structures; and
- (2) Kept on or adjacent to the "insured location".

2. Property Not Covered

Covered Property does not include:

- a. Land (including land on which a building or structure is located);
- b. Water;
- c. Field or pasture fences;
- d. Foundations, if below ground, of buildings or structures;
- e. Pilings, piers, wharves or docks;
- f. The cost of excavations, grading, filling or backfilling; or
- g. Private power and light poles, except as provided in the Section II – Coverage Extensions, Private Power and Light Poles.
- h. "Solar panels", "wind generators", and windmills, including all components of either such as, but not limited to, inverters, batteries, mounting poles, mounting brackets or interconnecting wiring associated with "solar panels", "wind generators", or windmills, all whether attached to Covered Property or not, including the cost to remove, reset and/or replace "solar panels", "wind generators" or windmills.

B. Coverage G Conditions

Coverage G is subject to the following Loss Conditions as well as to Farm Property Conditions (see the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions) and Common Policy Conditions.

LOSS CONDITIONS

1. Fences, Corrals, Pens, Chutes, And Feed Racks

The most we will pay in any one occurrence of loss of or damage to covered fences, corrals, pens, chutes and feed racks is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the value of all covered fences, corrals, pens, chutes and feed racks you own as of the time of loss.

2. Portable Buildings And Portable Structures

The most we will pay in any one occurrence of loss of or damage to portable buildings or portable structures is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the value of all portable buildings and portable structures you own as of the time of loss.

But this condition does not apply to any portable building or portable structure individually covered under its own Limit Of Insurance shown in the Declarations.

3. Valuation – Property Other Than Improvements And Betterments

a. If the Replacement Cost Basis option is not expressly indicated in the Declarations, we will, in the event of loss or damage to Covered Property, settle at the actual cash value, as of the time of loss, of the destroyed or damaged part of the structure, but we will not pay more than the amount necessary for repair or replacement.

The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

b. If the Replacement Cost Basis option is expressly indicated in the Declarations, loss valuation will be determined as provided below:

(1) The basis for loss settlement will be determined by the ratio of the applicable Limit of Insurance for the specific building or structure to the full replacement cost of the destroyed or damaged Covered Property. When determining the full replacement cost, the values of the following will be disregarded:

- (a) Excavations, footings;
- (b) Foundations; and
- (c) Piers and other structures or devices that support all or part of Covered Property and are below the

undersurface of the lowest basement floor; or, where there is no basement, those below the surface of the ground inside the foundation walls; also underground flues, pipes, wiring and drains.

(2) If the Limit of Insurance on the damaged building or structure is at least 80% of its full replacement cost as of the time of loss, we will settle the loss based on the smallest of the following amounts:

- (a) The cost to replace the damaged part of the building or structure with material of like kind and quality and for like use;
- (b) The amount actually and necessarily spent to repair or replace the building or structure; or
- (c) The applicable Limit of Insurance.

If the structure is rebuilt at a new premises, the cost described in Paragraph **B.3.b.(2)** is limited to the cost that would have been incurred if the structure had been rebuilt at the original premises.

The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

(3) If the Limit of Insurance on the damaged building or structure is less than 80% of its full replacement cost as of the time of loss, we will settle on the basis of (a) or (b) below, whichever is larger:

- (a) The actual cash value, as of time of loss, of the damaged part of the building or structure; or
- (b) A proportion of the cost to repair or replace the damaged part of the building or structure, without deduction for depreciation. This proportion will equal the ratio of the applicable Limit of Insurance to 80% of the cost of repair or replacement. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, we will not pay more than the applicable Limit of Insurance, regardless of whether Paragraph (a) or (b) above applies.

- (4) If your loss qualifies for payment on a replacement cost basis, but the cost of repair or replacement is more than either \$5,000 or 5% of the applicable Limit of Insurance, the only basis on which we will settle pending completion of repair or replacement is actual cash value, as of time of loss, of the damaged part of the building or structure. In case of such a loss, you can make an initial claim for payment on the actual cash value basis, and later make a supplementary claim for replacement cost payment. If you elect to exercise this option, you must notify us of your intention in writing within 180 days of the occurrence of the loss.

The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

4. Valuation – Improvements And Betterments

- a. If repair or replacement is done at the expense of the "insured" within 12 months after the loss, we will settle the loss on the basis of actual cash value as of time of loss.
- b. If repair or replacement is not done within 12 months after loss, we will settle on the basis of a proportion of the cost of repair or replacement. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property. The applicable proportion will equal the ratio of Paragraph (1) below to Paragraph (2) below:
 - (1) The period of time from the loss or damage to the expiration of the lease.
 - (2) The period of time from the installation of the improvements to the expiration of the lease.

Lease means the lease, whether written or oral, in effect at the time of the loss.

If your lease contains a renewal option and if you exercise that option, the expiration of the renewal option period will replace the expiration of the lease in Paragraphs (1) and (2) above.

- c. If repair or replacement is done at the expense of others for the use of the "insured", we provide no insurance.

5. Valuation – Glass Replacement

We will settle on the basis of the cost to replace damaged glass with safety glazing material, if required by law.

SECTION II – COVERAGE EXTENSIONS

A. Private Power And Light Poles

We will pay up to \$1,000 in any one occurrence as an additional amount of insurance for direct physical loss of or damage to private power and light poles, outside wiring, including any guy wire or lead-in wiring, and attachments. Attachments include attached switch boxes, fuse boxes, and other electrical equipment mounted on poles you own at the "insured location". The \$1,000 limit applies in excess of any applicable Deductible.

However, if a higher Limit Of Insurance is specified in the Declarations, the higher limit will apply.

B. New Construction

1. We will pay up to \$100,000 for direct physical loss of or damage to new, permanent farm structures at the "insured location" including materials and supplies for use in their construction.
2. This Coverage Extension applies only:
 - a. To structures that are not otherwise covered under this or any other policy; and
 - b. To loss caused by aircraft, explosion, fire, lightning, riot or civil commotion, smoke, vandalism, vehicles, windstorm or hail.
3. Insurance on each farm structure covered under this Coverage Extension will end as soon as any of the following takes place:
 - a. You report values to us. (We will charge you an additional premium for values reported from the date construction begins or the materials and supplies are delivered.)
 - b. 60 days have elapsed since the first date of delivery of the materials and supplies.
 - c. This Policy expires.
4. No deductible applies to this Coverage Extension.

SECTION III – ADDITIONAL COVERAGES

A. Extra Expense

If a Limit Of Insurance is shown in the Declarations for Extra Expense Coverage, we will pay, up to that Limit of Insurance, the actual and necessary expenses you incur to resume normal farming operations interrupted as the result of direct physical loss of or damage to Covered Property by a Covered Cause of Loss.

Coverage for such extra expense is not limited by the expiration of this Policy. But, we will not pay extra expense you incur after the period required for repair, rebuilding or replacement of Covered Property.

Extra Expense Coverage does not include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires any "insured" or others to abate, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of, "pollutants".

No deductible applies to this Additional Coverage.

B. Water Damage

In the event of water (or steam) damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we:

1. Will also pay the necessary cost of tearing out and replacing any part of a covered building or structure so that the damaged system or appliance can be repaired, provided that Special Causes of Loss is shown in the Declarations for Coverage **G** Farm Property – Barns, Outbuildings and Other Farm Structures Coverage under which the building or structure is covered; but
2. Will **not** pay the cost to repair any defect which caused water or steam to escape from a system or appliance containing water or steam.

In this Additional Coverage, a plumbing system does not include a sump, sump pump or related equipment.

This Additional Coverage will not increase the Limit of Insurance provided in this Coverage Part.

C. Other Additional Coverages

For other Additional Coverages, see Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

SECTION IV – OTHER PROVISIONS**A. Covered Causes Of Loss, Exclusions And Limitations**

See Causes Of Loss Form – Farm Property for Basic, Basic with Collapse, Broad or Special coverage as shown in the Declarations.

B. Limits Of Insurance

See Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

C. Deductible

See Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS

A. Additional Coverages

1. Debris Removal

- a. We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- b. Except as provided in Paragraph d. below, the most we will pay under this Additional Coverage is 25% of:
 - (1) The amount we pay for the direct physical loss of or damage to Covered Property; plus
 - (2) The deductible in this Policy applicable to that loss or damage.
- c. This Additional Coverage does not apply to costs to:
 - (1) Extract "pollutants" from land or water; or
 - (2) Remove, restore or replace polluted land or water.
- d. Debris removal expense is included in the Limit of Insurance applying to the damaged property. But if:
 - (1) The amount payable for the sum of direct physical loss or damage and debris removal expense exceeds the applicable Limit Of Insurance; or
 - (2) The debris removal expense exceeds the amount payable under the 25% limitation in Paragraph b. above;

an additional 5% of the Limit of Insurance applying to the damaged property will be available to cover debris removal expense.

2. Reasonable Repairs

We will pay the reasonable cost to make necessary repairs to protect Covered Property from further damage after a loss insured against has occurred.

Payment under this Additional Coverage will be subject to, not in addition to, the Limit Of Insurance applying to the property being repaired.

3. Damage To Property Removed For Safekeeping

We will pay for loss to Covered Property damaged by any cause during or up to 30 days after its removal from a building endangered by a Covered Cause of Loss.

Payment under this Additional Coverage will be subject to, not in addition to, the Limit of Insurance applying to the property being removed.

4. Fire Department Service Charge

We will pay up to \$500 for the liability you have assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect Covered Property from a Covered Cause of Loss. But we will not pay fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

The amount we pay under this Additional Coverage will be in addition to any Limit of Insurance that applies under this Coverage Form.

No deductible applies to this Additional Coverage.

5. Collapse

The following Additional Coverage applies when Basic with Collapse, Broad or Special Covered Causes of Loss is specified in the Declarations:

a. With respect to buildings:

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose;
- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse;
- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building;

- (4) A building that is standing or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
 - b. We will pay for direct physical loss or damage to Covered Property, caused by collapse of a building or any part of a building that is covered under a Farm Property Coverage Form or that contains property covered under a Farm Property Coverage Form, if the collapse is caused by one or more of the following:
 - (1) The "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
 - (2) Decay that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
 - (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
 - (4) Weight of people or personal property;
 - (5) Weight of rain that collects on a roof; or
 - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in Paragraphs **b.(1)** through **b.(5)**, we will pay for the loss or damage even if use of defective material or methods in construction, remodeling or renovation, contributes to the collapse.
 - The criteria set forth in Paragraphs **a.(1)** through **a.(4)** do not limit the coverage otherwise provided under the Causes Of Loss Form – Farm Property for the causes of loss listed in Paragraphs **b.(1)**, **b.(4)** and **b.(5)**.
 - c. With respect to the following property:
 - (1) Foundations and retaining walls;
 - (2) Underground pipes, flues and drains;
 - (3) Cesspools and septic tanks;
 - (4) Walks, roadways, patios and other paved surfaces;
 - (5) Awnings;
 - (6) Fences;
 - (7) Outdoor equipment including yard fixtures;
 - (8) Swimming pools; and
 - (9) Bulkheads, docks, piers and wharves;
 - if the collapse is caused by a cause of loss listed in Paragraphs **b.(2)** through **b.(6)**, we will pay for loss or damage to that property only if:
 - (1) Such loss or damage is a direct result of the collapse of a building insured under a Farm Property Coverage Form; and
 - (2) The property is Covered Property under a Farm Property Coverage Form.
 - d. This Additional Coverage will not increase the Limits of Insurance provided in this Coverage Part.
- 6. Pollutant Clean Up And Removal**
- We will pay your expense to extract "pollutants" from land or water at the "insured location" if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.
- This Additional Coverage does not apply to costs to abate, test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.
- The most we will pay under this Additional Coverage, for each location listed in the Declarations as an "insured location", is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this Policy.
- No deductible applies to this Additional Coverage.
- 7. Glass Or Safety Glazing Material**
- a. We cover:
 - (1) The breakage of glass or safety glazing material which is part of a covered building or structure, storm door or storm window;
 - (2) The breakage of glass or safety glazing material which is part of a covered building or structure, storm door or storm window when caused directly by earth movement; and

- (3) The direct physical loss or damage to Covered Property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building or structure, storm door or storm window.
- b. This coverage does not include loss or damage:
 - (1) To Covered Property which results because the glass or safety glazing material has been broken, except as provided in:
 - (a) Paragraph **a.(3)** above of this Glass Or Safety Glazing Material Additional Coverage; or
 - (b) Paragraph **5.b.(1)** of the Collapse Additional Coverage, in connection with the abrupt collapse of a building or part of a building when such collapse is caused by breakage of building glass; or
 - (2) On the "insured location" if the covered building or structure has been "vacant" for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided in **a.(2)** above. A building or structure being constructed is not considered "vacant".
- c. This Additional Coverage does not increase the Limit of Insurance that applies to the damaged property.

B. Farm Property Conditions

In addition to the Common Policy Conditions and the conditions in the individual Coverage Forms, the following apply:

Loss Conditions

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that the selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties In The Event Of Loss Or Damage

- a. In the event of loss or damage to Covered Property, we have no duty to provide coverage under this Policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
 - (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
 - (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

(8) Cooperate with us in the investigation or settlement of the claim.

- b. We may examine any "insured" under oath, while not in the presence of any other "insured" and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an "insured's" books and records. In the event of an examination, an "insured's" answers must be signed.

4. Insurance Under Two Or More Coverages

If two or more of this Policy's Coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

5. Legal Action Against Us

No one may bring a legal action against us under a Coverage Form to which this condition applies, unless:

- a. There has been full compliance with all of the terms of this Coverage Form; and
- b. The action is brought within 3 years after the date on which the direct physical loss or damage occurred.

6. Loss Payment

- a. In the event of loss or damage covered under a Coverage Form to which this condition applies, at our option we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to Paragraph b. below;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild, or replace the property with other of like kind and quality, subject to Paragraph b. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in the Coverage Form or any applicable provision that amends or supersedes the Valuation Condition.

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.
- c. We will not pay you more than your financial interest in the Covered Property.

- d. We will give notice of our intentions within 30 days after we receive the proof of loss.

- e. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, provided you have complied with all the terms of the Coverage Form, and
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.

- f. We may adjust losses with the owners of lost or damaged property if other than you. Our payment for such losses will only be for the owners' account. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

- g. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

7. Pair, Sets Or Parts

a. Pair Or Set

In case of loss or damage to any part of a pair or set, we may:

- (1) Repair or replace any part to restore the pair or set to its value before the loss; or
- (2) Pay the difference between the value of the pair or set before and after the loss.

b. Parts

In case of loss of or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

8. Other Insurance And Service Agreement

- a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under the applicable Coverage Form. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under the Coverage Form bears to the Limits of Insurance of all insurance covering on the same basis.

- b. If there is other insurance covering the same loss or damage, other than that described in Paragraph **8.a.** above, we will pay only the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- c. In the settlement of loss or damage to farm machinery, vehicles or equipment covered under Coverage **E** that you have borrowed, rented, or leased, Paragraph **b.** of this Condition will not apply.
- d. If loss or damage is also covered by a service agreement, any amounts payable for such loss or damage under the applicable Coverage Form will be excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service or warranty agreement, even if it is characterized as insurance.

9. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

10. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- a. Prior to loss.
- b. After a loss, only if at the time of loss, that party is one of the following:
 - (1) Someone insured by this insurance;
 - (2) A business firm:
 - (a) Owned or controlled by you; or
 - (b) That owns or controls you; or
 - (3) Your tenant.

This will not restrict your insurance.

11. "Unoccupancy" And "Vacancy"

- a. If a building or structure is "vacant" or "unoccupied" beyond a period of 120 consecutive days, the amount we would otherwise pay for loss or damage to the building or structure and its contents will be automatically reduced by 15%, unless we extend the period of "vacancy" or "unoccupancy" by endorsement made a part of the applicable Coverage Form.
- b. In addition to the penalty described in Paragraph **a.** above, "vacancy" results in certain exclusions or limitations applicable to certain causes of loss. See Causes Of Loss Form – Farm Property.

General Conditions

1. Concealment, Misrepresentation Or Fraud

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This insurance;
- b. The Covered Property;
- c. Your interest in the Covered Property; or
- d. A claim under this insurance.

2. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this insurance at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

3. Liberalization

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to any Farm Property Coverage Form that is affected by the liberalization and is a part of this Policy.

4. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.

- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this insurance, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under the affected Coverage Forms at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of the affected Coverage Forms will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of the Coverage Forms involved:
 - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.
- f. If we cancel this Policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this Policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

5. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

6. Policy Period

We cover loss or damage commencing during the policy period shown in the Declarations.

7. Inflation Protection

Each year, on the effective date of the renewal of this Policy, we may increase the limits of liability for Coverage **G** – Barns, Outbuildings and Other Farm Structures and Coverage **E** – Scheduled Farm Personal Property to keep pace with inflation and rising costs. We will advise you of such increase and compute your renewal premium based on the new coverage amounts. It is your responsibility, however, to ensure that you maintain an adequate amount of insurance coverage for your property.

C. Definitions

The following words and phrases have a special meaning throughout the Farm Property Coverage Forms:

1. "Agritainment" means an agricultural or aquacultural related activity or enterprise that is primarily operated on the "insured location":
 - a. For the purposes of tourism or entertainment; and
 - b. Engaged in for monetary or other compensation.
2. "Agritainment property" means property owned by an "insured" used primarily in connection with the operation of any "agritainment". "Agritainment property" does not include buildings, structures, land, water and growing crops (other than growing crops held for nursery stock and ready for sale).
3. "Business property" means property pertaining to any trade, profession or occupation other than farming. "Business property" does not include "agritainment property".
4. "Dwelling" means a building used principally for family residential purposes, and includes mobile homes and modular and prefabricated homes.

"Dwelling" does not mean a building used in such agricultural operations as storage of farm produce, "livestock" or "poultry".

5. "Farm personal property" means equipment, supplies and products of farming or ranching operations, including but not limited to feed, seed, fertilizer, "livestock", other animals, "poultry", grain, bees, fish, worms, produce and agricultural machinery, vehicles and equipment.
6. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by "fungi".
7. "Electronic data processing equipment" means:
 - a. Programmable electronic equipment (hardware) that is used to store, retrieve and process data; and
 - b. Associated peripheral equipment that provides communication, including input and output functions such as printing, or auxiliary functions such as data transmission.
8. "Electronic media and records" means:
 - a. Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
 - b. Data stored on such media; and
 - c. Programming records used for "electronic data processing equipment" or electronically controlled equipment.
9. "Insured" means you and, if you are an individual, the following members of your household:
 - a. Your relatives;
 - b. Any other person under the age of 21 who is in your care or in the care of a member of your household who is your relative;
 - c. A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:
 - (1) 24 and your relative; or
 - (2) 24 and in your care or in the care of a member of your household who is your relative.
10. "Insured location" means any location, including its private approaches, described in the Farm Property Declarations.
11. "Livestock" means cattle, sheep, swine, goats, horses, mules and donkeys.
12. "Money" means currency, coins and bank notes in current use and having a face value; also scrip, stored value cards and smart cards, travelers' checks, register checks and money orders held for sale to the public.
13. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
14. "Poultry" means fowl kept by you for use or sale.
15. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt used in connection with credit or charge cards, which cards are not issued by you.

But "securities" does not include "money".
16. "Solar panel" means a thin panel consisting of solar cells (photovoltaic cells) used to generate electricity directly from sunlight.
17. "Specified Causes of Loss" means the following as defined in either Paragraph a., b. or c.:
 - a. When **Basic** Covered Causes of Loss is specified in the Declarations, "specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse or volcanic action.

Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.

- b. When **Basic with Collapse** Covered Causes of Loss is specified in the Declarations, "specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; weight of snow, ice or sleet.

Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into man-made caves.

- c. When **Broad** Covered Causes of Loss is specified in the Declarations, "specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; or water damage.

- (1) Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (a) The cost of filling sinkholes; or
- (b) Sinking or collapse of land into man-made underground cavities.

- (2) Falling objects does not include loss or damage to:

- (a) Personal property or "agritainment property" in the open;
- (b) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object; or
- (c) The falling object itself.

- (3) Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the "insured location" and contains water or steam.

- d. When **Special** Covered Causes of Loss is specified in the Declarations, "specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; or water damage.

- (1) Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (a) The cost of filling sinkholes; or
- (b) Sinking or collapse of land into man-made underground cavities.

- (2) Falling objects does not include loss or damage to:

- (a) Personal property or "agritainment property" in the open;
- (b) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object; or

- (c) The falling object itself.

- (3) Water damage means:

- (a) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the "insured location" and contains water or steam; and

- (b) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the "insured location" and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in Paragraph **b. (3)(a)** or **(3)(b)** of this definition of "specified cause of loss", such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

18. "Unoccupancy" or "unoccupied" means the condition of a building or structure (except while being constructed) not being used, even if it contains furnishings or other property customary to its intended use or occupancy.
19. "Vacancy" or "vacant" means the condition of a building or structure (except while being constructed) not containing sufficient furnishings or other property customary to its intended use or occupancy.
20. "Wind generator" means a device for converting wind power to mechanical rotation with a low velocity turbine designed for compressible fluids (air) for producing electricity.

D. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the lesser of the following:

1. The applicable Limit Of Insurance shown in the Declarations; or
2. The applicable Special Limit of Insurance described under Section **A** of each applicable Coverage.

E. Deductible

We will not pay for loss, damage or expense in any one occurrence until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss, damage or expense in excess of that Deductible, up to the applicable Limit of Insurance or Special Limit of Insurance.

In the event of loss to multiple items due to the same occurrence, the deductible applied shall not exceed the highest deductible applicable to any one of the damaged items.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA – VALUATION

This endorsement modifies insurance provided under the following:

FARM PROPERTY – BARN, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

The following provision is added to **LOSS CONDITIONS, 3. Valuation - Property Other Than Improvements And Betterments:**

A. For loss or damage to buildings caused by or resulting from fire or lightning, you and we agree that:

1. The value of buildings shown in this Policy; and
2. The total amount of insurance to be carried on the buildings

are the amounts shown in the Declarations page of this Policy.

B. For loss or damage to a barn, outbuilding or other farm structure under construction when caused by or resulting from fire or lightning, the amount paid will be determined by comparing the actual cash value of the building on the date of loss with the value of the building as stated in the Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FARM BUILDING REPLACEMENT COST PROTECTION

This endorsement modifies insurance provided under the following:

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

SCHEDULE*

(1) "Insured Location" Number	(2) Building Number And Description
** See Schedule Attached **	
*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

The terms of this endorsement apply separately to each building shown in column **(2)** of the Schedule.

If you are a tenant, building means building additions, alterations, fixtures, improvements or installations made or acquired at your expense to that part of the building used exclusively by you.

Replacement Cost Coverage

With respect to a building described in the Schedule, the **Valuation** Loss Condition is replaced by the following:

- A.** We will settle covered loss or damage on the basis of replacement cost without deduction for depreciation.

However, we will pay no more than the smallest of the following amounts for construction with materials of like kind and quality and used on the same premises:

1. The replacement cost of the damaged part of the building;
2. The amount actually and necessarily spent to repair or replace the damaged part of the building; or

- 3.** The applicable Limit Of Insurance for the building, as shown in the Declarations.

However, we will pay no more than the actual cash value of the damaged part of the building as of the time of loss, until actual repair or replacement is complete.

To recover on a replacement cost basis, you must complete the actual repair or replacement within 12 months of the date of loss or have written authorization from us that extends the time for repair or replacement.

- B.** You may disregard the replacement cost loss settlement provisions and make an initial claim for payment on an actual cash value basis, and later make a supplementary claim for replacement cost payment. If you elect to exercise this option, you must notify us of your intention within 180 days of the occurrence of the loss.

However, you must make all claims within 12 months of the date of loss or have written authorization from us that extends the time to make claims for additional liability on a replacement cost basis.

Policy Number: 390100000547

SFP 04 04 04 16

Farm Building Replacement Cost Protection

Schedule

(1) "Insured Location" Number	(2) Building Number and Description
1	1 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	2 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	3 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	4 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	5 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	6 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	7 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	8 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	9 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	10 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	11 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	13 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	14 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed

(1) "Insured Location" Number	(2) Building Number and Description
1	15 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	16 3135 Old Hickory Rd Lancaster, SC 29720-8897 Barn
1	17 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	18 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FOREIGN OBJECTS IN MACHINERY

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS FORM – FARM PROPERTY
FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

With respect to each item of farm machinery, vehicles and equipment which is specifically indicated under Farm Machinery, Vehicles, Equipment of the Coverage **E** Declarations as having Foreign Objects coverage, we will pay for loss or damage caused by or resulting from foreign objects being taken into the farm machinery, vehicles and equipment.

Exclusion **1.p.(2)** under Paragraph **D. Covered Causes Of Loss - Special** in the Causes Of Loss Form – Farm Property does not apply with respect to the coverage provided by this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REPLACEMENT COST – FARM MACHINERY, VEHICLES, AND EQUIPMENT

This endorsement modifies insurance provided under the following:

FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

SCHEDULE*

The provisions of this endorsement apply only to an item(s) of farm machinery, vehicles, and equipment listed below and specifically described on a Schedule Basis in the Declarations of the Farm Property - Farm Personal Property Coverage Form.

**** See Schedule Attached ****

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The Valuation Loss Condition under Coverage E
Scheduled Personal Property Conditions in Farm
Property – Farm Personal Property Coverage
Form is replaced by the following:

3. Valuation

- a. In the event of loss or damage to an item of farm machinery, vehicles, and equipment listed in the Schedule from any of the Covered Causes Of Loss, we will determine the value of that item on the basis of replacement cost without deduction for depreciation.
- b. If your loss qualifies for payment on a replacement cost basis, but the cost of repair or replacement is more than \$1,000, the only basis on which we will settle pending completion of repairs or replacement is actual cash value as of time of loss.

In case of such a loss, you can make an initial claim for payment on an actual cash value basis, and later make a supplementary claim for replacement cost payment. If you elect to exercise this option, you must notify us of your intention in writing within 180 days of the occurrence of the loss.

- c. For any item of farm machinery, vehicles, and equipment that you elect not to repair or replace, the value will be the least of the following:
 - (1) Actual cash value of that item;
 - (2) Cost of reasonably restoring that item to its condition immediately before the loss or damage; or
 - (3) Cost of replacing that item with a functionally equivalent item.

COVERAGE E – SCHEDULED FARM PERSONAL PROPERTY

B. The following are added to A.2. Property Not Covered:

- h.** All farm machinery, vehicles, and equipment for which a single Limit Of Insurance is shown in the Declarations;
- i.** Any item of farm machinery, vehicles, and equipment that is over five model years old;
- j.** Any battery, tire, filter, belt, chain or canvas that is part of any item of farm machinery, vehicles, and equipment; and
- k.** Property covered under Section II - Coverage Extensions, Item **C.** Replacement Machinery, Vehicles, and Equipment Newly Purchased and Item **D.** Additional Machinery, Vehicles and Equipment Newly Purchased.

Policy Number: 390100000547

SFP 05 21 04 16

Replacement Cost - Farm Machinery, Vehicles, And Equipment
Schedule

The provisions of this endorsement apply only to an item(s) of farm machinery, vehicles, and equipment listed below and specifically described on a Schedule Basis in the Declarations of the Farm Property - Farm Personal Property Coverage Form.					
Equipment Type	Equipment Sub-type	Year	Make	Model	Serial Number
Landscaping & Mowing Equipment	Riding Lawn Mower	2020	Ferris	5901796	49T8770010G1

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM
FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS FORM – FARM PROPERTY
FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS,
DEFINITIONS

- A.** We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.
- 1.** The failure, malfunction or inadequacy of:
 - a.** Any of the following, whether belonging to any "insured" or to others:
 - (1)** Computer hardware, including micro-processors, or other "electronic data processing equipment" as may be defined elsewhere in this policy;
 - (2)** Computer application software, including "electronic media and records" as may be defined elsewhere in this policy;
 - (3)** Computer operating systems and related software;
 - (4)** Computer networks;
 - (5)** Microprocessors (computer chips) not part of any computer system; or
 - (6)** Any other computerized or electronic equipment or components; or
 - b.** Any other products or any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **1.a.** above;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
 - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by or for any "insured" to determine, rectify or test for, any potential or actual problems described in Paragraph **1.** above.
- B.** If an excluded cause of loss as described above in Paragraph **A.** results in:
- 1.** A "specified cause of loss" under the Special Causes of Loss; or
 - 2.** A Covered Cause of Loss under the Basic, Basic with Collapse, or Broad Causes of Loss;
- we will pay only for the loss or damage caused by such "specified cause of loss" or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraph **A.1.a.** or **b.** above to correct any deficiencies or change any features.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO BY-PRODUCTS OF PRODUCTION OR PROCESSING OPERATIONS (RENTAL PROPERTIES)

This endorsement modifies insurance provided under the following:

DISRUPTION OF FARMING OPERATIONS (INCOME LOSS AND EXPENSE COVERAGE) ENDORSEMENT

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS,
DEFINITIONS

- A.** With respect to the provisions of this endorsement, Definition **10.** "insured location" in Paragraph **C. Definitions** of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions is replaced by the following:

"Insured location" means:

1. Any property described in Paragraph **2.** below that is a rental property; and
2. The contents of any such farm building(s) or structure(s) covered under Coverage **G** of the Farm Property – Barns, Outbuildings And Other Farm Structures Coverage Form.

- B.** We will not pay for loss or damage to the "insured location" caused by or resulting from smoke, vapor, gas or any substance released in the course of production operations or processing operations performed at the "insured location". This exclusion applies regardless of whether such operations are:

1. Legally permitted or prohibited;
2. Permitted or prohibited under the terms of any rental agreement; or
3. Usual to the intended occupancy of the "insured location".

This exclusion does not apply to loss or damage by fire or explosion that results from the release of a by-product of the production or processing operation.

- C.** We do not provide coverage for:

1. Extra Expense, as provided under the Additional Coverages in the Coverage Forms

listed below, if any such coverage forms are made a part of the Policy:

- a. Farm Property – Farm Personal Property Coverage Form; or
- b. Farm Property – Barns, Outbuildings And Other Farm Structures Coverage Form;

that you incur as a result of loss or damage described in Paragraph **B.** of this Exclusion Of Loss Due To By-products Of Production Or Processing Operations (Rental Properties) endorsement; or

2. Income loss or expenses, as provided under the Disruption Of Farming Operations (Income Loss And Expense Coverage) endorsement, if the Disruption Of Farming Operations (Income Loss And Expense Coverage) endorsement is made a part of the Policy, that you incur as a result of loss or damage described in Paragraph **B.** of this Exclusion Of Loss Due To By-products Of Production Or Processing Operations (Rental Properties) endorsement.

- D.** The conduct of a tenant's production or processing operations will not be considered to be vandalism of the "insured location" regardless of whether such operations are:

1. Legally permitted or prohibited;
2. Permitted or prohibited under the terms of any rental agreement; or
3. Usual to the intended occupancy of the "insured location".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAUSES OF LOSS FORM – FARM PROPERTY

Words and phrases that appear in quotation marks have special meaning. Refer to the Definitions section of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

A. Covered Causes Of Loss

Covered Causes Of Loss means the causes as described and limited under either Paragraph **B.** or **C.** or **D.** or **E.** below in Basic with Collapse or of either Basic, Basic with Collapse, or Broad or Special, respectively, on the Declarations opposite each coverage or property to which this insurance applies. Covered Causes of Loss are also limited by the exclusions in Paragraph **F** of this endorsement.

However, certain property is covered only for particular causes of loss, as listed under the following items: Paragraphs **1.b.**, **1.c.(2)**, **1.e.**, **1.k.**, **1.l.**, **1.m.**, **1.n.** and **1.o.** of Coverage **E** – Scheduled Farm Personal Property; Paragraphs **1.a.** and **1.b.(2)** of Coverage **F** – Unscheduled Farm Personal Property; Paragraph **G.**, **H.**, and **I.** of the Coverage Extensions to Coverage **E** and **F**; and Paragraph **B.** of Coverage Extensions to the Coverage **G** – Barns, Outbuildings, and Other Farm Structures.

B. Covered Causes Of Loss – Basic

Subject to the provisions in Paragraph **A.** of this endorsement, when Basic is shown in the Declarations, Covered Causes of Loss means the following:

1. Fire Or Lightning

We will not pay for loss of or damage to buildings, or contents usual to a tobacco or other curing barn, if that loss or damage:

- a. Results from the use of open fire for curing or drying tobacco or other foliage in the barn; and
- b. Occurs during, or within the five-day period following, open-fire curing or drying.

2. Windstorm Or Hail, but not including:

- a. Frost or cold weather;
- b. Ice (other than hail), snow or sleet, whether driven by wind or not; or
- c. Loss of or damage to:

- (1) The interior of any building or structure, or the property inside a building or structure, caused by rain, snow, sleet, sand or dust, whether driven by wind or not, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sleet, sand or dust enters; or
- (2) Watercraft or their trailers, furnishings, equipment or outboard engines or motors unless within a fully enclosed building.
- (3) Under Coverage **E** – Scheduled Farm Personal Property or Coverage **F** – Unscheduled Farm Personal Property:
 - (a) "Livestock" or "poultry" when caused by running into streams, ponds or ditches, or against fences or other objects; or from smothering; or resulting directly or indirectly from fright;
 - (b) "Livestock" or "poultry" when caused by freezing or smothering in blizzards or snowstorms; or
 - (c) Dairy or farm products in the open other than hay, straw or fodder.

3. Explosion, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages of such a vessel from which the gases of combustion pass.

But under Coverages **E** – Scheduled Personal Property, **F** – Unscheduled Personal Property, and **G** – Barns, Outbuildings and Other Farm Structures, this Cause of Loss does not include loss or damage caused by or resulting from:

- a. Explosion of alcohol stills, steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- b. Electric arcing;
- c. Rupture or bursting of water pipes;
- d. Rupture, bursting or operation of pressure relief devices; or
- e. Rupture or bursting due to expansion or swelling of the contents of any building or structure caused by or resulting from water.

4. Riot Or Civil Commotion, including:

- a. Acts of striking employees while occupying the "insured location"; and
- b. Looting occurring at the time and place of a riot or civil commotion.

5. Aircraft, meaning only loss or damage caused by or resulting from:

- a. Contact of an aircraft, spacecraft or self-propelled missile with Covered Property or with a building or structure containing Covered Property; or
- b. Objects falling from aircraft.

6. Vehicles, meaning only loss or damage caused by contact of a vehicle, or of an object thrown up by a vehicle, with Covered Property or with a building or structure containing Covered Property.

This Cause of Loss does not include loss or damage to:

- a. "Livestock"; or
- b. A fence, driveway or walk.

7. Smoke, causing sudden and accidental loss or damage, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This Cause of Loss does not include loss or damage by smoke from agricultural smudging or industrial operations.

8. Vandalism

This Cause of Loss does not include loss of or damage to:

- a. A building or structure, or its contents, if the building or structure has been "vacant" for more than 60 consecutive days immediately before the loss;
- b. Any electronic equipment that reproduces, receives or transmits audio, visual or data signals that is operated by power from the electrical system of a motor vehicle or mobile agricultural vehicle, unless it is:
 - (1) Covered Property; and
 - (2) Permanently installed in the motor vehicle or mobile agricultural vehicle; or
- c. While in or upon a motor vehicle or mobile agricultural vehicle, any tape, wire, record, disc or other media for use with any electronic equipment that reproduces, receives or transmits audio, visual or data signals and that is operated by power from the electrical system of the motor vehicle or mobile agricultural vehicle.

9. Theft, including:

- a. Attempted theft and loss of property from a known location when it is likely that the property has been stolen. However, with respect to property covered under the Coverage **E** – Scheduled Farm Personal Property or **F** – Unscheduled Farm Personal Property, coverage for attempted theft and loss of property from a known location applies only to property other than "livestock", "poultry", bees, fish, worms and other animals.

This Cause of Loss does not include loss caused by or resulting from:

- (1) Under Coverage **G** – Barns, Outbuildings and Other Farm Structures, theft in or from a building or structure under construction, or of materials and supplies for use in such construction, until the building or structure is completed and is being used;
- (2) Under Coverage **E** – Scheduled Farm Personal Property or **F** – Unscheduled Farm Personal Property, the acceptance of counterfeit "money", fraudulent post office or express "money" orders, or checks or promissory notes not paid upon presentation;
- (3) Theft of any electronic equipment that reproduces, receives or transmits audio, visual or data signals that is operated by power from the electrical system of a motor vehicle or mobile agricultural vehicle, unless it is:
 - (a) Covered Property; and
 - (b) Permanently installed in the motor vehicle or mobile agricultural vehicle;
- (4) While in or upon a motor vehicle or mobile agricultural vehicle, theft of any tape, wire, record, disc or other media for use with any electronic equipment that reproduces, receives or transmits audio, visual, or data signals and that is operated by power from the electrical system of the motor vehicle or mobile agricultural vehicle;
- (5) Unauthorized instructions to transfer property to any person or to any place.
- (6) Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense; or

- (7) Dishonest or criminal acts (including theft) by you or any "insured", any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (a) Applies whether or not an act occurs during your normal hours of operation;
 - (b) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
- b. With respect to "livestock", "poultry", bees, fish, worms and other animals covered under the Coverage **E** – Scheduled Farm Personal Property or **F** – Unscheduled Farm Personal Property, loss caused by attempted theft of "livestock", "poultry", bees, fish, worms and other animals.

This Cause of Loss does not include theft of "livestock", "poultry", bees, fish, worms and other animals:

- (1) On the basis of acceptance of counterfeit "money", fraudulent post office or express "money" orders, or checks or promissory notes not paid upon presentation;
- (2) On the basis of unauthorized instructions to transfer "livestock", "poultry", bees, fish, worms and other animals to any person or to any place; or
- (3) On the basis of voluntary parting with any "livestock", "poultry", bees, fish, worms and other animals by you or anyone else to whom you have entrusted such property if induced to do so by fraudulent scheme, trick, device or false pretense.

Under this Theft Cause of Loss, Paragraph **B.9.**, we also will not pay, under:

- (a) Coverage **E** – Scheduled Farm Personal Property or **F** – Unscheduled Farm Personal Property, for property that is missing, where the only evidence of the missing property is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property; and
- (b) Coverage **G** – Barns, Outbuildings and Other Farm Structures, for the disappearance of portable buildings or structures where there is no physical evidence to show what happened to the property.

10. **Sinkhole Collapse**, meaning loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This Cause of Loss does not include:

- a. The cost of filling sinkholes; or
- b. Sinking or collapse of land into man-made underground cavities.

11. **Volcanic Action**, meaning direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a. Airborne volcanic blast or airborne shock waves;
- b. Ash, dust or particulate matter; or
- c. Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

This Cause of Loss does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the Covered Property.

12. **Collision – Coverages E – Scheduled Farm Personal Property And F – Unscheduled Farm Personal Property Only**

- a. **Causing Damage To Covered Farm Machinery**

We will pay for loss of or damage to covered farm machinery caused by collision or overturn of that machinery. Collision means accidental contact of the farm machinery with another vehicle or object.

Under this Cause of Loss we will not pay for loss or damage:

- (1) To tires or tubes unless the damage is coincidental with other damage to the farm machinery or implement; or

- (2) Caused by foreign objects taken into any farm machine or mechanical harvester.

b. Causing Death Of Covered "Livestock"

We will pay for loss of covered "livestock" caused by:

- (1) Collision or overturn of a vehicle on which the "livestock" are being transported. Collision means accidental contact of that vehicle with another vehicle or object; or
- (2) "Livestock" running into or being struck by a railroad train or a vehicle while the "livestock" are crossing, moving along or standing in a public road.

But we will not pay for loss if a vehicle owned or operated by an "insured":

- (1) Collides with the vehicle on which the "livestock" are being transported; or
- (2) Strikes "livestock" crossing, moving along or standing in a public road.

c. Causing Damage To Other Farm Personal Property

We will pay for loss of or damage to covered "farm personal property" (other than that described in Paragraph **a.** or **b.** above) in or upon a motor vehicle, caused by collision or overturn of that vehicle. Collision means accidental contact of the motor vehicle with another vehicle or object.

13. Earthquake Loss To "Livestock"

14. Flood Loss To "Livestock"

We will pay for loss or damage to "livestock" caused by or resulting from flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge).

C. Covered Causes Of Loss – Basic With Collapse

Subject to the provisions in Paragraph **A.** of this endorsement, when Basic with Collapse is shown in the Declarations, Covered Causes of Loss means the Covered Causes of Loss under Paragraph **B.** Covered Causes Of Loss – Basic, plus the following:

- 15. Weight Of Ice, Snow Or Sleet** causing damage to a building or to any property inside a building.

But under this Cause of Loss, we will not pay for loss by pressure or weight of water in any form, whether driven by wind or not, to any:

- a.** Foundation or retaining wall;
- b.** Pavement or patio;
- c.** Awning;
- d.** Fence;
- e.** Outdoor equipment;
- f.** Swimming pool; or
- g.** Bulkhead, dock, pier or wharf.

D. Covered Causes Of Loss – Broad

Subject to the provisions in Paragraph **A.** of this endorsement, when Broad is shown in the Declarations, Covered Causes of Loss means the Covered Causes of Loss under Paragraph **B.** Covered Causes Of Loss – Basic and Paragraph **C.** Covered Causes Of Loss – Basic with Collapse, plus the following:

16. Electrocution Of Covered "Livestock"

17. Attacks On Covered "Livestock" By Dogs Or Wild Animals

This Cause of Loss does not include loss or damage:

- a.** To sheep; or
- b.** Caused by dogs or wild animals owned by you, your employees or other persons residing on the "insured location".

18. Accidental Shooting Of Covered "Livestock"

This Cause of Loss does not include loss or damage caused by you, any other "insured", your employees, or other persons residing on the "insured location".

19. Drowning Of Covered "Livestock" From External Causes

This Cause of Loss does not include loss resulting from the drowning of swine under 30 days old.

20. Loading/Unloading Accidents, meaning sudden, unforeseen and unintended events causing or necessitating death of covered "livestock" and occurring while they are being unloaded from or loaded onto vehicles used or to be used to transport them.

This Cause of Loss does not include loss caused by or resulting from disease.

21. Falling Objects

But we will not pay for loss or damage to:

- a.** Personal property in the open;

- b. The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object; or
- c. The falling object itself.

22. Sudden And Accidental Tearing Apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective system, or an appliance for heating water.

Under this Cause of Loss we will not pay for loss or damage caused by or resulting from freezing.

23. Accidental Discharge Or Leakage Of Water Or Steam from within a plumbing, heating, air conditioning or other system or appliance that is located on the "insured location" and contains water or steam.

Under this Cause of Loss we will pay for loss of or damage to covered personal property provided that Broad is shown in the Declarations for the coverage applicable to that personal property. If any part of a building or structure to which Coverage **G** – Barns, Outbuildings and Other Farm Structures applies must be torn out and replaced so that repairs can be made to the damaged system or appliance, we will also pay the necessary costs involved, provided that Broad is shown in the Declarations for the coverage applying to that building or structure.

We will not pay:

- a. For loss or damage caused by discharge or leakage from a sump or related equipment and parts, including overflow due to sump pump failure or excessive volume of water;
- b. The cost to repair any defect that caused the loss or damage;
- c. For loss or damage caused by discharge or leakage in a building or structure "vacant" for more than 60 consecutive days immediately before the loss;
- d. For loss or damage caused by or resulting from freezing;
- e. For loss or damage caused by or resulting from discharge or leakage from roof drains, gutters, downspouts or similar fixtures or equipment; or
- f. For loss caused by continuous or repeated seepage or leaking over a period of weeks, months, or years.

24. Freezing Of A Plumbing, Heating, Air Conditioning Or Automatic Fire Protective System Or Of A Household Appliance but only if you have used reasonable care to:

- a. Maintain heat in the building or structure; or
- b. Shut off the water supply and drain all systems or appliances of water.

However, if the building or structure is protected by an automatic fire protective system, you must use reasonable care to continue the water supply and maintain heat in the building or structure for coverage to apply.

A plumbing system does not include a roof drain, gutter, downspout or similar fixtures or equipment.

E. Covered Causes Of Loss – Special

Subject to the provisions in Paragraph **A.** of this endorsement, when Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this Policy.

1. We will not pay for loss or damage caused by or resulting from:
 - a. Fire, if that loss or damage is sustained by buildings or contents usual to tobacco or other curing barns as the result of using open fire for curing or drying tobacco or other foliage in the barn, and occurs:
 - (1) While tobacco or other foliage is being fired; or
 - (2) Within the five-day period following tobacco or other foliage firing in the barn;
 - b. Collapse, except as provided in the Additional Coverage entitled Collapse. But if collapse results in a Covered Cause of Loss at the "insured location", we will pay for the loss or damage caused by that Covered Cause of Loss;
 - c. Windstorm or hail to:
 - (1) Dairy or farm products in the open;
 - (2) Watercraft or their trailers, furnishings, equipment or outboard engines or motors, unless within a fully enclosed building;
 - d. Rain, snow, ice or sleet to personal property in the open;

- e. Rain, snow, sleet, sand or dust, whether driven by wind or not, to the interior of any building or structure or the property inside a building or structure, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sleet, sand or dust enters;
- f. Freezing, thawing, or pressure or weight of water or ice, whether or not driven by wind, to any:
 - (1) Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of any property covered under Coverages **G** – Barns, Outbuildings or Other Farm Structures;
 - (2) Retaining wall or bulkhead that does not support all or part of a building or structure;
 - (3) Pavement or patio;
 - (4) Fence;
 - (5) Swimming pool; or
 - (6) Dock, pier or wharf;
- g. Discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective system or from within a household appliance:
 - (1) That occurs on the "insured location", but is caused by discharge that takes place off the "insured location";
 - (2) Caused by or resulting from freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building or structure; or
 - (b) Shut off the water supply and drain all systems or appliances of water.

However, if the building or structure is protected by an automatic fire protective system, you must use reasonable care to continue the water supply and maintain heat in the building or structure for coverage to apply.
 - (3) Due to any cause other than freezing and occurring in a building or structure "vacant" for more than 60 consecutive days immediately before the loss;
- h. Any of the following occurrences, if they take place in buildings or structures covered under Coverage **G** – Barns, Outbuildings or Other Farm Structures or if the property destroyed or damaged is "farm personal property":

- (1) Explosion of alcohol stills, steam boilers, steam pipes or steam engines, if you own, lease or operate them;
- (2) Conditions or events (other than explosions) inside hot water boilers or other heating equipment, to the extent that they cause loss or damage to these boilers or equipment;
- (3) Rupture, bursting or operating of pressure relief devices; or
- (4) Rupture or bursting due to expansion of the contents of any building or structure, if the expansion is caused by or results from water.

But this exclusion does not apply to loss or damage caused by or resulting from explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass;

- i. Under Coverage **G** – Barns, Outbuildings and Other Farm Structures, theft in or from a building or structure under construction, or of materials and supplies for use in such construction until the building or structure is completed and is being used;
- j. Unauthorized instructions to transfer property to any person or to any place;
- k. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense;
- l. Theft of or vandalism to:
 - (1) Any electronic equipment that reproduces, receives or transmits audio, visual or data signals that is operated by power from the electrical system of a motor vehicle or mobile agricultural vehicle, unless it is:
 - (a) Covered Property; and
 - (b) Permanently installed in the motor vehicle or mobile agricultural vehicle; or
 - (2) While in or upon a motor vehicle or mobile agricultural vehicle, any tape, wire, record, disc or other media for use with any electronic equipment that reproduces, receives or transmits audio, visual, or data signals and that is operated by power from the electrical system of the motor vehicle or mobile agricultural vehicle;

- m. Vandalism, if the building or structure was "vacant" for more than 60 consecutive days immediately before the loss;
- n. Dishonest or criminal acts (including theft) by you or any "insured", any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1) Applies whether or not an act occurs during your normal hours of operation;
- (2) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered;
- o. Transport of "farm personal property", except to the extent of the coverage afforded under Covered Causes of Loss – Basic, Basic with Collapse, and Broad;
- p. Any cause included in the following list if that loss or damage is sustained by farm machinery:
 - (1) Collision or overturn of farm machinery or equipment, to the extent of any loss of or damage to the tires or inner tubes of such machinery or equipment. But we will pay for the loss of or damage to the tires or inner tubes if the same accident causes other covered loss to the same machinery or equipment.
 - (2) Foreign objects being taken into any farm machine or mechanical harvester;
- q. Smoke, vapor or gas from agricultural smudging or industrial operations, to any building, structure or personal property;
- r. The following causes of loss to any building, structure or personal property:
 - (1) Wear and tear;
 - (2) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
 - (3) Smog;

- (4) Settling, cracking, shrinking or expansion;
- (5) Nesting or infestation, or discharge or release of waste products or secretions, by birds, vermin, rodents, insects or domestic animals.
- (6) Virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.
- (7) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- (8) Dampness or dryness of atmosphere;
- (9) Changes in temperature or extremes of heat or cold, including freezing. But this exclusion does not apply to freezing of a plumbing, heating, air conditioning or automatic fire protective system or freezing of a household appliance, if you have used reasonable care to:
 - (a) Maintain heat in the building or structure; or
 - (b) Shut off the water supply and drain all systems or appliances of water.

However, if the building or structure is protected by an automatic fire protective system, you must use reasonable care to continue the water supply and maintain heat in the building or structure for coverage to apply;

- (10) Marring or scratching.

But if an excluded cause of loss that is listed in Paragraphs **r.(1)** through **r.(10)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

2. We will not pay:

- a. Under Coverage **E** – Scheduled Farm Personal Property or **F** – Unscheduled Farm Personal Property, for property that is missing, where the only evidence of the missing property is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property;
- b. Under Coverage **G** – Barns, Outbuildings and Other Farm Structures, for the disappearance of portable buildings or structures where there is no physical evidence to show what happened to the property.

3. We will not pay for loss or damage caused by or resulting from any of the following in Paragraphs **3.a.** through **3.c.** But if an excluded cause of loss that is listed in Paragraphs **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

- a. Weather conditions. But this exclusion applies only if weather conditions contribute in any way with a cause or event excluded in Paragraph **E.** Exclusions to produce the loss or damage.
- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- c. Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance;

of part or all of any property on or off the "insured location".

4. We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

F. Exclusions

The following exclusions apply when any or all of the Covered Causes of Loss, Basic, Basic with Collapse, Broad or Special, are specified in the Declarations.

We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

- a. Regulating the construction, use or repair of any property; or
- b. Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (1) An ordinance or law that is enforced even if the property has not been damaged; or
- (2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

2. Earth Movement

- a. Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- b. Landslide, including any earth sinking, rising or shifting related to such event;
- c. Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- d. Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions that cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

This exclusion applies regardless of whether the Earth Movement, as described in Paragraphs **a.** through **d.** above, is caused by an act of nature or is otherwise caused.

But:

- (1) If Earth Movement, as described in Paragraphs **a.** through **d.** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion; or
- (2) If:
 - (a) Loss or damage to farm machinery, vehicles and equipment covered for the Special Causes of Loss; or
 - (b) Loss to "livestock";

is caused by earthquake, as described in Paragraph **a.** above, this Earth Movement Exclusion does not apply to such loss or damage.

- e. Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire or volcanic action, we will pay for the loss or damage caused by that fire or volcanic action.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (1) Airborne volcanic blast or airborne shock waves;
- (2) Ash, dust or particulate matter; or
- (3) Lava flow.

With respect to coverage for Volcanic Action as set forth in Paragraphs e.(1), e.(2), and e.(3), all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to Covered Property.

3. "Fungi", Wet Rot And Dry Rot

Presence, growth, proliferation, spread or any activity of "fungi", wet rot or dry rot.

But if "fungi", wet rot or dry rot results in a Covered Cause of Loss or a "specified cause of loss", we will pay for the loss or damage caused by that Covered Cause of Loss or "specified cause of loss".

4. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Form.

5. Intentional Loss

We will not pay for loss or damage arising out of any act any "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

6. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

7. Utility Services

The failure of power, communication, water or other utility service supplied to the "insured location", however caused, if the failure:

- a. Originates away from the "insured location"; or
- b. Originates at the "insured location", but only if such failure involves equipment used to supply the utility service to the "insured location" from a source away from the "insured location".

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include, but are not limited to, service relating to Internet access or access to any electronic, cellular, or satellite network.

8. Neglect

Neglect, meaning neglect of an "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

9. War And Military Action

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

10. Water

- a. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- b. Mudslide or mudflow;
- c. Water that backs up or overflows or is otherwise discharged from a sewer or drain;

- d. Water that backs up or overflows or is otherwise discharged from a sump, sump pump or related equipment;
- e. Water under the ground surface pressing on, or flowing or seeping through:
 - (1) Foundations, walls, floors or paved surfaces;
 - (2) Basements, whether paved or not; or
 - (3) Doors, windows or other openings; or
- f. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a., c., d. or e., or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs a. through f., is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But:

- (1) If any of the above, in Paragraphs a. through f., results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage; or
- (2) If loss or damage to:
 - (a) Farm machinery, vehicles and equipment covered for the Special Causes of Loss; or
 - (b) "Livestock";
 is caused by water as described in Paragraph a. above, this Water Exclusion does not apply to such loss or damage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANNABIS EXCLUSION WITH INDUSTRIAL HEMP EXCEPTION

This endorsement modifies insurance provided under the following:

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS

- A. Property Not Covered** under Coverage **E** – Scheduled Farm Personal Property and **Property Not Covered** under Coverage **F** – Unscheduled Farm Personal Property;—in the Farm Property – Farm Personal Property Coverage Form and **Property Not Covered** under Coverage **G** – Barns, Outbuildings and Other Farm Structures in the Farm Property – Barns, Outbuildings and Other Farm Structures Coverage Form is amended as follows:
1. “Cannabis” is added to **Property Not Covered**.
 2. Paragraph **A.1.** of this endorsement does not apply to goods or products containing or derived from “industrial hemp”, including, but not limited to:
 - a. Seeds;
 - b. Food;
 - c. Clothing;
 - d. Lotions, oils or extracts;
 - e. Building materials; or
 - f. Paper.However, this Paragraph **A.2.** does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located.
- B.** For the purpose of this endorsement, the following applies to the **Extra Expense** coverage in **Section III – Additional Coverages** in the Farm Property – Farm Personal Property Coverage Form and in the Farm Property – Barns, Outbuildings and Other Farm Structures Coverage Form and when SFP 15 01 Disruption of Farming Operations or SFP 15 02 Income Loss and Expense Coverage For Computer-Related Date Processing And Other Electronic Problems are indicated in the Declarations as being provided under this Policy:
1. Coverage under this Policy does not apply to that part of the Extra Expense coverage, or to any coverage under the Disruption of Farming Operations, or the Income Loss and Expense Coverage For Computer-Related Date Processing And Other Electronic Problems for expenses incurred, due to a suspension of your operation, which is attributable to the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of “cannabis”.
 2. Paragraph **B.1.** of this endorsement does not apply to that part of the Extra Expense coverage or any other coverage provided by the Disruption of Farming Operations, or the Income Loss and Expense Coverage For Computer-Related Date Processing And Other Electronic Problems for expenses incurred, which is attributable to goods or products containing or derived from “industrial hemp”, including, but not limited to:
 - a. Seeds;
 - b. Food;

- c. Clothing;
- d. Lotions, oils or extracts;
- e. Building materials; or
- f. Paper.

However, this Paragraph **B.2.** does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located.

- C. The following definitions are added to the **Definitions** section in the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph **C.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:

- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
- b. Any compound, byproduct, extract, derivative, mixture or combination, such as:

(1) Resin, oil or wax;

(2) Hash or hemp; or

(3) Infused liquid or edible "cannabis";

whether or not derived from any plant or part of any plant set forth in Paragraph **C.2.a.**

"Industrial Hemp" means:

The plant Cannabis sativa L. and any part of that plant, whether growing or not, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis or as otherwise specifically defined by law.

L-I-A-B-I-L-I-T-Y



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AG PROMISE® LIABILITY DECLARATIONS

NAMED INSURED AND ADDRESS

Angela Leone

3135 Old Hickory Rd
 Lancaster, SC 29720-8897

Policy Number: 390100000547

County Farm Bureau® Member Number: 001009070

Printed Date: 10/19/2022

Term: 1

Policy Effective Date: 10/06/2022

Policy Expiration Date: 10/06/2023
 at 12:01 a.m.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

IMPORTANT NOTICE:

Coverages Provided		Limits of Insurance	
General Aggregate Limit		\$	3,000,000
Each of the following limits is subject to the General Aggregate Limit:			
Coverage H -			
Bodily Injury & Property Damage Liability	Each Occurrence	\$	1,000,000
Farm Products	Aggregate Limit	\$	10,000
Fire Damage	Any One Fire (Premises Rented to Insured)	\$	25,000
Coverage I -			
Personal & Advertising Injury Liability	Any One Person Or Organization	\$	1,000,000
Coverage J -			
Medical Payments	Any One Person	\$	1,000

COUNTERSIGNED DATE: 10/19/2022

BY:

ROA - 097

AG PROMISE® LIABILITY DECLARATIONS**Named Insured: Angela Leone****Policy Number: 390100000547**

THE APPLICABLE COVERAGES ARE THOSE FOR WHICH PREMIUMS ARE INDICATED BELOW. THESE PREMIUMS MAY BE SUBJECT TO ADJUSTMENT. COVERAGES MAY BE ADDED OR DELETED DURING THE POLICY PERIOD BY ENDORSEMENT.

COVERAGES				PREMIUM
Coverage H	Bodily Injury and Property Damage	SEE EXPLANATION OF RATING COMPONENTS BELOW*	\$	394.78
	Fire Damage			INCLUDED
	Farm Products			INCLUDED
Coverage I	Personal and Advertising Injury Liability		\$	69.51
Coverage J	Medical Payments		\$	9.33
* OTHER APPLICABLE FORMS AND ENDORSEMENTS FOR WHICH A PREMIUM IS CHARGED.				
SFL 00 20 04 16	Farm Liability Coverage Form			
SFL 01 10 04 16	Insurance Under More Than One Policy			
SFL 04 65 04 16	Coverage K - Farm Employers' Liability		\$	92.22
SFL 04 65 04 16	Coverage L - Farm Employees' Medical Payments		\$	14.99
SFL 10 12 04 16	Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data - Related Liability - With Limited Bodily Injury Exception			
SFL 10 44 04 16	Exclusion Of Certified Nuclear, Biological, Chemical Or Radiological Acts Of Terrorism Cap On Losses From Certified Acts Of Terrorism			
TOTAL PREMIUM			\$	580.83

ROA - 098

AG PROMISE® LIABILITY DECLARATIONS**Named Insured: Angela Leone****Policy Number: 390100000547**

EXPLANATION OF RATING COMPONENT	COMPONENT
Commodity Groups	Timber/Fallow Livestock (other than Dairy) Row Crops
Total Acreage	243
Number of "Insured Locations"	2
Number of Self Propelled Machines	3
Number of Livestock	114

Other Forms and Endorsements Applicable to this Coverage Form:

SFL 10 15 07 18	Exclusion - Raw Milk
SFL 10 55 04 16 (REV 11 17)	Exclusion - Aviation Liability
SFL 22 50 01 20	Exclusion - Failure to Supply
SFL 40 15 12 19	Exclusion - Cannabis Exclusion with Industrial Hemp Exception
SFL P 100 08 20	Policyholder Disclosure-Notice of Terrorism Insurance Coverage

DESCRIPTION OF "INSURED LOCATION"

Loc #	Street Address or Non-Specific Location Description	City	County	State	Operations	# of Acres
1	3135 Old Hickory Rd	Lancaster	Lancaster	South Carolina	Livestock (other than Dairy)	6
1	3135 Old Hickory Rd	Lancaster	Lancaster	South Carolina	Row Crops	6
1	3135 Old Hickory Rd	Lancaster	Lancaster	South Carolina	Timber/Fallow	156
2	HWY 5	Catawba	York	South Carolina	Timber/Fallow	75

FARM LIABILITY COVERAGE FORM
TABLE OF CONTENTS

	Beginning on Page
SECTION I-COVERAGES	
Coverage H-Bodily Injury And Property Damage Liability	
Insuring Agreement	1
Exclusions	2
Coverage I-Personal And Advertising Injury Liability	
Insuring Agreement	10
Exclusions	10
Coverage J-Medical Payments	
Insuring Agreement	13
Exclusions	13
Additional Coverages	
Supplementary Payments-Coverages H And I	14
Damage To Property Of Others	15
Coverage Extension-Coverages H, I, And J	15
Additional Policy Exclusions-Coverages H, I, And J	15
SECTION II-LIMITS OF INSURANCE	16
SECTION III-FARM LIABILITY CONDITIONS	
Loss Conditions	17
Bankruptcy	17
Duties In The Event Of Occurrence, Claim Or Suit	17
Insurance Under Two Or More Coverages	18
Legal Action Against Us	18
No Admission Of Liability With Medical Payments	18
Other Insurance	18
Transfer Of Rights Of Recovery Against Others To Us	18
Additional Conditions	18
Liberalization	18
Representations	18
Separation Of Insureds	18
Assignment	19
Audit	19
Concealment, Misrepresentation Or Fraud	19
Automatic Termination	19
SECTION IV-DEFINITIONS	19

FARM LIABILITY COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

The Declarations, this Coverage Form, and all endorsements are hereby deemed to be a part of this Policy.

Throughout this Coverage Form the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we”, “us” and “our” refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section IV – Definitions.

SECTION I – COVERAGES

COVERAGE H – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the “insured” becomes legally obligated to pay as damages because of “bodily injury” or “property damage”, except “punitive damages” and/or exemplary damages, to which this insurance applies. We will have the right and duty to defend the “insured” against any “suit” seeking those damages. However, we will have no duty to defend the “insured” against any “suit” seeking damages for “bodily injury” or “property damage” to which this insurance does not apply. We may at our discretion investigate any “occurrence” and settle any claim or “suit” that may result. But:

- (1) The amount we will pay for damages is limited as described in Section II – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of:
 - (a) Judgments or settlements under Coverages H or I; or
 - (b) Medical expenses under Coverage J.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under the Additional Coverages.

- b. This insurance applies to “bodily injury” and “property damage” only if:

- (1) The “bodily injury” or “property damage” is caused by an “occurrence” which takes place in the “coverage territory”; and
 - (2) The “bodily injury” or “property damage” occurs during the policy period; and
 - (3) Prior to the policy period, no “insured” listed under Paragraph a. of Definition 14. “Insured” and no employee authorized by you to give or receive notice of an “occurrence” or claim, knew that the “bodily injury” or “property damage” had occurred, in whole or in part. If such a listed “insured” or authorized employee knew, prior to the policy period, that the “bodily injury” or “property damage” had occurred or was occurring, then any continuation, change or resumption of such “bodily injury” or “property damage” during or after the policy period will be deemed to have been known prior to the policy period.
- c. “Bodily injury” or “property damage” that occurs during the policy period and was not, prior to the policy period, known to have occurred by:
- (1) Any “insured” listed under Paragraph a. of Definition 14. “Insured”; or
 - (2) Any employee authorized by you to give or receive notice of an “occurrence” or claim;
- includes any continuation, change or resumption of that “bodily injury” or “property damage” after the end of the policy period.
- d. “Bodily injury” or “property damage” will be deemed to have been known to have occurred at the earliest time when any “insured” listed under Paragraph a. of Definition 14. “Insured” or any employee authorized by you to give or receive notice of an “occurrence” or claim:
- (1) Reports all, or any part, of the “bodily injury” or “property damage” to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the “bodily injury” or “property damage”; or
 - (3) Becomes aware by any other means that “bodily injury” or “property damage” has occurred or has begun to occur.
- e. Damages because of “bodily injury” include damages claimed by any person or

organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" resulting from intentional acts of any "insured" or acts carried out at the direction of any "insured". The expected and unexpected results of these acts or directions are not covered.

b. Contractual Liability

"Bodily injury" or "property damage" for which any "insured" is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That any "insured" would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for any "insured's" "indemnitee" shall be deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such "indemnitee" for, or for the cost of, that "indemnitee's" defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that "indemnitee" against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are claimed.

c. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is, or was at any time owned or occupied by, or rented or loaned to, any "insured". However,

this Subparagraph (1)(a) does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (iii) "Bodily injury" or "property damage" caused by heat, smoke or fumes from:
 - (1) A fire set by the "insured" on the "insured location" to burn off crop, stubble or other vegetation, and is consistent with normal agricultural practice, or to raze buildings; or
 - (2) Agricultural smudging; and
Is not set in violation of any ordinance, law or regulation.
- (b) At or from any premises, site or location which is or was at any time used by or for any "insured" or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any "insured"; or
 - (ii) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any "insured" or any contractors or subcontractors working directly or indirectly on any "insured's" behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor.

However, this Subparagraph **(1)(d)** does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such "insured", contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
 - (e) At or from any premises, site or location on which any "insured" or any contractors or subcontractors working directly or indirectly on any "insured's" behalf are performing operations if the operations are to abate, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any "insured" or others abate, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Subparagraph **(2)** does not apply to liability for damages because of "property damage" that the "insured" would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

d. Release Or Discharge From Aircraft, Mobile Equipment Or Other Apparatus

"Bodily injury" or "property damage" caused by or resulting from the application, discharge, dispersal, seepage, migration, release or escape, by or from any aircraft, "mobile equipment" or other apparatus, of herbicides, insecticides, pesticides, fungicides, fertilizers, or other substances, including but not limited to substances used in spraying or crop dusting operations, by any "insured", by any person or organization for whom any "insured" may be legally responsible, or by any contractors or subcontractors working directly or indirectly for or on behalf of any "insured".

This exclusion does not apply to model or hobby aircraft unless used or designed to carry an operator(s), any other person(s), or cargo.

e. Aircraft, Unmanned Aerial System, Motor Vehicle, Motorized Bicycle Or Tricycle

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of any aircraft, "unmanned aerial system", "motor vehicle", motorized bicycle or tricycle owned or operated by or rented or loaned to any "insured". Use includes operation and "loading or unloading";
- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving any aircraft,

"unmanned aerial system", "motor vehicle", motorized bicycle or tricycle; or

- (3) Arising out of any means of transport named in Paragraph (1) or (2) above that is used in, or while in practice or preparation for, a prearranged or organized race, speed, strength or demolition contest or in any stunting activity or any other competition.

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "unmanned aerial system", "motor vehicle", motorized bicycle or tricycle that is owned or operated by or rented or loaned to any "insured".

This exclusion does not apply to:

- (a) "Bodily injury" to a "residence employee" caused by an aircraft, provided the "bodily injury" occurs while the "residence employee" is not engaged in the operation or maintenance of such aircraft;
- (b) Parking a "motor vehicle" or motorized bicycle or tricycle on, or on the ways next to, premises you own or rent, provided the "motor vehicle" is not owned by, or rented or loaned to any "insured";
- (c) A "motor vehicle" not subject to motor vehicle registration:
 - (i) By reason of its exclusive use as a device for assisting the handicapped; or
 - (ii) Designed for recreational use off public roads and not owned by any "insured"; or
- (d) "Bodily injury" or "property damage" arising out of:
 - (i) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

- (ii) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment" (Section IV).

f. Watercraft

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of an excluded watercraft described below. Use includes operation and "loading or unloading";
- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving an excluded watercraft described below;
- (3) Arising out of any means of transport named in Paragraph (1) or (2) above that is used in, or while in practice or preparation for, a prearranged or organized race, speed, strength or demolition contest or in any stunting activity or any other competition.

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use, or entrustment to others of an excluded watercraft described below.

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor or are sailing vessels, whether owned by or rented to an "insured".

This exclusion does not apply to:

- (1) Watercraft that are not sailing vessels and are powered by:
 - (a) Inboard or inboard-outdrive engine or motor power, including those that power a water jet pump, of 50 horsepower or less not owned by an "insured";
 - (b) Inboard or inboard-outdrive engine or motor power, including those that power a water jet pump, of more than 50 horsepower not owned by or rented to an "insured";
 - (c) One or more outboard engines or motors with 25 total horsepower or less;
 - (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or

motor is not owned by an "insured"; or

- (e) Outboard engines or motors of more than 25 total horsepower owned by an "insured" if:

- (i) You acquire them prior to the policy period; and
 - i. You declare them at policy inception; or
 - ii. Your intention to insure is reported to us in writing within 45 days after you acquire the outboard engines or motors; or
- (ii) You acquire them during the policy period.

This coverage applies for the policy period.

- (2) Watercraft that are sailing vessels, with or without auxiliary power:

- (a) Less than 26 feet in overall length; or
- (b) 26 feet or more in overall length, not owned by or rented to any "insured";

- (3) Watercraft that are stored; or

- (4) "Occurrences" of "bodily injury" or "property damage":

- (a) That take place on the "insured location"; or
- (b) Sustained by a "residence employee" in the course of employment by any "insured".

g. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by a "motor vehicle" owned or operated by, or rented or loaned to, any "insured"; or
- (2) The use of any self-propelled land vehicle or "mobile equipment" in, or while in practice or preparation for:
 - (a) A prearranged racing, speed, strength or demolition contest; or
 - (b) Any stunting activity.

h. Use Of Livestock Or Other Animals

"Bodily injury" or "property damage" arising out of:

- (1) The use of any livestock or other animal in, or while in practice or preparation for:

- (a) A prearranged racing, speed or strength contest; or

- (b) A prearranged stunting activity.

But this Exclusion h.(1) applies only to "occurrences" arising out of such contests or activities that take place at the site designated for the contest or activity; or

- (2) The use of any livestock or other animal, with or without an accessory vehicle, for providing:

- (a) Rides to any person for a fee; or
- (b) Rides in connection with or during a fair, charitable function or similar type of event.

i. Business Pursuits

"Bodily injury" or "property damage" arising out of or in connection with a "business" engaged in by any "insured". This exclusion applies but is not limited to any act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

j. Custom Farming

"Bodily injury" or "property damage" arising out of any "insured's":

- (1) Performance of; or
- (2) Failure to perform;

"custom farming" operations.

But this exclusion will apply only when your receipts from "custom farming" operations exceed \$5,000 for the 12 months immediately preceding the date of the "occurrence".

k. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of, or failure to render, professional services. This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the rendering of, or failure to render, any professional service.

l. Rental Of Premises And Ownership Or Control Of Premises

"Bodily injury" or "property damage" arising out of:

- (1) An act or omission in connection with any location (other than an "insured location") that is rented to, or owned or controlled by, any "insured".

The only exceptions to this exclusion are in "occurrences" of "bodily injury" or "property damage" sustained by a "residence employee" arising out of and in the course of employment by any "insured".

- (2) The rental or holding for rental of an "insured location" by an "insured" to others.

This exclusion does not apply to:

- (a) The rental of a farm premises shown in the Declarations, provided such premises is rented for "farming" purposes, and:
 - (i) The premises is shown in the Declarations as being rented to others; or
 - (ii) The rental commences during the present annual policy period.
- (b) The rental of a farm premises acquired during the present annual policy period, provided the rental is for "farming" purposes.
- (c) The rental of a residence for residential purposes, provided:
 - (i) The residence is located on a farm premises used for "farming" purposes; and
 - (ii) Such farm premises is shown in the Declarations or acquired during the present annual policy period; and
 - (iii) The rental commences during the present annual policy period.
- (d) The occupancy of a part of your principal residence as:
 - (i) Living quarters, by no more than two roomers or boarders; or
 - (ii) An office, school, studio or private garage.
- (e) The occasional occupancy of your principal residence by persons using the residence exclusively as living quarters.

Exclusion 2.i. under Coverage H does not apply with respect to coverage provided in Paragraphs (a), (b), (c), (d) or (e) above.

m. Communicable Disease

"Bodily injury" or "property damage" arising out of the transmission of a communicable disease by any "insured".

n. Workers' Compensation Or Similar Law

Any obligation of any "insured" under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

o. Employers' Liability

"Bodily injury" sustained by:

- (1) Any employee (other than a "residence employee") as a result of his or her employment by an "insured";
- (2) Any "residence employee", unless the "residence employee" makes a written claim or brings "suit" no later than 36 months after the end of the policy period; or
- (3) The spouse, child, parent, brother or sister of any employee as a consequence of "bodily injury" to that employee.

This exclusion applies whether any "insured" may be held liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

p. Building Or Structure Under Construction

"Bodily injury" arising out of any premises on which a building or structure is being constructed.

The only exception to this exclusion is in an "occurrence" of "bodily injury" sustained by:

- (1) Persons who are not "insureds"; or
- (2) "Residence employees" of an "insured" arising out of or in the course of their employment.

But this exception requires that:

- (a) In the case of a building that will be used as a dwelling:
 - (i) It is located on an "insured location"; and
 - (ii) It is intended for occupancy by any "insured", or by any "insured's" "farm employee(s)" or "residence employee(s)"; or
- (b) In the case of buildings or structures that will be used in "farming" operations:
 - (i) They are located on an "insured location"; and
 - (ii) Intended for the use of any "insured".

q. Bodily Injury To An Insured

"Bodily injury" to you or to any "insured" within the meaning of "insured" as defined in Paragraph **14.a.(1)** in Section **IV** – Definitions.

This exclusion also applies to any claim made or "suit" brought against you or any "insured" to:

- (1) Repay; or
- (2) Share damages with;

another person who may be obligated to pay damages because of such "bodily injury".

r. Damage To Property

"Property damage" to:

- (1) Property you own, nor to any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Property you rent or occupy;
- (3) Premises you sell, give away, or abandon, if the "property damage" arises out of any part of those premises;
- (4) Property loaned to you; or
- (5) Personal property in the care, custody or control of any "insured".

But with respect to "custom farming", Paragraph **r.(5)** will apply only when your receipts from "custom farming" operations exceed \$5,000 for the 12 months immediately preceding the date of the "occurrence".

Paragraphs **r.(4)** and **r.(5)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

s. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

t. Damage To Your Work

"Property damage" to:

- (1) "Your work", arising out of it or any part of it; or
- (2) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

But with respect to "custom farming", Exclusion **t.** will apply only when your receipts from "custom farming" operations exceed \$5,000 for the 12 months immediately preceding the date of the "occurrence".

u. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

But with respect to "custom farming", Exclusion **u.** will apply only when your receipts from "custom farming" operations exceed \$5,000 for the 12 months immediately preceding the date of the "occurrence".

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" after it has been put to its intended use.

v. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use, by any person or organization, because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

w. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse.

x. Controlled Substances

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following lawful orders of a licensed healthcare professional.

y. Personal Injury

"Bodily injury" arising out of "personal injury".

z. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003, or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

aa. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war; or
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

bb. Agritainment

"Bodily injury" or "property damage" arising directly or indirectly out of any "agritainment". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed or implied to be provided because of the nature of the "agritainment".

cc. Employment-Related Practices

"Bodily injury" to:

- (1) A person, arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or

- (c) Employment-related practices, policies, acts or omissions, including but not limited to coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

- (2) The spouse, child, parent, brother or sister of that person at whom any of the acts in Paragraphs (1)(a), (b) or (c) above is directed, as a consequence of "bodily injury" to that person.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person.
- (b) Whether any "insured" may be held liable as an employer or in any other capacity; and
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the "bodily injury".

dd. Asbestos, Lead, Radium, Radon, Silica And Silica-Related Dust

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of:
 - (a) Asbestos, asbestos fibers or any other material or substance containing asbestos;
 - (b) Lead, paint containing lead, or any other material or substance containing lead;
 - (c) Radium, radon or any other material or substance containing radium or radon; or
 - (d) "Silica" or "silica-related dust"; or
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any "insured" or others abate, test for, monitor, clean up, remove, remedy, repair, contain, treat, detoxify, neutralize, remediate or dispose of, or in any way respond to or assess the effects of, asbestos, lead, radium, radon, "silica" or "silica-related dust"; or

- (b) Claim or "suit" by or on behalf of any person, organization or governmental authority for damages because of abating, testing for, monitoring, cleaning up, removing, remedying, repairing, containing, treating, detoxifying, neutralizing, remediating, or disposing of, or in any way responding to or assessing the effects of, asbestos, lead, radium, radon, "silica" or "silica-related dust".

ee. Home Day Care

"Bodily injury" or "property damage" resulting from any "insured's" regular provision of home day care services to a person or persons other than an "insured", in return for which any "insured" receives monetary or other compensation. The providing of such services in exchange for such compensation is a "business". Mutual exchange of home day care services, however, is not considered compensation.

ff. Duties As Officer Or Director

"Bodily injury" or "property damage" arising out of or resulting from any "insured's" act, failure to act, omission or error while acting in the scope of his or her duties as an officer, executive officer or director of any corporation or "business" unless such corporation or "business" is shown in the Declarations as a Named Insured.

gg. Insects, Rust, Bacteria, Wet Rot Or Dry Rot, Mold, Mildew, And Any Other Fungi

- (1) "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged, attempted, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, insects, rust, bacteria, wet rot or dry rot, mold, mildew, or any other "fungi", regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage; or
- (2) Loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that you or any person abate, test for, monitor, clean up, remove, remedy, repair, contain, treat, detoxify, neutralize, dispose of, or in any way respond to, or assess the effects of, insects, rust, bacteria, wet rot or dry rot, mold, mildew or any other "fungi"; or

- (b) Fine, claim or "suit" by or on behalf of any person, organization, or governmental authority for damages because of abating, testing for, monitoring, cleaning up, removing, remedying, repairing, containing, treating, detoxifying, neutralizing, disposing of, or in any way responding to, or assessing the effects of, insects, rust, bacteria, wet rot or dry rot, mold, mildew, or any other "fungi".

hh. Computer, Computer Virus, And Other Computer-Related Injury Or Damage

"Bodily injury" or "property damage" arising from any computer instruction or code that is designed to alter, damage, destroy, reduce the functionality or availability or operation of, record or transmit information within, contaminate or interrupt or usurp the normal operation of, any:

- (1) Computer;
- (2) Computer system or hardware, including but not limited to hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices, microchips, integrated circuits or similar devices in computer equipment or non-computer equipment or other media which are used with electronically controlled equipment;
- (3) Computer software (including systems and applications software and utilities), programs or data; or
- (4) Information repository, which includes data used in the processing of application software in any format or media type.

Such instruction or code includes, but is not limited to, any group of computer instructions or codes commonly called a virus or a worm, and any other instructions or codes, that are self-replicating or self-propagating.

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, entrustment to others, maintenance, use, or operation of any:

- (1) Computer;
- (2) Computer system or hardware, including but not limited to hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices, microchips, integrated circuits or similar devices in

computer equipment or non-computer equipment, or other media which are used with electronically controlled equipment;

- (3) Computer software (including systems and applications software and utilities), programs or data; or
- (4) Information repository, which includes data used in the processing of application software in any format or media type.

ii. Erroneous Delivery Or Mixture And Resulting Failure of Seeds To Germinate

"Property damage" arising out of:

- (1) The erroneous delivery of seed, which includes:
 - (a) The failure to deliver seed;
 - (b) The delivery of wrong seed; or
 - (c) The delivery of seed at the wrong time or season.
- (2) An error in mechanical mixture of seed; or
- (3) The failure of seed to germinate.

Exclusions c. through v. and Exclusions aa. and bb. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Limit of Insurance applies to this coverage as described in Section II – Limits Of Insurance.

COVERAGE I – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the "insured" becomes legally obligated to pay as damages because of "personal injury" or "advertising injury", except "punitive damages" and/or exemplary damages, to which this insurance applies. We will have the right and duty to defend the "insured" against any "suit" seeking those damages. However, we will have no duty to defend the "insured" against any "suit" seeking damages for "personal injury" or "advertising injury" to which this insurance does not apply. We may at our discretion investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section II – Limits Of Insurance; and
 - (2) Our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of:
 - (a) Judgments or settlements under Coverages H or I; or

(b) Medical expenses under Coverage J.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under the Additional Coverages.

- b. This insurance applies to "personal injury" only if caused by an offense:
 - (1) Committed during the policy period; and
 - (2) Arising out of personal activities or out of operations usual or incidental to "farming".
- c. This insurance applies to "advertising injury" only if caused by an offense committed during the policy period.

2. Exclusions

This insurance does not apply to:

- a. "Personal injury" or "advertising injury":
 - (1) **Knowing Violation Of Rights Of Another**
Caused by or at the direction of any "insured" with the knowledge that the act would violate the rights of another and would inflict "personal injury" or "advertising injury".
 - (2) **Material Published With Knowledge Of Falsity**
Arising out of oral or written publication, in any manner, of material, if done by or at the direction of any "insured" with knowledge of its falsity.
 - (3) **Material Published Prior To Policy Period**
Arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.
 - (4) **Criminal Acts**
Arising out of a criminal act committed by or at the direction of an "insured".

This exclusion does not affect our duty to defend, in accordance with Paragraph 1.a. under Coverage I above, an "insured" prior to determining, through the appropriate legal processes, that that "insured" is responsible for a criminal act.

(5) Contractual Liability

For which any "insured" has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the "insured" would have in the absence of the contract or agreement.

(6) Pollution

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

(7) Pollution-related Loss, Cost Or Expense

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any "insured" or others abate, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (2) Claim or "suit" by or on behalf of a governmental authority for damages because of abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

(8) Recording And Distribution Of Material In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (b) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (c) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

- (d) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003, or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

(9) War

However caused, arising, directly or indirectly, out of:

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

(10) Infringement Of Copyright, Patent, Trademark Or Trade Secret

Arising out of the infringement of copyright, patent, trademark, trade secret, or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

(11) Electronic Chatrooms Or Bulletin Boards

Arising out of an electronic chatroom or bulletin board:

- (a) The "insured" hosts, owns; or
- (b) Over which any "insured" exercises control.

(12) Unauthorized Use Of Another's Name Or Product

Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

(13) Unmanned Aerial System

Arising out of the ownership, maintenance, or use, including "loading or unloading" of an aircraft that is an "unmanned aerial system".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the offense that caused the "personal injury" or "advertising injury" arose out of the ownership, maintenance, or use, including "loading or unloading" of an aircraft that is an "unmanned aerial system."

b. "Personal injury":

(1) Business Pursuits

Arising out of or in connection with a "business" engaged in by an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

(2) Civic Or Public Activities For Pay

Arising out of civic or public activities performed for pay by the "insured".

(3) Personal Injury To An Insured

To you or to any "insured" within the meaning of "insured" as defined in Paragraph **14.a.(1)** in Section **IV** – Definitions.

This exclusion also applies to any claim made or "suit" brought against you or any "insured" to:

(a) Repay; or

(b) Share damages with;

another person who may be obligated to pay damages because of such "personal injury".

(4) Agritainment

Arising directly or indirectly out of any "agritainment". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "agritainment".

(5) Employment-Related Practices

(a) To a person arising out of any:

(1) Refusal to employ that person;

(2) Termination of that person's employment; or

(3) Employment-related practices, policies, acts or omissions, including but not limited to coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person;

(b) To the spouse, child, parent, brother or sister of that person as a consequence of "personal injury" to that person at whom any of the employment-related practices described in Paragraphs (a)(1), (2) or (3) above is directed.

This exclusion applies:

(a) Whether the injury-causing event described in Paragraphs (a)(1), (2) or (3) above occurs before employment, during employment or after employment of that person;

(b) Whether the "insured" may be liable as an employer or in any other capacity; and

(c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

(6) Insects, Rust, Bacteria, Wet Rot Or Dry Rot, Mold, Mildew, And Any other Fungi

(a) Which would not have taken place, in whole or in part, but for the actual, alleged, attempted, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, insects, rust, bacteria, wet rot or dry rot, mold, mildew, or any other "fungi", regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage; or

(b) Loss, cost or expense arising out of any:

(i) Request, demand, order or statutory or regulatory requirement that you or any person test for, monitor, clean up, remove, remedy, repair, contain, treat, detoxify, neutralize, dispose of, or in any way respond to, or assess the effects of, insects, rust, bacteria, wet rot or dry rot, mold, mildew or any other "fungi"; or

- (ii) Fine, claim or "suit" by or on behalf of any person, organization, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, remedying, repairing, containing, treating, detoxifying, neutralizing, disposing of, or in any way responding to, or assessing the effects of, insects, rust, bacteria, wet rot or dry rot, mold, mildew, or any other "fungi".

c. "Advertising injury" arising out of:

(1) Breach Of Contract

A breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

(2) Quality Or Performance Of Goods – Failure To Conform To Statements

The failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

(3) Wrong Quotation Or Description Of Prices

The wrong quotation or description of the price of goods, products or services stated in your "advertisement".

(4) Insured In Media And Internet Type Businesses

An offense committed by an "insured" whose "business" is:

- (a) Advertising, broadcasting, publishing, or telecasting;
- (b) Designing or determining content of web sites for others; or
- (c) An Internet search, access, content or service provider.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising for you or others anywhere on the Internet, is not by itself, considered the "business" of advertising, broadcasting, publishing or telecasting.

COVERAGE J – MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay reasonable medical expenses incurred within three years from the date of an accident causing "bodily injury".

We will make these payments regardless of fault.

Reasonable medical expenses means expenses incurred for:

- (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.
- b. This coverage applies only:
- (1) To a person (other than an "insured") who is on the "insured location" with the permission of an "insured";
 - (2) To a person (other than an "insured") off the "insured location", provided the "bodily injury":
 - (a) Arises out of a condition on the "insured location" or the ways immediately adjoining it;
 - (b) Is caused by the activities of an "insured" or by a "farm employee" in the course of employment by an "insured";
 - (c) Is caused or sustained by a "residence employee" in the course of employment by an "insured"; or
 - (d) Is caused by an animal owned by or in the care of an "insured".

2. Exclusions

We will not pay expenses for "bodily injury" to:

a. Professional Services And Business Pursuits

Any person injured while on the "insured location" by reason of:

- (1) Professional services being rendered there. This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" involved the rendering of, or failure to render any professional service; or
- (2) "Business" being engaged in there. This Exclusion **a.(2)** applies, but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

The only exceptions to Paragraphs **a.(1)** and **(2)** are in "occurrences" of "bodily injury" to a "residence employee".

b. Location Rented, Owned Or Controlled By Insured

Any person injured due to an act or omission in connection with any location (other than an "insured location") that is owned, rented or controlled by the "insured".

The only exceptions to this exclusion are in "occurrences" of "bodily injury" sustained by a "residence employee" arising out of and in the course of employment by the "insured".

c. Farm Employees Or Others Maintaining The Farm

Any "farm employee" or other person engaged in work usual or incidental to the maintenance or use of the "insured location" as a farm.

The only exceptions to this exclusion are in "occurrences" of "bodily injury" sustained by a "residence employee" or by a person on the "insured location" in a neighborly exchange of assistance for which an "insured" is not obligated to pay any money.

d. Workers' Compensation Or Similar Law

Any person eligible to receive any benefits that an "insured" voluntarily provides or is required to provide under any workers' compensation, non-occupational disability or occupational disease law.

e. Injury To Resident

Any person regularly residing on any part of the "insured location" or who is a resident member of your household.

The only exceptions to this exclusion are in "occurrences" of "bodily injury" to a "residence employee".

f. Agritainment

Any person injured while on the "insured location" by reason of "agritainment" being engaged in there. This Exclusion f. applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "agritainment".

g. Coverage H Exclusions

Any person, if the "bodily injury" is excluded under Coverage H.

ADDITIONAL COVERAGES**1. Supplementary Payments – Coverages H And I**

- a. We will pay, with respect to any claim we investigate or settle, or any "suit" against any "insured" we defend:

(1) All expenses we incur.

(2) Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Coverage H applies. We do not have to furnish these bonds.

(3) The cost of bonds to release attachments, but only for bond amounts within the applicable Limits of Insurance. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the "insured" at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.

(5) All court costs taxed against the "insured" in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

(6) Prejudgment interest awarded against any "insured" on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

(7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have:

(a) Paid;

(b) Offered to pay; or

(c) Deposited in court;

the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the Limits of Insurance.

- b. If we defend an "insured" against a "suit" and an "indemnitee" of the "insured" is also named as a party to the "suit", we will defend that "indemnitee" if all of the following conditions are met:

(1) The "suit" against the "indemnitee" seeks damages for which the "insured" has assumed the liability of the "indemnitee" in a contract or agreement that is an "insured contract";

(2) This insurance applies to such liability assumed by the "insured";

(3) The obligation to defend, or the cost of the defense of, that "indemnitee", has also been assumed by the "insured" in the same "insured contract";

(4) The allegations in the "suit" and the information we know about the

"occurrence" are such that no conflict appears to exist between the interests of the "insured" and the interests of the "indemnatee";

- (5) The "indemnatee" and the "insured" ask us to conduct and control the defense of that "indemnatee" against such "suit" and agree that we can assign the same counsel to defend the "insured" and the "indemnatee"; and
- (6) The "indemnatee":
 - (a) Agrees in writing to:
 - (i) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (ii) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (iii) Notify any other insurer whose coverage is available to the "indemnatee"; and
 - (iv) Cooperate with us with respect to coordinating other applicable insurance available to the "indemnatee"; and
 - (b) Provides us with written authorization to:
 - (i) Obtain records and other information related to the "suit"; and
 - (ii) Conduct and control the defense of the "indemnatee" in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that "indemnatee", necessary litigation expenses incurred by us and necessary litigation expenses incurred by the "indemnatee" at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **b.(2)** of the Contractual Liability Exclusion (Exclusion 2.) under Coverage **H** – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend any "insured's" "indemnatee" and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- (1) We have used up the applicable Limit of Insurance in the payment of judgments or settlements; or

- (2) The conditions set forth above, or the terms of the agreement described in Paragraph **b.(6)** above, are no longer met.

2. Damage To Property Of Others

- a. We will pay up to \$1,000 per "occurrence" for "property damage" to property of others caused by any "insured".

At our option, we will either:

- (1) Pay the actual cash value of the property; or
- (2) Repair or replace the property with other property of like kind and quality.

- b. But we will not pay for "property damage":

- (1) Caused intentionally by any "insured" who is 13 years of age or older;
- (2) To property owned by or rented to:
 - (a) An "insured";
 - (b) A tenant of an "insured"; or
 - (c) A member of your household; or
- (3) Arising out of:
 - (a) Professional services or a "business" or "agritainment" engaged in by any "insured";
 - (b) An act or omission in connection with any premises (other than an "insured location") that are owned, rented or controlled by the "insured"; or
 - (c) The ownership, maintenance, operation, use, or "loading or unloading" of any "motor vehicle", motorized bicycle or tricycle, farm machinery or equipment, aircraft, "unmanned aerial system", or watercraft.

COVERAGE EXTENSION – COVERAGES H, I, AND J

The words "you" and "your", throughout this Coverage Form, include your spouse if a resident of the same household. This coverage extension also applies to any endorsement attached to this Coverage Form.

ADDITIONAL POLICY EXCLUSIONS – COVERAGES H, I, AND J

This Coverage Form does not apply to:

1. Migrant And Seasonal Agricultural Worker Protection Act (Hereinafter MSAWPA)

Damages, fines or penalties alleged or awarded under:

- a. MSAWPA (29 USC Sections 1801 et seq.);
- b. Any law, due to violation of the MSAWPA; or
- c. Any regulation promulgated pursuant to the MSAWPA.

2. Nuclear

"Bodily injury" or "property damage" arising from any:

- a. Nuclear reaction;
- b. Nuclear radiation; or
- c. Radioactive contamination;

all whether controlled or uncontrolled or however caused; or any consequence of any of these.

3. Employees' Retirement Income Security Act (Hereinafter E.R.I.S.A.)

Any obligation of any "insured" under E.R.I.S.A., and any amendments to it or any similar federal, state or local statute, rule or ordinance.

4. Association Liability

Liability for any loss assessment charged against you as a member of an association, corporation or community of property owners.

5. Transmissible Spongiform Encephalopathies, Foot and Mouth Disease, And Other Infectious Disease

- a. "Bodily injury", "property damage", "personal and advertising injury" arising out of, resulting from, caused or contributed to by:

- (1) Transmissible Spongiform Encephalopathies (hereinafter referred to as TSE);
- (2) Foot and Mouth Disease (hereinafter referred to as FMD);
- (3) Other infectious disease;
- (4) Exposure to TSE, FMD, or other infectious disease; or
- (5) Exposure to any item that is known or suspected to cause, contribute to or enable TSE, FMD, or other infectious disease.

- b. The costs of abatement, mitigation, removal or disposal of feed, feed additives or animals, or of any premises or equipment handling such items, as a result of any known or suspected connection between such items and TSE, FMD, and/or other infectious disease; or
- c. Any costs related to a person's abatement, mitigation or removal of, or testing, medical monitoring, medical costs or cure for TSE, FMD, and/or other infectious disease.

This exclusion also includes:

- a. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above; and
- b. Any obligation to share damages with or repay someone else who must pay damages because of such injury or damage.

These exclusions apply to all coverages provided by this Coverage Form, whether provided within the Coverage Form itself or by endorsement.

SECTION II – LIMITS OF INSURANCE

- 1. The Limits Of Insurance shown in the Declarations and the provisions below fix the most we will pay regardless of the number of:

- a. "Insureds";
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

- 2. The General Aggregate Limit is the most we will pay for the sum of:

- a. Damages under Coverage H and Coverage I; and
- b. Medical expenses under Coverage J.

- 3. Subject to Paragraph 2. above, the Farm Products Aggregate Limit shown in the Declarations is the most we will pay under Coverage H for "bodily injury" and "property damage" arising from "your product" during any one annual policy period, regardless of the number of:

- a. "Occurrences";
- b. "Insureds";
- c. Claims made or "suits" brought; or
- d. Persons or organizations making claims or bringing "suits".

- 4. a. Subject to Paragraphs 2. and 3. above, the Each Occurrence Limit is the most we will pay for the sum of:

- (1) Damages under Coverage H; and
- (2) Medical expenses under Coverage J.

because of all "bodily injury", and "property damage" arising out of any one "occurrence".

All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions will be considered the result of one "occurrence".

- b. Included within the Each Occurrence Limit is a Special Limit of Insurance equal to the greater of:

- (1) \$10,000; or
- (2) The dollar amount of statutorily imposed vicarious liability for the actions of a child or minor.

This is the most we will pay for all covered damages that any "insured" becomes legally obligated to pay because of statutorily imposed

vicarious liability for the actions of a child or minor. However, we will not pay for those damages excluded by means of Paragraphs **2.e., f., l., w., or x.** of Section I – Coverage H, Exclusions.

5. Subject to Paragraph **4.a.** above, the Fire Damage Limit is the most we will pay under Coverage **H** for damages because of “property damage” to premises, while rented to you or temporarily occupied by you with permission of the owner, arising out of any one fire.
6. Subject to Paragraph **2.** above, the Personal and Advertising Injury Liability Limit is the most we will pay under Coverage **I** for the sum of all damages because of all “personal injury” and all “advertising injury” sustained by any one person or organization.
7. Subject to Paragraph **4.** above, the Medical Expense Limit is the most we will pay under Coverage **J** for all medical expenses because of “bodily injury” sustained by any one person.

The Limits for this Coverage Form apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations. The Limits applicable to any one such period apply only:

- a. With respect to Coverage **H**, to “bodily injury” or “property damage” which occurs during such period; and
- b. With respect to Coverage **I**, to “personal injury” or “advertising injury” which occurs during such period; and
- c. With respect to Coverage **J**, to accidents occurring during such period.

However, if the policy period is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for purposes of determining the Limit of Insurance and the policy period during which:

- a. With respect to Coverage **H**, the “bodily injury” or “property damage” occurs; or
- b. With respect to Coverage **I**, the “personal injury” or “advertising injury” occurs; or
- c. With respect to Coverage **J**, the accident occurs.

SECTION III – FARM LIABILITY CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

Loss Conditions

1. Bankruptcy

Bankruptcy or insolvency of any “insured” or of the “insured’s” estate will not relieve us of our obligations under this Coverage Form.

2. Duties In The Event Of Occurrence, Claim Or Suit

We have no duty to provide coverage under this Policy if failure to comply with the following duties is prejudicial to us:

- a. You must see to it that we are notified as soon as practicable of an “occurrence” or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the “occurrence” or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the “occurrence” or offense.
- b. If a claim is made or “suit” is brought against any “insured”, you must:
 - (1) Immediately record the specifics of the claim or “suit” and the date received; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or “suit” as soon as practicable.
- c. You and any other “insured” involved must:
 - (1) Notify the police if a law may have been broken;
 - (2) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or “suit”;
 - (3) Authorize us to obtain records and other information;
 - (4) Cooperate with us in the investigation or settlement of the claim or defense against the “suit”; and
 - (5) At our request, assist us in the enforcement of any right against any person or organization that may be liable to any “insured” because of injury or damage to which this insurance may also apply.
- d. No “insured” will, except at that “insured’s” own cost, voluntarily make any payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- e. Any injured person who makes a claim for payment of medical expenses under the provisions of Coverage **J** must:
 - (1) Give us written proof of claim, under oath if required, as soon as practicable;

- (2) Execute authorization to allow us to obtain copies of medical reports and records; and
- (3) Submit to physical examination by a physician selected by us when and as often as we reasonably require.

Requirements (1) and (2) above may be carried out by a person acting on behalf of the injured person.

- f. If loss occurs under Additional Coverage 2. – Damage To Property Of Others, you must:
 - (1) Submit to us within 60 days after the loss, a signed, sworn proof of loss; and
 - (2) If within your control, exhibit the damaged property.
- g. We may examine any “insured” under oath, while not in the presence of any other “insured” and, at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an “insured’s” books and records. In the event of an examination, an “insured’s” answers must be signed.

3. Insurance Under Two Or More Coverages

If two or more of this Policy’s coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

4. Legal Action Against Us

No person or organization has a right under this Coverage Form:

- a. To join us as a party or otherwise bring us into a “suit” asking for damages from an “insured”; or
- b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an “insured”; but we will not be liable for damages that are not payable under the terms of this Coverage Form or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the “insured” and the claimant or the claimant’s legal representative.

5. No Admission Of Liability With Medical Payments

No payment we make under the provisions of Coverage J constitutes an admission of liability by any “insured” or us.

6. Other Insurance

This condition applies only if, in addition to the insurance provided under this Coverage Form, the

“insured” has other insurance under this or any other policy covering the same obligations to pay damages and provide defense against “suits” for damages.

- a. We will pay only the proportion of covered damages and related defense costs that the applicable Limit of Insurance under this Coverage Form bears to the total amount of all your insurance providing the same coverage, in covered “occurrences” arising from any cause except the ownership, maintenance, use, operation or “loading or unloading” of a:
 - (1) “Motor vehicle”;
 - (2) Vehicle which qualifies as “mobile equipment” only while used on premises you own or rent; or
 - (3) Watercraft.

- b. In covered “occurrences” arising from the ownership, maintenance, operation, use, or “loading or unloading” of a conveyance described in Paragraphs a.(1), (2) or (3) above, this insurance will not apply to the extent that any collectible insurance, whether primary, excess or contingent, is available to any “insured”.

7. Transfer Of Rights Of Recovery Against Others To Us

If the “insured” has rights to recover all or part of any payment we have made under this Coverage Form, those rights are transferred to us. The “insured” must do nothing after loss to impair them. At our request, the “insured” will bring “suit” or transfer those rights to us and help us enforce them.

Additional Conditions

1. Liberalization

If we adopt any revision that would broaden the coverage under this Coverage Form without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Form.

2. Representations

By accepting this Policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Policy in reliance upon your representations.

3. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this

Coverage Form to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each "insured" against whom claim is made or "suit" is brought.

4. Assignment

Your rights and duties under this Policy may not be transferred without our written consent, except in the case of the death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone who has proper temporary custody of your property will have your rights and duties, but only with respect to that property.

5. Audit

- a. We will compute all premiums for this Coverage Form in accordance with our rules and rates.
- b. Premium shown in this Coverage Form as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.
- d. In the event the Policy is subject to an account billing arrangement, the excess will instead be applied to reduce the account balance as shown on the next invoice provided following the audit.

6. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you as it relates to this Coverage Form at any time. It is also void if any "insured" intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form; or
- b. A claim under this Coverage Form.

7. Automatic Termination

If we offer to renew or continue this Coverage Form and you or your representative do not accept, this Coverage Form will automatically terminate at the end of the current policy period. Failure to pay the

required renewal or continuation premium when due shall mean that you have not accepted our offer. Our acceptance of your payment in the form of a check, credit card, debit card or draft is conditioned upon such check, credit card, debit card or draft being honored by your financial institution. If your financial institution does not honor such check, credit card, debit card or draft when presented by us for payment, this will be considered a failure to pay the required renewal or continuation premium.

If this Coverage Form is other than a renewal or continuation of coverage by us, and payment is made with a check, credit card, debit card or draft, and such check, credit card, debit card or draft is not honored by your financial institution when presented by us for payment, this Coverage Form will be considered void.

If you obtain other insurance, any similar insurance provided by this Policy will terminate on the effective date of the other insurance.

SECTION IV – DEFINITIONS

1. **"Advertisement"** means a notice that is broadcast or published to the general public or specific market segments about your farm-related goods, products or services for the purpose of attracting customers or supporters.

For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web sites, only that part of a web site that is about your farm-related goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. **"Advertising injury"** means an injury arising out of one or more of the following offenses:

- a. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- b. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- c. The use of another's advertising idea in your "advertisement"; or
- d. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

3. **"Agritainment"** means an agricultural or aquacultural related activity or enterprise that is primarily operated on the "insured location":

- a. For the purposes of tourism or entertainment; and

- b. Engaged in for monetary or other compensation.
- 4. **"Bodily injury"** means bodily injury, sickness or disease sustained by a person, and includes death resulting from any of these at any time.
- 5. **"Business"** means a trade, profession, occupation, enterprise or activity, other than:
 - a. "Agritainment";
 - b. "Farming"; or
 - c. "Custom farming";

which is engaged in for the purpose of any financial gain, income, profit, or monetary or other compensation, regardless of the amount of such compensation. However, "business" does not include any activity undertaken for financial gain, income, profit, or monetary or other compensation, by any "insured" who is a minor or full-time student under the age of 24, unless:

- (1) Such activity is the full-time activity of any "insured"; or
- (2) The annual receipts from such activity exceed \$3,000.

This exception does not apply with respect to "property damage" sustained by any "insured".

- 6. **"Coverage territory"** means:
 - a. The United States of America;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above; or
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your "farming" activities;

provided any "insured's" responsibility to pay damages is determined in a "suit" on the merits in the territory described in Paragraph a. above or in a settlement we agree to.

- 7. **"Custom farming"** means performance of specific planting, cultivating, harvesting or similar specific "farming" operations by any "insured", at a farm that is not an "insured location", when the performance is for, and under the direction or supervision of, the owner or operator of the farm or the authorized representative of the owner or operator.

But "custom farming" does not mean:

- a. Operations conducted at a premises rented to, leased to or controlled by an "insured";

- b. Operations for which no compensation in money or goods is received; or
- c. A neighborly exchange of services.
- 8. **"Farm employee"** means any "insured's" employee whose duties are principally in connection with the maintenance or use of the "insured location" as a farm. These duties include the maintenance or use of any "insured's" farm equipment. But "farm employee" does not mean any employee while engaged in an "insured's" "business", or in an "insured's" "agritainment".
- 9. **"Farming"**:
 - a. Means the operation of an agricultural or aquacultural enterprise, and includes the operation of roadside stands on your farm premises, maintained solely for the sale of farm products produced principally by you.
 - b. Unless specifically indicated in the Declarations, does not include:
 - (1) Retail activity other than that described above; or
 - (2) Mechanized processing operations;
 - c. Does not include the operation of:
 - (1) Any "agritainment" on your farm premises; or
 - (2) Any retail activity or any mechanized processing operations performed, in whole or in part, for "agritainment"; or
 - (3) The brokerage of the agricultural products of others.
- 10. **"Fungi"** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by any fungus, but does not include any fungus that is, is on, or is contained in, any goods or products intended for bodily consumption.
- 11. **"Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.
- 12. **"Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- (1) The repair, replacement, adjustment or removal of "your product" or "your work"; or

- (2) Your fulfilling the terms of the contract or agreement.

13. "Indemnitee" means a person or organization whose liability for payment of damages because of "bodily injury" or "property damage" covered under this Coverage Form has been assumed by an "insured" under an "insured contract".

14. "Insured"

a. "Insured" means you, and if you are:

- (1) An individual, "insured" also means the following members of your household:

- (a) Your relatives;
- (b) Any other person under the age of 21 who is in your care or in the care of a member of your household who is your relative;
- (c) A student enrolled in school full time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:
 - (i) 24 and your relative; or
 - (ii) 24 and in your care or in the care of a member of your household who is your relative.

- (2) A partnership or joint venture, "insured" also means your members and your partners and their spouses, but only with respect to the conduct of your "farming" operations.

- (3) A limited liability company, "insured" also means:

- (a) Your members, but only with respect to the conduct of your "farming" operations; and
- (b) Your managers, but only with respect to their duties as your managers.

- (4) An organization other than a partnership, joint venture, or limited liability company, "insured" also means:

- (a) Your executive officers and directors, but only with respect to their duties as your officers and directors; and
- (b) Your stockholders, but only with respect to their liability as stockholders.

No person or organization is an "insured" with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

- b. "Insured" also means any of your employees other than either your executive officers (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts that:

- (1) Cause "bodily injury" or "personal injury" to someone other than you, your partners or members (if you are a partnership or joint venture), your members (if you are a limited liability company) or a co-employee; and

- (2) Are within the scope of the employee's employment by you. The providing of professional health care services or the failure to provide them will not be considered to be within the scope of any employee's employment by you.

- c. "Insured" also means any person (other than your employee), or any organization while acting as your real estate manager.

- d. "Insured" also means any person or organization legally responsible for animals or watercraft owned by an "insured" as defined in Paragraph a. above, but only insofar as:

- (1) The insurance under this Coverage Form applies to "occurrences" involving animals or watercraft;

- (2) That person's or organization's custody or use of the animals or watercraft does not involve "business" or "agritainment"; and

- (3) That person or organization has the custody or use of the animals or watercraft with the owner's permission.

- e. "Insured" also means any person using a vehicle on the "insured location" with your consent, provided this insurance applies to the vehicle.

- f. "Insured" also means if you are an individual, any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and

- (2) Until your legal representative has been appointed.

- g. "Insured" also means if you are an individual, your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this policy.

15. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. That part of any other contract or agreement pertaining to your "farming" operations (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph e. does not include that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing.

16. "Insured location" means:

- a. The farm premises (including grounds and private approaches) and "residence premises" shown in the Declarations;
- b. That part of other premises, or of other structures and grounds, that is used by you as a residence and:
 - (1) Shown in the Declarations; or
 - (2) Acquired by you during the present annual policy period for your use as a residence;
- c. Premises used by you in conjunction with the premises included in Paragraphs a. or b. above;

- d. Any part of premises not owned by any "insured" but where an "insured" is temporarily residing;
- e. Vacant land owned by or rented to an "insured";
- f. Land, owned by or rented to an "insured", on which:
 - (1) A dwelling is being constructed for occupancy by:
 - (a) An "insured"; or
 - (b) An "insured's" "farm employees" or "residence employees"; or
 - (2) A building or structure is being constructed for the use of an "insured" in "farming" operations;
- g. Individual or family cemetery plots or burial vaults of an "insured";
- h. Any part of premises occasionally rented to any "insured" for other than "business" or "agritainment" purposes; and
- i. Any farm premises (including its grounds and private approaches) that you or, if you are an individual, your spouse, acquire during the present annual policy period.

17. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "motor vehicle";
- b. While it is in or on an aircraft, watercraft or "motor vehicle"; or
- c. While it is being moved from an aircraft, watercraft or "motor vehicle" to the place where it is finally delivered.

But "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "motor vehicle".

18. "Mobile equipment" means the following, including any attached machinery or equipment:

- a. Bulldozers, forklifts and tractors designed for use principally off public roads;
Other farm machinery designed for use:
 - (1) Principally off public roads; and
 - (2) As implements for cultivating or harvesting;
- b. Vehicles which are not subject to motor vehicle registration, including but not limited to all-terrain vehicles while used in "farming" at the time of the "occurrence" or while on premises you own or rent;

- c. Vehicles that travel on crawler treads; except that snowmobiles are "mobile equipment" only while on an "insured location" or any premises you own or rent;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraphs **a.**, **b.**, **c.**, or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraphs **a.**, **b.**, **c.**, or **d.** above that are maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "motor vehicles":

- (1) Equipment designed primarily for:
 - (a) Road maintenance, but not construction or resurfacing; or
 - (b) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "motor vehicles".

19. "Motor vehicle"

- a. As used in this Coverage Form, the term "motor vehicle" means:

- (1) A motorized land vehicle, trailer or semi-trailer:
 - (a) Designed for travel on public roads; or
 - (b) Used on public roads; unless it qualifies as "mobile equipment";
 - (2) Any machinery or equipment attached to a vehicle, trailer or semi-trailer included in Paragraph (1) above;
 - (3) Any motorized golf cart, except a golf cart described in Paragraph **b.(3)** below, snowmobile or other motorized land vehicle owned by an "insured" and designed for recreational use off public roads, while off an "insured location";
 - (4) Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
 - (5) Any vehicle, including any attached machinery or equipment, while being towed by or carried on a vehicle included in Paragraphs (1), (2), (3), or (4) above.
- b. However, "motor vehicle" does not mean:
- (1) "Mobile equipment";
 - (2) A boat, camp trailer, home trailer or utility trailer unless it is being towed by or carried on a motorized land vehicle included in Paragraph **a.(1)** above; or
 - (3) A motorized golf cart owned by an "insured", designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground, and that at the time of an "occurrence" that caused the "bodily injury" or "property damage", is within the legal boundaries of:
 - (a) A golfing facility, and is parked or stored there or is being used by an "insured" to:
 - (i) Play the game of golf, or for other recreational or leisure activity allowed by the facility;
 - (ii) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
 - (iii) Cross public roads at designated points to gain access to other parts of the golfing facility; or

(b) A private residential community, including its public roads upon which a motorized golf cart can legally travel, that is subject to the authority of a property owners' association and contains an "insured's" "residence premises".

20. "**Occurrence**" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

21. "**Personal injury**" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of, a room, dwelling or premises that person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy.

22. "**Pollutants**" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to any actual or potential carcinogen or other substance which may actually or potentially cause illness or disease, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, sewage and waste. Waste includes, but is not limited to, materials to be recycled, reconditioned or reclaimed.

23. "**Property damage**" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

24. "**Punitive damages**" means damages that may be imposed to punish a wrongdoer and to deter others from similar conduct.

25. "**Residence employee**" means an "insured's" employee:

- a. Whose duties are principally in connection with the maintenance or use of the "residence premises", including household or domestic services; or
- b. Who performs duties of a similar nature to those described in Paragraph a. above.
 - (1) Not at the "residence premises"; and
 - (2) Not in connection with the "business" or "agritainment" of any "insured".

26. "**Residence premises**" means:

- a. Your principal residence; and
- b. The grounds and structures appurtenant to your principal residence.

"Residence premises" does not include any part or parts of a building or structure that are used for "business" or "agritainment".

27. "**Silica**" means silica dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

28. "**Silica-related dust**" means a mixture or combination of "silica" and other dust or particles.

29. "**Suit**" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the "insured" must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the "insured" submits with our consent.

30. "**Your product**":

- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (i) You; or
 - (ii) Others trading under your name; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include property rented to or located for the use of others but not sold.

31. "Your work":

- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

32. "Unmanned Aerial System" means an aircraft that is manufactured or designed for operation, control, and navigation by onboard computers or remote control of a person on the ground.

"Unmanned aerial system" does not include any aircraft:

- a. Manufactured or designed for operation, control, and navigation by a person physically on or within the aircraft; or
- b. Over 55 pounds.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSURANCE UNDER MORE THAN ONE POLICY

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

The following Paragraph **c.** is added to Loss Condition **6.** Other Insurance in Section **III** – Farm Liability Conditions:

- c.** However, regardless of the provisions of Paragraphs **a.** and **b.** above, this Policy does not apply to any loss or damage or defense against a "suit" which:
 - (1)** Is covered under any other policy or any renewal or replacement thereof; or
 - (2)** Would be covered under another policy or any renewal or replacement thereof, had the limits of such policy not been exhausted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE K – FARM EMPLOYERS' LIABILITY AND COVERAGE L – FARM EMPLOYEES' MEDICAL PAYMENTS INSURANCE

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

SCHEDULE*

Coverages	Limits Of Insurance
Coverage K – Farm Employers' Liability	\$** See Schedule Attached ** Each "Farm Employee" \$ Each "Occurrence"
Coverage L – Farm Employees' Medical Payments	\$** See Schedule Attached ** Each "Farm Employee"
The Earned Premium For This Coverage Is Subject To The Audit Provisions Of This Endorsement. ** See Schedule Attached **	
Employees To Whom The Provisions Of This Endorsement Do Not Apply:	
*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

SECTION I – COVERAGES

The following insuring agreements and exclusions are added to Section I – Coverages of the Farm Liability Coverage Form:

A. Farm Employers' Liability

1. Additional Insuring Agreement

- a. We will pay those sums that the "insured" becomes legally obligated to pay as damages because of "bodily injury" to which this insurance applies. The "bodily injury" must:

- (1) Be caused by an "occurrence";
- (2) Be sustained by a "farm employee"; and
- (3) Arise out of and in the course of the injured employee's employment by the "insured". This employment must involve ownership, maintenance or use of portions of the "insured location" that are owned or operated for "farming" purposes. As used here, the terms ownership, maintenance and use include operations necessary or incidental to ownership, maintenance and use.

- b. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

- c. We will have the right and duty to defend the "insured" against any "suit" seeking damages of the kind described in Paragraph a. However, we will have no duty to defend the "insured" against any "suit" seeking damages for "bodily injury" to which this insurance does not apply.

We may at our discretion investigate any "occurrence" and settle any claim or "suit" that may result.

But our right and duty to defend end when we have used up the Limit Of Insurance shown in the Schedule in payment of judgments or settlements.

- d. No other obligation or liability to pay sums or perform acts or services is covered, except for the costs, expenses and interest amounts explicitly provided for in the Farm Liability Coverage Form under Paragraph a. of the Additional Coverage Supplementary Payments – Coverages H and I.

2. Additional Exclusions

The insurance afforded under this endorsement does not apply to:

- a. "Bodily injury" for which the "insured" is obligated to pay damages by reason of the assumption of liability in a contract or agreement;
- b. "Bodily injury" sustained by any "farm employee" unless, within 36 months of the end of the policy period, written claim is made or "suit" is brought against the "insured" for damages because of the "bodily injury";
- c. "Bodily injury" sustained by any employee while engaged in the operation or maintenance of aircraft.

This exclusion does not apply to model or hobby aircraft unless used or designed to carry an operator(s), any other person(s) or cargo;

- d. "Bodily injury" to any employee eligible to receive any benefits that an "insured" voluntarily provides or is required to provide under any workers' compensation, disability benefits or unemployment compensation law or any similar law;
- e. "Bodily injury" to any employee employed in violation of law with your knowledge or consent;
- f. Punitive or exemplary damages for "bodily injury" to any employee employed in violation of law. "Punitive damages" are damages that may be imposed to punish a wrongdoer; exemplary damages are damages that may be imposed to deter others from similar conduct; or
- g. "Bodily injury" to the spouse, child, parent, brother or sister of a "farm employee" as a consequence of "bodily injury" to that employee.

B. Farm Employees' Medical Payments

1. Additional Insuring Agreement

- a. We will pay, to or for each "farm employee" who sustains "bodily injury" caused by an accident, all reasonable medical expenses to which this insurance applies.

The "bodily injury" must arise out of and in the course of the injured employee's employment by the "insured", and this employment must involve ownership, maintenance or use of portions of the "insured location" that are owned or operated for "farming" purposes. As used here, the terms ownership, maintenance and use include operations necessary or incidental to ownership, maintenance and use.

- b. We will pay these expenses regardless of fault.
- c. Reasonable medical expenses means expenses incurred for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.
- d. This insurance applies only to reasonable medical expenses incurred within three years of the date of the accident.

2. Extension Of Coverage – "Occurrences" Involving "Motor Vehicles" Or Watercraft

The coverage granted under the Additional Insuring Agreement in Paragraph 1. is extended to apply to payment of all reasonable medical expenses to or for each "farm employee" who sustains "bodily injury" in an "occurrence" involving the maintenance, use, operation or "loading or unloading" of a "motor vehicle" or watercraft while acting within the scope of his or her "farming" duties. This coverage extension is not additional insurance.

3. Additional Exclusions

The insurance afforded under this endorsement does not apply to:

- a. "Bodily injury" sustained by an employee while engaged in the operation or maintenance of aircraft; or

- b. "Bodily injury" to any employee eligible to receive any benefits that an "insured" voluntarily provides or is required to provide under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

SECTION II – WHO IS AN INSURED

1. If this endorsement is made a part of a policy containing the Farm Liability Coverage Form, Definition 14. "insured" (Section IV) of that Coverage Form does not apply to the insurance afforded under this endorsement.
2. With respect to the insurance afforded under this endorsement, the following applies:

If you are designated in the Declarations as:

- a. An individual, you are an "insured", and, if they are members of your household, your spouse, and your and your spouse's relatives who are under the age of 21, are also "insureds".
- b. A partnership or joint venture, you are an "insured". Your members and partners and their spouses are also "insureds", but only with respect to the conduct of your "farming" operations.
- c. A limited liability company, you are an "insured". Your members are also "insureds", but only with respect to the conduct of your "farming" operations. Your managers are "insureds", but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an "insured". Your executive officers and directors are "insureds", but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.

No person or organization is an "insured" with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limit Of Insurance shown in the Schedule and the provisions below fix the most we will pay regardless of the number of:
 - a. "Insureds";
 - b. Persons who sustain "bodily injury"; or
 - c. Claims made or "suits" brought on account of "bodily injury".
2. The Limit Of Insurance shown in the Schedule for Farm Employers' Liability is the most we will pay for all damages as the result of any one "occurrence".
3. The Limit Of Insurance shown in the Schedule for Farm Employees' Medical Payments as applicable to each "farm employee" is the most we will pay for all medical expense for "bodily injury" to any one "farm employee" as the result of any one accident.
4. The Limit Of Insurance shown in the Schedule for Farm Employers' Liability and Farm Employees' Medical Payments will not reduce the General Aggregate Limit.

SECTION IV – AUDIT

The advance premium for this coverage is an estimated premium only. After each anniversary and upon termination of the Policy, we will compute the earned premium using our rules, rates, rating plans, premiums and minimum premiums that apply to this coverage. The due date for audit premiums is the date shown as the due date on the bill. If the earned premium we compute is more than the advance premium, you must pay us the difference. If the earned or minimum premium is less than the advance premium, we will refund the difference.

In the event the Policy is subject to an account billing arrangement, the refund will instead be applied to reduce the account balance as shown on the next invoice provided following the audit.

Policy Number: 390100000547

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**Coverage K - Farm Employers' Liability And Coverage
L - Farm Employees' Medical Payments Insurance**

Schedule

Coverages		Limits of Insurance
Coverage K - Farm Employers' Liability		\$100,000 Each "Farm Employee" \$300,000 Each "Occurrence"
Coverage L - Farm Employees' Medical Payments		\$1,000 Each "Farm Employee"
The Earned Premium For This Coverage Is Subject To The Audit Provisions Of This Endorsement.		
Item Number	Employees To Whom The Provisions Of This Endorsement Do Not Apply:	

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

A. The following exclusion is added to:

Paragraph **2. Exclusions** of **Section I – Coverages, Coverage H – Bodily Injury And Property Damage Liability** in the Farm Liability Coverage Form; and

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- a.** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- b.** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **a.** or **b.** above.

However, unless Paragraph **a.** above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

B. The following exclusion is added to Paragraph **2.a. Exclusions** of **Section I – Coverages, Coverage I – Personal And Advertising Injury Liability** in the Farm Liability Coverage Form:

This insurance does not apply to:

- a.** "Personal injury" or "advertising injury":

Access Or Disclosure Of Confidential Or Personal Information

Arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – RAW MILK

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

1. The following exclusion is added to Paragraph 2. **Exclusions** under Coverage **H** – Bodily Injury And Property Damage Liability; and Paragraph 2. **Exclusions** under Coverage **J** – Medical Payments:

2. Exclusions

This insurance does not apply to:

Raw Milk

"Bodily injury", "property damage", or medical expenses which either directly or indirectly arise out of, are caused by or are contributed to or aggravated by:

- a. The sale, distribution, handling or furnishing of "raw milk" that is intended to be consumed or used as "raw milk"; or
- b. The sale, distribution, handling or furnishing of milk products or other dairy products that are made from "raw milk" and are intended to be consumed or used as "raw milk" products.

This exclusion applies to the sale, distribution, handling or furnishing of "raw milk" or products made from or containing "raw milk" in connection with programs which allow consumers to purchase a share of a milk producing animal, such as a cow, goat or sheep.

2. The following is added to the definition of "your product", in Section **IV**- Definitions of the Farm Liability Coverage Form:
 - d. Does not include "raw milk" that is intended to be consumed or used as "raw milk" or any milk or dairy product made from "raw milk" that is intended to be consumed or used as a "raw milk" product.
3. The following definition is added to Section **IV** – Definitions:

"Raw milk" means milk from any milk-producing animal, such as but not limited to cows, goats or sheep, that is not pasteurized or subject to any other process intended to destroy microorganisms or other harmful pathogens. This definition includes any milk product or dairy product that is made from or that includes as an ingredient unpasteurized milk, or milk not subjected to any other process intended to destroy microorganisms or other harmful pathogens.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION OF CERTIFIED NUCLEAR,
BIOLOGICAL, CHEMICAL OR RADIOLOGICAL ACTS
OF TERRORISM; CAP ON LOSSES FROM
CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

A. The following exclusions are added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism". However, this exclusion applies only when one or more of the following are attributed to such act:

1. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
2. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
3. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

TERRORISM PUNITIVE DAMAGES

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under the Farm Liability Coverage Form to which this endorsement is applicable, or covered under any endorsement modifying the Farm Liability Coverage Form, and includes but is not limited to "bodily injury", "property damage", "personal injury" or "advertising injury" as may be defined in the Farm Liability Coverage Form or any endorsement modifying the Farm Liability Coverage Form.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under the Farm Liability Coverage Form or any endorsement modifying the Farm Liability Coverage Form.

- D. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Policy Number: 390100000547

FARM
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – AVIATION LIABILITY

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

Section I. Coverages, Coverage H – Bodily Injury And Property Damage Liability and Coverage J – Medical Payments in the Farm Liability Coverage Form do not apply to any “bodily injury” or “property damage” arising out of the ownership, maintenance, operation, use or entrustment to others of airfields, runways, hangars, buildings or other properties used in connection with aviation activities or airports.

ELECTRONICALLY FILED - 2025 Jan 24 1:01 PM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – FAILURE TO SUPPLY

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

The following exclusion is added to Paragraph **2. Exclusions** under Coverage **H** – Bodily Injury and Property Damage Liability in Section **I** – Coverages of the Farm Liability Coverage Form:

This insurance does not apply to "bodily injury" or "property damage" arising out of the failure of any "insured" to adequately supply gas, oil, water, electricity, steam or biofuel.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANNABIS EXCLUSION WITH INDUSTRIAL HEMP EXCEPTION

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

- A.** The following exclusion is added to the **Additional Policy Exclusions – Coverage H, I, and J** section in **Section I – Coverages**:

This Coverage Form does not apply to:

1. "Bodily injury", "property damage," "personal injury," or "advertising injury" arising out of:
 - a. The design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis"; or
 - b. The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "cannabis"; or

2. "Property damage" to "cannabis".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal injury" or "advertising injury", involved that which is described in Paragraph **A.1.** or **A.2.** above.

- B.** The exclusion in Paragraph **A.** does not apply to:

1. "Bodily injury", "property damage," "personal injury," or "advertising injury" arising out of goods or products containing or derived from "industrial hemp", including, but not limited to:
 - a. Seeds;
 - b. Food;
 - c. Clothing;
 - d. Lotions, oils or extracts;
 - e. Building materials; or
 - f. Paper.

2. "Property damage" to goods or products described in Paragraph **B.1.** above.

However, Paragraph **B.1.** and **B.2.** above does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state wherein:

- (1) The "bodily injury" or "property damage" occurs;
- (2) The "occurrence" which caused the "bodily injury" or "property damage" takes place; or
- (3) The offense which caused the "personal injury" or "advertising injury" was committed.

3. "Personal injury" and "advertising injury" arising out of the following offenses:

- a. False arrest, detention or imprisonment; or
- b. The wrongful eviction from; wrongful entry into; or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor.

- C.** The following definitions are added to Section **IV - Definitions** section:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph **C.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:

- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
- b. Any compound, byproduct, extract, derivative, mixture or combination, such as:
 - (1) Resin, oil or wax;
 - (2) Hash or hemp; or
 - (3) Infused liquid or edible "cannabis";whether or not derived from any plant or part of any plant set forth in Paragraph C.2.a.

"Industrial Hemp" means:

The plant Cannabis sativa L. and any part of that plant, whether growing or not, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis or as otherwise specifically defined by law.



**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE**

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

Coverage for acts of terrorism is included in your policy. The premium for this coverage is waived for this Policy.

You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury- in consultation with the Secretary of Homeland Security, and the Attorney General of the United States- to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; 80% beginning on January 1, 2020 and extended until December 31, 2027, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$0 and does not include any charges for the portion of losses covered by the United States Government under the Act.

Name of Insured: Angela Leone

Policy Number: 390100000547

STATE OF SOUTH CAROLINA COUNTY OF LANCASTER	IN THE COURT OF COMMON PLEAS SIXTH JUDICIAL CIRCUIT CASE NO.: 2024-CP-__ - _____
JOHN MILIN PLAINTIFF, VS. ANGELA M. LEONE DEFENDANT.	COMPLAINT (JURY TRIAL DEMANDED) (TORT CLAIM)

NOW COMES the Plaintiff, complaining of the Defendant, and alleges as follows:

JURISDICTION AND VENUE

1. Plaintiff is a citizen and resident of Lancaster, South Carolina.
2. Plaintiff is informed and believes, and therefore alleges that Defendant is a citizen and resident of Lancaster, South Carolina.
3. At all times relevant herein, Defendant was the owner of the premises and real property located at 3135 Old Hickory Rd., Lancaster, South Carolina 29720.
4. The dog attack giving rise to this Complaint occurred at the property located at 3135 Old Hickory Rd., Lancaster, South Carolina 29720.
5. This Honorable Court has jurisdiction over the parties and subject matter of this action as the most substantial acts and/or omissions giving rise to this cause of action took place in Lancaster, South Carolina.

FACTS

6. On or about June 13, 2023 (the “date of the incident”) the Defendant owned, kept and/or maintained a large mixed Pitbull whose name, upon information and belief, was “Lester” who was approximately 3 years of age at the property located at 3135 Old Hickory Rd., Lancaster, South Carolina 29720.

7. Defendant’s Pitbull is of a breed that is known to be vicious and dangerous and to display vicious and dangerous propensities and behavior.

8. Prior to June 13, 2023, Defendant knew or should have known of the vicious propensity and characteristics of dangerousness, viciousness, mischievousness, and/or ferociousness of her Pitbull.

9. Prior to June 13, 2023, Defendant’s Pitbull had previously displayed specific instances of aggressiveness, menacing, vicious, and dangerous behavior and actions.

10. On the date of the incident, Plaintiff was lawfully on Defendant’s property located at 3135 Old Hickory Rd., Lancaster, South Carolina 29720, and was cutting the grass.

11. As Plaintiff was cutting the grass, he was, without provocation and without warning, brutally attacked by “Lester” and sustained serious and painful injuries to his right leg and the top of his head.

12. As a direct and proximate result of the aforementioned attack, Plaintiff sustained serious, significant, extreme, and permanent bodily injuries that required medical attention and medical treatment, and such injuries will continue to require future medical attention and treatment.

13. As a direct and proximate result of Defendant's aforementioned negligence, Plaintiff was incapacitated in his daily activities, including working.

14. The damages incurred by the Plaintiff as a result of the negligence of the Defendant include, but are not limited to, the following:

- a. Has incurred and will continue to incur substantial medical and medical expenses;
- b. Has suffered and will continue to suffer loss of enjoyment of life;
- c. Has suffered and will continue to suffer a loss of physical condition;
- d. Has suffered lost wages;
- e. Has suffered from permanent scarring and disfigurement; and
- f. For such other and further particulars as the evidence at trial may show.

FIRST CAUSE OF ACTION
GENERAL NEGLIGENCE

15. Plaintiff restates and alleges each and every allegation as if repeated herein verbatim.

16. At the time of the incident, Defendant owned the Pitbull that attacked Plaintiff and had actual and/or constructive possession of her Pitbull.

17. Upon information and belief, Defendant did not warn Plaintiff of the vicious propensity and disposition of her Pitbull.

18. Defendant had a duty to warn Plaintiff and the general public of her Pitbull's propensities and disposition to attack unprovoked and otherwise confine or secure her Pitbull to prevent injury and needless endangerment to the general public, in particular Plaintiff.

19. Upon information and belief, Defendant did not adequately restrain and/or take any proper measures to secure and/or control her Pitbull at the time of the incident alleged.

20. Defendant wrongfully kept her Pitbull unrestrained despite knowledge of its malicious and dangerous propensities and knew or should have known that the failure to restrain and/or take measures to secure her Pitbull would result in the injury to another person, specifically Plaintiff.

21. Defendants breached this duty and were negligent, careless, reckless, grossly negligent, willful and wanton in the following particulars:

- a. Failing to warn the general public and Plaintiff of her Pitbull's dangerous propensities, tendencies, or disposition to attack unprovoked;
- b. Failing to exercise reasonable care in properly supervising, keeping, training and/or caring for her Pitbull;
- c. Failing to exercise reasonable care in confining and/or securing her Pitbull so to prevent injury and needless endangerment to the general public, specifically Plaintiff;
- d. Failing to prevent her Pitbull from attacking Plaintiff; and,
- e. In such other and further particulars as evidence brought forth during discovery or trial may show.

22. Defendant's negligence directly and proximately caused Plaintiff's injuries and damages.

23. Defendant was grossly negligent by not taking measures to sufficiently restrain her Pitbull in light of Defendant's knowledge of the vicious propensities of the Pitbull.

24. As a direct and proximate result of the aforementioned negligence, Plaintiff sustained serious, painful, and permanent bodily injuries, mental anguish, physical

pain, and scarring and disfigurement in an amount in excess of one hundred thousand dollars (>\$100,000.00).

FOR A SECOND CAUSE OF ACTION
(STRICT LIABILITY, S.C. CODE ANN § 47-3-110)

25. Plaintiff restates and alleges each and every allegation as if repeated herein verbatim.

26. On June 13, 2023, Plaintiff was on private property lawfully located in Lancaster, South Carolina.

27. Defendant was the owner of “Lester,” a 3-year-old Pitbull mixed at the time of its attack on Plaintiff.

28. Defendant’s Pitbull attacked Plaintiff without provocation.

29. The attack by Defendant’s Pitbull directly and proximately caused the injuries Plaintiff sustained.

FOR A THIRD CAUSE OF ACTION
PUNITIVE DAMAGES

30. Plaintiff restates and alleges each and every allegation as if repeated herein verbatim.

31. Defendant acted willfully and wantonly through the disregard of and indifference to the rights and safety of others, which Defendant knew, or should have known, was likely to result in injury, damage, or other harm by failing to prevent the subject Pitbull from attacking the Plaintiff. Defendant knew or should have known the Pitbull was, by its breed and nature, vicious and dangerous, and it

had previously displayed its propensity by behaving aggressively, menacingly, viciously, and dangerously.

32. Defendant willfully and wantonly elected not to adequately restrain her Pitbull in light of the knowledge of the Pitbull's vicious propensities as to cause serious bodily harm.

33. Defendant committed egregiously wrongful acts that resulted in the Pitbull attack on Plaintiff and Plaintiff is entitled to recover punitive damages under the South Carolina Code of Laws Article 5 SECTION 15-32-510.

JURY TRIAL DEMANDED

34. Plaintiff demands that all causes of action that may be tried before a jury be so tried.

WHEREFORE, Plaintiff prays the Court as follows:

1. Plaintiff demands judgment against Defendant for such sum of actual and punitive damages that a trier of fact may find;
2. That the costs of this action be taxed against Defendant;
3. For pre-judgement interest; and,
4. For such other and further relief as the court may deem just and proper, including awarding attorney fees.

Respectfully submitted,

s/Zachary D. Griffin

Zachary D. Griffin

Thomas E. Pope

Elrod Pope Law Firm P.A.

212 E. Black Street (29730)

P.O. Box 11091

Rock Hill, S.C. 29731

T: (803)-324-7574

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E: zach@elrodpope.com

SC BAR: 105225

s/Mark S. Jetton, Jr.

Mark S. Jetton, Jr.

Jetton & Meredith, PLLC

817 E. Trade St.,

Charlotte, NC 28202

T: (704)-333-1114

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NC BAR: 39786

Pro Hac Vice Pending

August 15, 2024

Rock Hill, South Carolina

STATE OF SOUTH CAROLINA COUNTY OF LANCASTER	IN THE COURT OF COMMON PLEAS SIXTH JUDICIAL CIRCUIT CASE NO.: 2024-CP-__ - _____
JOHN MILIN PLAINTIFF, VS. ANGELA M. LEONE DEFENDANT.	SUMMONS

TO: THE ABOVE-NAMED DEFENDANT AND DEFENDANT’S ATTORNEY:
YOU MAY PLEASE TAKE NOTICE that you are hereby summoned and required to answer the Complaint in this action, of which a copy is herewith served upon you, and to serve a copy of your Answer on the attorneys for Plaintiff listed below at the office located at Elrod Pope Law Firm P.A., 212 E Black St, Rock Hill, South Carolina 29730 within thirty (30) days after service hereof excluding the date of such service. If you fail to answer the Complaint within the time aforesaid, Plaintiff will apply to the Court for a Judgment by Default for the relief demanded in the Complaint and any other relief deemed appropriate.

Respectfully submitted,

s/Zachary D. Griffin

Zachary D. Griffin
Thomas E. Pope
Elrod Pope Law Firm P.A.
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T: (803)-324-7574
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s/Mark S. Jetton, Jr.

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Pro Hac Vice Pending

August 15, 2024
Rock Hill, South Carolina



Address: 724 Knox Abbott Drive ■ Cayce, SC 29033
Mailing: Post Office Box 2124 ■ West Columbia, SC 29171
Toll-Free: 1.800.799.7500 ■ Phone: 803.796.6700
Fax: 803.936.4630 ■ www.scfbins.com

JANUARY 27, 2023

ANGELA M LEONE
3135 OLD HICKORY RD
LANCASTER, SC 29720-8897

**HELPING YOU IS WHAT
WE DO BEST**

FAAATTTDDDTDFDTFFATDFTAFFAFDDDDFFFAFTADATTFFDDDAFTTTADTAADAFFAAA

POLICY : HO 0482350-0
POLICY FORM : HO9 (03/03)

Farm Bureau appreciates your business. If you have any questions concerning your coverage or premium, please contact your local agent:

TOM BAKER, (803) 283-9908

A Joint Privacy Notice is printed on the reverse side of this cover letter. Important insurance coverage information is enclosed. Please read and keep for your records.

Items enclosed are:

Your policy declaration(s)
Any changed policy endorsement(s)
Important Notice for Premium Breakdown
Important Notice of Premium Discounts
Conditions Amendatory Endorsement and Letter

EXHIBIT

C

Special Savings to Protect Your Home!

Get discount codes exclusively available to Farm Bureau Insurance policyholders to purchase smart home products designed to help prevent water damage and costly repairs to your home! The savings don't stop there! You may be eligible for an 8% discount on your homeowners policy. Ask your agent for details or visit www.bit.ly/HO-savings to learn more.

Farm Bureau Insurance Claims Hotline; to report a claim, please call 1-800-799-7500 or 936-4677 in the Columbia area.

Joint Privacy Notice

This *Notice* is intended to fulfill our obligation to meet mandated disclosure requirements. It is for your information only, and we hope that you find it to be informative and helpful. It does not require any response from you. You may wish to file this *Notice* with your other important insurance papers.

When you see the words *we*, *us*, or *our* within this *Notice*, you should understand that these words include South Carolina Farm Bureau Mutual Insurance Company, Southern Farm Bureau Casualty Insurance Company, South Carolina Farm Bureau Insurance Company, and Palmetto Casualty Insurance Company.

Our Commitment to Safeguarding Your Privacy. This *Notice* is being provided to you to inform you of our practices and procedures regarding the sharing of *nonpublic personal information*. Nonpublic personal information is information that identifies you, your family, or your household that we may obtain directly from you, that we may obtain as a result of our business dealings with you, or that we may obtain from any other source.

Except as stated within this *Notice*, we do not engage in the practice of disclosing your nonpublic personal information to nonaffiliated third parties other than as necessary to provide quality insurance and financial services to our customers. For instance, we do not engage in "list-selling," and we do not market your personal information to publishing houses, retailers, or coupon companies.

While you are a policyholder, we will provide you with a copy of our current *Notice* at least annually as part of a regular mailing, such as within a billing or a renewal notice or with a policy, and at any time that you request it in writing. Further, because Federal and State laws, regulations, and business practices can change at any time, we may revise this *Notice* accordingly. You can always review a copy of our most current *Notice* at www.scfbins.com. The effective date of this *Notice* is printed below, and this *Notice* replaces all prior notices. Once you cease to be a policyholder, we will continue to protect your private information as described within this *Notice*. However, we will stop sending you annual privacy notices. The examples detailed within this *Notice* are only meant to help you understand our practices and procedures, and they should not be taken as a complete and exclusive inventory of specific information that we collect, utilize, maintain, or share.

Information We May Collect and Use. During the course of reviewing your application for insurance coverage and deciding whether or not to underwrite the insurance policy for which you have applied, and, if we issue a policy to you, then during the course of providing services to you as required by the policy, we collect and evaluate information from the following sources:

- ⑤ Information that we receive from you on applications or other forms;
- ⑤ Information that we obtain to verify representations made by you;
- ⑤ Information about your transactions with us, our affiliates, or others;
- ⑤ Information that we receive from consumer reporting agencies; and,
- ⑤ Information that we receive from local, state, or Federal governmental agencies.

It is important for us to collect and use this information to properly identify you; to provide, administer, and perform services on your behalf; and to comply with certain State and Federal requirements. We could not provide optimum service to you without collecting and using this information.

Information We May Disclose. We regard all of your personal information as confidential. Therefore, we do not disclose any nonpublic personal information about our customers or former customers to anyone except as required or permitted by law. In the course of conducting our business dealings, we may disclose certain information that we have about you to other parties. These disclosures are only made in accordance with applicable laws and may include disclosures to reinsurers, administrators, service providers, consultants, law enforcement officials, and regulatory or governmental authorities. Further, certain disclosures of information will be made to your Farm Bureau insurance agent and any Farm Bureau personnel authorized to have access to your personal information for the purpose of administering your business and providing services to you.

We may also disclose all of the information that we collect, as described above, to companies that perform services on our behalf or to other financial institutions with which we have joint marketing agreements. Service providers, for example, may assist us in processing your transactions, mailing policyholder correspondence, or destroying out-dated documents. Joint marketers are business entities, including other financial institutions, such as the Farm Bureau Bank, FSB, with which we jointly offer financial products or services. These service providers and joint marketers allow us to more efficiently and more effectively provide insurance services to you or to better meet your financial service needs. The categories of information that we may disclose to service providers or joint marketers include:

- ⑤ Information that we receive from you on applications or other forms, such as your name, address, social security number, or Farm Bureau membership number;
- ⑤ Information about your transactions with us, our affiliates, or others, such as your policy coverage, premium, loss history, and payment history; and,
- ⑤ Information that we receive from consumer reporting agencies, such as your creditworthiness and credit history.

These entities with which we share this information are required by contract to maintain the confidentiality of that information and to only use that information to perform the tasks for which we provided it. We do not authorize these entities to use or disclose your personal information for any purpose other than for the express purpose of performing work on our behalf, as detailed within our agreements with them or as required or permitted by law.

How We Maintain the Confidentiality and Security of Your Information. We carefully restrict access to nonpublic personal information to our employees, our independent contractor insurance producers, our service providers, our joint marketers, and our affiliates and subsidiaries. The right of our employees, our independent contractor insurance producers, our service providers, our joint marketers, and our affiliates and subsidiaries to further disclose and use the information is limited by our employee handbook, agents' manuals, applicable law, and nondisclosure agreements where appropriate. We maintain physical, electronic, and procedural safeguards that comply with Federal and State law to guard your nonpublic personal information. In situations where State of South Carolina privacy law is more protective of your nonpublic personal information, we will protect your information in accordance with State of South Carolina law.

Conclusion. If you have any questions or comments concerning this *Notice* or our privacy standards and procedures, then please write to us at Compliance Department, Post Office Box 2124, West Columbia, South Carolina 29171-2124. Our functional regulator is the State of South Carolina Department of Insurance. If we cannot resolve your concerns or answer your questions, then feel free to contact our regulator.

(Revised upon April, 2015)



Address: 724 Knox Abbott Drive ■ Cayce, SC 29033
Mailing: Post Office Box 2124 ■ West Columbia, SC 29171
Toll-Free: 1.800.799.7500 ■ **Phone:** 803.796.6700
Fax: 803.936.4630 ■ www.scfbins.com

LANCASTER AGENCY OFFICE, 1763 PAGELAND HWY LANCASTER, SC 29720-8522
AGENT: TOM BAKER (803) 283-9908

JANUARY 27, 2023

ANGELA M LEONE
3135 OLD HICKORY RD
LANCASTER, SC 29720-8897

**HELPING YOU IS WHAT
WE DO BEST**

RE: Policy No: HO 0482350

Dear Policyholder:

Your policy documents are enclosed along with a new Conditions Amendatory Endorsement. Please be aware that we have added this endorsement to your policy due to a recent change in state law which extends the time period an insurer may cancel a new policy from 90 days to 120 days. A new policy, which is not a renewal of an existing policy, can be cancelled by the company within 120 days from the effective date.

We also amended your policy to reflect the state requirement that we notify you at least 60 days before the policy expiration for any nonrenewal notice that may apply. Any nonrenewal notice must be mailed 60 days before the policy expiration.

Please review this new endorsement along with your policy in its entirety. If you have any questions, please contact your Farm Bureau Insurance agent.

Thank you for choosing Farm Bureau Insurance.

Enclosures

029-000

FB8504 (10/2021)

ROA - 160

ELECTRONICALLY FILED - 2025 Jan 24 1:01 PM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096



HOMEOWNER POLICY DECLARATIONS

SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY
PO BOX 2124, WEST COLUMBIA, SC 29171-2124

Policy Form: HO9 (03/2003)

Policy Number: HO 0482350 Dec No.: 1.004

The Declarations of the policy indicated herein are subject to all other terms and conditions of the policy and replace all previously issued declarations, if any. This Declaration Page becomes a permanent part of your policy. Please attach it to your policy booklet.

THIS DECLARATION PAGE IS EFFECTIVE 02/09/2023 TO 10/07/2023 AT 12:01 A.M. EASTERN STANDARD TIME AND FOR EACH SUCCEEDING POLICY PERIOD OF 12 MONTHS HEREAFTER AS THE RENEWAL PREMIUM IS PAID ON OR BEFORE THE EXPIRATION DATE OF THE CURRENT TERM AND ACCEPTED BY THE COMPANY.

Named Insured and Address

ANGELA M LEONE
3135 OLD HICKORY RD
LANCASTER, SC 29720-8897

Agent Information

TOM BAKER (803) 283-9908
AGENCY MGR: LEWIS MOORE, LUTCF
1763 PAGELAND HWY LANCASTER, SC 29720-8522

Policy Premium

\$1,668.46

Premium Paid By

MORTGAGEE

Please refer to your policy booklet for all definitions, coverages, perils insured against, exclusions, and policy conditions.

Covered Items

Limit Of
Liability

SC Valuation
Clause

Section I
Deductible

Premium

POLICY DISCOUNTS:

ACCOUNT DISCOUNT
PERSONAL FINANCIAL DISCOUNT
CLAIMS EXPERIENCE DISCOUNT
CENTRAL STATION REPORTING FIRE OR BURGLAR ALARM(S)

POLICY ENDORSEMENT

EN0900 AMENDATORY ENDORSEMENT
EN8491 PUNITIVE DAMAGE EXCLUSION AMENDATORY ENDORSEMENT
EN8492 CONDITIONS AMENDATORY ENDORSEMENT
EN8505 OFAC AMENDATORY ENDORSEMENT

ITEM 1: RESIDENCE PREMISES INCLUDES THE AREA WITHIN 250
FEET OF THE MASONRY OWNER OCCUPIED DWELLING LOCATED AT 3135 OLD
HICKORY RD LANCASTER, SC 29720 8897

ITEM 1 IS SUBJECT TO THE FOLLOWING PREMIUM ADJUSTMENTS:
NEW HOME DISCOUNT

ITEM 1 COVERAGES:

A - DWELLING PROTECTION: \$785,163
B - OTHER STRUCTURES PROTECTION: \$78,516
C - PERSONAL PROPERTY PROTECTION: \$588,872
D - LOSS OF USE PROTECTION: \$157,033
E - PERSONAL LIABILITY PROTECTION: \$300,000
F - MEDICAL PAYMENTS TO OTHERS PROTECTION - EACH OCCURRENCE: \$5,000
DAMAGE TO PROPERTY OF OTHERS PROTECTION: \$500
ANNUAL AGGREGATE LIMIT OF 3 TIMES COVERAGE E AND
COVERAGE F APPLIES

ITEM 1 IS SUBJECT TO THE FOLLOWING ENDORSEMENTS:

EN0216 - PREMISES ALARM OR FIRE PROTECTION SYSTEM
EN9207 - INFLATION PROTECTION

MORTGAGEE
FIRST CITIZENS BANK

** CONTINUED ON NEXT PAGE **

\$785,163
\$78,516
\$588,872
\$157,033
\$300,000
\$5,000
\$500

\$785,163

\$5,000

\$1,668.46

029-000 HO 0482350-0

AHO

01-27-2023

Date Prepared

Authorized Representative

F095A (04/99)

ELECTRONICALLY FILED - 2025 Jan 24 1:01 PM - LANCASTER - COMMON PLEAS - CASE#2025CP29000096

HOMEOWNER POLICY DECLARATIONS
SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY
PO BOX 2124, WEST COLUMBIA, SC 29171-2124

ANGELA M LEONE

Dec No.: 1.004

HO 0482350-0

Covered Items	Limit Of Liability	SC Valuation Clause	Section I Deductible	Premium
** CONTINUED FROM PREVIOUS PAGE ** PO BOX 101584 NASHVILLE TN, 37224-1584 LOAN NUMBER : 0040124177 NO OTHER ITEMS				

ELECTRONICALLY FILED - 2025 JAN 24 1:01 PM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY
PO BOX 2124, WEST COLUMBIA, SC 29171-2124

POLICY NUMBER

DEC.NO.

DATE

HO 0482350-0

1.004

01-27-2023

EN0900
(10/06)

PROPERTY INSURANCE AMENDATORY ENDORSEMENT

This Amendatory Endorsement applies to **your** Policy on and after the effective date shown on the policy Declarations or renewal document.

In consideration of the premiums charged, the following revision is made to Section I - Exclusions:

3. Water Damage, meaning:

- a. flood, surface water, water or any other substance(s) or object(s) on or from the surface of the ground regardless of its source, any floating substance(s) or object(s), waves, storm surge, tidal water or tidal waves, overflow of streams, or other bodies of water or spray from any of these, whether or not driven by wind;

POLICY PROVISIONS

All other provisions of the policy apply.

ELECTRONICALLY FILED - 2025 Jan 24 1:01 PM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

029-000

ANGELA M LEONE

ROA - 163

SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY
PO BOX 2124, WEST COLUMBIA, SC 29171-2124

POLICY NUMBER

DEC.NO.

DATE

HO 0482350-0

1.004

01-27-2023

EN 8491
(03/2019)

PUNITIVE DAMAGE EXCLUSION AMENDATORY ENDORSEMENT

A. The following exclusion is added to the Provision 2. in **SECTION II -EXCLUSIONS**:

2. **Coverage E- Personal Liability**, does not apply to:

g. Liability for punitive or exemplary damages.

B. The following provision is added to **SECTION II- ADDITIONAL COVERAGES**:

We do not provide any coverage for punitive or exemplary damages.

C. All other provisions of the policy apply.

ELECTRONICALLY FILED - 2025 Jan 24 1:01 PM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

029-000

ANGELA M LEONE

ROA - 164

SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY
PO BOX 2124, WEST COLUMBIA, SC 29171-2124

POLICY NUMBER

DEC.NO.

DATE

HO 0482350-0

1.004

01-27-2023

EN 8492
(10/2021)

CONDITIONS AMENDATORY ENDORSEMENT

A. The following revision is made to **SECTION I AND SECTION II - CONDITIONS**:

6. **Cancellation.**

e. Subsection (2) (a) through (d) above do not apply to this policy if it has been in effect for less than 120 days and is not a renewal of a previously existing policy. Policies in effect for less than 120 days may be cancelled for any reason by furnishing at least 30 days written notice of cancellation, unless the reason is for nonpayment of:

(1) premium to us; or

(2) dues to the South Carolina Farm Bureau Federation

in which case we will furnish at least 10 days written notice.

7. **Non-Renewal.** We may elect not to renew this policy for any lawful reason, including nonpayment of membership dues to the South Carolina Farm Bureau Federation. We may do so by giving or mailing written notice of nonrenewal to you and the agent of record, if any. The notice may be given or mailed to you and the agent at their addresses shown in the policy or at their last known addresses. Proof of mailing is sufficient proof of notice. Any notice of nonrenewal shall state the precise reason for nonrenewal.

If this policy was written for a term of one year or less, we may elect not to renew this policy by giving written notification not less than 60 days prior to the expiration date.

B. All other provisions of the policy apply.

ELECTRONICALLY FILED - 2025 Jan 24 1:01 PM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

029-000

ANGELA M LEONE

ROA - 165

EN 8505
(01/2020)

**U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN
ASSETS CONTROL ("OFAC")
ADVISORY NOTICE TO POLICYHOLDERS**

No coverage is provided by this Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. **Please read this Notice carefully.**

OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

As "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's website - <http://www.treas.gov/ofac>.

If an insurance policy is blocked or frozen, then no payments or premium refunds may be made to Specially Designated Nationals or Blocked Persons unless approved by OFAC. Other limitations on the premiums and payments also apply.

ISO Properties, Inc., 2004

Important Notice

Section 38-75-1150 of Act 290 of 2004 requires that we give you additional information on how much of the premium for your Homeowners insurance policy is for the allied lines coverages. Allied lines include many of the extended coverage and additional extended coverages. Some of the more common perils for these include the perils of wind (including hurricane and tornado), hail, explosion, smoke, vandalism or malicious mischief and weight of ice, sleet and snow.

Below you will see the approximate percentages of the total premium that are for the allied lines. Please note that the amounts vary by geographical location in the state. Unless otherwise indicated, the rating territories are by county.

Portion of Premium For Allied Lines	Description of Rating Territories
88%	03 - Beach
81%	04 - Seacoast -û Horry - area east of west bank of the Waccamaw River (excluding Beach)
79%	05 - Seacoast û- Georgetown -û area east of Hwy 17A from south county line to Sampit (intersection with Hwy 521) and east of a straight line from Sampit to intersection of Black River on Hwy 701 and east of Hwy 701 to the north county line (excluding Beach).
69%	06 - Georgetown (excluding 03, 05 & 08)
73%	07 - Remainder of Hilton Head Island (excluding Beach) û- includes areas west of Plantation Drive, Hwy 278, Airport Drive, Dillon Road and Beach Road.
80%	08 - Murrells Inlet û- area between Harrell Siau Bridge and Murrells Inlet which are east of Hwy 17-Business (excluding Beach)
73%	09 - Seacoast -û Charleston -û South of the city of Charleston includes all areas east of the west bank of the Intracoastal Waterway (excluding Beach). In the Charleston City limits includes all areas east of Hwy 17. North of the city of Charleston includes all areas east of Hwy 17 through Mount Pleasant up to the north county line (excluding Beach).
51%	30 - City of Columbia
51%	31 - Richland (excluding City of Columbia), western part of Kershaw
67%	32 - Berkeley, Dorchester
46%	33 - Cherokee, Chester, Fairfield, Oconee, Pickens, Saluda, Spartanburg
59%	34 - Allendale, Bamberg, Barnwell, Clarendon, Colleton (excluding 03 & 50), Hampton, Jasper, eastern part of Kershaw, Lancaster (excluding 44), Sumter
70%	35 - Charleston (excluding 03 & 09)
77%	36 - Horry (excluding 03 & 04)
68%	37 - Beaufort (excluding 03 & 07)
66%	38 - Dillon, Lee, Marlboro, Williamsburg (excluding 51)
53%	39 - Chesterfield
46%	40 - Anderson, Greenville, Laurens, Newberry, Union
66%	41 - Darlington
62%	42 - Florence (excluding 53)
53%	43 - Aiken
46%	44 - York, Lancaster (Indianland Neck area only)
67%	50 - Colleton (eastern portion, excluding 03)
70%	51 - Williamsburg (eastern portion)
71%	52 - Marion (eastern portion)
66%	53 - Florence (southeastern portion)
52%	54 - Abbeville, Edgefield, McCormick
55%	55 - Greenwood
56%	56 - Calhoun
58%	57 - Orangeburg
66%	58 - Marion (excluding 52)
52%	60 - Lexington (excluding City of Columbia in 30)

JANUARY 26, 2023

FB 8398 - HO (Mutual) Notice for Act 290
Rev. 6-2013

HO 0482350

IMPORTANT NOTICE OF PREMIUM DISCOUNTS
Mutual Homeowners Insurance Policies

Section 38-75-755 requires insurance companies to notify you of the availability and range of each premium discount, credit, other rate differential or reduction in deductibles for properties on which fixtures or construction techniques demonstrated to reduce the amount of loss in a windstorm have been installed or implemented. Securing your roof so it doesn't blow off and protecting your windows from flying debris are the two most cost effective measures you can take to safeguard your home and reduce your premium.

Description of Mitigation Measure	Premium Discount Percentage
SC SAFE HOME Certification	5%
"Fortified Home" Certification *	15%
Roof Tie-Downs (includes Clips, Single or Double Wraps and Welds)	1.5%
Building Code Enforcement Grading Schedule(BCEGS)	Range of Discounts 1 - 5%
Window Protection for Non-Fortified Homes (EN0216)	3%
- Storm shutters or panels - must be installed on all exterior windows or - Roll-down shutters - must be built into the frame of the home for all exterior windows or - Impact Resistant Windows - must be installed on all exterior windows and meet engineering specifications.	

* This program is administered by the Institute for Business & Home Safety (IBHS).

Wind or Hail Deductible Options (EN0312)

Deductible	Range of Discount *
1%	13.9% - 50.4%
2%	15.9% - 50.8%
3%	17.2% - 51.4%
4%	18.4% - 51.9%
5%	19.7% - 52.5%
10%	29.4% - 58.0%

* The discount varies based upon the amount of deductible for the All Other Perils.

Named Storm Deductible Options (EN0313)

Deductible	Range of Discount **
1%	13.0% - 45.2%
2%	15.0% - 45.9%
3%	16.3% - 46.5%
4%	17.6% - 47.1%
5%	19.0% - 47.7%
10%	28.7% - 53.8%

** The discount varies based upon the amount of deductible for the All Other Perils.

All Other Peril Deductibles

Deductible	Discount
\$500	12%
\$1000	25%
\$2000	35%
\$2500	40%
\$3000	42%
\$4000	46%
\$5000	50%

Your deductible represents your share of the damages in the event of a covered loss. The higher your deductible, the more money you save on your premiums, but the greater your out-of-pocket cost will be in the event of a covered claim.

The deductible(s) available to you depends on your policy type, property location and amount of insurance. Some combinations are not available. See your policy Declarations for your current deductible(s) or contact your insurance agent or company for more information.

Please do not hesitate to contact your agent if you have questions about the mitigation techniques included in this form or other mitigation techniques that could result in a discount.

IMPORTANT INFORMATION REQUIRED BY
THE SOUTH CAROLINA DEPARTMENT OF INSURANCE

Policy Coverages and Limitations Summary

THIS NOTICE CONTAINS A SUMMARY OF YOUR COVERAGE AND DOES NOT AMEND, EXTEND OR ALTER THE COVERAGES OR ANY OTHER PROVISIONS CONTAINED IN YOUR POLICY OR ITS ENDORSEMENTS. THE LANGUAGE IN YOUR POLICY CONTROLS YOUR LEGAL RIGHTS AND OBLIGATIONS. THIS DISCLOSURE IS NOT ADMISSIBLE IN ANY ACTION CONCERNING THIS POLICY EXCEPT FOR THE SOLE PURPOSE OF SHOWING THAT THE NOTICE WAS OR WAS NOT PROVIDED PURSUANT TO SOUTH CAROLINA LAW.

****READ YOUR INSURANCE POLICY
FOR COMPLETE POLICY TERMS AND CONDITIONS****

DEDUCTIBLES

NOTICE: This policy does not include a separate percentage deductible for covered losses caused by hurricane, wind/hail, named storm or tropical cyclone as defined in the policy or endorsement.

CATASTROPHE SAVINGS ACCOUNTS

Establishing a Catastrophe Savings Account can help you pay for your deductible and other out-of-pocket costs. Similar to health savings accounts, the money can be set aside state income tax-free and used in the future to pay for qualified catastrophe expenses that result from hurricane, flood, or windstorm events that have been declared an emergency by the Governor. For more information about Catastrophe Savings Accounts, visit the South Carolina Department of Insurance website, www.doi.sc.gov (search for "catastrophe savings accounts"), or call the Department's Office of Consumer Services (1-800-768-3467).

LIMITATIONS OR EXCLUSIONS UNDER THIS POLICY

Flood -Flood damage is not covered under this policy.

The National Flood Insurance Program (NFIP) writes most flood insurance policies, although some private insurance companies also offer the coverage. You may contact the NFIP by calling 1-888-379-9531 or go online to www.floodsmart.gov. If you need more coverage than is available through the NFIP, you may also be able to purchase excess flood protection through a private insurance company. For more information, contact your insurance agent, insurance company or the NFIP.

Mold - Mold damage is covered under this policy. For policy forms HO-1, 3, 7 or 9, the coverage is limited to 2% of Coverage A. For policy forms HO-4 or 6, the coverage is limited to 2% of Coverage C.

Earthquake - Earthquake damage is not covered under this policy.

Many insurance companies offer earthquake insurance as a separate policy or an endorsement to your current policy. For an additional premium, this coverage will protect you in case your home is damaged as a result of an earthquake.

Replacement Cost and Actual Cash Value

You may have the option to insure your home and its contents for either replacement cost or actual cash value. *Actual cash value* is the amount needed to repair or replace the damage minus a deduction for depreciation. *Replacement cost* is the cost to rebuild your home or repair damages using materials of similar kind and quality, without deducting for depreciation. Read your insurance policy carefully for the complete terms and conditions regarding replacement cost coverage.

***Please refer to your policy for complete details and information regarding all other limitations and exclusions. ***

YOUR RESPONSIBILITIES IN THE EVENT OF A CLAIM

Contact Your Agent or Company Immediately - Insurance policies typically place a time limit on the filing of a claim. The toll free telephone number for reporting a claim to Farm Bureau is: 1-800-799-7500.

Time Limitations May Apply - Once the company knows you've had a claim, they are required to send you any necessary forms. These forms detail written proof of what caused the loss as well as the character and extent of the loss for which the claim has been made. Read your policy carefully as it may require you to return the completed forms within a specified amount of time. If you have replacement cost coverage, there may also be time limitations for repairing and replacing damaged property that, if not met, could cause the claim to be settled on an actual cash value basis.

Additional Duties Are Outlined in Your Policy - In the event of a loss, you and your insurance company are each expected to follow certain procedures as outlined in your policy. Your responsibilities include, for example, reporting any crime to the police and making temporary repairs to protect your property from further damage. Your duties after a loss are outlined fully in your insurance policy.

**South Carolina Farm Bureau Mutual Insurance Company or
Southern Farm Bureau Casualty or
Palmetto Casualty Insurance Company**

**Homeowners Policy Form 9
Special Plus Form Policy Provisions**

Your policy consists of this booklet and the appropriate Declarations, forms and endorsements. Coverages apply only when properly shown on the Declarations page.



Visit our website at www.scfbins.com

Post Office Box 2124
West Columbia, SC
29171

724 Knox Abbott Drive
Cayce, SC 29033
(803) 796-6700

Policy conditions require immediate notice of any accident or claim.

**To report an accident or claim, call us toll-free,
at 1-800-799-7500**

FORM # 9205-9

REVISED 03/2003

YOUR HOMEOWNERS POLICY**Form 9
Quick Reference****DECLARATIONS PAGE**

Policy Period
 Your Name and Address
 Residence Premises,
 Property Location
 Coverages, Amounts,
 Deductibles
 Mortgagee Identification

COUNTY MEMBERSHIP PROVISIONS.....	Page 1
AGREEMENT	Page 1
DEFINITIONS.....	Page 1
SECTION I PROPERTY COVERAGES	Page 5
Coverage A - Dwelling.....	Page 5
Coverage B - Other Structures.....	Page 6
Coverage C - Personal Property	Page 6
Coverage D - Loss of Use	Page 9
Additional Coverages	Page 9
SECTION I – PERILS INSURED AGAINST	Page 16
Coverage A - Dwelling.....	Page 16
Coverage B - Other Structures.....	Page 16
Coverage C - Personal Property	Page 18
SECTION I – EXCLUSIONS	Page 21
SECTION I – CONDITIONS	Page 26
SECTION II – LIABILITY COVERAGES.....	Page 33
Coverage E - Personal Liability	Page 33
Coverage F - Medical Payments to Others	Page 34
SECTION II – EXCLUSIONS	Page 35
SECTION II – ADDITIONAL COVERAGES.....	Page 44
SECTION II – CONDITIONS	Page 48
SECTION I and II – CONDITIONS.....	Page 50
MUTUAL COMPANY CONDITIONS.....	Page 54
PARTICIPATING CONDITIONS	Page 55
PALMETTO CASUALTY CONDITIONS.....	Page 55

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COUNTY MEMBERSHIP PROVISIONS

1. As a prerequisite to your purchase of this policy and any renewal of this insurance, you must make application to be a member of and maintain your membership in the applicable county Farm Bureau agricultural organization and affiliated state Farm Bureau agricultural organization (hereinafter collectively known as "Farm Bureau Federation").
2. Your failure to apply for membership and to maintain your membership with the applicable Farm Bureau Federation as our sponsoring organization, including but not limited to your failure to pay the required membership dues to the Farm Bureau Federation, shall require us to cancel or nonrenew your policy.
3. Dues payable to the Farm Bureau Federation are in consideration of membership in the Farm Bureau Federation and other agriculture-related services from Farm Bureau Federation and:
 - a. are not in consideration of coverage under this policy; and
 - b. are not payable to South Carolina Farm Bureau Mutual Insurance Company, Southern Farm Bureau Casualty Insurance Company, or any other insurer named on the Declarations.

AGREEMENT

Relying on the facts "you" have given "us," "we" will provide the insurance described in this policy for the limits shown in the latest Declarations in return for the premium and "your" compliance with all applicable provisions of this policy. This policy is not complete without the Declarations.

DEFINITIONS

Certain words and phrases in this policy have specific meanings.

1. In this policy, "**you**" and "**your**" refer to the "**named insured**" shown in the Declarations and the spouse if a resident of the same household.
2. "**We**," "**us**" and "**our**" refer to the Company providing this insurance.
3. "**Insured**" means:
 - a. **you** and residents of **your** household who are:
 - (1) **your** relatives; or
 - (2) other persons under the age of 21 and in the care of any person named above.

- b. a student enrolled in school full-time as defined by that school, who was a resident of **your** household immediately before leaving to attend school, provided this student is under age:
 - (1) 24 and **your** relative; or
 - (2) 21 and in **your** care or the care of the person listed in a. (1) above.

Under Section II, **insured** also means:

- c. with respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by **you** or any person included in 3a or 3b above. A person or organization using or having custody of these animals or watercraft in the course of any **business**, or without consent of the owner, is not an **insured**;
 - d. with respect to any vehicle to which this policy applies, persons while engaged in **your** employ or that of any person included in 3a or 3b above.
4. **"Actual cash value"** means the cost to replace new today with materials of like kind and quality, less physical depreciation and economic obsolescence.
 5. **"Bodily injury"** means bodily harm, sickness or disease, including required care, loss of services and death resulting there from. It does not include **personal injury**.
 6. **"Business"** means a full-time, part-time or occasional trade, profession or occupation, whether permanent or temporary, including farming.
 7. **"Coverage territory"** means all parts of the world.
 8. **"Electronic Data"** means information facts or programs stored as, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, servers, cells, data processing devices, or any other media which are used with electronically controlled equipment.
 9. **"Fungi"** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by any fungus, but does not include any fungus that is, is on, or is contained in, any goods or products intended for consumption.
 10. **"Insured location"** means:
 - a. the **residence premises**;
 - b. the part of other premises, other structures and grounds used by **you** as a residence and;

- (1) which is shown in the Declarations or by Endorsement; or
 - (2) which is acquired by **you** during the current policy period for **your** use as a residence;
 - c. any premises used by **you** in connection with a premises in 10a or 10b above;
 - d. any part of a premises:
 - (1) not owned by an **insured**; and
 - (2) where an **insured** is temporarily residing;
 - e. up to 100 acres total of any and all vacant land, owned by or rented to an **insured**. This does not include:
 - (1) farm land;
 - (2) land held for **business** purposes; or
 - (3) land away from the **residence premises** unless the location is listed on a policy endorsement.
 - f. land owned by or rented to an **insured** on which a one, two, three or four family dwelling is being built as a residence for an **insured**;
 - g. individual or family cemetery plots or burial vaults of an **insured**; or
 - h. any part of a premises occasionally rented to an **insured** for other than **business** use.
11. "**Occurrence**" means an accident, but does not include exposure to conditions, which results during the policy period in:
- a. **bodily injury**; or
 - b. **property damage**.
12. "**Personal Injury**" means injury arising out of one or more of the following:
- a. false arrest, detention or imprisonment, malicious prosecution;
 - b. libel, slander, defamation of character;
 - c. invasion of privacy, or wrongful eviction by a person from or wrongful entry by a person into or onto a room, dwelling or premises that another person occupies, by or on behalf of its owner, landlord, or lessor;

However, **personal injury** does not include actual, alleged, threatened, or witnessing of humiliation, embarrassment or alienation of affection.

13. **"Pollutants"** means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
14. **"Property damage"** means physical injury to, destruction of, or loss of use of tangible property.
15. **"Recreational vehicle"** means a 2-, 3- up to 8-wheeled or tracked land or amphibious vehicle that is unlicensed and not subject to motor vehicle registration, powered by a petroleum fuel engine or electric motor, used off public roads or highways for personal pleasure or recreation.
16. **"Residence employee"** means an employee of an **insured**, or an employee leased to an **insured** by an agreement with a labor leasing firm, who performs duties, including household or domestic services, in connection with the maintenance or use of the **residence premises**. This includes employees who perform similar duties elsewhere for **you**.

This does not include employees while performing duties in connection with the **business** of an **insured**.

17. **"Residence premises"** means:
 - a. the one family dwelling where **you** reside;
 - b. the two, three or four family dwelling where **you** reside in at least one of the family units; or
 - c. that part of any other building where **you** reside;

and which is shown as the **residence premises** in the Declarations.

Residence premises includes other structures and grounds at the location specified in the Declarations.

18. **"Sexual harm"** means the actual, alleged, threatened, attempted, or coerced involvement in, or witnessing of, verbal or physical molestation, rape, abuse, assault, or harassment.
19. **"Terrorism"** means activities against persons, organizations or property of any nature:
 - a. that involves the following or preparation for any of the following:
 - (1) use or threat of force or violence;
 - (2) commission or threat of a dangerous act; or
 - (3) commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

- b. when one or both of the following applies:
- (1) the effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - (2) it appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social, or economic objectives or to express (or express opposition to) a philosophy or ideology.

SECTION I – PROPERTY COVERAGES

COVERAGE A – DWELLING

We cover:

1. the dwelling on the **residence premises** shown in the Declarations, principally used as **your** private residence, including structures attached to the dwelling; and
2. materials and supplies located on or next to the **residence premises** used to construct, alter or repair the dwelling or other structures on the **residence premises**.

This coverage does not apply to land, including land on which the dwelling is located. **We** will not cover costs to replace, rebuild, stabilize or otherwise restore the land necessary to support the dwelling covered. Nor does this coverage apply to any water in any form, whatsoever.

COVERAGE B – OTHER STRUCTURES

We cover other structures on the **residence premises** set apart from the dwelling by clear space. This also includes:

1. structures connected to the dwelling by only a fence, utility line or similar connection;
2. fences, property line and similar walls, including sea walls;
3. structures, including the property in or on the structure, located in whole or in part in or over water;
4. outdoor antennas, except satellite dish antenna systems or related equipment, whether or not attached to a building; and
5. swimming pools.

This coverage does not apply to land, including land on which the other structures are located. **We** will not cover costs to replace, rebuild, stabilize, or otherwise restore the land necessary to support the dwelling covered. Nor does this coverage apply to any water in any form, whatsoever.

We do not cover:

1. other structures used in whole or in part for **business**, including storage;
2. farm barns or outbuildings used in whole or in part as a farm barn or farm shed; or
3. other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage; or
4. satellite dish antenna systems or related equipment, for more than \$500, unless specifically endorsed on the policy.

The limit of liability for Coverage B is shown on the policy Declarations. Use of this coverage does not reduce the Coverage A limit of liability.

COVERAGE C – PERSONAL PROPERTY

We cover personal property usual or incidental to the occupancy of the **residence premises** as a dwelling and owned or used by an **insured** while it is anywhere in the world. At **your** request, and after a loss, **we** will cover personal property owned by:

1. others while the property is on the part of the **residence premises** occupied by an **insured**;
2. a guest of the **residence employee**, while the property is in any residence occupied by an **insured**.

Our limit of liability for personal property away from the **residence premises** is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. Personal property in a newly acquired principal residence is not subject to this limitation for the 30 days from the time **you** begin to move the property there.

Special Limits of Liability. These limits do not increase the Coverage C limit of liability or the limit of liability for personal property away from the **residence premises**. Perils Insured Against for Coverage C apply. The special limit for each numbered category below is the total limit for each loss for all property in that category.

1. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins, medals, scrip, stored value cards, and smart cards.
2. \$1,000 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, passports, personal records, tickets and stamps.
3. \$1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard motors.
4. \$1,000 on trailers not used with watercraft.

5. \$2,000 on grave markers.
6. \$2,000 for loss by theft of property away from the **residence premises**, in or on any:
 - a. motor vehicle;
 - b. motorized land conveyance; or
 - c. watercraft.

This limitation does not apply if there is forcible entry into the motor vehicle, motorized land conveyance or watercraft, when the doors, windows, other openings and compartments are closed and locked and there are visible marks of forcible entry, or the motor vehicle is stolen and not recovered within 30 days.

7. \$2,500 for loss by theft of jewelry, watches, furs, precious and semi-precious stones.
8. \$2,500 for loss by theft of firearms.
9. \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware and pewter-ware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
10. \$500 on property away from the **residence premises** used primarily for any **business** purpose. However, this coverage does not apply to equipment described in paragraph 12 below.
11. \$2,500 on property on the **residence premises** used primarily for **business** purposes, unless a lesser limit is specified elsewhere in this policy or by endorsement. However, this coverage does not apply to equipment described in paragraph 12 below.
12. \$3,000 on electronic data processing equipment and the recording or storage media used with that equipment while located principally on the **residence premises**, and which is owned by or leased to any **insured**.
13. \$2,500 on any one article and \$10,000 in the aggregate for loss by theft of any rug, carpet (except wall-to-wall carpet), tapestry, wall-hanging or other similar article, including paintings.
14. \$500 for **recreational vehicles** not subject to motor vehicle registration or other motorized land conveyances not subject to motor vehicle registration.

Property Not Covered. We do not cover:

1. articles separately described and specifically insured in this or other insurance, or specifically excluded elsewhere in this insurance policy.
2. animals, birds or fish;

3. motor vehicles and any other motorized land conveyances, except as provided in paragraph 14 above, or specifically listed in an endorsement and an additional premium paid. This includes:
 - a. equipment and accessories; or
 - b. any device or instrument for the transmitting, recording, receiving or reproduction of sound, signals, or pictures which is operated by power from the electrical system of motor vehicles or any other motorized land conveyances, including:
 - (1) accessories or antennas;
 - (2) tapes, wires, records, discs or other media for use with any such device or instrument; or
 - (3) radar detection devices;
 while in or upon the vehicle, or land conveyance;

We do cover vehicles or conveyances not subject to motor vehicle registration which are:

 - a. lawn or garden tractors, with a 30 horsepower **engine** rating or less, but not **recreational vehicles**; or
 - b. designed or used to assist the handicapped.
4. aircraft and parts. Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;
5. hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, hovercraft and air cushion vehicles.
6. property of roomers, boarders and other tenants, except property of roomers and boarders related to an **insured**;
7. property in an apartment regularly rented or held for rental to others by an **insured**;
8. property rented or held for rental to others off the **residence premises**;
9. books of account, drawings, or other paper records, pertaining to a **business**; or
10. credit cards, fund transfer cards, or access devices used for deposits, withdrawals or transfer of funds except as provided in Additional Coverages 3;

11. satellite dish antenna systems or related equipment, except as provided under Coverage B, or by endorsement;
12. land, including land on which personal property is located; nor do **we** cover water in any form.

COVERAGE D – LOSS OF USE

The limit of liability for Coverage D is the total limit for all the coverages that follow.

1. **Additional Living Expense.** If a loss covered under this Section makes that part of the **residence premises** where **you** reside uninhabitable, **we** cover the necessary increase in living expenses incurred by **you** so that **your** household can maintain its normal standard of living. Payment will be for the shortest time required to repair or replace the damage or, if **you** permanently relocate, the shortest time required for **your** household to settle elsewhere. But in any event, that time will not exceed 365 consecutive days from the date of loss.
2. **Fair Rental Value.** If a loss covered under this Section makes that part of the **residence premises** rented to others or held for rental by **you** uninhabitable, **we** cover the fair rental value of that part of the **residence premises** rented to others or held for rental by **you**, less any expenses that do not continue while the premises are uninhabitable. Payment will be for the shortest time required to repair or replace that part of the premises rented or held for rental. But in any event, that time will not exceed 365 consecutive days from the date of loss.
3. **Prohibited Use.** If a civil authority prohibits **you** from using the **residence premises** as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, **we** cover the Additional Living Expense or Fair Rental Value loss as provided under 1 and 2 above for no more than 14 consecutive days from the date use was prohibited.

The periods of time under 1, 2 and 3 above are not limited by expiration of this policy, but the date of loss must be during the policy period.

We do not cover loss or expense due to cancellation of a lease or agreement.

ADDITIONAL COVERAGES

Unless specifically stated otherwise, the Loss Deductible Clause applies.

1. **Arson Award.** **We** will pay, at **our** option, up to \$5,000 for information which leads to an arson, vandalism, or malicious mischief conviction in connection with a loss covered by this policy. Regardless of the number of persons providing information, our limit shall not be increased.

This coverage is additional insurance. No deductible applies to this Additional Coverage.

2. **Collapse.**

a. For this Additional Coverage:

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.
- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.
- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
- (4) A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

b. **We** insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:

- (1) Perils Insured Against in Coverage C – Personal Property, in this policy. These perils apply to covered buildings and personal property for loss insured by this additional coverage;
- (2) Decay that is hidden from view, unless the presence of such decay is known to an **insured** prior to collapse;
- (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an **insured** prior to collapse;
- (4) Weight of contents, equipment, animals or people;
- (5) Weight of ice, sleet, snow or rain which collects on a roof; or
- (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

Loss to an awning, driveway, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items (2), (3), (4), (5) and (6) unless the loss is a direct result of collapse of a building or any part of a building.

Collapse does not include settling, cracking, shrinking, bulging or expansion.

This coverage does not increase the limit of liability applying to the damaged covered property.

3. **Credit Card, Fund Transfer Card or Access Device, Forgery and Counterfeit Money.**

We will pay up to \$1,000 for:

- a. the legal obligation of an **insured** to pay because of the theft or unauthorized use of credit cards issued to or registered in an **insured's** name;
- b. loss resulting from theft or unauthorized use of a fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in an **insured's** name;
- c. loss to an **insured** caused by forgery or alteration of any check or negotiable instrument; and
- d. loss to an **insured** through acceptance in good faith of counterfeit United States or Canadian paper currency.

We do not cover use of credit card, fund transfer card, or access device:

- a. by a resident of **your** household;
- b. by a person who has been entrusted with either type of card or access device; or
- c. if an **insured** has not complied with all terms and conditions under which the cards are issued or to the devices accessed.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated, is considered to be one loss.

We do not cover loss arising out of **business** use or dishonesty of an **insured**.

This coverage is additional insurance. No deductible applies to this coverage.

Defense:

- a. **We** may investigate and settle any claim or suit that **we** decide is appropriate. **Our** duty to defend a claim or suit ends when the amount **we** pay for the loss equals our limit of liability.
- b. If a suit is brought against an **insured** for liability under the Credit Card or Fund Transfer Card or Access Device coverage, **we** will provide a defense at **our** expense by counsel of **our** choice.

- c. **We** have the option to defend at **our** expense an **insured** or an **insured's** bank against any suit for the enforcement of payment under the Forgery coverage.
4. **Damage from Fungi.** If water causes covered damage, then we will pay up to 2% of the Coverage A item limit of liability for all incurred costs applicable to Coverages A, C, and D only for direct physical loss to covered property caused by, resulting from, contributed to, or aggravated by **fungi**.

This 2% limit applies per **occurrence** for item coverages (A, C, and D only) combined and not separately for each coverage. For all incurred damages and for all **occurrences** during a policy period, **we** will not pay more than 3% of the limit for Coverage A for that item. Our limit includes all costs associated, or alleged to be associated, with "Damage from Fungi," including but not limited to: surveys, tests, remediation, and repairs.

No Damage from **Fungi** coverage applies to any **Other Structures** (Coverage B). This Additional Coverage does not increase the limit of liability applying to any coverage.

5. **Debris Removal.** **We** will pay **your** reasonable expense for the removal of:
- a. debris of covered property if a Peril Insured Against causes the loss; or
 - b. ash, dust or particles from a volcanic eruption that has caused direct loss to a covered building or covered property contained in a building;
 - c. fallen trees from the **residence premises** if:
 - (1) coverage is not afforded under Additional Coverages 12. Trees, Shrubs, and Other Plants for the peril causing the loss; or
 - (2) the tree is not covered by this policy;

provided the tree damages property insured under Coverages A or B, and a Peril Insured Against under Coverage C causes the tree to fall.

Our limit of liability for this coverage will not be more than \$500 in the aggregate for any one loss event.

- d. In the event of a total loss of the **residence premises**, **we** will pay up to an additional 5% of the stated value of the dwelling for debris removal provided the damaged property is repaired or replaced at the **residence premises**.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of the limit of liability that applies to the dwelling is available for debris removal expense.

e. **We do not cover any expenses for:**

- (1) extracting any pollutant from land, soil, or water on or under any residence premises or other land that you own, lease, rent, or use;
- (2) removing, restoring, or replacing polluted land, soil, or water; nor
- (3) removing covered property or debris of covered property contaminated by any **pollutant** or hazardous material unless the contamination occurred due to a Peril Insured Against at the **residence premises**.
- (4) costs to comply with any ordinance or law that requires any **insured** or any others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants** in or on any covered building or other structure.

6. **Fire Department Service Charge.** We will pay up to \$250 for **your** liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. **We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.**

This coverage is additional insurance. No deductible applies to this coverage.

7. **Inflation Coverage.** It is agreed that the limit of liability specified in the Declarations of this policy as applicable to Item A – Dwelling, shall be increased at the same rate as the increase indicated by the current Boeckh Company Residential Building Cost Percentage Change Factor as applicable to South Carolina Zip Codes.

To determine the limit of liability for Coverage A on a particular date, the current percentage factor will be prorated according to the number of months that coverage under the policy has been in force from the inception date, renewal date, or the last date on which the amount of coverage on the dwelling was changed. The resulting factor will be multiplied by the limit of liability for such item.

If during the term of the policy the limit of liability applicable is changed, then the effective date of this coverage for such item is amended to coincide with the effective date of such change.

In no event will the limit of liability be reduced to less than the amount shown in the Declarations or the amount calculated at the time of the most recent renewal inception date, whichever is greater.

8. **Loss Assessment.** We will pay up to \$1,000 for **your** share of any loss assessment charged during the policy period against **you** by a corporation

or association of property owners. This only applies when the assessment is made as a result of each direct loss to property, owned by all members collectively, caused by a Peril Insured Against under Coverage A – Dwelling, other than earthquake or land shock waves or tremors before, during or after a volcanic eruption.

This coverage applies only to loss assessments charged against **you** as owner or tenant of the **residence premises**.

We do not cover loss assessments charged against **you** or a corporation or association of property owners by any governmental body.

9. **Property Removed.** **We** insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 consecutive days while removed. This coverage does not change the limit of liability that applies to the property being removed. Coverage applies on a pro rata basis to any property not removed.
10. **Reasonable Repairs.** **We** will pay the reasonable cost incurred by **you** for necessary repairs made solely to protect covered property from further damage if a Peril Insured Against causes the loss. This coverage does not increase the limit of liability that applies to the property being repaired.
11. **Refrigerated Products.** **We** will pay up to \$1,000 under Coverage C to cover the contents of refrigerated units on the **residence premises** for loss due to power failure or mechanical failure. If mechanical or power failure is known to you, all reasonable means must be used to protect the property insured from further damage or this coverage is void. Power or mechanical failure shall not include:
 - a. removal of a plug from an electrical outlet; or
 - b. turning off an electrical switch unless caused by a named peril.
12. **Trees, Shrubs and Other Plants.** **We** cover trees, shrubs, plants or lawns on the **residence premises** for loss caused by the following Perils Insured Against: Fire or lightning, Explosion, Riot or civil commotion, Aircraft, Vehicles not owned or operated by a resident of the **residence premises**, Vandalism or malicious mischief, or Theft.

The limit of liability for this coverage will not be more than 5% of the limit of liability that applies to the dwelling, or more than \$500 for any one tree, shrub or plant. **We** do not cover property grown for **business** purposes.

This coverage is additional insurance.

13. **Water Backup and Sump Discharge or Overflow.**
 - a. **We** will pay up to \$2,500 for direct physical loss, not caused by the negligence of any **insured**, to property covered under Section I caused by:

- (1) water, or water-borne material, that backs up through sewers or drains; or
- (2) water, or water-borne material, that overflows or is discharged from a sump, sump pump or related equipment even if such overflow or discharge results from the mechanical breakdown of the sump pump or related equipment.

b. This Additional Coverage does not apply to:

- (1) direct physical loss of the sump pump, or related equipment, which is caused by mechanical breakdown;
- (2) loss caused by:
 - (a) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
 - (b) water, or water-borne material, which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment which is the direct or indirect result of flood; or
 - (c) water, or water-borne material, below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure;

all caused by or resulting from human or animal forces or any act of nature.

This coverage does not increase the limits of liability for Coverages A, B, C or D stated in the policy Declarations. Except as stated under Additional Coverages 4, Damage from **Fungi** above, **we** do not cover indirect, subsequent, consequential, or concurrent loss caused by **fungi** in any sequence to a loss caused by water backup and sump discharge or overflow.

Direct loss by fire or explosion resulting from water damage is covered.

14. Ordinance or Law.

- a. **We** will pay up to 3% of the limit of liability that applies to Coverage A for increased costs **you** incur due to the enforcement of any law or ordinance that regulates or requires:
 - (1) construction, demolition, remodeling, renovation, or repair of that part of a covered building or other structure damaged by a Peril Insured Against;

- (2) demolition and reconstruction of the undamaged portion of a covered building or other structure, when that building or other structure must be totally demolished due to damage caused by a Peril Insured Against to another portion of that covered building or other structure;
 - (3) remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. This coverage may be used to pay for any increased costs incurred to remove debris from the construction, demolition, remodeling, renovation, repair, or replacement of property indicated in a. above.
 - c. **We do not cover:**
 - (1) loss in value to any covered building or other structure due to requirements of any ordinance or law; or
 - (2) costs to comply with any ordinance or law that requires any **insured** or any others to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants** in or on any covered building or other structure.

This coverage applies only to loss to **your** dwelling on the **residence premises** covered by Coverage A – Dwelling. This coverage does not apply to any other structure whatsoever.

This coverage is additional coverage.

SECTION I – PERILS INSURED AGAINST

COVERAGE A – DWELLING AND COVERAGE B – OTHER STRUCTURES

We insure against risks of direct physical loss to property described in Coverages A and B, if that loss is a physical loss to property, unless the loss is excluded in Section I – Exclusions.

However, **we** do not insure loss:

- 1. involving collapse, other than as provided in Additional Coverage 2;
- 2. caused by:
 - a. freezing of a plumbing, heating, air conditioning, or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This exclusion applies only while the dwelling is

vacant, unoccupied or being constructed unless you have used reasonable care to:

- (1) maintain heat in the building; or
 - (2) shut off the water supply and drain all systems and appliances of water;
- b. freezing, thawing, pressure or weight of water, ice, hail, snow or sleet, whether driven by wind or not, to a:
- (1) fence, pavement, deck, patio or swimming pool;
 - (2) footing, foundation, retaining wall or bulkhead or any other structure or device that supports all or part of a building or other structure;
 - (3) pier, wharf or dock; or
 - (4) gutter;
- c. theft in or to a dwelling or other structure under construction, or of materials and supplies for use in the construction until the dwelling or other structure is finished and occupied;
- d. vandalism and malicious mischief or breakage of glass and safety glazing materials if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- e. these below:
- (1) wear and tear, marring, deterioration;
 - (2) inherent vice, latent defect, mechanical breakdown;
 - (3) the presence, growth, proliferation, spread, or any activity of rust, bacteria, mold, mildew, wet or dry rot, or any fungi, whether or not, in whole or in part:
 - (a) caused by or resulting from;
 - (b) contributed to by; or
 - (c) aggravated by;

any peril or cause of loss, regardless of whether such peril or cause of loss is covered by this policy, and regardless of whether any other peril or cause of loss contributed concurrently or in any sequence to such loss.
 - (4) smog, smoke from agricultural smudging or industrial operations;

- (5) release, discharge or dispersal of contaminants or **pollutants**;
- (6) settling, cracking, shrinking, bulging or expansion of driveways, pavements, patios, foundations, walls, floors, roofs or ceilings; or
- (7) birds, vermin, rodents, insects or domestic animals.

If any of these cause water damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, **we** cover loss caused by the water including the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. **We** do not cover loss to the system or appliance from which this water escaped.

- 3. excluded under Section I – Exclusions.

COVERAGE C – PERSONAL PROPERTY

We insure for direct physical loss to the property described in Coverage C caused by a peril listed below unless the loss is excluded in Section I – Exclusions.

- 1. **Fire or lightning.**

- 2. **Windstorm or hail.**

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard motors, only while inside a fully enclosed building.

- 3. **Explosion.**

- 4. **Riot or civil commotion.**

- 5. **Aircraft**, including self-propelled missiles and spacecraft.

- 6. **Vehicles.** This peril includes damage to **your** property caused by a vehicle. It does not include damage to **your** personal property caused by **your recreational vehicle** or collision damage to any vehicle **you** own, rent or lease, including **recreational vehicles**.

- 7. **Smoke**, meaning sudden and accidental damage from smoke including emission of smoke, soot, fumes, or vapors from a boiler, furnace, or related equipment. This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

- 8. **Vandalism or malicious mischief.**

This peril does not include loss to property on the **residence premises** if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

Also, this peril does not include loss to any computer, computer system, network, hardware, program, **electronic data**, information repository, microchip, integrated circuit, or similar device unless there are visible signs of physical damage to the exterior of the computer, equipment, computer system, or non-computer equipment.

9. **Theft**, including attempted theft and loss of property from a known place when it is likely that the property has been stolen.

This peril does not include loss caused by theft:

- a. committed by an **insured**;
- b. in or to a dwelling or other structure under construction, or of materials and supplies for use in the construction until the dwelling or other structure is finished and occupied; or
- c. from that part of a **residence premises** rented by an **insured** to someone other than an **insured**;
- d. of **electronic data**.

This peril does not include loss caused by theft that occurs off the **residence premises** of:

- a. property while at any other residence owned by, rented to, or occupied by an **insured**, except while an **insured** is temporarily living there. Property of a student who is an **insured** is covered while residing away from **your residence premises** at a residence away from home.
 - b. watercraft of all types, and their furnishings, equipment and outboard motors;
 - c. trailers and campers.
10. **Damage of glass**, meaning damage to personal property caused by breakage of glass which is part of a building on the **residence premises**. There is no coverage for loss or damage to the glass.
11. **Falling Objects**.
- This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.
12. **Weight of ice, snow or sleet** which causes damage to property contained in the building.

13. **Accidental discharge or overflow of water or steam** from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

This peril does not include loss:

- a. to Personal Property caused by smog or the presence, growth, proliferation, spread, or any activity of rust, bacteria, mold, wet or dry rot, or fungi;
 - b. on the **residence premises**, if the dwelling has been vacant or unoccupied for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
 - c. to the system or appliance from which the water or steam escaped;
 - d. caused by or resulting from freezing except as provided in the peril of freezing below;
 - e. on the **residence premises** caused by accidental discharge or overflow which occurs off the **residence premises**, or
 - f. caused by overflow or back-up of water in guttering.
14. **Sudden and accidental tearing apart, cracking, burning or bulging** of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water, but not gutters.

This peril does not include loss to Personal Property caused by smog, or the presence, growth, proliferation, spread, or any activity of rust, bacteria, mold, wet or dry rot, or fungi, or caused by or resulting from freezing except as provided in the peril of freezing below.

15. **Freezing** of a plumbing, heating air conditioning or automatic fire protective sprinkler system or of a household appliance, but not gutters.

This peril does not include loss:

- a. on the **residence premises** while the dwelling is vacant, unoccupied or being constructed, unless you have used reasonable care to:
 - (1) maintain heat in the building; or
 - (2) shut off the water supply and drain the system and appliances of water.
- b. to Personal Property caused by smog, or the presence, growth, proliferation, spread, or any activity of rust, bacteria, mold, wet or dry rot, or fungi;

- c. on the **residence premises** caused by accidental discharge or overflow which occurs off the **residence premises**;
 - d. caused by overflow or backup of water of any form in gutters.
16. **Sudden and accidental damage from artificially generated electrical current.**

This peril does not include loss to a tube, transistor or similar electronic component.

SECTION I – EXCLUSIONS

We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

1. **Ordinance or Law**, meaning enforcement of any ordinance or law regulating the construction, repair, or demolition of a building or other structure, unless specifically provided elsewhere under this policy.
2. **Earth Movement**, meaning earthquake including land shock waves or tremors before, during or after a volcanic eruption; any volcanic eruption; landslide; mudflow, erosion, earth sinking, contracting, expanding, rising or shifting, unless direct loss by:
 - a. fire;
 - b. explosion; or
 - c. breakage of glass or safety glazing material which is part of a building, storm door or storm window;

ensues and then **we** will pay only for the ensuing loss.

Also, **we** do not cover any loss or damage caused by growth or decay of trees, roots, plants or vines.

This exclusion does not apply to loss by theft.

3. **Water Damage**, meaning:
 - a. flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
 - b. water, or water-borne matter that backs up through sewers or drains or that overflows or is discharged from a sump, sump pump or related equipment; except as provided in Additional Coverage 13; or
 - c. water, or water-borne matter, below the surface of the ground, including water which exerts pressure on or seeps or leaks through a

building, sidewalk, driveway, foundation, swimming pool or other structure.

Direct loss by fire, explosion or theft resulting from water damage is covered.

4. **Power Failure** or interruption, meaning the failure of power or interruption or other utility service if the failure takes place off the **residence premises**. But, if a Peril Insured Against ensues on the **residence premises**, we will pay only for that ensuing loss.
5. **Neglect**, meaning neglect of an **insured** to use all reasonable means to save and preserve property at and after the time of a loss, or when property is endangered.
6. **War and Military Action Exclusion**

We will not pay for loss or damage caused by the following, listed below. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

- a. War, including undeclared civil war;
- b. Warlike action by a military force, including action to hinder or defend against an actual, expected, or threatened attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

If there is any action that comes within the terms of this exclusion and involves nuclear reaction or radiation or radioactive-contamination, then this War and Military Action Exclusion supersedes the Nuclear Hazard Exclusion.

7. **Terrorism Exclusion.** Regardless of the amount of damage and losses, this exclusion applies to any and all incidents of **terrorism**:
 - a. that involve the use, release or escape of pathogenic or poisonous biological or chemical materials; or
 - b. that could cause the release or escape of pathogenic or poisonous biological or chemical materials; or
 - c. to any incident that directly or indirectly results in nuclear reaction or radiation or radioactive contamination.

We will not pay for loss or damage caused directly or indirectly by **Terrorism**, including action to hinder or defend against an actual, expected or threatened incident of **Terrorism**. Such loss or damage is excluded

regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

But if **Terrorism** results in fire, **we** will pay for the loss or damage caused by that fire. However, this exception for fire applies only to direct loss or damage by fire to Covered Property.

With respect to any such activity that also comes within the terms of the War and Military Action Exclusion, that exclusion supersedes the **Terrorism** Exclusion.

In the event of an act of **Terrorism** that involves nuclear reaction or radiation, or radioactive contamination, this **Terrorism** Exclusion supersedes the Nuclear Hazard Exclusion.

8. **Nuclear Hazard**, to the extent set forth in the Nuclear Hazard Clause of Section I – Conditions.
9. **Intentional Acts**, meaning any loss arising out of any act committed:
 - a. by or at the direction of any **insured**; or
 - b. with the intent to cause a loss; or
 - c. in a domestic dispute between **insureds**, family members, or others.
10. **We** do not insure under any coverage for loss resulting from one or more of the items below:
 - a. conduct, act, failure to act, or decision of any person, group, organization, or governmental body whether intentional, wrongful, negligent, or without fault;
 - b. defect, weakness, inadequacy, fault or unsoundness in:
 - (1) planning, zoning, development surveying, siting;
 - (2) design, specifications, workmanship, construction, grading, compaction;
 - (3) materials used in construction or repair; or
 - (4) maintenance;

of any property (including land, structures, or improvements of any kind) whether on or off the **residence premises**.

However, **we** do insure for any ensuing covered loss from items a. and b. unless the ensuing loss is itself a loss excluded by this section.

11. **We** do not insure for loss under any coverage regardless of whether one or more of the items listed in paragraph 10 above:

- a. directly or indirectly cause, contribute to or aggravate the loss; or
- b. occur before, at the same time, or after the loss or any other cause of the loss.

However, **we** do insure for ensuing covered loss from items 10a and 10b unless the ensuing loss is itself a loss excluded by this section.

12. **We** do not insure under any coverage for loss resulting from weather conditions. This exclusion applies only if weather conditions contribute in any way with a cause or event excluded in items 1 through 11 above.
13. **Asbestos and Lead Removal.** This policy does not insure covered property for damage, loss of use, or expenses arising from:
 - a. actual or attempted removal of any asbestos material, lead pipes, lead paint, or any material containing lead, unless the asbestos or lead pipes, lead paint, or any material containing lead, is itself damaged by a peril insured against;
 - b. demolition or increased cost of reconstruction, repair, or debris removal, attributable to the enforcement of any law, ordinance or regulation concerning asbestos material, lead paint, lead pipes, or any material containing lead;
 - c. any governmental direction or request declaring that asbestos material, lead paint, lead pipes, or any material containing lead, present in, part of, or utilized by any undamaged portion of the **insured's** property can no longer be used for the purpose for which it was intended or installed and must be modified, covered, sealed, protected, or removed.
14. **Pollutants and Pollution Exclusion.** **We** do not insure for loss, cost, or expense:
 - a. which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at any time, by any person, organization or governmental authority; and
 - b. arising out of any:
 - (1) request, demand or order that any **insured** or others test for, monitor, clean-up, remove, remedy, repair, contain, treat, detoxify or neutralize, or in any other way respond to, or assess the effects of **pollutants**; or
 - (2) claim or suit by or on behalf of any person, organization or governmental authority for damages because of testing for, monitoring, cleaning up, removing, remedying, repairing, containing, treating, detoxifying or neutralizing, or in any other way responding to, or assessing the effects of **pollutants**.

- c. This exclusion does not apply to **bodily injury** or **property damage** arising out of heat or smoke from a hostile fire. As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it is intended to be.
- 15. **We** do not insure covered property for damage, loss of use, or expenses caused by radon gas, radium, any other radioactive substance, any gas, or any sound or light. **We** do not cover the cost of any investigations, fines, or other costs related to radon gas, radium, any other radioactive substance, any gas, or any sound or light.
- 16. **Prejudgment Interest.** This policy does not pay prejudgment interest.
- 17. **We** do not insure for loss or damage arising directly or indirectly out of:
 - a. loss of, alteration of, or damage to; or
 - b. a reduction in the functionality, availability or operation of:

any computer, computer system, network, hardware, software, program, **electronic data**, information, repository, microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of an **insured** or others.
 - c. **we** will not cover, pay for, or reimburse **you** or anyone else for any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement, or supervision provided to correct, determine, prevent, rectify, or test for any actual, alleged or potential problems described in subparagraphs a. and b. above.
 - d. **we** will pay for direct physical loss or damage to covered property caused by a Peril Insured Against, Section I, Coverage C – Personal Property. However, this exception does not apply to any loss or damage that is:
 - (1) otherwise excluded in Section I – Exclusions; or
 - (2) caused by the peril of **Vandalism or Malicious Mischief**, unless there are visible signs or physical damage to the exterior of such computer system, computer equipment or non-computer equipment.
 - e. with respect to loss or damage excluded by this paragraph, if a peril listed in Section I – Perils Insured Against for Coverage C – Personal Property ensues, **we** will pay for the direct physical loss or damage caused by such ensuing peril.
- 18. **Collapse**, other than as provided in **Additional Coverages**.

SECTION I – CONDITIONS

1. **Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, **we** will not be liable in any one loss:
 - a. to the **insured** for more than the amount of the **insured's** interest at the time of loss; or
 - b. for more than the applicable limit of liability.
2. **Your Duties After Loss.** In case of a loss to covered property, **you** must see that the following are done:
 - a. immediately notify the police or other appropriate law enforcement agency in any case of loss where a crime is suspected;
 - b. immediately notify the credit card or fund transfer card company in case of loss under Credit Card or Fund Transfer Card coverage;
 - c. give prompt notice to **us** or **our** agent;
 - d.
 - (1) protect the property from further damage;
 - (2) make reasonable and necessary repairs to protect the property; and
 - (3) keep an accurate record of repair expenses;
 - (4) cooperate with **us** in the investigation and settlement of any claim;
 - e. prepare an inventory of damaged personal property showing the quantity, description, how, when, and where acquired, **actual cash value** and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
 - f. as often as **we** reasonably require, of **you**, any other **insured**, or any other person seeking coverage:
 - (1) allow **us**, or **our** designee(s) to inspect the damaged property;
 - (2) allow **us** to secure, and retain, at **our** expense, evidence relating to the loss;
 - (3) provide **us** with records and documents **we** request and permit **us** to make copies;
 - (4) allow **us** to obtain from **you**, and any other person seeking coverage, separate recorded statements; and
 - (5) submit to examination(s) under oath and sign and swear to it;

g. send to **us**, within 60 days after **our** request, **your** signed, sworn proof of loss which sets forth, to the best of **your** knowledge and belief:

- (1) the time and cause of loss;
- (2) the interest of the **insured** and all others in the property involved and all mortgages or liens on the property;
- (3) other insurance, service agreements or warranty provisions which may cover the loss;
- (4) changes in title or occupancy of the property during the term of the policy;
- (5) specifications of damaged buildings and detailed repair estimates;
- (6) the inventory of damaged personal property described in 2e above;
- (7) receipts for additional living expense incurred and records that support the fair rental value loss; and
- (8) evidence or affidavit that supports a claim under the Credit Card, Fund Transfer Card, Forgery and Counterfeit Money coverage, stating the amount and cause of loss.

3. **Loss Settlement.** Covered property losses are settled as follows:

a. Personal property at replacement cost except those properties specifically excluded below:

- (1) antique, fine arts, paintings and similar articles of rarity or antiquity, which cannot be replaced;
- (2) memorabilia, souvenirs, collectors items and similar articles whose age or history contribute to its value;
- (3) articles not maintained in good or workable condition;
- (4) articles that are outdated or obsolete;
- (5) property not useful for its intended purpose.

Loss to personal property in categories one through five above will be settled at **actual cash value** at the time of loss, but not more than the amount required to repair or replace. **Actual cash value** will include consideration of fair market value, age and condition of the item in question at the time of the loss.

b. Carpeting and household appliances, whether or not attached to buildings at replacement cost.

- c. The following will be settled at **actual cash value** at the time of the loss, but for not more than the amount required to repair or replace;
- (1) structures that are not buildings;
 - (2) buildings not permanently attached to or otherwise forming a part of the realty;
 - (3) awnings, antennas and outdoor equipment, including equipment used to service the **residence premises**;
 - (4) fences, property line and similar walls, including seawalls;
 - (5) structures, including the property in or on the structure, located in whole or in part in or over water;
 - (6) swimming pools.
- Actual cash value** will include consideration of fair market value, age, and condition of the item in question at the time of the loss.
- d. Personal Property Replacement Cost Adjustment:
- (1) **We** will pay not more than the smallest of the following amounts:
 - (a) replacement cost at time of loss without deduction for depreciation;
 - (b) the full cost of repair at time of loss;
 - (c) 400 percent of the **actual cash value** at the time of loss;
 - (d) the limit of liability applying to Coverage C; or
 - (e) any special limits of liability stated in this policy.
 - (2) When the replacement cost for the entire loss under this coverage exceeds \$500, **we** will pay no more than the **actual cash value** for the loss or damage, until the actual repair or replacement is completed.
 - (3) **You** may make a claim for loss on an **actual cash value** basis and then make claim within 180 days after the loss for any additional liability, in accordance with this coverage.
- e. Buildings permanently attached to or otherwise forming a part of the realty, under Coverage A or B at replacement cost without deduction for depreciation, subject to the following:
- (1) If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, **we** will pay the cost

to repair or replace, without deduction for depreciation, but not more than the least of the following amounts:

- (a) the limit of liability under this policy that applies to the building;
 - (b) the replacement cost of that part of the building damaged for like construction and use of the same premises; or
 - (c) the necessary amount actually spent to repair or replace the damaged building.
- (2) If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, **we** will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building;
- (a) the **actual cash value** of that part of the building damaged; or
 - (b) that proportion of the cost to repair or replace, without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.
- (3) To determine that amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, **we** will not include the value of:
- (a) excavations, foundations, piers or any supports which are below the undersurface of the lowest basement floor;
 - (b) those supports in (a) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
 - (c) underground flues, pipes, wiring and drains.
- (4) **We** will pay no more than the **actual cash value** of the damage, up to the policy limit, until actual repair or replacement is completed.
- (5) **You** may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to buildings on an **actual cash value** basis. **You** may then make claim within 180 days after loss for any additional liability on a replacement cost basis.

We do not guarantee an exact decorative match in texture or color for any roofing, exterior or interior building material, furniture or upholstery.

4. **Loss to a Pair or Set.** In case of loss to a pair or set, **we** may elect to:
 - a. repair or replace any part to restore the pair or set to its value before the loss; or
 - b. pay the difference between **actual cash value** of the property before and after the loss; or
 - c. pay in any loss involving part of a series of panels or pieces the reasonable cost of:
 - (1) replacing or repairing the damaged part to match the remainder as closely as possible; or
 - (2) providing an acceptable decorative effect as may be necessary. However, **we** do not guarantee exact replacement availability. In the event of damage to a part, **we** are not liable for the value of or the repair or replacement of the entire series of panels or pieces.
5. **Glass Replacement.** Loss for damage to glass caused by a Peril Insured Against will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.
6. **Appraisal.** If **you** and **we** fail to agree on the amount of loss, either one can demand that the amount of the loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, **you** or **we** can ask a judge of a court of record in the state where the **residence premises** is located to select an umpire. The appraisers shall then set the amount of loss. If the appraisers submit a written report of an agreement to **us**, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by **you** and **us**.
7. **Other Insurance.** If a loss covered by this policy is also covered by other insurance, a service contract or warranty provisions, **we** will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.
8. **Suit Against Us.** No action can be brought unless the policy provisions have been complied with and the action is started within one year after the date of loss.

9. **Our Option.** We may repair or replace any part of the property damaged or stolen with equivalent property. Any property we pay for or replace becomes our property at our option.
10. **Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we:
 - a. reach an agreement with you; or
 - b. receive your proof of loss and reach an agreement with you; or
 - c. there is an entry of a final judgment; or
 - d. there is a filing of an appraisal award with us.
11. **Abandonment of Property.** We need not accept any property abandoned by an insured.
12. **Mortgagee Clause.**

The word **mortgagee** includes trustee.

If a mortgagee is named in this policy, any loss payable under Coverage A or B will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.

If we deny your claim that denial will not apply to a valid claim of the mortgagee, if the mortgagee:

- a. notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
- b. pays any premium due under this policy on demand if you have neglected to pay the premium; and
- c. submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

If the policy is cancelled or not renewed by us, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.

If we pay the mortgagee for any loss and deny payment to you:

- a. we are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or

- b. at our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

- 13. **No Benefit to Bailee.** We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provisions of this policy.
- 14. **Nuclear Hazard Clause.**
 - a. **Nuclear Hazard** means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
 - b. Loss caused by the **nuclear hazard** will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against in Section I.
 - c. This policy does not apply under Section I to loss caused directly or indirectly by **nuclear hazard**, except that direct loss by fire resulting from the **nuclear hazard** is covered.
- 15. **Intentional Loss.** If you or any person insured under this policy causes or procures a loss to property covered under this policy for the purpose of obtaining insurance benefits, then the policy is void and we will not pay you or any other insured for this loss.
- 16. **Unearned Premium Clause.** If a loss under your policy is payable or has been paid, the Company has the option to:
 - a. reduce your coverage by any sum up to the amount of the loss and refund to you within 30 days of our notice to you of the reduction in coverage the pro rata unearned premium as of the time of the loss; or
 - b. retain the unearned premium and maintain your policy without regard to the loss; or
 - c. terminate your policy and within 30 days of our notice refund to you any pro rata unearned premium as of the time of the loss.
- 17. **Valuation Clause.** For the perils of fire and lightning, you and we agree that the value of the building described in this policy is, and hereby fix the amount of insurance to be carried on the building as, the amount shown for Coverage A – Dwelling, on the Declarations of this policy. These agreed values are established for insurance purposes only. At any date the building is under construction, the maximum amount of insurance shall be

the proportion of the value of the building that the **actual cash value** of the building, on that date, bears to the value of the building when completed.

18. **Loss Deductible Clause.** In case of loss under Coverages A, B, or C, the deductible stated on **your** latest Declarations will be applied per occurrence and will be deducted from the amount of the loss. This loss deductible clause shall not apply to the: Arson Award; Credit Card, Fund Transfer Card or Access Device, Forgery and Counterfeit Money; and Fire Department Service Charge coverages.
19. **Change in Ownership, Renting or Leasing.** This policy does not apply if:
 - a. there is a change in ownership of the dwelling to a person or organization, other than an **insured**;
 - b. **you** rent or lease the dwelling to a person, other than an **insured**, unless **you** notify **us** in writing of the change, rental or lease within 30 days.
20. **Report Increased Values.** **You** agree to notify **us** within 90 days of the start of any building valued at \$5,000 or more or any additions to or remodeling of buildings that increases their value by \$5,000 or more, and pay any additional premium for the increased value. If **you** fail to notify **us** within 90 days, or pay the additional premium, **we** will not cover any increased values.

SECTION II – LIABILITY COVERAGES

COVERAGE E – PERSONAL LIABILITY

If a claim is made or a suit is brought against an **insured** for damages because of **bodily injury** or **property damage** caused by an **occurrence** to which this coverage applies, **we** will:

1. pay up to **our** limit of liability for the damages for which the **insured** is legally liable; and
2. have the right and duty to provide a defense at **our** expense by counsel of **our** choice, even if the suit is groundless, false or fraudulent. **We** may investigate, settle, deny, or defend any claim or suit that **we** decide is appropriate. However, **we** will have no duty to defend any suit seeking damages for **bodily injury** or **property damage** to which this insurance does not apply. **Our** duty to settle or defend ends when the amount **we** pay for damages resulting from the **occurrence** equals **our** limit of liability.

Damages because of **bodily injury** include damages claimed by any person or organization for care, loss of services or death resulting at any time from the **bodily injury**.

Property damage that is loss of use of tangible property that is not physically injured will be deemed to occur at the time of the **occurrence**

that caused it. For the purposes of this Section, **electronic data** is not tangible property. **We** will not cover any loss, loss of use, deletion, corruption, or degradation of performance of any other **electronic data** equipment or material caused by **your** ownership, use, or operation of any **electronic data** equipment, material, or instructions, whether the damage or consequences was intentional or not.

This insurance applies to **bodily injury** and **property damage** only if:

- a. the **bodily injury** or **property damage** is caused by an **occurrence** which takes place in the **coverage territory**; and
- b. the **bodily injury** or **property damage** occurs during the policy period of this policy.

The amount **we** will pay for damages is limited as described in SECTION II – LIMITS OF LIABILITY.

COVERAGE F – MEDICAL PAYMENTS TO OTHERS

We will pay the necessary medical expenses that are incurred within three years from the date of an accident causing **bodily injury**. **We** will make these payments regardless of fault. Necessary medical expenses means reasonable charges for first aid administered at the time of the accident, medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to **you**, any other **insured**, or regular residents of **your** household except **residence employees**. As to others, this coverage applies only:

1. to a person on the **insured location** with the permission of an **insured**; or
2. to a person off the **insured location**, if the **bodily injury**:
 - a. arises out of a condition on the **insured location** or the ways immediately adjoining;
 - b. is caused by the activities of an **insured**;
 - c. is caused by a **residence employee** in the course of the **residence employee's** employment by an **insured**; or
 - d. is caused by an animal owned by or in the care of an **insured**, but not a **business**, including a farm, animal.
3. to a **residence employee** if the **occurrence** causing **bodily injury** occurs off the **insured location** and arises out of or in the course of the **residence employee's** employment by an **insured**.

These payments will not exceed the applicable limits of liability. This coverage applies only to accidents occurring in the **coverage territory** during the policy period.

SECTION II – EXCLUSIONS

1. **Coverage E – Personal Liability and Coverage F – Medical Payments to Others** do not apply to **bodily injury** or **property damage**:
 - a. resulting from intentional acts or directions of **you** or any **insured**. The expected or unexpected results or these acts or directions are not covered.
 - b. arising out of or in connection with **business** pursuits of an **insured** or the rental or holding for rental of any part of any premises by an **insured**.

This exclusion does not apply to the rental or holding for rental of any **insured location**:
 - (1) on an occasional basis if used only as a residence;
 - (2) in part, unless intended for use as a residence by more than two roomers or boarders; or
 - (3) in part, as an office, school studio or private garage.
 - c. resulting from any **insured's** regularly providing home day care services, or foster parenting services, at any time to a person or persons other than any **insured**, in return for which any **insured** receives monetary or other compensation or any other consideration. The providing of such services in exchange for such compensation is a **business**. Mutual exchange of home day care services, however, is not considered compensation.
 - d. arising out of the rendering of or failure to render professional services of any nature, even if covered by another policy.
 - e. arising out of any act or omission that occurs at, on, or in connection with a premises:
 - (1) owned or controlled by any **insured**;
 - (2) rented to any **insured**; or
 - (3) rented to others by any **insured**;
 that is not an **insured location**.
 - f. arising out of:
 - (1) the ownership, lease, rental, maintenance, use, loading or unloading of motor vehicles, **recreational vehicles**, or any other motorized land conveyances, including trailers, owned or operated by or rented or loaned to an **insured**;

- (2) the entrustment by an **insured** of a motor vehicle, **recreational vehicle** or any other motorized land conveyance to any person;
- (3) maintenance or use of any motor vehicle, **recreational vehicle**, or any other motorized land conveyance;
 - (a) on any highway or public road;
 - (b) on another's land, whether owned, leased, or rented, without expressed permission;
 - (c) on public or private lands where these conveyances are prohibited, whether posted or not;
 - (d) in any impromptu, prearranged, or organized race, speed trial, time trial or any other similar contest; or
- (4) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a conveyance excluded in paragraph (1), (2), or (3) above.

This exclusion does not apply to:

- (1) a trailer not towed by or carried on a motorized land conveyance.
 - (2) a motorized golf cart while being used to play golf on a golf course.
 - (3) a vehicle, **recreational vehicle** or conveyance not subject to motor vehicle registration:
 - (a) while being used to assist a handicapped person;
 - (b) while in dead storage on an **insured location**; or
 - (c) which is a lawn or garden tractor, with no more than a 30 horsepower engine rating, that is not used in any **business** and is not a **recreational vehicle**.
- g. arising out of:
- (1) the ownership, maintenance, use, loading or unloading of a watercraft described below;
 - (2) the entrustment by an **insured** of a watercraft described below to any person; or
 - (3) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a watercraft described below.

Watercraft:

- (1) with inboard or inboard-outdrive motor power owned by an **insured**;
- (2) with inboard or inboard-outdrive motor power of more than 50 horsepower rented to an **insured**;
- (3) that is a sailing vessel, with or without auxiliary power, 26 feet or more in length owned by or rented to an **insured**;
- (4) powered by one or more outboard motors with more than 25 total horsepower if the outboard motor is owned by an **insured**. But, outboard motors of more than 25 total horsepower are covered for the policy period if:
 - (a) **you** acquire them prior to the current policy period and:
 - 1) **you** declare them at the current policy inception; or
 - 2) **your** intention to insure is reported to **us** in writing within 45 days after **you** acquire the outboard motors.
 - (b) **you** acquire them during the current policy period and **your** intention to insure is reported to **us** in writing within 45 days after **you** acquire the outboard motors; or
- (5) designated as a jet ski, air boat, air cushion, hovercraft, personal watercraft or similar type of craft, unless endorsed on this policy.

This exclusion does not apply while the watercraft is stored.

h. arising out of:

- (1) the ownership, maintenance, use, operation, loading or unloading of any aircraft or hovercraft by any **insured** or any other person;
- (2) the leasing, or rental of an aircraft or hovercraft by any **insured**, including any aircraft loaned to any **insured**;
- (3) the entrustment by any **insured** of an aircraft to any person; or
- (4) vicarious liability whether or not statutorily imposed for the actions of a child or minor using an aircraft or hovercraft.

An aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people, cargo, photographic, video or electronic equipment. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles.

- i. all other damages actually or alleged to be caused, directly or indirectly, happened through, or in consequence of:

- (1) war, including undeclared war;
- (2) warlike action by a military force or military personnel, including action in hindering or defending against an actual, threatened, or expected attack, by any government, sovereign, or other authority using military personnel or other agents;
- (3) civil war, insurrection, rebellion, revolution, usurped power, or action taken by governmental authority to hinder or defend against any of these; or
- (4) **terrorism**, including any action taken to hinder or defend against an actual, threatened, or expected incident of **Terrorism**;

regardless of any other cause or event that contributes concurrently or in sequence to the injury or damage.

Discharge of a nuclear weapon or device will be deemed a warlike act even if accidental.

- j. arising from **sexual harm** committed, caused, instigated, or directed by:

- (1) **you**, any **insured** or any covered person; or
- (2) **your**, any **insured's** or any covered person's employee or agent;

whether or not such **bodily injury, personal injury or property damage** is:

- (a) intended;
- (b) expected; or
- (c) foreseeable;

by anyone.

- (3) This exclusion also applies to **bodily injury, personal injury or property damage** arising from the negligent:
 - (a) employment, hiring, contracting, and/or retention by anyone of a person who commits **sexual harm**;
 - (b) investigation of, or reporting or failure to report to the proper authorities, a person:
 - 1) employed;
 - 2) hired;

3) contracted; or

4) retained;

by you, or any **insured** and who commits **sexual harm**.

(c) failure of any **insured** or any covered person to seek medical, psychological, or other treatment, rehabilitation, or counseling, to prevent:

1) involvement in;

2) instigation of; or

3) continuation of;

sexual harm by:

1) any **insured**;

2) any **insured's** agent; or

3) any person employed, hired, contracted, and/or retained by any **insured**;

(4) supervision of a person who commits **sexual harm**;

(5) entrustment of a person to any other person who commits **sexual harm**;

(6) allowing, by anyone, of any other person to be in the presence of any person who commits **sexual harm**;

(7) failure by anyone to take action to stop any other person from being in the presence of any person who commits **sexual harm**, including but not limited to failure to warn such other or any person; or

(8) failure of anyone to prevent the commission of **sexual harm**.

Paragraphs (3) (a) and (b), (4), (5), (6), (7) and (8) above also apply to any person who may commit, has committed or is alleged to have committed **sexual harm**.

k. resulting from any **insured's** conduct, act, failing to act, or decision whether intentional, wrongful, negligent, or without fault while acting as a participant, member, officer, director, advisor, or trustee of any group, board, organization, or government body, whether or not elected.

This exclusion does not apply to loss assessment as defined under Section II – Additional Coverages, paragraph 4.

- l. arising out of the actual, alleged, attempted or threatened exposure to or transmission of any communicable disease, bacteria, parasite, virus, insects, rust, mold, mildew, wet rot or dry rot, any other fungi, other organism, sickness, condition or illness, regardless of whether any other cause, event, material, or product contributed concurrently or in any sequence to such injury or damage by:
 - (1) **you**;
 - (2) any members of **your** household;
 - (3) anyone **you** employ; or
 - (4) any other person acting on **your** behalf or at **your** direction.
- m. arising out of corporal punishment or physical or mental abuse; or arising out of **personal injury** except as covered by Section II, Additional Coverage.
- n. arising out of acts committed, or alleged to have been committed, by any **insured** that causes **personal injury**, **bodily injury** to, or damages property of, any other **insured** under the provisions of this policy.
- o. arising out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.
- p. arising out of:
 - (1) ownership, possession, controlling, keeping, harboring, or breeding or knowingly permitting any other person to own, possess, control, keep, harbor, or breed any dangerous exotic animal on any **insured premises**. The presence of any government agency permit does not negate this exclusion and this policy does not serve as evidence of liability insurance coverage for exotic animal owners, possessors, or breeders.
 - (2) the use of any livestock or other animal in, or while in practice or preparation for, a prearranged racing, speed, or strength contest, or prearranged stunting activity. But this exclusion applies only to **occurrences** arising out of such contests or activities that take place at the site designated for the contest or activity.
- q. arising from any nuclear reaction, nuclear radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.

- r. arising from loss, cost or expense, whether direct or indirect, and whether or not environmental:
- (1) which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at any time, by any person, organization or governmental authority;
 - (2) or arising out of any:
 - (a) request, demand or order that any **insured** or others test for, monitor, clean-up, remove, remedy, repair, contain, treat, detoxify or neutralize, or in any other way respond to, or assess the effects of **pollutants**, asbestos, lead, radium, radon, insects, rust, bacteria, mold, mildew, wet rot or dry rot, or any **fungi**; or
 - (b) fine, claim or suit by or on behalf of any person, organization or governmental authority for damages because of testing for, monitoring, cleaning up, removing, remedying, repairing, containing, treating, detoxifying or neutralizing, or in any other way responding to, or assessing the effects of **pollutants**, asbestos, lead, radium, radon, insects, rust, bacteria, mold, mildew, wet rot or dry rot, or any other **fungi**.
 - (c) supervision, instruction, disclosures, or failures to disclose, recommendations, warning, or advice given, or which allegedly should have been given, in connection with **bodily injury** or **property damage** from any consequence of rust, mold, **fungi**, bacteria, wet or dry rot or other microbes or the activities described in subpart (a) above; or
 - (d) obligation to share with or repay another who must pay damages because of **bodily injury** or **property damage** of the type described in this paragraph r. This applies regardless of any other cause that contributed directly or indirectly, concurrently or in any sequence to the **bodily injury** or **property damage**.

This exclusion does not apply to **bodily injury** or **property damage** arising out of heat or smoke from a hostile fire. As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it is intended to be.

- (3) any asbestos material or substitute or material containing lead; or
- (4) radon gas, radium, any other radioactive substance, any gas, any sound or light, all or any occurring at or emanating from any location.

We do not cover expenses incurred for investigation or defense of any claim or suit, clean-up costs, any other costs, fines, or penalties whatsoever related to (1), (2), (3), or (4) above.

- s. arising out of the sale or transfer of real property or any enclosed, inhabitable living space, including but not limited to the following:
 - (1) known or unknown property or structural defects;
 - (2) known or hidden defects in the plumbing, heating, air conditioning, or electrical systems;
 - (3) known or unknown soil conditions or drainage problems; or
 - (4) concealment or misrepresentation of any known defects.
- t. arising from damage, deletion, corruption, loss, loss of use or degradation of performance of any other **electronic data** equipment or material caused by **your** use or operation of any **electronic data** equipment, material, or instructions however caused.

Exclusions d., e., f., g., and h., do not apply to **bodily injury** to a **residence employee** arising out of and in the course of the **residence employee's** employment by an **insured**.

- 2. **Coverage E – Personal Liability**, does not apply to:
 - a. liability:
 - (1) for **your** share of any loss assessment charged against all members of an association, corporation or community of property owners, except as provided by Section II – Additional Coverages, 4. Loss Assessment; or
 - (2) under any contract or agreement whether written or unwritten.
 - b. **property damage** to property owned by an **insured**.
 - c. **property damage** to property rented to, occupied or used by or in the care of an **insured**. This exclusion does not apply to **property damage** caused by fire, smoke or explosion.
 - d. **bodily injury** to any person eligible to receive any benefits voluntarily provided; or required to be provided, by an **insured** under any:
 - (1) workers' compensation law;
 - (2) non-occupational disability law;
 - (3) occupational disease law;
 - (4) unemployment compensation law; or

- (5) any similar law.
 - e. **bodily injury or property damage** for which an **insured** under this policy:
 - (1) is also an **insured** under a nuclear energy liability policy; or
 - (2) would be an **insured** under that policy but for the exhaustion of its limit of liability.
 - f. **bodily injury to you** or any **insured** within the meaning of part a. or b. of **insured** as defined.
3. **Coverage F – Medical Payments to Others**, does not apply to **bodily injury**:
- a. to a **residence employee** if the bodily injury:
 - (1) occurs off the **insured location**; and
 - (2) does not arise out of or in the course of the **residence employee's** employment by an **insured**.
 - b. to any person eligible to receive any benefits voluntarily provided, or required to be provided, under any:
 - (1) workers' compensation law;
 - (2) non-occupational disability law;
 - (3) occupational disease law;
 - (4) unemployment compensation law; or
 - (5) any similar law.
 - c. from any:
 - (1) nuclear reaction;
 - (2) nuclear radiation; or
 - (3) radioactive contamination;

all whether controlled or uncontrolled or however caused.
 - d. to any person, other than a **residence employee** of an **insured**, regularly residing on any part of the **insured location**.

SECTION II – ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

1. **Claim Expenses. We pay:**
 - a. expenses **we** incur and costs taxed against an **insured** in any suit **we** defend;
 - b. premiums on bonds required in a suit **we** defend, but not for bond amounts more than the limit of liability for Coverage E. **We** need not apply for or furnish any bond;
 - c. reasonable expenses incurred by an **insured** at **our** request, including actual loss of earnings (but not loss of other income) up to \$50 per day, for assisting **us** in the investigation or defense of a claim or suit;
 - d. interest on the entire judgment which accrues after entry of the judgment and before **we** pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.
2. **First Aid Expenses. We** will pay reasonable expenses for immediate first aid administered within 24 hours of an accident to others, incurred by an **insured**, for **bodily injury** covered under this policy. **We** will not pay for first aid to **you** or any other **insured**.
3. **Damage to Property of Others. When you** have property of others entrusted to or loaned to **you**, or under **your** temporary control, **we** will pay limited benefits if **you** damage or destroy it accidentally.
 - a. **We** will pay the lesser of:
 - (1) replacement cost at the time of loss;
 - (2) full cost of repairs; or
 - (3) \$500 in any one occurrence.
 - b. **We** will not pay for **property damage**:
 - (1) for any amount recoverable under Section I of this policy;
 - (2) caused intentionally by any **insured** who is 13 years of age or older;
 - (3) to property owned by or rented to an **insured**;
 - (4) to property owned by or rented to a tenant of an **insured** or a resident of **your** household; or
 - (5) arising out of:
 - (a) professional services or an **insured's business** pursuits;

- (b) any act or omission in connection with a premises owned, rented or controlled by an **insured**, other than the **insured location**; or
- (c) the ownership, maintenance, or use of aircraft, hovercraft, watercraft, **recreational vehicle**, motor vehicles or any other motorized land conveyances.

This exclusion does not apply to a motorized land conveyance, or **recreational vehicle**, designed for recreational use off public roads, not subject to motor vehicle registration and not owned or leased by, or rented to or by, or available for the regular use of any **insured**.

- (d) damage, deletion, corruption, loss, loss of use or degradation of performance of any other **electronic data** equipment or material caused by **your** use or operation of any **electronic data** equipment, material, or instructions however caused.

4. **Loss Assessment.** We will pay up to \$1,000 for **your** share of any loss assessment charged during the policy period against **you** by a corporation or association of property owners, when the assessment is made as a result of:
 - a. each **occurrence** to which Section II of this policy would apply;
 - b. liability for each act of a director, officer or trustee in the capacity as a director, officer or trustee, provided;
 - (1) the director, officer or trustee is elected by the members of a corporation or association of property owners; and
 - (2) the director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.

This coverage applies only to loss assessments charged against **you** as owner or tenant of the **residence premises**.

We do not cover loss assessments charged against **you** or a corporation or association of property owners by any governmental body. **We** will not pay more than \$1,000 per **occurrence** or per act and not more than \$1,000 during the policy period.

Section II – Coverage E – Personal Liability Exclusion 2.a.(1) does not apply to this coverage.

5. **Personal Injury.** We will pay up to \$100,000 for loss or damages caused by **personal injury**, unless a higher limit of liability for this specific coverage is provided by endorsement and an additional premium paid. This limit applies to one event and to all events for these damages in a policy period.

Also, **Loss Assessment** listed immediately above this paragraph is amended to pay up to \$1,000 only for **your** share of loss assessment charged during this policy period against **you** by a corporation or association of property owners when the assessment is made as a result of **personal injury** not excluded elsewhere in this endorsement. This coverage applies only to loss assessments charged against **you** as an owner or tenant of the **residence premises**.

We do not cover assessments charged against **you** or a corporation or association of property owners by any governmental body.

Regardless of the number of assessments, the most **we** will pay for loss arising out of **personal injury** is \$1,000.

This Additional Coverage does not apply to **personal injury**:

- a. alleged, or harm caused by, any humiliation, embarrassment, alienation of affection, or **sexual harm**;
- b. caused by a willful violation of a penal law or ordinance committed by or with the knowledge or consent of any **insured**;
- c. (1) to a person arising out of any:
 - (a) refusal to employ that person;
 - (b) termination of that person's employment;
 - (c) employment-related practices, policies, acts of omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person; or
- (2) injury to the spouse, child, parent, brother, or sister of that person as a result of **personal injury** to that person at whom any of the employment-related practices described in paragraphs (a) through (c) above is directed.

This exclusion applies:

- (1) whether the **insured** may be liable as an employer or in other capacity; and
- (2) to any obligation to share damages with or repay someone else who must pay damages because of the injury.
- d. arising from any civic or public activities performed for pay by an **insured**; or
- e. to **you** or any **insured** within the meaning of part a. or b. of **insured** as defined, caused by **you** or any other **insured** under the provisions of this policy.

- f. (1) arising out of oral or written publication of material, if done by or at the direction of the **insured** with knowledge of its falsity;
- (2) arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- (3) for which an **insured** has assumed liability in any contract or agreement. This exclusion does not apply to:
 - (a) liability for damages that the **insured** would have in the absence of the contract or agreement;
 - (b) a written indemnity obligation **you** assumed directly relating to the ownership, maintenance or use of the **residence premises**.
- g. acts, attempts, coercion or threats of sexual or physical molestation, abuse, assault, harassment or harm caused, instigated or directed by any **insured**;
- h. exposure to or transmission of any disease, sickness or illness to another from any **insured**;
- i. caused by or at the direction of any **insured** with the knowledge that the act would violate the rights of another and would inflict **personal injury**;
- j. arising out of or in connection with any **business** conducted from an **insured location** or engaged in by any **insured**, whether or not the **business** is owned or operated by an **insured** or employs an **insured**. This applies to, but is not limited to, any act or omission regardless of its nature or circumstance, involving any service or duty rendered, promised, owed, or implied to be provided because of the nature of the business. But this exclusion does not apply to the rental or holding for rental of a covered item:
 - (1) occasionally if used only as a residence; or
 - (2) in part as an office, school, studio, or private garage endorsed elsewhere on this policy.
- k. arising from any **insured's** conduct, act, failure to act, or decision whether intentional, wrongful, negligent, or without fault while acting as a participant, member, officer, director, advisor, or trustee of any group, board, organization, or government body, whether or not elected.
- l. arising from the actual, alleged, or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**, at any time.
- m. arising from any loss, cost, or expense due to:

- (1) a request, demand or order that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of, **pollutants**, or
- (2) claim or suit by or on behalf of any governmental authority for damages because of testing for, monitoring, clean up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

SECTION II – CONDITIONS

1. **Limit of Liability.** Our total liability under Coverage E for all damages resulting from any one **occurrence** will not be more than the limit of liability for Coverage E as shown in the Declarations. This limit is the same regardless of the number of **insureds**, persons or organizations making claims or bringing suits, claims made or persons injured.

Our total liability under Coverage F for all medical expense payable for **bodily injury** as the result of one accident will not be more than the limit of liability for Coverage F as shown in the Declarations. This limit is the same regardless of the number of **insureds**, persons or organizations making claims or bringing suits, claims made or persons injured.

2. **Annual Aggregate Limits.** Our total liability under Coverage E and Coverage F for all incurred damages resulting during a policy period will not be more than three times the respective limit of liability for these coverages as shown in the Declarations.
3. **Severability of Insurance.** This insurance applies separately to each **insured**. This condition will not increase **our** limit of liability for any one **occurrence**.
4. **Duties After Loss.** In case of an accident or **occurrence**, the **insured** will perform the following duties that apply. **You** will help **us** by seeing that these duties are performed:
 - a. give prompt written notice to **us** or **our** agent as soon as is practical, which sets forth:
 - (1) the identity of the policy and **insured**;
 - (2) reasonably available information on the time, place and circumstances of the accident or **occurrence**; and
 - (3) names and addresses of any claimants and witnesses;
 - b. immediately forward to **us** every notice, demand, summons or other process relating to the accident or **occurrence**;
 - c. at **our** request, help **us**:
 - (1) to make settlement;

- (2) to enforce any right of contribution or indemnity against any person or organization who may be liable to an **insured**;
 - (3) with the conduct of suits and attend hearings and trials;
 - (4) to secure and give evidence and obtain the attendance of witnesses;
 - d. under the coverage, Damage to Property of Others, submit to **us** within 60 days after the loss a sworn statement of loss, and show the damaged property if in the **insured's** control;
 - e. the **insured** will not, except at the **insured's** own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the **bodily injury**;
 - f. cooperate with **us** in the investigation, settlement or defense of any claim or suit;
 - g. as often as **we** reasonably require, submit to examination(s) under oath and sign and swear to it.
5. **Duties of an Injured Person – Coverage F – Medical Payments to Others.**

The injured person or someone acting for the injured person will:

- a. give **us** written proof of claim, under oath if required as soon as is practical; and
- b. authorize **us** to obtain copies of medical reports and records.

The injured person will submit to a physical exam by a doctor of **our** choice when and as often as **we** reasonably require.

6. **Payment of Claim – Coverage F – Medical Payments to Others.** Payment under this coverage is not an admission of liability by an **insured** or **us**.

7. **Suit Against Us.** No action can be brought against **us** unless there has been full compliance with all the policy provisions of this Section.

No one will have the right to join **us** as a party to any action against an **insured**. Also, no action with respect to Coverage E can be brought against **us** until the obligation of the **insured** has been determined by final judgment or agreement signed by **us**.

8. **Bankruptcy of an Insured.** Bankruptcy or insolvency of an **insured** will not relieve **us** of our obligations under this policy.
9. **Other Insurance – Coverage E – Personal Liability.** This insurance is excess over other valid and collectible insurance except insurance written

specifically to cover as excess over the limits of liability that apply in this policy.

SECTION I AND II – CONDITIONS

1. **Policy Period.** This policy applies only to loss in Section I or **bodily injury** or **property damage** in Section II, which occurs during the policy period.
2. **Concealment or Fraud.** If **you** or any other **insured** under this policy has intentionally concealed or misrepresented any material fact or circumstance, or made false statements or engaged in fraudulent conduct relating to this insurance, whether before or after a loss, then this policy is void as to **you** and any other **insured**.
3. **Liberalization Clause.** If **we** make a change which broadens coverage under this edition of **our** policy without additional premium charge, that change will automatically apply to **your** insurance as of the date **we** implement the change, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

- a. a subsequent edition of this policy; or
 - b. an amendatory endorsement.
4. **Waiver or Change of Policy Provisions.** A waiver or change of a provision of this policy must be in writing by **us** to be valid. **Our** request for an appraisal or examination will not waive any of **our** rights.
 5. **Membership.** Membership in the Farm Bureau Federation is a condition precedent to coverage and that coverage may be cancelled or nonrenewed for failure to maintain current membership in the Farm Bureau Federation.
 6. **Cancellation.**
 - a. **You** may cancel this policy at any time by returning it to **us** or by notifying **us** in writing of the future date cancellation is to take effect.
 - b. When the policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded. When **you** request cancellation, or if **we** cancel, the return premium will be pro rata.
 - c. If the premium is not refunded with notice of cancellation or when the policy is returned to **us**, **we** will refund it within a reasonable time after the date of cancellation.

d. **We** may cancel this policy by notifying **you** in writing. This cancellation notice may be delivered to **you**, or mailed to **you** at **your** mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice. The written notification will be:

(1) 10 days in advance of the date of cancellation if the reason is for nonpayment of:

(a) any premium due **us**; or

(b) annual membership dues to the South Carolina Farm Bureau Federation.

(2) 30 days in advance of the date of cancellation for the reasons below:

(a) misrepresentation, fraud or withholding of material when the policy was obtained or when a claim was submitted;

(b) substantial change or increased hazard in the risk **we** originally agreed to insure;

(c) substantial breach of **your** contractual duties, conditions or warranties;

(d) loss of **our** reinsurance covering a significant portion of **your** policy, or if the continuation of **your** policy would imperil **our** solvency or place **us** in violation of the insurance laws of this state;

(e) any other reason lawfully permitted.

e. Subsection (2) (a) through (d) above do not apply to this policy if it has been in effect for less than 90 days and is not a renewal of a previously existing policy. Policies in effect for less than 90 days may be cancelled for any reason by furnishing 30 days written notice of cancellation, unless the reason is for nonpayment of:

(1) premium to **us**; or

(2) dues to the South Carolina Farm Bureau Federation

in which case **we** will furnish 10 days written notice.

7. **Non-Renewal.** **We** may elect not to renew this policy for any reason, including nonpayment of membership dues to the South Carolina Farm Bureau Federation. **We** may do so by delivering to **you**, or mailing to **you** at **your** mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

8. **Automatic Termination.** If we offer to renew or continue this policy and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer. Then, a new application, subject to underwriting rules and payment of premium, may be required to obtain new coverage.
9. **Assignment.** Assignment of this policy will not be valid unless we give our written consent.
10. **Subrogation.** If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another, we shall be subrogated to that right. That person shall:
 - a. do whatever is necessary to enable us to exercise our rights; and do nothing after loss to prejudice them;
 - b. reimburse us to the extent of our payment if a recovery from another person or party responsible for the loss has been made; and
 - c. be required to repay us if any settlement or judgment duplicates our payments.

Subrogation does not apply under Section II to Medical Payments to Others or Damage to Property of Others.

11. **Death.** If any person named in the Declarations or the spouse, if a resident of the same household, dies:
 - a. we insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death;
 - b. **insured** includes:
 - (1) any member of your household who is an insured at the time of your death, but only while a resident of the residence premises; and
 - (2) with respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

12. **Payment of Premium.** Checks in payment of your premium are accepted subject to collection. If a check is returned to us uncollected for any reason, your premium is considered unpaid.

If the check you gave us for payment of any premium due is returned unpaid, we are entitled to collect a lawful bad check fee. This fee is not considered premium and your payment of it does not reinstate this policy or provide any past or future coverage.

13. **Audit and Inspection Clause.** At our option, we may inspect your property and operations at any time. We do not assume any liability by exercising our right to inspect or audit. By our making any inspection or audit, we make no representation that your property or operations are safe, not harmful to health, or comply with any law, rule or regulation.
14. **Grace Period.** This grace period applies only to the premium due at the renewal inception date and does not apply to any subsequent payments due on your part of any installment or premium finance plan, nor any additional premium due to a policy change after renewal. If your premium due for renewal (including unpaid membership fees) is received by the Company within 15 days, exclusive of the due date, your policy will provide continuous protection without a lapse in coverage. After 15 days, the policy will expire as of the due date and an application for a new policy may be required.
15. **Fair Credit Reporting Act Statement.** At our option, we may conduct a credit investigation or obtain credit information on you, any insured or future insured, under this policy. This report will be used for underwriting purposes to determine if an offer of coverage will be made; if coverage may continue; or to determine rates, terms, or any other condition.

MUTUAL COMPANY CONDITIONS

Applies only to South Carolina Farm Bureau Mutual Insurance Company

This policy is issued by a mutual company having special regulations lawfully applicable to its organizations, membership, policies or contracts of insurance, of which the following shall apply to and form a part of this policy:

By virtue of this policy, the policyholder is a member of the Company and is entitled to vote, in person or by proxy, at all meetings of the members of the Company.

The policyholder shall participate in the return of unused premiums (dividends) to the extent and on the conditions determined, fixed and declared by the Board of Directors in accordance with the law.

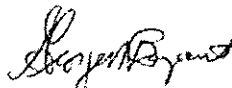
This policy is nonassessable. The holder of this policy is not subject to any contingent liability nor liability to assessment.

The **insured** is hereby notified that by virtue of this policy he is a member of the South Carolina Farm Bureau Mutual Insurance Company and that the bylaws of the Company fix the annual meeting at 12:00 o'clock Noon on the last Thursday in October of each year at the Company's Home Office.

IN WITNESS WHEREOF, this Company has executed and attested these presents; but this policy shall not be valid unless countersigned by the duly authorized Agent of this Company.



President



Secretary

PARTICIPATING CONDITIONS

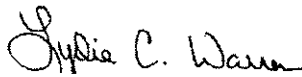
For Policies Issued in Southern Farm Bureau
Casualty Insurance Company Only.

While this policy is in force, the named insured is entitled to share in the distributable net earnings and savings of the **Company** in accordance with the dividends declared by the Board of Directors on this and like policies.

IN WITNESS WHEREOF, the **COMPANY** has caused this policy to be signed by its President and Secretary and countersigned on the **Declarations** page by a duly authorized representative of the **Company**.



President - CEO



Secretary

PALMETTO CASUALTY CONDITIONS

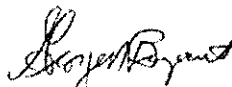
For Policies Issued in Palmetto Casualty Insurance Company Only

While this policy is in force, the named insured is entitled to share in the distributable net earnings and savings of this **Company** in accordance with the dividends declared by the Board of Directors on this and like policies.

IN WITNESS WHEREOF, this **Company** has caused this policy to be signed by its President and Secretary and countersigned on the **Declarations** page by a duly authorized representative of this **Company**.



President



Secretary

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF LANCASTER	)	SIXTH JUDICIAL CIRCUIT
	)	
	)	Civil Action No.: 2025-CP-29-00096
South Carolina Farm Bureau Mutual	)	
Insurance Company,	)	
	)	
Plaintiff,	)	ANSWER OF DEFENDANT ANGELA
	)	LEONE
-vs-	)	
	)	
John Milin and Angela Leone,	)	
	)	
Defendants.	)	

Defendant Angela Leone responds to Plaintiff's allegations as follows:

1. Every allegation of the Complaint not specifically admitted below is denied.

FIRST DEFENSE

Parties and Jurisdiction

2. Defendant admits the allegations of paragraphs 1-3.
3. Paragraph 4 contains a legal statement that does not require a response.
4. In response to paragraph 5, Defendant admits to being subject to the jurisdiction of this Court in regard to personal jurisdiction and venue.

SECOND DEFENSE

Factual Background

5. Defendant admits the allegations of paragraphs 6-14.
6. Defendant does not have sufficient information to respond to the allegations of paragraphs 15-16.

THIRD DEFENSE

First Declaration

7. In response to paragraph 17, Defendant repeats and reasserts each preceding paragraph as if set forth herein verbatim.
8. Defendant admits paragraph 18 to the extent that the stated language appears in the Farm Policy, but denies that this provision can apply over a separate policy with contradicting provisions.
9. Defendant denies paragraph 19 and asserts that the Homeowners Policy provides coverage limited to “excess over other valid and collectable insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.”
10. Defendant admits the allegations of paragraph 20.
11. Defendant does not have sufficient information to respond to the allegations of paragraph 21.
12. Defendant denies the allegations of paragraph 22.

FOURTH DEFENSE

Alternative Declaration

13. In response to paragraph 23, Defendant repeats and reasserts each preceding paragraph as if set forth herein verbatim.
14. Defendant admits the allegations of paragraph 24.
15. In response to paragraph 25, Defendant asserts that both punitive and non-punitive damages have been alleged in the underlying action.
16. Defendant denies the allegations of paragraph 26 and asserts that the stated provision does not preclude coverage of the damages sought in the underlying action.

WHEREFORE, Defendant prays that:

- i. Plaintiff's request for relief be denied;
- ii. This Court declare that the Farm Policy does provide liability coverage for the claims and damages alleged in the Underlying Action and that Farm Bureau be required to pay, indemnify, defend, or otherwise perform under that policy for any and all claims arising out of the June 13, 2023 dog incident; and
- iii. For such other and further relief as this Court deems just and equitable.

s/C. Baxter Burnette IV

C. Baxter Burnette IV

SC Bar No.: 103747

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414 E. Main Street

Rock Hill, SC 29730

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bburnette@burnettelaw.net

Rock Hill, South Carolina
February 26, 2025

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF LANCASTER

CIVIL ACTION NO: 2025-CP-29-00096

South Carolina Farm Bureau Mutual
Insurance Company,

Plaintiff,

v.

John Milin and Angela Leone,

Defendants.

**ANSWER OF DEFENDANT
JOHN MILIN**

Defendant John Milin (hereafter "Defendant") responds to Plaintiff's allegations as follows:

1. Every allegation of the Complaint not specifically admitted below is denied.

FIRST DEFENSE
(JURISDICTION AND VENUE)

2. Defendant admits Paragraphs 1-3.
3. Paragraph 4 contains a legal statement that does not require a response.
4. Upon information and belief, Paragraph 5 is admitted.
5. As to Paragraph 5, Defendant admits to being subject to the jurisdiction of this Court in regard to personal jurisdiction and venue.

SECOND DEFENSE
(FACTS)

6. As to Paragraph 6, and upon information and belief, Defendant admits Paragraphs 6-14.
7. As to Paragraph 15, Plaintiff offered Defendant \$305,000.00 from the homeowner's policy. In addition, Plaintiff offered \$100,000.00 from the farm

policy. Defendant has rejected these offers. Defendant denies all other allegations in this paragraph.

8. As to Paragraph 16, Plaintiff offered Defendant \$305,000.00 from the homeowner's policy. In addition, Plaintiff offered \$100,000.00 from the farm policy. Defendant has rejected these offers. Defendant denies all other allegations in this paragraph.

THIRD DEFENSE
(FIRST DECLARATION)

9. As to Paragraph 17, Defendant repeats and reasserts each preceding paragraph.
10. Defendant admits Paragraph 18 to the extent that the stated language appears in the Farm Policy but denies that this provision can apply over a separate policy with contradicting provisions.
11. Defendant denies Paragraph 19 and asserts that the Homeowner's Policy provides coverage limited to: "excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy."
12. Upon information and belief Paragraph 20 is admitted.
13. Paragraph 21 is admitted in part. Plaintiff offered Defendant \$305,000.00 from the homeowner's policy. In addition, Plaintiff offered \$100,000.00 from the farm policy. Defendant has rejected these offers. Defendant denies all other allegations in this paragraph.
14. Paragraph 22 is denied.

FOURTH DECLARATION
(Alternative Declaration)

15. As to Paragraph 23, Defendant repeats and reasserts each preceding paragraph.
16. As to Paragraph 24, Defendant Milin lacks sufficient information to form a belief as to the allegations of Paragraph 24, denies the same, and demands strict proof thereof.
17. Paragraph 25 is admitted.
18. As to Paragraph 26, Defendant Milin lacks sufficient information to form a belief as to the allegations of Paragraph 26, denies the same, and demands strict proof thereof.

WHEREFORE, Defendant prays that:

- i. Plaintiff's request for relief be denied;
- ii. This Court declares that the farm policy does provide liability coverage for the claims and damages alleged in the Underlying Action and that Farm Bureau be required to pay, indemnify, defend, or otherwise perform under that policy for any and all claims arising out of the June 13, 2023 dog incident; and,
- iii. For such other and further relief as this Court deems just and equitable. In support thereof, please find attached "EXHIBIT A (report from Setcavage Consulting, LLC)."

This the 19th day of March 2025.

/s/ Zachary D. Griffin

Zachary D. Griffin, S.C. Bar No.: 105225

Thomas E. Pope, S.C. Bar No.: 11289

Elrod Pope Law Firm P.A.

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Attorney for Defendant, John Milin

/s/ Mark S. Jetton, Jr.

Mark S. Jetton, Jr.

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markjetton@jettonmeredithlaw.com

Pro Hac Attorney for Defendant, John Milin

CERTIFICATE OF SERVICE

The foregoing Answer was served by Facsimile Transmission and E-Mail to all parties entitled to a copy of the same:

MURPHY & GRANTLAND, P.A.

J.R. Murphy, Esquire
SC Bar #7941
P.O. Box 6648
Columbia, SC 29260
803-782-4100

jrmurphy@murphygrantland.com

Attorneys for the Plaintiff South Carolina Farm Bureau Mutual Insurance
Company

BREHMER LAW FIRM, LLC

Karl S. Bremer
1720 Main St.
Suite 201
Columbia, SC 29202
803-771-6600

ksb@brehmerlawfirm.com

This the 19th day of March 2025.

/s/ Zachary D. Griffin

Zachary D. Griffin, Esquire

/s/ Mark S. Jetton, Jr.

Mark S. Jetton, Jr.

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ELECTRONICALLY FILED - 2025 Mar 19 3:00 PM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

February 25, 2025

Mark S. Jetton, Esq.
Jetton & Meredith, PLLC
817 E. Trade Street
Charlotte, NC 28202

RE: South Carolina Farm Bureau Mutual Insurance Company vs. John Milin and Angela Leone, Court of Common Pleas of Lancaster County, South Carolina

Dear Mr. Jetton:

You have requested my professional review, analysis and opinions of the applicable insurance policies documents relative to the conflicting “other insurance” clauses contained in each.

In this regard, you have provided me with the following documents:

- Policy Documents Regarding Policy Number: HO 0482350-0
- Policy Documents Regarding Policy Number: 390100000547

Specifically, you have asked for my professional policy analysis and interpretation of the other insurance clauses and how these two policies should interact based upon my 36 years in the insurance industry along with my subject matter expertise.

Additionally, you have asked for my professional opinion whether Farm Bureau had a reasonable basis for its denial based on an escape clause contained in a liability policy issued to Angela Leone based upon industry norms and standards.

The following will outline my professional opinions and analysis.

I. QUALIFICATIONS

Attached to this report is my Curriculum Vitae. In reaching the opinions and conclusions outlined in this report, I have relied upon my experience, specialized education, training and extensive background in handling automobile insurance claims spanning over the past three decades.

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From 1988 through 2012, I was employed by State Farm Mutual Automobile Insurance Company handling and supervising claims. Since resigning as a litigation team manager in 2012, my career has focused on consulting legal counsel relative to insurance coverage and claims and conducting insurance related mediations.

I have reviewed the claim practices and claim handling materials from many personal lines, property and casualty and commercial lines insurers and have become familiar with how various insurers have processed, handled, adjusted and supervised personal lines and commercial claims in both first and third-party contexts. I have learned industry claim handling standards based on personal study, training, industry education, research, and industry experience for more than 36 years.

My testimony has been admitted in both federal and state courts in many jurisdictions across the United States of America. I am a licensed claims adjuster in Texas, Florida and West Virginia and enjoy reciprocal agreements with most every state that requires licensing.

As an industry expert, I was asked to testify before the Pennsylvania Senate Banking & Insurance Committee relative to my analysis and opinions regarding the impact proposed changes to the Pennsylvania Motor Vehicle Financial Responsibility Law would have on the insurance industry in terms of verdicts, settlements, and premiums.

I am a past President of the Pennsylvania Defense Institute (PDI), one of the largest defense organizations in the country. In the seventeen years that I was an active member of PDI, I also was Chairman of several committees including Coverage and Claims Practices, and Amicus Curiae, a Director on the Board of Directors. In my leadership role, I interacted with the Defense Research Institute, a national organization, and attended various regional meetings and its national convention and Continuing Legal Education (CLE).

Additionally, I was the course planner for several Auto Law Continuing Legal Education (CLE) seminars. Throughout my career, I have attended professional seminars and continuing legal education seminars, both regional and national in scope, relating to, inter alia, insurance industry claim practices and procedures, auto law, policy and coverage and bad faith.

I have served as faculty for, inter alia, the Pennsylvania Association for Justice, the Pennsylvania Defense Institute, the Pennsylvania Bar Institute, the West Virginia Association for Justice, the Florida Justice Association, and the Kentucky Justice Association, relative to insurance, claims practices, bad faith, auto law and other related

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topics.

II. PURPOSE OF REVIEW

The purpose of my review analysis and opinions in this regard is not expressed to usurp the role of the ultimate factfinder, but rather to help the ultimate factfinder better understand the claim handling evidenced in this case against the backdrop of my industry training, education, considerable experience, and special expertise in the insurance claims industry.

In this regard, my analysis herein is solely intended to help the ultimate factfinder relate the facts of what happened in this case as applied to normal and customarily acceptable insurance claim industry standards and generally accepted industry practices.

III. “OTHER INSURANCE” CLAUSES

Conflicts between policies can arise when more than one policy covers the same insured for an occurrence and each policy has an “Other Insurance” clause which restricts the insurer’s exposure by reason of the existence of other coverage.

For example, two policies may contain other insurance clauses that completely void coverage and defer coverage to the other policy. This is when each policy has an “escape clause.” This conflict is known as an “escape” versus “escape,” and obviously, if permitted, would mean that neither insurer pays anything.

Another type of “Other Insurance” clause calls for proration between the concurrent coverages based upon policy limits. These clauses usually add the policy limits together and then prorate each company’s liability based on the policy limits on its policy. For example, if Company A issued a policy with policy limits of \$100,000, and Company B issued another with limits of \$200,000, then the total liability of company A is 1/3 of the loss up to its policy limits. Likewise, Company B would be responsible for 2/3 of the loss until its limits are exhausted.

Another type of “Other Insurance” clause is what is known as an “excess” clause. When these exist, the company holds that it will provide coverage to its insured on an excess basis when another policy exists. Essentially, when two concurrent policies have excess clauses, then they are both treated as primary, and each will pay one-half the loss until each policy is exhausted.

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The above examples discuss when two concurrent policies have the identical “other insurance” clauses. For example, escape versus escape, pro rata versus pro rata, or excess versus excess. However, what happens when the “other insurance” clauses differ and conflict in other ways? For example, one policy may contain an escape clause but provides concurrent coverage with another policy which contains an excess clause.

In fact, such is the case here. Both policies provide liability coverage for an otherwise covered occurrence, but both have clauses pertaining to “if there is other applicable coverage” that attempt to limit or escape coverage altogether.

When examining these issues, one must give due consideration to the fact that the insured has paid two premiums, not to mention all the public policy considerations.

Perhaps irrelevant, but one may argue that the analysis in the case at hand should be distinguished because the same company issued both policies. To that end, these policies involve standardized ISO policy language and regardless of if both policies were underwritten by the same or differing companies, the policy language would remain the same. There is no underwriting consideration that distinguishes this case from any other. The issue boils down to policy interpretation and public policy.

It is my understanding that Farm Bureau has denied liability coverage under the farm policy (\$1,000,000). In this policy, the “Other Insurance” section contains an “escape clause.”

The “Other Insurance” clause of an insurance policy should not be used to limit or deny coverage simply because there may be coverage under another policy. Courts across the United States have shown a general dislike for such clauses and are rarely if ever given effect, in my experience.

The case law cited by Farm Bureau in the case at hand that purportedly supports its denial is *South Carolina Ins. Co. v. Fid. & Guar. Ins. Underwriters, Inc.*, 327 S.C. 207, 211, 489 S.E.2d 200, 202 (1997).

Although I am not a lawyer and do not offer legal advice, in my reading this case stops well short of holding that escape clauses in “other insurance” sections are valid and enforceable. In fact, it states:

“When judges first set about the task of interpreting insurance policies, we looked confidently to tried and true principles of contract law. After all, lawyers are taught in their earliest classes that the common law rules of contract are the bedrock of all Anglo-American jurisprudence, thus

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judges clearly had at hand the perfect tools for crafting fair and lucid interpretations of insurance agreements. We failed utterly to anticipate the linguistic excesses to which the insurance industry would resort in order to avoid paying claims when “other insurance” may be available. This is an area in which hair splitting and nit picking has been elevated to an art form. “Other insurance” clauses have been variously described as: “the catacombs of insurance policy English, a dimly lit underworld where many have lost their way,” a circular riddle, and “polic[ies] which cross one's eyes and boggle one's mind.”

After review, I do not find this case stands for the proposition that South Carolina will always give effect to escape clauses or that it addresses escape clauses versus excess clauses in concurrent yet mutually repugnant claim scenarios. Accordingly, in my professional claims opinion, not legal opinion, this case does not provide a reasonable basis for Farm Bureau’s denial of coverage.

Case law about “Other Insurance” clauses and how competing clauses interact exists in most states, but the issue remains universal across all states. What is universally true is that courts have typically frowned upon insurers collecting a premium for an exposure and then subsequently relying on an escape clause to avoid paying a claim altogether.

It is my understanding that there is no dispute that Farm Bureau collected two separate premiums under two separate policies in exchange for liability coverage. This scenario is not different than if there were two separate companies involved. Fact is, except for the escape clause due to the existence of another policy, the policy in question specifically covers the claim presented and the insurer enjoyed an associated premium.

When the two policies are read together, the escape clause versus excess clause, the insured is left with no primary coverage. In another jurisdiction, this exact scenario led at least one court to conclude that the two policies conflicted. [*Hardware Dealers Mut. Fire Ins. Co. v. Farmers Ins. Exch.*, *Hardware Dealers Mut. Fire Ins. Co. v. Farmers Ins. Exch.*, 444 S.W.2d 583 (Tex. 1969) 444 S.W.2d 583 (Tex. 1969)]

When faced with this claim scenario, claim professionals are trained that the two “other insurance” clauses must be read together rather than separately. When doing so, clearly, they are in conflict. The insured is left in an untenable position and one in which no reasonable person would have ever guessed would happen having purchased two liability policies to protect oneself.

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Here, Farm Bureau has chosen its most convenient and least expensive way out of the claim by providing the lower limit of coverage while denying the claim under the liability policy with \$1,000,000 in liability coverage.

Courts have been generally uneasy about allowing a carrier who otherwise has a valid and payable claim before it to escape payment by way of an “other insurance” clause, especially considering they enjoyed the premiums associated with the undertaking of the risk.

LEONE APPLICABLE LIABILITY POLICY SUMMARY

There are two applicable liability policies, as outlined below:

	Company	Policy No.	Pers. Liability Limits	Other Ins. Clause Type
1	Farm Bureau	HO-0482350-0	\$300,000	Excess
2	Farm Bureau	390100000547	\$1,000,000	Escape

Generally, when two liability insurance policies cover the same loss, but one policy has an excess clause and the other has an escape clause, courts typically resolve the conflict based on the language of the policies and public policy considerations.

Definitions of the Clauses

1. **Excess Clause:** States that the policy will only pay after the other policy, the primary liability insurance coverage, is exhausted.
2. **Escape Clause:** States that the insurer will not provide coverage at all if there is any other valid insurance available.

Conflict Between the Two Clauses

- If strictly interpreted, the escape clause would attempt to relieve the insurer of liability entirely, while the excess clause would defer payment until the other policy is exhausted.
- This creates an insurance paradox: the escape policy disclaims coverage due to the existence of the other policy, and the excess policy refuses to pay until the first policy is exhausted.

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There are different approaches to resolving conflicting policy language, but common resolutions include:

1. **Disregarding the Escape Clause:** Many courts consider escape clauses unenforceable when they conflict with an excess clause. In addition to the fact that the insurer has collected a premium for an otherwise covered occurrence, one rationale is that an escape clause unfairly shifts the entire burden to the other insurer. It also leaves the insured exposed despite paying premiums for liability coverage and reasonably expecting coverage. In such cases, the policy with the escape clause is treated as primary, and the policy with the excess clause applies as excess after it is exhausted.
2. **Mutual Repudiation Approach:** Some courts hold that because the clauses are mutually repugnant, both insurers should share the loss on a pro rata basis, depending on the policy limits.
3. **Public Policy Considerations:** Courts may refuse to enforce an escape clause if it results in no coverage for an insured who reasonably expected protection. This is especially true when the insured has paid a separate premium in exchange for liability protection, where the limits of liability do not fully compensate injured victims, or leave the insured's financial interest exposed despite there being no dispute that the claim is covered but not for the escape clause.

Case Law Examples

- **Oregon Auto. Ins. Co. v. U.S. Fidelity & Guar. Co., 195 F.2d 958 (9th Cir. 1952):** A court disregarded the escape clause and treated that policy as primary.
- **Lamb-Weston, Inc. v. Oregon Auto. Ins. Co., 341 P.2d 110 (Or. 1959):** Established that conflicting clauses could be ignored, requiring insurers to contribute proportionally.

IV. CONCLUSIONS

After a careful review of the policies, it is my professional opinion that coverage under both policies applies to this occurrence. Thus, the total limits of coverage available should be \$1,300,000.

In many jurisdictions, the policy with the escape clause will be forced to provide primary coverage, and the excess policy will apply only after its limits are exhausted.

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In South Carolina, when two liability insurance policies cover the same loss—one containing an **excess clause** and the other an **escape clause**—courts typically find these clauses to be in conflict.

The South Carolina Supreme Court has addressed similar situations, particularly in the case of *South Carolina Insurance Company v. Fidelity and Guaranty Insurance Underwriters, Inc.*, 489 S.E.2d 200 (S.C. 1997). In that case, both policies contained “excess” clauses, and the court determined that these clauses were mutually repugnant. As a result, the court disregarded both clauses and required the insurers to share the loss on a pro rata basis according to their respective policy limits.

While the *South Carolina Insurance Company* case specifically dealt with two excess clauses, the court's reasoning suggests a general disfavor toward clauses that attempt to shift the entire burden of coverage to another insurer, such as escape clauses.

Therefore, in a scenario where one policy has an excess clause and the other an escape clause, a South Carolina court would likely find the clauses to be in conflict. They may then deem them mutually repugnant. Consequently, both policies would be required to provide primary coverage and share the loss proportionally. Alternatively, the policies may be required to apply as giving no effect to the escape clause, thus making it primary.

This approach aligns with the principle that insurance policies should not contain provisions that effectively negate coverage when other insurance is available, as such provisions can be contrary to public policy. By requiring policies to share the loss, courts aim to uphold the insured’s reasonable expectations of the purchased coverage and prevent insurers from avoiding their contractual obligations.

Accordingly, it is my opinion that in the case at hand because the probable value exceeds all available coverages of \$1,300,000, whether a court decides each must pay a pro rata share or whether the Farm (\$1,000,000) is deemed primary, it is a moot point for the purposes of this claim.

In this case, if deemed to pay on a pro rata basis, the total limits equal \$1,300,000, so the HO policy would pay its pro rata share, or 3/13 of the loss until its policy limits are exhausted. The Farm policy would cover 10/13 of the loss until its policy limits are exhausted.

However, it is my professional opinion that the escape clause is void and against public policy thus making it primary. It would be responsible for the first \$1,000,000, and the HO policy would apply on an excess basis.

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The professional opinions contained herein are made within a reasonable degree of professional certainty and are based upon my specialized and concentrated industry experience, knowledge, training, and education obtained during my 36+ years in the insurance claim handling industry.

Should additional information be provided to me for review, I reserve the right to supplement this report in the future as may be necessary.

Sincerely,

Stuart J. Setcavage

Stuart J. Setcavage, AIC, CCLA

STATE OF SOUTH CAROLINA COUNTY OF LANCASTER	IN THE COURT OF COMMON PLEAS SIXTH JUDICIAL CIRCUIT CASE NO.: 2025-CP-2900096
SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY PLAINTIFF, VS. JOHN MILIN AND ANGELA M. LEONE DEFENDANTS.	DEFENDANT MILIN’S MOTION FOR SUMMARY JUDGMENT

Defendant John Milin respectfully moves this Court for summary judgment on the grounds that there are no genuine issues of material fact and that the Farm Policy issued by Plaintiff provides coverage for the underlying incident as a matter of law.

FACTUAL AND PROCEDURAL BACKGROUND

On June 13, 2023, John Milin was attacked and injured by a dog while mowing the lawn at Angela Leone’s residence in Lancaster County, South Carolina. He subsequently filed suit against Leone for negligence in the Lancaster County Court of Common Pleas (Case No. 2024-CP-29-01058), seeking both compensatory and punitive damages.

At the time of the incident, Ms. Leone held two separate liability policies issued by Plaintiff South Carolina Farm Bureau Mutual Insurance Company (“Farm Bureau”): a \$300,000 Homeowners Policy and a \$1,000,000 Farm Policy. Farm Bureau initially defended Ms. Leone under the Homeowners Policy and tendered that policy’s full limit to Mr. Milin. It then denied any obligation under the Farm Policy, citing an escape clause, and filed this declaratory judgment action seeking to avoid coverage under the Farm Policy.

Defendant Milin now moves for summary judgment, asserting that the Farm Policy provides coverage for the incident and that Farm Bureau remains obligated to defend and indemnify Ms. Leone under its terms. As the material facts are not in dispute, the only remaining question is one of law—whether the Farm Policy applies to the loss—making this issue appropriate for resolution on summary judgment.

LEGAL STANDARD

Summary judgment is appropriate where the material facts are undisputed and the issue is one of law, such as whether an insurance policy provides coverage for a particular claim. *See Stevens v. Odom Scruggs & Assocs.*, 2020 S.C. C.P. LEXIS 5711. *See also OneBeacon Ins. Co. v. Metro Ready-Mix, Inc.*, 242 F. App'x 936, 939 (4th Cir. 2007).

Under Rule 56 of the South Carolina Rules of Civil Procedure, summary judgment is appropriate when there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. *Celotex Corp. v. Catrett*, 477 U.S. 317, 323–24 (1986). A fact is “material” if it might affect the outcome of the case, and it is “genuine” if a reasonable jury could return a verdict for the non-moving party. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248, 257 (1986).

Courts must view the facts and all reasonable inferences in the light most favorable to the non-moving party. *Scott v. Harris*, 550 U.S. 372, 380 (2007). Moreover, a mere scintilla of evidence or conclusory allegations is insufficient to avoid summary judgment. *Ross v. Communications Satellite Corp.*, 759 F.2d 355, 365 (4th Cir. 1985).

ARGUMENTS

A. The Homeowners Policy Does Not Preclude Farm Policy Coverage.

Plaintiff argues that the Homeowners Policy applies to the dog bite incident and, because Farm Bureau defended Ms. Leone and tendered that policy's limits, the Farm Policy is inapplicable. (Compl. ¶¶ 14–15, 22.) This reading is inconsistent with the policies' structure and settled South Carolina law.

The Homeowners Policy provides:

“This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess...”

(See Exhibit C to Compl., Homeowners Policy, Section II – Conditions, p.49, ¶ 9 (as identified in original)).

By contrast, the Farm Policy states:

“This Policy does not apply to any loss or damage or defense against a ‘suit’ which: (1) Is covered under any other policy... or (2) Would be covered under another policy... had the limits of such policy not been exhausted.”

(See Exhibit A to Compl., Farm Policy, Insurance Under More Than One Policy Endorsement, p. 111).

When read together, these provisions create a direct conflict: each policy attempts to defer to the other, leaving no clear primary coverage. Courts—including the South Carolina Supreme Court—have recognized that such circular “other insurance” provisions may be mutually repugnant and must be disregarded to avoid forfeiting coverage altogether. *See S.C. Ins. Co. v. Fidelity & Guaranty Ins. Underwriters*, 327 S.C. 207, 211–13, 489 S.E.2d 200 (1997). Other jurisdictions have reached the same conclusion under comparable circumstances. *See Hardware Dealers Mut. Fire Ins. Co. v. Farmers Ins. Exch.*, 444 S.W.2d 583, 589 (Tex. 1969)

(refusing to enforce conflicting excess clauses that would have nullified coverage); *Oregon Auto. Ins. Co. v. U.S. Fid. & Guar. Co.*, 195 F.2d 958, 959 (9th Cir. 1952) (same). While not controlling, these cases reflect a widely accepted principle in insurance law that contract provisions leading to total denial of coverage must yield to the insured’s reasonable expectations and the fundamental purpose of liability insurance.

This is precisely the type of conflict courts reject. Farm Bureau issued both policies and collected separate premiums for overlapping liability coverage. According to the opinion of insurance expert Stuart Setcavage, the two policies—issued by the same carrier and supported by separate premiums—create a structural defect in coverage when applied as Farm Bureau proposes. As he notes, “the insured is left with no primary coverage,” a result that conflicts with settled industry expectations and public policy. (See Exhibit 1 to Defendant John Milin’s Answer, filed March 19, 2025, pp. 6–7). The Farm Policy provides broader coverage and higher limits, and the incident falls within its scope. To permit Farm Bureau to invoke the Homeowners Policy as a basis for avoiding its obligations under the Farm Policy would defeat the insured’s reasonable expectations and violate settled public policy.

Enforcing both clauses as written would render them mutually repugnant—each attempting to defer coverage to the other—resulting in no operative liability coverage at all. As the Supreme Court held in *Fidelity*, such clauses should be disregarded to prevent an unreasonable and unintended denial of coverage.

B. Tender of the Homeowners Policy Limit Does Not Discharge the Farm Policy.

Farm Bureau contends that its tender of the \$300,000 limit under the Homeowners Policy discharges any remaining obligation under the Farm Policy. (Compl. ¶¶ 14–15, 22.) This contention is unsupported by the policies’ terms and inconsistent with settled legal principles.

First, nothing in the Farm Policy establishes that coverage under one policy cancels coverage under the other. Both policies were issued separately, for distinct premiums, and neither contains language terminating coverage based on performance under the other. While Farm Bureau relies on the Farm Policy’s escape clause, that provision is addressed separately below and does not apply once the Homeowners Policy is exhausted.

Second, South Carolina law disfavors efforts by insurers to avoid liability under one policy solely on the basis that they have performed under another, particularly where both policies were issued by the same carrier and supported by separate premiums. In *S.C. Farm Bureau Mut. Ins. Co. v. S.E.C.U.R.E. Underwriters*, 347 S.C. 333, 554 S.E.2d 870 (Ct. App. 2001), the Court of Appeals emphasized that Farm Bureau’s policy specifically addressed the type of risk at issue—injury caused by a household pet—and concluded that such coverage aligned with the parties’ reasonable expectations. Although the South Carolina Supreme Court later reversed the decision on the narrow ground that the “total policy insuring intent” doctrine should not be used to resolve conflicting “other insurance” clauses, it did not disturb the underlying concern that insurers should not frustrate the insured’s reasonable expectations, especially after issuing and collecting premiums for multiple layers of coverage. That principle remains persuasive under South Carolina law. *Id.* at 340, 554 S.E.2d at 874.¹

¹ The South Carolina Supreme Court reversed the Court of Appeals’ decision solely on the basis that the lower court improperly applied the “total policy insuring intent” rule to determine priority between two policies with unambiguous “other insurance” clauses. See *S.C. Farm Bureau Mut. Ins. Co. v. S.E.C.U.R.E. Underwriters Risk*

Third, Farm Bureau's interpretation is inconsistent with its own underwriting conduct. As explained in the Setcavage Expert Report, Farm Bureau accepted separate premiums for each policy, giving rise to the reasonable expectation that both would apply. Denying coverage under the Farm Policy solely because the Homeowners Policy was tendered would be inequitable and contrary to standard industry practices. (*See* Exhibit 1 to Defendant John Milin's Answer, filed March 19, 2025, pp. 6–7).

In short, the tender of one policy's limit does not void or suspend the obligations imposed by a second, valid and enforceable contract of insurance. Summary judgment is appropriate because the Farm Policy remains operative and applicable to the underlying loss.

C. The Escape Clause is Unenforceable and Cannot Bar Coverage.

Farm Bureau contends that the Farm Policy's escape clause eliminates its coverage obligations. That clause provides:

“This Policy does not apply to any loss or damage or defense against a ‘Suit’ which:
 (1) Is covered under any other policy or any renewal or replacement thereof; or
 (2) Would be covered under another policy... had the limits of such policy not been exhausted.”

(*See* Exhibit A to Compl., Farm Policy, Insurance Under More Than One Policy Endorsement, p. 111; *see also* Compl. ¶¶ 8, 16–18.)

This argument is unavailing for three independent reasons.

First, South Carolina courts narrowly construe “other insurance” and escape clauses—particularly where enforcing them would produce an unreasonable result or defeat the purpose of

Retention Grp., 353 S.C. 249, 578 S.E.2d 8, 11 (2003). The Supreme Court did not address or reject the Court of Appeals' discussion of the insured's reasonable expectations or the nature of the risks covered by the policies.

the coverage. In *South Carolina Insurance Co. v. Fidelity & Guaranty Insurance Underwriters*, the Supreme Court held that conflicting “other insurance” clauses—such as competing excess provisions—may be disregarded when their combined effect is to deny the insured all coverage. 327 S.C. 207, 213, 489 S.E.2d 200, 203 (1997). While *Fidelity* specifically involved two excess clauses, its underlying reasoning applies with equal force where an excess clause conflicts with an escape clause and yields the same forfeiture. Although the Court in *Fidelity* referenced the “total policy insuring intent” doctrine, the South Carolina Supreme Court later clarified in *S.C. Farm Bureau v. S.E.C.U.R.E.* that this doctrine should not override clear and unambiguous policy language. 353 S.C. 249, 254, 578 S.E.2d 8, 11 (2003).

The reversal in *S.E.C.U.R.E.* was expressly limited to that issue; the Court did not disturb the principle—endorsed in both *Fidelity* and the Court of Appeals’ opinion in *S.E.C.U.R.E.*—that courts may decline to enforce conflicting provisions that produce an unreasonable or illusory result. Accordingly, *Fidelity* remains instructive where, as here, the interaction of two clauses would eliminate coverage despite the insured having paid separate premiums for each policy. Importantly, the Court in *S.E.C.U.R.E.* did not overrule or disapprove of *Fidelity*’s core holding: that courts may disregard conflicting insurance clauses where their combined effect would eliminate coverage entirely. *Fidelity* remains binding authority on that point and directly applies here.

Second, Farm Bureau’s interpretation would result in precisely the kind of absurdity these cases warn against: the insured would be left with no operative coverage, despite having paid for two separate liability policies. The Homeowners Policy designates itself as excess. The Farm Policy attempts to escape coverage entirely. If both clauses are enforced, no coverage

remains—a result the *Fidelity* Court strongly criticized and the *SECURE* Court avoided by giving effect to unambiguous clauses only where they do not operate to defeat all coverage.

Third, Farm Bureau issued both policies and collected distinct premiums for each. As insurance expert Stuart Setcavage explains, when the two policies are read together, the insured is left with no primary coverage at all. (*See* Exhibit 1 to Defendant John Milin’s Answer, filed March 19, 2025, p. 6.) That outcome not only frustrates the reasonable expectations of the insured, but effectively renders the coverage illusory—purporting to insure a risk for which no coverage would ever apply if another policy exists. South Carolina courts have long held that ambiguous or conflicting terms that defeat the essential purpose of coverage must be construed against the insurer. *See Fidelity*, 327 S.C. at 213, 489 S.E.2d at 203. While the Farm Policy’s escape clause may be facially unambiguous in isolation, enforcing it here—after exhaustion of the Homeowners Policy—would result in a complete forfeiture of coverage, contrary to the principles reaffirmed in *Fidelity* and *City of Hartsville v. S.C. Mun. Ins. & Risk Fin. Fund*, 382 S.C. 535, 544, 677 S.E.2d 574, 578 (2009). Even under *SECURE*, such an outcome cannot stand where it contradicts the structure of the policies and the reasonable expectations created by the insurer’s conduct.

Accordingly, the Farm Policy’s escape clause cannot operate to nullify its grant of coverage in this case. It is unenforceable to the extent it contradicts the structure and purpose of the two coordinated policies and the insurer’s own conduct in issuing them. Summary judgment should be granted.

D. The Escape Clause Does Not Apply After Policy Exhaustion.

Farm Bureau next argues that, because it exhausted the \$300,000 limit of the Homeowners Policy, it owes no coverage under the Farm Policy. (Compl. ¶¶ 18–22.) This interpretation misreads the Farm Policy’s escape clause, which expressly distinguishes between available coverage and policies whose limits have been exhausted. The clause provides:

*“This Policy does not apply to any loss or damage or defense against a ‘Suit’ which:
(1) Is covered under any other policy or any renewal or replacement thereof; or
(2) Would be covered under another policy... had the limits of such policy not been exhausted.”*

(See Exhibit A to Compl., Farm Policy, Insurance Under More Than One Policy Endorsement, p. 111)

The plain language of the escape clause independently supports coverage under the Farm Policy once the limits of another policy have been exhausted. To interpret it otherwise would render clause (2) meaningless and contradict the language Farm Bureau itself selected. This reading avoids the absurd result of leaving the insured with no operative coverage, despite having purchased and paid separate premiums for two liability policies from the same insurer. This concern is amplified where, as here, the insurer first invokes one policy to limit its liability, and then seeks to avoid its obligations under the other.

While the Court of Appeals in *S.E.C.U.R.E.*—later reversed by the South Carolina Supreme Court for its reliance on the “total policy insuring intent” doctrine—observed that denying coverage under a policy tailored to a known risk may frustrate an insured’s reasonable expectations, that broader policy concern remains relevant. The Supreme Court’s opinion did not address or reject that portion of the lower court’s reasoning, and nothing in its holding suggests that public policy concerns about illusory coverage or unfair denial of protection under

separately paid-for policies should be disregarded. *See* 347 S.C. at 340, 554 S.E.2d at 874. Even after reversal, the principle that coverage should not be denied under overlapping policies for which separate premiums were paid remains a valid interpretive guidepost.

According to insurance expert Stuart Setcavage, applying the escape clause after the Homeowners Policy is exhausted would leave the insured without any coverage, despite having paid for two layers of liability protection. (*See* Exhibit 1 to Defendant John Milin’s Answer, filed March 19, 2025, pp. 6–7.) The Farm Policy remains enforceable and must respond once the other policy’s limits have been depleted.

E. The Punitive Damages Exclusion Does Not Bar Defense or Coverage.

As an alternative argument, Farm Bureau contends that the Farm Policy excludes coverage for punitive damages and therefore does not apply to that portion of the underlying claim. (Compl. ¶¶ 24–26.) However, this exclusion is narrow and has no bearing on the duty to defend or the obligation to indemnify for compensatory damages. The policy provides:

“We will pay those sums that the 'insured' becomes legally obligated to pay as damages... except 'punitive damages' and/or exemplary damages...”

(*See* Exhibit A to Compl., Farm Policy, Farm Liability Coverage Form, 1(a), p. 86)

South Carolina courts consistently enforce unambiguous exclusions, but they distinguish between the narrower duty to indemnify and the broader duty to defend. If any portion of the underlying complaint is potentially covered—such as a negligence claim alleging bodily injury—the insurer is obligated to defend the entire action. *City of Hartsville v. S.C. Mun. Ins. & Risk Fin. Fund*, 382 S.C. 535, 544, 677 S.E.2d 574, 578 (2009).

Here, the underlying suit alleges negligence and seeks compensatory damages that fall squarely within the scope of the Farm Policy’s liability coverage. Even if the punitive damages

exclusion applies, it does not eliminate coverage—it merely limits one category of potential recovery. The remaining claims for compensatory damages, including those based on bodily injury from alleged negligence, trigger a duty to defend under *Hartsville*. The potential for covered liability is sufficient to obligate defense of the entire action, even if punitive damages are ultimately excluded from indemnity. Any question regarding the enforceability of that exclusion may be addressed later, if punitive damages are ultimately awarded. It does not affect the dispositive issue before the Court: the Farm Policy applies to the June 13, 2023, incident.

CONCLUSION

This case presents a straightforward legal question: whether Farm Bureau may avoid its contractual obligations under the Farm Policy based solely on its performance under a separate, limited Homeowners Policy—despite collecting premiums for both. The answer is no. South Carolina law does not permit insurers to use conflicting or ambiguous “other insurance” clauses to deny coverage where valid policies apply, and public policy strongly disfavors outcomes that leave insureds unprotected after having paid for overlapping coverage.

The escape clause cannot be enforced to nullify coverage for which the insured separately paid. Its application here would conflict with the Homeowners Policy’s excess provision and disregard the plain language of clause (2), which contemplates coverage once other policy limits are exhausted. Most importantly, it would create a scenario in which neither policy provides coverage for a risk that both were arguably designed to insure. South Carolina courts have repeatedly rejected constructions that produce such unreasonable or illusory outcomes, particularly where the insurer drafted both policies and collected separate premiums for overlapping coverage.

Moreover, the exclusion for punitive damages—while potentially limiting indemnity—has no bearing on the Farm Bureau’s broader duty to defend or its obligation to indemnify for compensatory losses.

Accordingly, there are no genuine issues of material fact, and Defendant Milin is entitled to judgment as a matter of law. The Court should enter an order declaring that:

1. The Farm Policy issued by South Carolina Farm Bureau Mutual Insurance Company provides coverage for the June 13, 2023 incident;
2. Farm Bureau has a duty to defend Angela Leone in the underlying lawsuit;
3. Farm Bureau has a duty to indemnify Angela Leone for any compensatory damages awarded in that suit, up to the Farm Policy’s liability limits.

Respectfully submitted,

s/Zachary D. Griffin

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Pro Hac Attorney for Defendant John Milin

May 21, 2025

Rock Hill, South Carolina

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF LANCASTER

CIVIL ACTION NO: 2025-CP-29-00096

South Carolina Farm Bureau Mutual Insurance
Company,

Plaintiff,

v.

John Milin and Angela Leone,

Defendants.

**PLAINTIFF'S MOTION FOR SUMMARY
JUDGMENT**

TO: MARK S. JETTON, JR., ESQUIRE, ATTORNEY FOR DEFENDANT JOHN MILIN AND C. BAXTER BURNETTE, IV, ESQUIRE, ATTORNEY FOR DEFENDANT ANGELA LEONE AND TO THE DEFENDANTS ABOVE-NAMED:

YOU WILL PLEASE TAKE NOTICE that the undersigned, as attorneys for the Plaintiff, South Carolina Farm Bureau Mutual Insurance Company, will move before the presiding judge of the Lancaster County Court of Common Pleas at the Lancaster County Courthouse at 10:00 a.m. on the tenth (10th) day after service hereof, or as soon thereafter as counsel may conveniently be heard, for an Order granting summary judgment in favor of the Plaintiff, South Carolina Farm Bureau Mutual Insurance Company, on grounds that **there is no genuine issue as to any material fact.**

This Motion is made pursuant to Rule 56 of the South Carolina Rules of Civil Procedure and will be supplemented and supported by such affidavits, depositions, discovery responses, memoranda of law, and such other documents as appropriate.

MURPHY & GRANTLAND, P.A.

s/J.R. Murphy

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Attorneys for the Plaintiff South Carolina Farm
Bureau Mutual Insurance Company

Columbia, South Carolina
June 25, 2025

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF LANCASTER

CIVIL ACTION NO: 2025-CP-29-00096

South Carolina Farm Bureau Mutual Insurance
Company,

Plaintiff,

v.

John Milin and Angela Leone,

Defendants.

**SOUTH CAROLINA FARM BUREAU
MUTUAL INSURANCE COMPANY'S
MEMORANDUM IN SUPPORT OF ITS
MOTION FOR SUMMARY JUDGMENT**

Plaintiff South Carolina Farm Bureau Mutual Insurance Company ("Farm Bureau"), by and through its undersigned counsel, respectfully submits this Memorandum in Support of its Motion for Summary Judgment.

SUMMARY

Farm Bureau issued two policies to Angela Leone – a homeowners policy and a farm policy. John Milin brought suit against Angela Leone arising out of a June 13, 2023 dog bite incident. The homeowners policy provides liability coverage for the dog bite incident. Farm Bureau has tendered its limits under that policy and is currently providing its insured a defense in the underlying dog bite action.

This declaratory judgment action concerns the enforcement of a provision in the farm policy. Under the plain terms of the farm policy, the farm policy does not apply to any loss or damage or defense against a suit which is covered under any other policy or would be covered under another policy, had the limits of such policy not been exhausted. Since the homeowners policy provides liability coverage for the incident at issue, this policy provision applies, and the farm policy provides no liability coverage for that incident. Therefore, Farm Bureau is entitled to

summary judgment declaring that the farm policy provides no liability coverage, including no duty to defend, for the June 13, 2023 dog bite incident.

FACTUAL BACKGROUND

I. The Underlying Action

On August 15, 2024, John Milin filed suit in the Lancaster County Court of Common Pleas against Angela Leone, Civil Action No. 2024-CP-29-01058 (hereinafter the “Underlying Action”). (Ex. A, Underlying Complaint). The complaint in the Underlying Action alleges that on June 13, 2023 John Milin was cutting the grass at Angela Leone’s property when he was attacked by her dog. (*Id.* at ¶¶ 3-12). The complaint in the Underlying Action alleges that John Milin sustained injuries as a result of the dog attack. (*Id.* at ¶ 12). It alleges that the incident took place on Angela Leone’s property located at 3135 Old Hickory Road in Lancaster, South Carolina. (*Id.* at ¶¶ 3-4).

II. The Farm Bureau Homeowners Policy

Farm Bureau issued a homeowners policy, Policy No. HO 0482350, to Angela Leone with effective dates of February 9, 2023 to October 7, 2023 (hereinafter the “Homeowners Policy”). (Ex. B, Homeowners Policy). The Homeowners Policy lists the residence premises as 3135 Old Hickory Road, Lancaster, South Carolina. (*Id.*). The Homeowners Policy provides a \$300,000 personal liability limit. (*Id.*). Farm Bureau is providing a defense for Angela Leone in the Underlying Action under the Homeowners Policy. (Ex. C, Aff. of Joseph Barrett ¶ 4). Farm Bureau has tendered the Homeowners Policy’s \$300,000 personal liability limit to counsel for John Milin for the claims he alleges against Angela Leone in the Underlying Action. (*Id.* at ¶ 5). The Homeowners Policy provides liability coverage for the claims alleged against Angela Leone in the Underlying Action. *See* (Ex. B, Homeowners Policy).

III. The Farm Bureau Farm Policy

Farm Bureau issued a farm policy, Policy No. 390100000547, to Angela Leone with effective dates of October 6, 2022 to October 6, 2023 (hereinafter the “Farm Policy”). (Ex. D, Farm Policy). The Farm Policy lists the farm location as 3135 Old Hickory Road, Lancaster, South Carolina. (*Id.*). The Farm Policy provides coverage to persons qualifying as insureds for liability arising out of certain risks set forth in the insuring agreement and excludes certain risks through the policy exclusions and limitations. The Farm Policy provides in pertinent part:

SECTION III – FARM LIABILITY CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

Loss Conditions

6. Other Insurance

This condition applies only if, in addition to the insurance provided under this Coverage Form, the “insured” has other insurance under this or any other policy covering the same obligations to pay damages and provide defense against “suits” for damages.

- a. We will pay only the portion of covered damages and related defense costs that the applicable Limit of Insurance under this Coverage Form bears to the total amount of all your insurance, in covered “occurrences” arising from any cause except the ownership, maintenance, use, operation or “loading or unloading” of a:
 - (1) “Motor vehicle”;
 - (2) Vehicle which qualifies as “mobile equipment” only while used on premises you own or rent; or
 - (3) Watercraft.
- b. In covered “occurrences” arising from the ownership, maintenance, operation, use, or “loading or unloading” of a conveyance described in Paragraphs a.(1), (2) or (3) above, this insurance will not apply to the extent that any collectible insurance, whether primary, excess or contingent, is available to any “insured”.

INSURANCE UNDER MORE THAN ONE POLICY

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

The following Paragraph c. is added to Loss Condition **6. Other Insurance** in Section **III – Farm Liability Conditions**:

- c. However, regardless of the provisions of Paragraphs **a.** and **b.** above, this Policy does not apply to any loss or damage or defense against a "suit" which:
 - (1) Is covered under any other policy or any renewal or replacement thereof;
 - or
 - (2) Would be covered under another policy or any renewal or replacement thereof, had the limits of such policy not been exhausted.

(*Id.* at pp. 102-103, 111). Thus, the Farm Policy does not provide liability coverage for any loss or damage or defense against any suit which is covered under any other policy or would be covered had the limits of such policy not been exhausted.

ARGUMENT

Under South Carolina law, policy limitations on coverage are generally enforceable. The Farm Bureau Farm Policy provision at issue precludes liability coverage for any loss or damage or defense against a suit which is covered under any other policy or would be covered under another policy, had the limits of such policy not been exhausted. The Farm Bureau Homeowners Policy provides liability coverage for the June 13, 2023 dog bite incident. Farm Bureau is providing a defense and indemnification to its named insured under the Homeowners Policy. Therefore, the Farm Bureau Farm Policy provision is enforceable in accordance with its plain terms. Moreover, contrary to Defendant Milin’s arguments, the “other insurance” provision in the Homeowners Policy does not prevent enforcement of this provision in the Farm Bureau Farm Policy. The Homeowners Policy provides the primary and only coverage for the incident at issue. Therefore, Farm Bureau is entitled to summary judgment.

I. Under South Carolina law, policy limitations on coverage are generally enforceable.

“Insurance companies and insureds are generally free to contract for exclusions or limitations on coverage.” *Nationwide Ins. Co. of Am. v. Knight*, 433 S.C. 371, 375, 858 S.E.2d 633, 635 (2021). “[I]nsurers have the right to limit their liability and to impose conditions on their obligations provided they are not in contravention of public policy or a statutory prohibition.” *South Carolina Farm Bureau Mut. Ins. Co. v. Dawsey*, 371 S.C. 353, 356, 638 S.E.2d 103, 104 (2006). Courts “must enforce, not write, contracts of insurance and . . . must give policy language its plain, ordinary and popular meaning.” *Fritz-Pontiac-Cadillac-Buick v. Goforth*, 312 S.C. 315, 318, 440 S.E.2d 367, 369 (1994). “[P]arties have a right to make their own contract and it is not the function of the court to rewrite it or torture the meaning of a policy to extend coverage never intended by the parties.” *Torrington Co. v. Aetna Cas. & Sur. Co.*, 264 S.E.2d 636, 643, 216 S.E.2d 547, 550 (1975). Therefore if “the contract’s language is clear and unambiguous, the language alone determines the contract’s force and effect.” *Ballard v. Admiral Ins. Co.*, 442 S.C. 22, 34, 897 S.E.2d 183, 189 (Ct. App. 2023); *see also Bell v. Progressive Direct Ins. Co.*, 407 S.C. 565, 579, 757 S.E.2d 399, 406 (2014) (“Thus, when a contract is unambiguous, clear, and explicit, it must be construed according to the terms the parties have used.”) (citation omitted). “The court’s duty is limited to the interpretation of the contract made by the parties themselves” *B.L.G. Enterprises, Inc. v. First Financial Ins. Co.*, 334 S.C. 549, 535, 514 S.E.2d 327, 330 (1999) (cleaned up) (citations omitted).

II. Under South Carolina law, the Farm Bureau Farm Policy provision is enforceable in accordance with its plain terms.

The Farm Bureau Farm Policy provision at issue states: “[T]his Policy does not apply to any loss or damage or defense against a "suit" which [i]s covered under any policy other...or [w]ould be covered under another policy...had the limits of such policy not been exhausted.” (Ex. D, Farm Policy, p. 111). The provision at issue is a type of “escape clause” – “which provides that

an insurer is absolved of all liability if other coverage is available.” *South Carolina Ins. Co. v. Fid. & Guar. Ins. Underwriters, Inc.*, 327 S.C. 207, 211, 489 S.E.2d 200, 202 (1997). Under the Homeowners Policy – also issued by Farm Bureau, Farm Bureau is paying for the insured’s defense in the Underlying Action. Farm Bureau is also providing indemnity for the insured under the Homeowners Policy. The Homeowners Policy provides coverage for the claims in the Underlying Action. Therefore, the Farm Bureau provision applies according to its plain terms. The Farm Policy does not apply to the loss, damages, or defense in the Underlying Action because they are “covered under another policy” – the Homeowners Policy – or would be covered under the Homeowners Policy “had the limits of such policy not been exhausted.” (Ex. D, Farm Policy, p. 111). This does not leave the named insured without any liability coverage. She has primary liability coverage under the Homeowners Policy for the incident at issue. This policy provision simply prevents overlapping, double coverage for the same named insured.

No South Carolina statute or public policy prevents enforcement of an escape clause, particularly when the same insurer has issued another policy to the same insured that provides coverage for the loss at issue. *See Ferromontan, Inc. v. Georgetown Steel Corp.*, 535 F. Supp. 1198, 1213 (D.S.C. 1982), *aff’d*, 758 F.2d 646 (4th Cir. 1985), and *aff’d sub nom. Raw Material Corp. v. Ryan-Walsh Stevedoring Co.*, 758 F.2d 648 (4th Cir. 1985) (enforcing escape clause and citing numerous other cases that have enforced them). The South Carolina Supreme Court has sustained the validity of escape clauses where only one of two policies contains such a clause. In *Spann v. Phoenix Ins. Co. of Hartford, Conn.*, 83 S.C. 262, 65 S.E. 232 (1909), the court upheld the validity of an escape clause which stated:

The entire policy... shall be void, if the insured now has or shall hereafter make or procure any other contract of insurance, whether valid or not, on the property covered ...by this policy.

Id. at 232. The court held that the policy was voided by the purchase of additional insurance by the insured. This principle was reiterated in *Camden Wholesale Grocery v. Nat'l Fire Ins. Co. of Hartford, Conn.*, 106 S.C. 467, 91 S.E. 732, 734 (1917), *Young v. St. Paul Fire & Marine Ins. Co.*, 68 S.C. 387, 47 S.E. 681, 682 (1904), and *Walker v. Queen Ins. Co.*, 136 S.C. 144, 134 S.E. 263, 273 (1926).

In short, these South Carolina cases indicate that escape clauses such as the one present in the Farm Policy are valid and are to be construed and applied according to their plain terms. With respect to these clauses, a policy of insurance is nothing more than a contract between the insurance carrier and its insured and is to be governed by the ordinary rules of interpretation of contracts. Moreover, Farm Bureau – being the same entity that issued both the Homeowners Policy and the Farm Policy to the same named insured – was aware of its other policy issued to this insured when setting the premium rates for the policies.¹ As demonstrated by the escape clause, it did not intend to provide liability coverage under the Farm Policy for a loss covered under the Homeowners Policy.

III. The “excess” clause in the Farm Bureau Homeowners Policy does not prevent enforcement of the “escape” clause in the Farm Bureau Farm Policy.

To the extent the Defendants argue that the “other insurance” provision in the Homeowners Policy prevents application of the escape clause in the Farm Policy, such argument is without merit. According to the South Carolina Supreme Court, the four most common forms of “other insurance” clauses are:

(1) the “pro rata” clause, which provides that the insurer will pay its share of the loss in the proportion its policy limits relates to the aggregate liability coverage available; (2) **an “excess” clause, which provides that an insurer will pay a loss only after other available primary insurance is exhausted;** (3) an “escape”

¹ Both policies were obtained from insurance agent Tom Baker. *Compare* (Ex. B, Homeowners Policy, pp. 1,4) *with* (Ex. D, Farm Policy, p. 3).

clause, which provides that an insurer is absolved of all liability if other coverage is available; and (4) an “excess escape” clause, which provides that the insurer is liable for that amount of a loss exceeding other available coverage and that the insurer is not liable when other available insurance has limits equal to or greater than its own.

South Carolina Ins. Co., 327 S.C. at 211–12, 489 S.E.2d at 202 (emphasis added).

The Farm Bureau Homeowners Policy’s “other insurance” provision provides:

Other Insurance – Coverage E – Personal Liability. This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

(Ex. B, Homeowners Policy, p. 66-67). This is an “excess” clause. *See S.C. Farm Bureau Mut. Ins. Co. v. S.E.C.U.R.E. Underwriters Risk Retention Grp.*, 353 S.C. 249, 254, 578 S.E.2d 8, 11 (2003) (labeling this exact “other insurance” provision as an “excess” provision).

The Farm Bureau Farm Policy’s “other insurance” provision states that “this Policy does not apply to any loss or damage or defense against a "suit" which is covered under any other policy... or [w]ould be covered under another policy...had the limits of such policy not been exhausted.” (Ex. D, Farm Policy, p. 111). This is an “escape” clause – one that provides that “an insurer is absolved of all liability if other coverage is available.” *See South Carolina Ins. Co.*, 327 S.C. at 211–12, 489 S.E.2d at 202.

“When two policies both contain ‘excess’ clauses, most courts have regarded the clauses as mutually repugnant and have treated both policies as primary, ordering proration of the loss.” *Id.* at 215, 489 S.E.2d at 204. However, here, we are not dealing with two competing “excess” clauses. We are dealing with one “excess” clause and one “escape” clause. In this situation, courts enforce the escape clause. *See, e.g., Hodgen v. Forest Oil Corp.*, 862 F. Supp. 1567, 1577 n. 43 (W.D. La. 1994) (“A review of the INA and Store-brand policies indicates that the INA policy has a ‘pro-rata’ other insurance clause, and the Store-brand policy has an ‘excess’ other insurance

clause....Since neither clause is mutually repugnant from the Commercial Union/Albany ‘escape’ clause, we find that the escape clause may be enforced.”); *State Farm Mut. Auto. Ins. Co. v. Burgin*, 752 F. Supp. 877, 884-86 (W.D. Ark. 1990); *State Auto. Mut. Ins. Co. v. Ryder Truck Rental, Inc.*, 627 So. 2d 1326, 1327 (Fla. Dist. Ct. App. 1993).

The Homeowners Policy provides some type of coverage irrespective of whether there is other coverage provided by another insurance carrier. In other words, that policy always provides either primary coverage or excess coverage. *Monumental Paving & Excavating, Inc. v. Pennsylvania Manufacturers' Ass'n Ins. Co.*, 176 F.3d 794, 800 (4th Cir. 1999) (“Under an excess clause the insurer remains liable up to the limits of the policy containing the excess clause. This is distinct from an ‘escape’ clause which provides that the insurer has no liability if there is other insurance.”) (citations omitted). The Homeowners Policy provides primary coverage unless there is “other valid and collectible insurance” – which is the trigger for its excess clause. (Ex. B, Homeowners Policy, p. 66-67). On the other hand, the Farm Policy clearly and unambiguously states that it will provide no coverage where another policy covers all or any part of the loss. Thus, there is no conflict between the Homeowners Policy provision and the Farm Policy provision. Under these circumstances, the Homeowners Policy provides primary coverage. There is no other valid and collectible insurance because the Farm Policy specifically provides no coverage. Consequently, the “excess” clause in the Homeowners Policy is not triggered and does not prevent enforcement of the “escape” clause in the Farm Policy.

CONCLUSION

For the foregoing reasons, Farm Bureau is entitled to a declaration that its Farm Policy does not provide liability coverage for the June 13, 2023 dog bite incident. The Farm Bureau Farm Policy includes an enforceable “escape” clause stating that the Farm Policy will provide no liability

coverage for a loss if another policy provides any coverage. Under another policy, specifically the Farm Bureau Homeowners Policy, Farm Bureau is providing a defense and indemnification to its named insured for the June 13, 2023 dog bite incident. Thus, the “escape” clause applies according to its plain terms. Farm Bureau respectfully requests that the Court grant its Motion for Summary Judgment and deny Defendant Milin’s Motion for Summary Judgment.

MURPHY & GRANTLAND, P.A.

s/J.R. Murphy

J.R. Murphy, Esquire (SC Bar #7941)

P.O. Box 6648

Columbia, SC 29260

803-782-4100

jrmurphy@murphygrantland.com

Attorneys for the Plaintiff South Carolina Farm
Bureau Mutual Insurance Company

Columbia, South Carolina
July 10, 2025

STATE OF SOUTH CAROLINA COUNTY OF LANCASTER	IN THE COURT OF COMMON PLEAS SIXTH JUDICIAL CIRCUIT CASE NO.: 2024-CP-__ - _____
JOHN MILIN PLAINTIFF, VS. ANGELA M. LEONE DEFENDANT.	 COMPLAINT (JURY TRIAL DEMANDED) (TORT CLAIM)

NOW COMES the Plaintiff, complaining of the Defendant, and alleges as follows:

JURISDICTION AND VENUE

1. Plaintiff is a citizen and resident of Lancaster, South Carolina.
2. Plaintiff is informed and believes, and therefore alleges that Defendant is a citizen and resident of Lancaster, South Carolina.
3. At all times relevant herein, Defendant was the owner of the premises and real property located at 3135 Old Hickory Rd., Lancaster, South Carolina 29720.
4. The dog attack giving rise to this Complaint occurred at the property located at 3135 Old Hickory Rd., Lancaster, South Carolina 29720.
5. This Honorable Court has jurisdiction over the parties and subject matter of this action as the most substantial acts and/or omissions giving rise to this cause of action took place in Lancaster, South Carolina.

FACTS

6. On or about June 13, 2023 (the “date of the incident”) the Defendant owned, kept and/or maintained a large mixed Pitbull whose name, upon information and belief, was “Lester” who was approximately 3 years of age at the property located at 3135 Old Hickory Rd., Lancaster, South Carolina 29720.

7. Defendant’s Pitbull is of a breed that is known to be vicious and dangerous and to display vicious and dangerous propensities and behavior.

8. Prior to June 13, 2023, Defendant knew or should have known of the vicious propensity and characteristics of dangerousness, viciousness, mischievousness, and/or ferociousness of her Pitbull.

9. Prior to June 13, 2023, Defendant’s Pitbull had previously displayed specific instances of aggressiveness, menacing, vicious, and dangerous behavior and actions.

10. On the date of the incident, Plaintiff was lawfully on Defendant’s property located at 3135 Old Hickory Rd., Lancaster, South Carolina 29720, and was cutting the grass.

11. As Plaintiff was cutting the grass, he was, without provocation and without warning, brutally attacked by “Lester” and sustained serious and painful injuries to his right leg and the top of his head.

12. As a direct and proximate result of the aforementioned attack, Plaintiff sustained serious, significant, extreme, and permanent bodily injuries that required medical attention and medical treatment, and such injuries will continue to require future medical attention and treatment.

13. As a direct and proximate result of Defendant's aforementioned negligence, Plaintiff was incapacitated in his daily activities, including working.

14. The damages incurred by the Plaintiff as a result of the negligence of the Defendant include, but are not limited to, the following:

- a. Has incurred and will continue to incur substantial medical and medical expenses;
- b. Has suffered and will continue to suffer loss of enjoyment of life;
- c. Has suffered and will continue to suffer a loss of physical condition;
- d. Has suffered lost wages;
- e. Has suffered from permanent scarring and disfigurement; and
- f. For such other and further particulars as the evidence at trial may show.

FIRST CAUSE OF ACTION
GENERAL NEGLIGENCE

15. Plaintiff restates and alleges each and every allegation as if repeated herein verbatim.

16. At the time of the incident, Defendant owned the Pitbull that attacked Plaintiff and had actual and/or constructive possession of her Pitbull.

17. Upon information and belief, Defendant did not warn Plaintiff of the vicious propensity and disposition of her Pitbull.

18. Defendant had a duty to warn Plaintiff and the general public of her Pitbull's propensities and disposition to attack unprovoked and otherwise confine or secure her Pitbull to prevent injury and needless endangerment to the general public, in particular Plaintiff.

19. Upon information and belief, Defendant did not adequately restrain and/or take any proper measures to secure and/or control her Pitbull at the time of the incident alleged.

20. Defendant wrongfully kept her Pitbull unrestrained despite knowledge of its malicious and dangerous propensities and knew or should have known that the failure to restrain and/or take measures to secure her Pitbull would result in the injury to another person, specifically Plaintiff.

21. Defendants breached this duty and were negligent, careless, reckless, grossly negligent, willful and wanton in the following particulars:

- a. Failing to warn the general public and Plaintiff of her Pitbull's dangerous propensities, tendencies, or disposition to attack unprovoked;
- b. Failing to exercise reasonable care in properly supervising, keeping, training and/or caring for her Pitbull;
- c. Failing to exercise reasonable care in confining and/or securing her Pitbull so to prevent injury and needless endangerment to the general public, specifically Plaintiff;
- d. Failing to prevent her Pitbull from attacking Plaintiff; and,
- e. In such other and further particulars as evidence brought forth during discovery or trial may show.

22. Defendant's negligence directly and proximately caused Plaintiff's injuries and damages.

23. Defendant was grossly negligent by not taking measures to sufficiently restrain her Pitbull in light of Defendant's knowledge of the vicious propensities of the Pitbull.

24. As a direct and proximate result of the aforementioned negligence, Plaintiff sustained serious, painful, and permanent bodily injuries, mental anguish, physical

pain, and scarring and disfigurement in an amount in excess of one hundred thousand dollars (>\$100,000.00).

FOR A SECOND CAUSE OF ACTION
(STRICT LIABILITY, S.C. CODE ANN § 47-3-110)

25. Plaintiff restates and alleges each and every allegation as if repeated herein verbatim.

26. On June 13, 2023, Plaintiff was on private property lawfully located in Lancaster, South Carolina.

27. Defendant was the owner of “Lester,” a 3-year-old Pitbull mixed at the time of its attack on Plaintiff.

28. Defendant’s Pitbull attacked Plaintiff without provocation.

29. The attack by Defendant’s Pitbull directly and proximately caused the injuries Plaintiff sustained.

FOR A THIRD CAUSE OF ACTION
PUNITIVE DAMAGES

30. Plaintiff restates and alleges each and every allegation as if repeated herein verbatim.

31. Defendant acted willfully and wantonly through the disregard of and indifference to the rights and safety of others, which Defendant knew, or should have known, was likely to result in injury, damage, or other harm by failing to prevent the subject Pitbull from attacking the Plaintiff. Defendant knew or should have known the Pitbull was, by its breed and nature, vicious and dangerous, and it

had previously displayed its propensity by behaving aggressively, menacingly, viciously, and dangerously.

32. Defendant willfully and wantonly elected not to adequately restrain her Pitbull in light of the knowledge of the Pitbull's vicious propensities as to cause serious bodily harm.

33. Defendant committed egregiously wrongful acts that resulted in the Pitbull attack on Plaintiff and Plaintiff is entitled to recover punitive damages under the South Carolina Code of Laws Article 5 SECTION 15-32-510.

JURY TRIAL DEMANDED

34. Plaintiff demands that all causes of action that may be tried before a jury be so tried.

WHEREFORE, Plaintiff prays the Court as follows:

1. Plaintiff demands judgment against Defendant for such sum of actual and punitive damages that a trier of fact may find;
2. That the costs of this action be taxed against Defendant;
3. For pre-judgement interest; and,
4. For such other and further relief as the court may deem just and proper, including awarding attorney fees.

Respectfully submitted,

s/Zachary D. Griffin

Zachary D. Griffin

Thomas E. Pope

Elrod Pope Law Firm P.A.

212 E. Black Street (29730)

P.O. Box 11091

Rock Hill, S.C. 29731

T: (803)-324-7574

F: (803)-324-7545

E: zach@elrodpope.com

SC BAR: 105225

s/Mark S. Jetton, Jr.

Mark S. Jetton, Jr.

Jetton & Meredith, PLLC

817 E. Trade St.,

Charlotte, NC 28202

T: (704)-333-1114

F: (704)-335-0448

E: markjetton@jettonmeredithlaw.com

NC BAR: 39786

Pro Hac Vice Pending

August 15, 2024

Rock Hill, South Carolina

STATE OF SOUTH CAROLINA COUNTY OF LANCASTER	IN THE COURT OF COMMON PLEAS SIXTH JUDICIAL CIRCUIT CASE NO.: 2024-CP-__ - _____
JOHN MILIN PLAINTIFF, VS. ANGELA M. LEONE DEFENDANT.	SUMMONS

TO: THE ABOVE-NAMED DEFENDANT AND DEFENDANT’S ATTORNEY:
YOU MAY PLEASE TAKE NOTICE that you are hereby summoned and required to answer the Complaint in this action, of which a copy is herewith served upon you, and to serve a copy of your Answer on the attorneys for Plaintiff listed below at the office located at Elrod Pope Law Firm P.A., 212 E Black St, Rock Hill, South Carolina 29730 within thirty (30) days after service hereof excluding the date of such service. If you fail to answer the Complaint within the time aforesaid, Plaintiff will apply to the Court for a Judgment by Default for the relief demanded in the Complaint and any other relief deemed appropriate.

Respectfully submitted,

s/Zachary D. Griffin

Zachary D. Griffin
Thomas E. Pope
Elrod Pope Law Firm P.A.
212 E. Black Street (29730)
P.O. Box 11091
Rock Hill, S.C. 29731
T: (803)-324-7574
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SC BAR: 105225

s/Mark S. Jetton, Jr.

Mark S. Jetton, Jr.
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F: (704)-335-0448
E: markjetton@jettonmeredithlaw.com
NC BAR: 39786
Pro Hac Vice Pending

August 15, 2024
Rock Hill, South Carolina



Address: 724 Knox Abbott Drive ■ Cayce, SC 29033
Mailing: Post Office Box 2124 ■ West Columbia, SC 29171
Toll-Free: 1.800.799.7500 ■ Phone: 803.796.6700
Fax: 803.936.4630 ■ www.scfbins.com

JANUARY 27, 2023

ANGELA M LEONE
3135 OLD HICKORY RD
LANCASTER, SC 29720-8897

**HELPING YOU IS WHAT
WE DO BEST**

FAAATTTDDDTDFDTFFATDFTAFFAFDDDDFFFAFTADATTFFDDDAFTTTADTAADAFFAAA

POLICY : HO 0482350-0
POLICY FORM : HO9 (03/03)

Farm Bureau appreciates your business. If you have any questions concerning your coverage or premium, please contact your local agent:

TOM BAKER, (803) 283-9908

A Joint Privacy Notice is printed on the reverse side of this cover letter. Important insurance coverage information is enclosed. Please read and keep for your records.

Items enclosed are:

Your policy declaration(s)
Any changed policy endorsement(s)
Important Notice for Premium Breakdown
Important Notice of Premium Discounts
Conditions Amendatory Endorsement and Letter

**EXHIBIT
B**

Special Savings to Protect Your Home!

Get discount codes exclusively available to Farm Bureau Insurance policyholders to purchase smart home products designed to help prevent water damage and costly repairs to your home! The savings don't stop there! You may be eligible for an 8% discount on your homeowners policy. Ask your agent for details or visit www.bit.ly/HO-savings to learn more.

Farm Bureau Insurance Claims Hotline; to report a claim, please call 1-800-799-7500 or 936-4677 in the Columbia area.

Joint Privacy Notice

This *Notice* is intended to fulfill our obligation to meet mandated disclosure requirements. It is for your information only, and we hope that you find it to be informative and helpful. It does not require any response from you. You may wish to file this *Notice* with your other important insurance papers.

When you see the words *we*, *us*, or *our* within this *Notice*, you should understand that these words include South Carolina Farm Bureau Mutual Insurance Company, Southern Farm Bureau Casualty Insurance Company, South Carolina Farm Bureau Insurance Company, and Palmetto Casualty Insurance Company.

Our Commitment to Safeguarding Your Privacy. This *Notice* is being provided to you to inform you of our practices and procedures regarding the sharing of *nonpublic personal information*. Nonpublic personal information is information that identifies you, your family, or your household that we may obtain directly from you, that we may obtain as a result of our business dealings with you, or that we may obtain from any other source.

Except as stated within this *Notice*, we do not engage in the practice of disclosing your nonpublic personal information to nonaffiliated third parties other than as necessary to provide quality insurance and financial services to our customers. For instance, we do not engage in "list-selling," and we do not market your personal information to publishing houses, retailers, or coupon companies.

While you are a policyholder, we will provide you with a copy of our current *Notice* at least annually as part of a regular mailing, such as within a billing or a renewal notice or with a policy, and at any time that you request it in writing. Further, because Federal and State laws, regulations, and business practices can change at any time, we may revise this *Notice* accordingly. You can always review a copy of our most current *Notice* at www.scfbins.com. The effective date of this *Notice* is printed below, and this *Notice* replaces all prior notices. Once you cease to be a policyholder, we will continue to protect your private information as described within this *Notice*. However, we will stop sending you annual privacy notices. The examples detailed within this *Notice* are only meant to help you understand our practices and procedures, and they should not be taken as a complete and exclusive inventory of specific information that we collect, utilize, maintain, or share.

Information We May Collect and Use. During the course of reviewing your application for insurance coverage and deciding whether or not to underwrite the insurance policy for which you have applied, and, if we issue a policy to you, then during the course of providing services to you as required by the policy, we collect and evaluate information from the following sources:

- ⑤ Information that we receive from you on applications or other forms;
- ⑤ Information that we obtain to verify representations made by you;
- ⑤ Information about your transactions with us, our affiliates, or others;
- ⑤ Information that we receive from consumer reporting agencies; and,
- ⑤ Information that we receive from local, state, or Federal governmental agencies.

It is important for us to collect and use this information to properly identify you; to provide, administer, and perform services on your behalf; and to comply with certain State and Federal requirements. We could not provide optimum service to you without collecting and using this information.

Information We May Disclose. We regard all of your personal information as confidential. Therefore, we do not disclose any nonpublic personal information about our customers or former customers to anyone except as required or permitted by law. In the course of conducting our business dealings, we may disclose certain information that we have about you to other parties. These disclosures are only made in accordance with applicable laws and may include disclosures to reinsurers, administrators, service providers, consultants, law enforcement officials, and regulatory or governmental authorities. Further, certain disclosures of information will be made to your Farm Bureau insurance agent and any Farm Bureau personnel authorized to have access to your personal information for the purpose of administering your business and providing services to you.

We may also disclose all of the information that we collect, as described above, to companies that perform services on our behalf or to other financial institutions with which we have joint marketing agreements. Service providers, for example, may assist us in processing your transactions, mailing policyholder correspondence, or destroying out-dated documents. Joint marketers are business entities, including other financial institutions, such as the Farm Bureau Bank, FSB, with which we jointly offer financial products or services. These service providers and joint marketers allow us to more efficiently and more effectively provide insurance services to you or to better meet your financial service needs. The categories of information that we may disclose to service providers or joint marketers include:

- ⑤ Information that we receive from you on applications or other forms, such as your name, address, social security number, or Farm Bureau membership number;
- ⑤ Information about your transactions with us, our affiliates, or others, such as your policy coverage, premium, loss history, and payment history; and,
- ⑤ Information that we receive from consumer reporting agencies, such as your creditworthiness and credit history.

These entities with which we share this information are required by contract to maintain the confidentiality of that information and to only use that information to perform the tasks for which we provided it. We do not authorize these entities to use or disclose your personal information for any purpose other than for the express purpose of performing work on our behalf, as detailed within our agreements with them or as required or permitted by law.

How We Maintain the Confidentiality and Security of Your Information. We carefully restrict access to nonpublic personal information to our employees, our independent contractor insurance producers, our service providers, our joint marketers, and our affiliates and subsidiaries. The right of our employees, our independent contractor insurance producers, our service providers, our joint marketers, and our affiliates and subsidiaries to further disclose and use the information is limited by our employee handbook, agents' manuals, applicable law, and nondisclosure agreements where appropriate. We maintain physical, electronic, and procedural safeguards that comply with Federal and State law to guard your nonpublic personal information. In situations where State of South Carolina privacy law is more protective of your nonpublic personal information, we will protect your information in accordance with State of South Carolina law.

Conclusion. If you have any questions or comments concerning this *Notice* or our privacy standards and procedures, then please write to us at Compliance Department, Post Office Box 2124, West Columbia, South Carolina 29171-2124. Our functional regulator is the State of South Carolina Department of Insurance. If we cannot resolve your concerns or answer your questions, then feel free to contact our regulator.

(Revised upon April, 2015)



Address: 724 Knox Abbott Drive ■ Cayce, SC 29033
Mailing: Post Office Box 2124 ■ West Columbia, SC 29171
Toll-Free: 1.800.799.7500 ■ **Phone:** 803.796.6700
Fax: 803.936.4630 ■ www.scfbins.com

LANCASTER AGENCY OFFICE, 1763 PAGELAND HWY LANCASTER, SC 29720-8522
AGENT: TOM BAKER (803) 283-9908

JANUARY 27, 2023

ANGELA M LEONE
3135 OLD HICKORY RD
LANCASTER, SC 29720-8897

**HELPING YOU IS WHAT
WE DO BEST**

RE: Policy No: HO 0482350

Dear Policyholder:

Your policy documents are enclosed along with a new Conditions Amendatory Endorsement. Please be aware that we have added this endorsement to your policy due to a recent change in state law which extends the time period an insurer may cancel a new policy from 90 days to 120 days. A new policy, which is not a renewal of an existing policy, can be cancelled by the company within 120 days from the effective date.

We also amended your policy to reflect the state requirement that we notify you at least 60 days before the policy expiration for any nonrenewal notice that may apply. Any nonrenewal notice must be mailed 60 days before the policy expiration.

Please review this new endorsement along with your policy in its entirety. If you have any questions, please contact your Farm Bureau Insurance agent.

Thank you for choosing Farm Bureau Insurance.

Enclosures

029-000

FB8504 (10/2021)

ROA - 282



HOMEOWNER POLICY DECLARATIONS

SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY
PO BOX 2124, WEST COLUMBIA, SC 29171-2124

Policy Form: HO9 (03/2003)

Policy Number: HO 0482350 Dec No.: 1.004

The Declarations of the policy indicated herein are subject to all other terms and conditions of the policy and replace all previously issued declarations, if any. This Declaration Page becomes a permanent part of your policy. Please attach it to your policy booklet.

THIS DECLARATION PAGE IS EFFECTIVE 02/09/2023 TO 10/07/2023 AT 12:01 A.M. EASTERN STANDARD TIME AND FOR EACH SUCCEEDING POLICY PERIOD OF 12 MONTHS HEREAFTER AS THE RENEWAL PREMIUM IS PAID ON OR BEFORE THE EXPIRATION DATE OF THE CURRENT TERM AND ACCEPTED BY THE COMPANY.

Named Insured and Address

ANGELA M LEONE
3135 OLD HICKORY RD
LANCASTER, SC 29720-8897

Agent Information

TOM BAKER (803) 283-9908
AGENCY MGR: LEWIS MOORE, LUTCF
1763 PAGELAND HWY LANCASTER, SC 29720-8522

Policy Premium

\$1,668.46

Premium Paid By

MORTGAGEE

Please refer to your policy booklet for all definitions, coverages, perils insured against, exclusions, and policy conditions.

Covered Items

Limit Of
Liability

SC Valuation
Clause

Section I
Deductible

Premium

POLICY DISCOUNTS:

ACCOUNT DISCOUNT
PERSONAL FINANCIAL DISCOUNT
CLAIMS EXPERIENCE DISCOUNT
CENTRAL STATION REPORTING FIRE OR BURGLAR ALARM(S)

POLICY ENDORSEMENT

EN0900 AMENDATORY ENDORSEMENT
EN8491 PUNITIVE DAMAGE EXCLUSION AMENDATORY ENDORSEMENT
EN8492 CONDITIONS AMENDATORY ENDORSEMENT
EN8505 OFAC AMENDATORY ENDORSEMENT

ITEM 1: RESIDENCE PREMISES INCLUDES THE AREA WITHIN 250
FEET OF THE MASONRY OWNER OCCUPIED DWELLING LOCATED AT 3135 OLD
HICKORY RD LANCASTER, SC 29720 8897

ITEM 1 IS SUBJECT TO THE FOLLOWING PREMIUM ADJUSTMENTS:
NEW HOME DISCOUNT

ITEM 1 COVERAGES:

A - DWELLING PROTECTION: \$785,163
B - OTHER STRUCTURES PROTECTION: \$78,516
C - PERSONAL PROPERTY PROTECTION: \$588,872
D - LOSS OF USE PROTECTION: \$157,033
E - PERSONAL LIABILITY PROTECTION: \$300,000
F - MEDICAL PAYMENTS TO OTHERS PROTECTION - EACH OCCURRENCE: \$5,000
DAMAGE TO PROPERTY OF OTHERS PROTECTION: \$500
ANNUAL AGGREGATE LIMIT OF 3 TIMES COVERAGE E AND
COVERAGE F APPLIES

ITEM 1 IS SUBJECT TO THE FOLLOWING ENDORSEMENTS:

EN0216 - PREMISES ALARM OR FIRE PROTECTION SYSTEM
EN9207 - INFLATION PROTECTION

MORTGAGEE
FIRST CITIZENS BANK

** CONTINUED ON NEXT PAGE **

\$785,163
\$78,516
\$588,872
\$157,033
\$300,000
\$5,000
\$500

\$785,163

\$5,000

\$1,668.46

029-000 HO-0482350-0

AHO

01-27-2023

Date Prepared

Authorized Representative

F095A (04/99)

ELECTRONICALLY FILED - 2025 Jul 10 11:02 AM - LANCASTER - COMMON PLEAS - CASE#2025CP29000096

HOMEOWNER POLICY DECLARATIONS
SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY
PO BOX 2124, WEST COLUMBIA, SC 29171-2124

ANGELA M LEONE

Dec No.: 1.004

HO 0482350-0

Covered Items	Limit Of Liability	SC Valuation Clause	Section I Deductible	Premium
** CONTINUED FROM PREVIOUS PAGE ** PO BOX 101584 NASHVILLE TN, 37224-1584 LOAN NUMBER : 0040124177 NO OTHER ITEMS				

ELECTRONICALLY FILED - 2025 Jul 10 11:02 AM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY
PO BOX 2124, WEST COLUMBIA, SC 29171-2124

POLICY NUMBER

DEC.NO.

DATE

HO 0482350-0

1.004

01-27-2023

EN0900
(10/06)

PROPERTY INSURANCE AMENDATORY ENDORSEMENT

This Amendatory Endorsement applies to **your** Policy on and after the effective date shown on the policy Declarations or renewal document.

In consideration of the premiums charged, the following revision is made to Section I - Exclusions:

3. Water Damage, meaning:

- a. flood, surface water, water or any other substance(s) or object(s) on or from the surface of the ground regardless of its source, any floating substance(s) or object(s), waves, storm surge, tidal water or tidal waves, overflow of streams, or other bodies of water or spray from any of these, whether or not driven by wind;

POLICY PROVISIONS

All other provisions of the policy apply.

ELECTRONICALLY FILED - 2025 Jul 10 11:02 AM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

029-000

ANGELA M LEONE

ROA - 285

SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY
PO BOX 2124, WEST COLUMBIA, SC 29171-2124

POLICY NUMBER

DEC.NO.

DATE

HO 0482350-0

1.004

01-27-2023

EN 8491
(03/2019)

PUNITIVE DAMAGE EXCLUSION AMENDATORY ENDORSEMENT

A. The following exclusion is added to the Provision 2. in **SECTION II -EXCLUSIONS**:

2. **Coverage E- Personal Liability**, does not apply to:

g. Liability for punitive or exemplary damages.

B. The following provision is added to **SECTION II- ADDITIONAL COVERAGES**:

We do not provide any coverage for punitive or exemplary damages.

C. All other provisions of the policy apply.

ELECTRONICALLY FILED - 2025 Jul 10 11:02 AM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

029-000

ANGELA M LEONE

ROA - 286

SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY
PO BOX 2124, WEST COLUMBIA, SC 29171-2124

POLICY NUMBER

DEC.NO.

DATE

HO 0482350-0

1.004

01-27-2023

EN 8492
(10/2021)

CONDITIONS AMENDATORY ENDORSEMENT

A. The following revision is made to **SECTION I AND SECTION II - CONDITIONS**:

6. **Cancellation.**

- e. Subsection (2) (a) through (d) above do not apply to this policy if it has been in effect for less than 120 days and is not a renewal of a previously existing policy. Policies in effect for less than 120 days may be cancelled for any reason by furnishing at least 30 days written notice of cancellation, unless the reason is for nonpayment of:

(1) premium to us; or

(2) dues to the South Carolina Farm Bureau Federation

in which case **we** will furnish at least 10 days written notice.

7. **Non-Renewal.** **We** may elect not to renew this policy for any lawful reason, including nonpayment of membership dues to the South Carolina Farm Bureau Federation. **We** may do so by giving or mailing written notice of nonrenewal to **you** and the agent of record, if any. The notice may be given or mailed to **you** and the agent at their addresses shown in the policy or at their last known addresses. Proof of mailing is sufficient proof of notice. Any notice of nonrenewal shall state the precise reason for nonrenewal.

If this policy was written for a term of one year or less, **we** may elect not to renew this policy by giving written notification not less than 60 days prior to the expiration date.

B. All other provisions of the policy apply.

ELECTRONICALLY FILED - 2025 Jul 10 11:02 AM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

029-000

ANGELA M LEONE

ROA - 287

EN 8505
(01/2020)

**U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN
ASSETS CONTROL ("OFAC")
ADVISORY NOTICE TO POLICYHOLDERS**

No coverage is provided by this Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. **Please read this Notice carefully.**

OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

As "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's website - <http://www.treas.gov/ofac>.

If an insurance policy is blocked or frozen, then no payments or premium refunds may be made to Specially Designated Nationals or Blocked Persons unless approved by OFAC. Other limitations on the premiums and payments also apply.

ISO Properties, Inc., 2004

Important Notice

Section 38-75-1150 of Act 290 of 2004 requires that we give you additional information on how much of the premium for your Homeowners insurance policy is for the allied lines coverages. Allied lines include many of the extended coverage and additional extended coverages. Some of the more common perils for these include the perils of wind (including hurricane and tornado), hail, explosion, smoke, vandalism or malicious mischief and weight of ice, sleet and snow.

Below you will see the approximate percentages of the total premium that are for the allied lines. Please note that the amounts vary by geographical location in the state. Unless otherwise indicated, the rating territories are by county.

Portion of Premium For Allied Lines	Description of Rating Territories
88%	03 - Beach
81%	04 - Seacoast -û Horry - area east of west bank of the Waccamaw River (excluding Beach)
79%	05 - Seacoast û- Georgetown -û area east of Hwy 17A from south county line to Sampit (intersection with Hwy 521) and east of a straight line from Sampit to intersection of Black River on Hwy 701 and east of Hwy 701 to the north county line (excluding Beach).
69%	06 - Georgetown (excluding 03, 05 & 08)
73%	07 - Remainder of Hilton Head Island (excluding Beach) û- includes areas west of Plantation Drive, Hwy 278, Airport Drive, Dillon Road and Beach Road.
80%	08 - Murrells Inlet û- area between Harrell Siau Bridge and Murrells Inlet which are east of Hwy 17-Business (excluding Beach)
73%	09 - Seacoast -û Charleston -û South of the city of Charleston includes all areas east of the west bank of the Intracoastal Waterway (excluding Beach). In the Charleston City limits includes all areas east of Hwy 17. North of the city of Charleston includes all areas east of Hwy 17 through Mount Pleasant up to the north county line (excluding Beach).
51%	30 - City of Columbia
51%	31 - Richland (excluding City of Columbia), western part of Kershaw
67%	32 - Berkeley, Dorchester
46%	33 - Cherokee, Chester, Fairfield, Oconee, Pickens, Saluda, Spartanburg
59%	34 - Allendale, Bamberg, Barnwell, Clarendon, Colleton (excluding 03 & 50), Hampton, Jasper, eastern part of Kershaw, Lancaster (excluding 44), Sumter
70%	35 - Charleston (excluding 03 & 09)
77%	36 - Horry (excluding 03 & 04)
68%	37 - Beaufort (excluding 03 & 07)
66%	38 - Dillon, Lee, Marlboro, Williamsburg (excluding 51)
53%	39 - Chesterfield
46%	40 - Anderson, Greenville, Laurens, Newberry, Union
66%	41 - Darlington
62%	42 - Florence (excluding 53)
53%	43 - Aiken
46%	44 - York, Lancaster (Indianland Neck area only)
67%	50 - Colleton (eastern portion, excluding 03)
70%	51 - Williamsburg (eastern portion)
71%	52 - Marion (eastern portion)
66%	53 - Florence (southeastern portion)
52%	54 - Abbeville, Edgefield, McCormick
55%	55 - Greenwood
56%	56 - Calhoun
58%	57 - Orangeburg
66%	58 - Marion (excluding 52)
52%	60 - Lexington (excluding City of Columbia in 30)

JANUARY 26, 2023

FB 8398 - HO (Mutual) Notice for Act 290
Rev. 6-2013

HO 0482350

IMPORTANT NOTICE OF PREMIUM DISCOUNTS
Mutual Homeowners Insurance Policies

Section 38-75-755 requires insurance companies to notify you of the availability and range of each premium discount, credit, other rate differential or reduction in deductibles for properties on which fixtures or construction techniques demonstrated to reduce the amount of loss in a windstorm have been installed or implemented. Securing your roof so it doesn't blow off and protecting your windows from flying debris are the two most cost effective measures you can take to safeguard your home and reduce your premium.

Description of Mitigation Measure	Premium Discount Percentage
SC SAFE HOME Certification	5%
"Fortified Home" Certification *	15%
Roof Tie-Downs (includes Clips, Single or Double Wraps and Welds)	1.5%
Building Code Enforcement Grading Schedule(BCEGS)	Range of Discounts 1 - 5%
Window Protection for Non-Fortified Homes (EN0216)	3%
- Storm shutters or panels - must be installed on all exterior windows or - Roll-down shutters - must be built into the frame of the home for all exterior windows or - Impact Resistant Windows - must be installed on all exterior windows and meet engineering specifications.	

* This program is administered by the Institute for Business & Home Safety (IBHS).

Wind or Hail Deductible Options (EN0312)

Deductible	Range of Discount *
1%	13.9% - 50.4%
2%	15.9% - 50.8%
3%	17.2% - 51.4%
4%	18.4% - 51.9%
5%	19.7% - 52.5%
10%	29.4% - 58.0%

* The discount varies based upon the amount of deductible for the All Other Perils.

Named Storm Deductible Options (EN0313)

Deductible	Range of Discount **
1%	13.0% - 45.2%
2%	15.0% - 45.9%
3%	16.3% - 46.5%
4%	17.6% - 47.1%
5%	19.0% - 47.7%
10%	28.7% - 53.8%

** The discount varies based upon the amount of deductible for the All Other Perils.

All Other Peril Deductibles

Deductible	Discount
\$500	12%
\$1000	25%
\$2000	35%
\$2500	40%
\$3000	42%
\$4000	46%
\$5000	50%

Your deductible represents your share of the damages in the event of a covered loss. The higher your deductible, the more money you save on your premiums, but the greater your out-of-pocket cost will be in the event of a covered claim.

The deductible(s) available to you depends on your policy type, property location and amount of insurance. Some combinations are not available. See your policy Declarations for your current deductible(s) or contact your insurance agent or company for more information.

Please do not hesitate to contact your agent if you have questions about the mitigation techniques included in this form or other mitigation techniques that could result in a discount.

IMPORTANT INFORMATION REQUIRED BY
THE SOUTH CAROLINA DEPARTMENT OF INSURANCE

Policy Coverages and Limitations Summary

THIS NOTICE CONTAINS A SUMMARY OF YOUR COVERAGE AND DOES NOT AMEND, EXTEND OR ALTER THE COVERAGES OR ANY OTHER PROVISIONS CONTAINED IN YOUR POLICY OR ITS ENDORSEMENTS. THE LANGUAGE IN YOUR POLICY CONTROLS YOUR LEGAL RIGHTS AND OBLIGATIONS. THIS DISCLOSURE IS NOT ADMISSIBLE IN ANY ACTION CONCERNING THIS POLICY EXCEPT FOR THE SOLE PURPOSE OF SHOWING THAT THE NOTICE WAS OR WAS NOT PROVIDED PURSUANT TO SOUTH CAROLINA LAW.

****READ YOUR INSURANCE POLICY
FOR COMPLETE POLICY TERMS AND CONDITIONS****

DEDUCTIBLES

NOTICE: This policy does not include a separate percentage deductible for covered losses caused by hurricane, wind/hail, named storm or tropical cyclone as defined in the policy or endorsement.

CATASTROPHE SAVINGS ACCOUNTS

Establishing a Catastrophe Savings Account can help you pay for your deductible and other out-of-pocket costs. Similar to health savings accounts, the money can be set aside state income tax-free and used in the future to pay for qualified catastrophe expenses that result from hurricane, flood, or windstorm events that have been declared an emergency by the Governor. For more information about Catastrophe Savings Accounts, visit the South Carolina Department of Insurance website, www.doi.sc.gov (search for "catastrophe savings accounts"), or call the Department's Office of Consumer Services (1-800-768-3467).

LIMITATIONS OR EXCLUSIONS UNDER THIS POLICY

Flood -Flood damage is not covered under this policy.

The National Flood Insurance Program (NFIP) writes most flood insurance policies, although some private insurance companies also offer the coverage. You may contact the NFIP by calling 1-888-379-9531 or go online to www.floodsmart.gov. If you need more coverage than is available through the NFIP, you may also be able to purchase excess flood protection through a private insurance company. For more information, contact your insurance agent, insurance company or the NFIP.

Mold - Mold damage is covered under this policy. For policy forms HO-1, 3, 7 or 9, the coverage is limited to 2% of Coverage A. For policy forms HO-4 or 6, the coverage is limited to 2% of Coverage C.

Earthquake - Earthquake damage is not covered under this policy.

Many insurance companies offer earthquake insurance as a separate policy or an endorsement to your current policy. For an additional premium, this coverage will protect you in case your home is damaged as a result of an earthquake.

Replacement Cost and Actual Cash Value

You may have the option to insure your home and its contents for either replacement cost or actual cash value. *Actual cash value* is the amount needed to repair or replace the damage minus a deduction for depreciation. *Replacement cost* is the cost to rebuild your home or repair damages using materials of similar kind and quality, without deducting for depreciation. Read your insurance policy carefully for the complete terms and conditions regarding replacement cost coverage.

***Please refer to your policy for complete details and information regarding all other limitations and exclusions. ***

YOUR RESPONSIBILITIES IN THE EVENT OF A CLAIM

Contact Your Agent or Company Immediately - Insurance policies typically place a time limit on the filing of a claim. The toll free telephone number for reporting a claim to Farm Bureau is: 1-800-799-7500.

Time Limitations May Apply - Once the company knows you've had a claim, they are required to send you any necessary forms. These forms detail written proof of what caused the loss as well as the character and extent of the loss for which the claim has been made. Read your policy carefully as it may require you to return the completed forms within a specified amount of time. If you have replacement cost coverage, there may also be time limitations for repairing and replacing damaged property that, if not met, could cause the claim to be settled on an actual cash value basis.

Additional Duties Are Outlined in Your Policy - In the event of a loss, you and your insurance company are each expected to follow certain procedures as outlined in your policy. Your responsibilities include, for example, reporting any crime to the police and making temporary repairs to protect your property from further damage. Your duties after a loss are outlined fully in your insurance policy.

**South Carolina Farm Bureau Mutual Insurance Company or
Southern Farm Bureau Casualty or
Palmetto Casualty Insurance Company**

**Homeowners Policy Form 9
Special Plus Form Policy Provisions**

Your policy consists of this booklet and the appropriate Declarations, forms and endorsements. Coverages apply only when properly shown on the Declarations page.



Visit our website at www.scfbins.com

Post Office Box 2124
West Columbia, SC
29171

724 Knox Abbott Drive
Cayce, SC 29033
(803) 796-6700

Policy conditions require immediate notice of any accident or claim.

**To report an accident or claim, call us toll-free,
at 1-800-799-7500**

FORM # 9205-9

REVISED 03/2003

YOUR HOMEOWNERS POLICY**Form 9
Quick Reference****DECLARATIONS PAGE**

Policy Period
 Your Name and Address
 Residence Premises,
 Property Location
 Coverages, Amounts,
 Deductibles
 Mortgagee Identification

COUNTY MEMBERSHIP PROVISIONS.....	Page 1
AGREEMENT	Page 1
DEFINITIONS.....	Page 1
SECTION I PROPERTY COVERAGES	Page 5
Coverage A - Dwelling.....	Page 5
Coverage B - Other Structures.....	Page 6
Coverage C - Personal Property	Page 6
Coverage D - Loss of Use	Page 9
Additional Coverages	Page 9
SECTION I – PERILS INSURED AGAINST	Page 16
Coverage A - Dwelling.....	Page 16
Coverage B - Other Structures.....	Page 16
Coverage C - Personal Property	Page 18
SECTION I – EXCLUSIONS	Page 21
SECTION I – CONDITIONS	Page 26
SECTION II – LIABILITY COVERAGES.....	Page 33
Coverage E - Personal Liability	Page 33
Coverage F - Medical Payments to Others	Page 34
SECTION II – EXCLUSIONS	Page 35
SECTION II – ADDITIONAL COVERAGES.....	Page 44
SECTION II – CONDITIONS	Page 48
SECTION I and II – CONDITIONS.....	Page 50
MUTUAL COMPANY CONDITIONS.....	Page 54
PARTICIPATING CONDITIONS	Page 55
PALMETTO CASUALTY CONDITIONS.....	Page 55

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COUNTY MEMBERSHIP PROVISIONS

1. As a prerequisite to your purchase of this policy and any renewal of this insurance, you must make application to be a member of and maintain your membership in the applicable county Farm Bureau agricultural organization and affiliated state Farm Bureau agricultural organization (hereinafter collectively known as "Farm Bureau Federation").
2. Your failure to apply for membership and to maintain your membership with the applicable Farm Bureau Federation as our sponsoring organization, including but not limited to your failure to pay the required membership dues to the Farm Bureau Federation, shall require us to cancel or nonrenew your policy.
3. Dues payable to the Farm Bureau Federation are in consideration of membership in the Farm Bureau Federation and other agriculture-related services from Farm Bureau Federation and:
 - a. are not in consideration of coverage under this policy; and
 - b. are not payable to South Carolina Farm Bureau Mutual Insurance Company, Southern Farm Bureau Casualty Insurance Company, or any other insurer named on the Declarations.

AGREEMENT

Relying on the facts "you" have given "us," "we" will provide the insurance described in this policy for the limits shown in the latest Declarations in return for the premium and "your" compliance with all applicable provisions of this policy. This policy is not complete without the Declarations.

DEFINITIONS

Certain words and phrases in this policy have specific meanings.

1. In this policy, "**you**" and "**your**" refer to the "**named insured**" shown in the Declarations and the spouse if a resident of the same household.
2. "**We**," "**us**" and "**our**" refer to the Company providing this insurance.
3. "**Insured**" means:
 - a. **you** and residents of **your** household who are:
 - (1) **your** relatives; or
 - (2) other persons under the age of 21 and in the care of any person named above.

- b. a student enrolled in school full-time as defined by that school, who was a resident of **your** household immediately before leaving to attend school, provided this student is under age:
 - (1) 24 and **your** relative; or
 - (2) 21 and in **your** care or the care of the person listed in a. (1) above.

Under Section II, **insured** also means:

- c. with respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by **you** or any person included in 3a or 3b above. A person or organization using or having custody of these animals or watercraft in the course of any **business**, or without consent of the owner, is not an **insured**;
 - d. with respect to any vehicle to which this policy applies, persons while engaged in **your** employ or that of any person included in 3a or 3b above.
4. "**Actual cash value**" means the cost to replace new today with materials of like kind and quality, less physical depreciation and economic obsolescence.
 5. "**Bodily injury**" means bodily harm, sickness or disease, including required care, loss of services and death resulting there from. It does not include **personal injury**.
 6. "**Business**" means a full-time, part-time or occasional trade, profession or occupation, whether permanent or temporary, including farming.
 7. "**Coverage territory**" means all parts of the world.
 8. "**Electronic Data**" means information facts or programs stored as, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, servers, cells, data processing devices, or any other media which are used with electronically controlled equipment.
 9. "**Fungi**" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by any fungus, but does not include any fungus that is, is on, or is contained in, any goods or products intended for consumption.
 10. "**Insured location**" means:
 - a. the **residence premises**;
 - b. the part of other premises, other structures and grounds used by **you** as a residence and;

- (1) which is shown in the Declarations or by Endorsement; or
 - (2) which is acquired by **you** during the current policy period for **your** use as a residence;
 - c. any premises used by **you** in connection with a premises in 10a or 10b above;
 - d. any part of a premises:
 - (1) not owned by an **insured**; and
 - (2) where an **insured** is temporarily residing;
 - e. up to 100 acres total of any and all vacant land, owned by or rented to an **insured**. This does not include:
 - (1) farm land;
 - (2) land held for **business** purposes; or
 - (3) land away from the **residence premises** unless the location is listed on a policy endorsement.
 - f. land owned by or rented to an **insured** on which a one, two, three or four family dwelling is being built as a residence for an **insured**;
 - g. individual or family cemetery plots or burial vaults of an **insured**; or
 - h. any part of a premises occasionally rented to an **insured** for other than **business** use.
11. "**Occurrence**" means an accident, but does not include exposure to conditions, which results during the policy period in:
- a. **bodily injury**; or
 - b. **property damage**.
12. "**Personal Injury**" means injury arising out of one or more of the following:
- a. false arrest, detention or imprisonment, malicious prosecution;
 - b. libel, slander, defamation of character;
 - c. invasion of privacy, or wrongful eviction by a person from or wrongful entry by a person into or onto a room, dwelling or premises that another person occupies, by or on behalf of its owner, landlord, or lessor;

However, **personal injury** does not include actual, alleged, threatened, or witnessing of humiliation, embarrassment or alienation of affection.

13. **"Pollutants"** means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
14. **"Property damage"** means physical injury to, destruction of, or loss of use of tangible property.
15. **"Recreational vehicle"** means a 2-, 3- up to 8-wheeled or tracked land or amphibious vehicle that is unlicensed and not subject to motor vehicle registration, powered by a petroleum fuel engine or electric motor, used off public roads or highways for personal pleasure or recreation.
16. **"Residence employee"** means an employee of an **insured**, or an employee leased to an **insured** by an agreement with a labor leasing firm, who performs duties, including household or domestic services, in connection with the maintenance or use of the **residence premises**. This includes employees who perform similar duties elsewhere for **you**.

This does not include employees while performing duties in connection with the **business** of an **insured**.

17. **"Residence premises"** means:
 - a. the one family dwelling where **you** reside;
 - b. the two, three or four family dwelling where **you** reside in at least one of the family units; or
 - c. that part of any other building where **you** reside;

and which is shown as the **residence premises** in the Declarations.

Residence premises includes other structures and grounds at the location specified in the Declarations.

18. **"Sexual harm"** means the actual, alleged, threatened, attempted, or coerced involvement in, or witnessing of, verbal or physical molestation, rape, abuse, assault, or harassment.
19. **"Terrorism"** means activities against persons, organizations or property of any nature:
 - a. that involves the following or preparation for any of the following:
 - (1) use or threat of force or violence;
 - (2) commission or threat of a dangerous act; or
 - (3) commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

- b. when one or both of the following applies:
- (1) the effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - (2) it appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social, or economic objectives or to express (or express opposition to) a philosophy or ideology.

SECTION I – PROPERTY COVERAGES

COVERAGE A – DWELLING

We cover:

1. the dwelling on the **residence premises** shown in the Declarations, principally used as **your** private residence, including structures attached to the dwelling; and
2. materials and supplies located on or next to the **residence premises** used to construct, alter or repair the dwelling or other structures on the **residence premises**.

This coverage does not apply to land, including land on which the dwelling is located. **We** will not cover costs to replace, rebuild, stabilize or otherwise restore the land necessary to support the dwelling covered. Nor does this coverage apply to any water in any form, whatsoever.

COVERAGE B – OTHER STRUCTURES

We cover other structures on the **residence premises** set apart from the dwelling by clear space. This also includes:

1. structures connected to the dwelling by only a fence, utility line or similar connection;
2. fences, property line and similar walls, including sea walls;
3. structures, including the property in or on the structure, located in whole or in part in or over water;
4. outdoor antennas, except satellite dish antenna systems or related equipment, whether or not attached to a building; and
5. swimming pools.

This coverage does not apply to land, including land on which the other structures are located. **We** will not cover costs to replace, rebuild, stabilize, or otherwise restore the land necessary to support the dwelling covered. Nor does this coverage apply to any water in any form, whatsoever.

We do not cover:

1. other structures used in whole or in part for **business**, including storage;
2. farm barns or outbuildings used in whole or in part as a farm barn or farm shed; or
3. other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage; or
4. satellite dish antenna systems or related equipment, for more than \$500, unless specifically endorsed on the policy.

The limit of liability for Coverage B is shown on the policy Declarations. Use of this coverage does not reduce the Coverage A limit of liability.

COVERAGE C – PERSONAL PROPERTY

We cover personal property usual or incidental to the occupancy of the **residence premises** as a dwelling and owned or used by an **insured** while it is anywhere in the world. At **your** request, and after a loss, **we** will cover personal property owned by:

1. others while the property is on the part of the **residence premises** occupied by an **insured**;
2. a guest of the **residence employee**, while the property is in any residence occupied by an **insured**.

Our limit of liability for personal property away from the **residence premises** is 10% of the limit of liability for Coverage C, or \$1,000, whichever is greater. Personal property in a newly acquired principal residence is not subject to this limitation for the 30 days from the time **you** begin to move the property there.

Special Limits of Liability. These limits do not increase the Coverage C limit of liability or the limit of liability for personal property away from the **residence premises**. Perils Insured Against for Coverage C apply. The special limit for each numbered category below is the total limit for each loss for all property in that category.

1. \$200 on money, bank notes, bullion, gold other than goldware, silver other than silverware, platinum, coins, medals, scrip, stored value cards, and smart cards.
2. \$1,000 on securities, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes, manuscripts, passports, personal records, tickets and stamps.
3. \$1,500 on watercraft of all types, including their trailers, furnishings, equipment and outboard motors.
4. \$1,000 on trailers not used with watercraft.

5. \$2,000 on grave markers.
6. \$2,000 for loss by theft of property away from the **residence premises**, in or on any:
 - a. motor vehicle;
 - b. motorized land conveyance; or
 - c. watercraft.

This limitation does not apply if there is forcible entry into the motor vehicle, motorized land conveyance or watercraft, when the doors, windows, other openings and compartments are closed and locked and there are visible marks of forcible entry, or the motor vehicle is stolen and not recovered within 30 days.

7. \$2,500 for loss by theft of jewelry, watches, furs, precious and semi-precious stones.
8. \$2,500 for loss by theft of firearms.
9. \$2,500 for loss by theft of silverware, silver-plated ware, goldware, gold-plated ware and pewter-ware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
10. \$500 on property away from the **residence premises** used primarily for any **business** purpose. However, this coverage does not apply to equipment described in paragraph 12 below.
11. \$2,500 on property on the **residence premises** used primarily for **business** purposes, unless a lesser limit is specified elsewhere in this policy or by endorsement. However, this coverage does not apply to equipment described in paragraph 12 below.
12. \$3,000 on electronic data processing equipment and the recording or storage media used with that equipment while located principally on the **residence premises**, and which is owned by or leased to any **insured**.
13. \$2,500 on any one article and \$10,000 in the aggregate for loss by theft of any rug, carpet (except wall-to-wall carpet), tapestry, wall-hanging or other similar article, including paintings.
14. \$500 for **recreational vehicles** not subject to motor vehicle registration or other motorized land conveyances not subject to motor vehicle registration.

Property Not Covered. We do not cover:

1. articles separately described and specifically insured in this or other insurance, or specifically excluded elsewhere in this insurance policy.
2. animals, birds or fish;

3. motor vehicles and any other motorized land conveyances, except as provided in paragraph 14 above, or specifically listed in an endorsement and an additional premium paid. This includes:
 - a. equipment and accessories; or
 - b. any device or instrument for the transmitting, recording, receiving or reproduction of sound, signals, or pictures which is operated by power from the electrical system of motor vehicles or any other motorized land conveyances, including:
 - (1) accessories or antennas;
 - (2) tapes, wires, records, discs or other media for use with any such device or instrument; or
 - (3) radar detection devices;
 while in or upon the vehicle, or land conveyance;

We do cover vehicles or conveyances not subject to motor vehicle registration which are:

 - a. lawn or garden tractors, with a 30 horsepower **engine** rating or less, but not **recreational vehicles**; or
 - b. designed or used to assist the handicapped.
4. aircraft and parts. Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo;
5. hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, hovercraft and air cushion vehicles.
6. property of roomers, boarders and other tenants, except property of roomers and boarders related to an **insured**;
7. property in an apartment regularly rented or held for rental to others by an **insured**;
8. property rented or held for rental to others off the **residence premises**;
9. books of account, drawings, or other paper records, pertaining to a **business**; or
10. credit cards, fund transfer cards, or access devices used for deposits, withdrawals or transfer of funds except as provided in Additional Coverages 3;

11. satellite dish antenna systems or related equipment, except as provided under Coverage B, or by endorsement;
12. land, including land on which personal property is located; nor do **we** cover water in any form.

COVERAGE D – LOSS OF USE

The limit of liability for Coverage D is the total limit for all the coverages that follow.

1. **Additional Living Expense.** If a loss covered under this Section makes that part of the **residence premises** where **you** reside uninhabitable, **we** cover the necessary increase in living expenses incurred by **you** so that **your** household can maintain its normal standard of living. Payment will be for the shortest time required to repair or replace the damage or, if **you** permanently relocate, the shortest time required for **your** household to settle elsewhere. But in any event, that time will not exceed 365 consecutive days from the date of loss.
2. **Fair Rental Value.** If a loss covered under this Section makes that part of the **residence premises** rented to others or held for rental by **you** uninhabitable, **we** cover the fair rental value of that part of the **residence premises** rented to others or held for rental by **you**, less any expenses that do not continue while the premises are uninhabitable. Payment will be for the shortest time required to repair or replace that part of the premises rented or held for rental. But in any event, that time will not exceed 365 consecutive days from the date of loss.
3. **Prohibited Use.** If a civil authority prohibits **you** from using the **residence premises** as a result of direct damage to neighboring premises by a Peril Insured Against in this policy, **we** cover the Additional Living Expense or Fair Rental Value loss as provided under 1 and 2 above for no more than 14 consecutive days from the date use was prohibited.

The periods of time under 1, 2 and 3 above are not limited by expiration of this policy, but the date of loss must be during the policy period.

We do not cover loss or expense due to cancellation of a lease or agreement.

ADDITIONAL COVERAGES

Unless specifically stated otherwise, the Loss Deductible Clause applies.

1. **Arson Award.** **We** will pay, at **our** option, up to \$5,000 for information which leads to an arson, vandalism, or malicious mischief conviction in connection with a loss covered by this policy. Regardless of the number of persons providing information, our limit shall not be increased.

This coverage is additional insurance. No deductible applies to this Additional Coverage.

2. **Collapse.**

a. For this Additional Coverage:

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.
- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.
- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
- (4) A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

b. **We** insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:

- (1) Perils Insured Against in Coverage C – Personal Property, in this policy. These perils apply to covered buildings and personal property for loss insured by this additional coverage;
- (2) Decay that is hidden from view, unless the presence of such decay is known to an **insured** prior to collapse;
- (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an **insured** prior to collapse;
- (4) Weight of contents, equipment, animals or people;
- (5) Weight of ice, sleet, snow or rain which collects on a roof; or
- (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

Loss to an awning, driveway, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items (2), (3), (4), (5) and (6) unless the loss is a direct result of collapse of a building or any part of a building.

Collapse does not include settling, cracking, shrinking, bulging or expansion.

This coverage does not increase the limit of liability applying to the damaged covered property.

3. **Credit Card, Fund Transfer Card or Access Device, Forgery and Counterfeit Money.**

We will pay up to \$1,000 for:

- a. the legal obligation of an **insured** to pay because of the theft or unauthorized use of credit cards issued to or registered in an **insured's** name;
- b. loss resulting from theft or unauthorized use of a fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in an **insured's** name;
- c. loss to an **insured** caused by forgery or alteration of any check or negotiable instrument; and
- d. loss to an **insured** through acceptance in good faith of counterfeit United States or Canadian paper currency.

We do not cover use of credit card, fund transfer card, or access device:

- a. by a resident of **your** household;
- b. by a person who has been entrusted with either type of card or access device; or
- c. if an **insured** has not complied with all terms and conditions under which the cards are issued or to the devices accessed.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated, is considered to be one loss.

We do not cover loss arising out of **business** use or dishonesty of an **insured**.

This coverage is additional insurance. No deductible applies to this coverage.

Defense:

- a. **We** may investigate and settle any claim or suit that **we** decide is appropriate. **Our** duty to defend a claim or suit ends when the amount **we** pay for the loss equals our limit of liability.
- b. If a suit is brought against an **insured** for liability under the Credit Card or Fund Transfer Card or Access Device coverage, **we** will provide a defense at **our** expense by counsel of **our** choice.

- c. **We** have the option to defend at **our** expense an **insured** or an **insured's** bank against any suit for the enforcement of payment under the Forgery coverage.
4. **Damage from Fungi.** If water causes covered damage, then we will pay up to 2% of the Coverage A item limit of liability for all incurred costs applicable to Coverages A, C, and D only for direct physical loss to covered property caused by, resulting from, contributed to, or aggravated by **fungi**.

This 2% limit applies per **occurrence** for item coverages (A, C, and D only) combined and not separately for each coverage. For all incurred damages and for all **occurrences** during a policy period, **we** will not pay more than 3% of the limit for Coverage A for that item. Our limit includes all costs associated, or alleged to be associated, with "Damage from Fungi," including but not limited to: surveys, tests, remediation, and repairs.

No Damage from **Fungi** coverage applies to any **Other Structures** (Coverage B). This Additional Coverage does not increase the limit of liability applying to any coverage.

5. **Debris Removal.** **We** will pay **your** reasonable expense for the removal of:
- a. debris of covered property if a Peril Insured Against causes the loss; or
 - b. ash, dust or particles from a volcanic eruption that has caused direct loss to a covered building or covered property contained in a building;
 - c. fallen trees from the **residence premises** if:
 - (1) coverage is not afforded under Additional Coverages 12. Trees, Shrubs, and Other Plants for the peril causing the loss; or
 - (2) the tree is not covered by this policy;

provided the tree damages property insured under Coverages A or B, and a Peril Insured Against under Coverage C causes the tree to fall.

Our limit of liability for this coverage will not be more than \$500 in the aggregate for any one loss event.

- d. In the event of a total loss of the **residence premises**, **we** will pay up to an additional 5% of the stated value of the dwelling for debris removal provided the damaged property is repaired or replaced at the **residence premises**.

This expense is included in the limit of liability that applies to the damaged property. If the amount to be paid for the actual damage to the property plus the debris removal expense is more than the limit of liability for the damaged property, an additional 5% of the limit of liability that applies to the dwelling is available for debris removal expense.

e. **We do not cover any expenses for:**

- (1) extracting any pollutant from land, soil, or water on or under any residence premises or other land that you own, lease, rent, or use;
- (2) removing, restoring, or replacing polluted land, soil, or water; nor
- (3) removing covered property or debris of covered property contaminated by any **pollutant** or hazardous material unless the contamination occurred due to a Peril Insured Against at the **residence premises**.
- (4) costs to comply with any ordinance or law that requires any **insured** or any others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants** in or on any covered building or other structure.

6. **Fire Department Service Charge.** We will pay up to \$250 for **your** liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Peril Insured Against. **We do not cover fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.**

This coverage is additional insurance. No deductible applies to this coverage.

7. **Inflation Coverage.** It is agreed that the limit of liability specified in the Declarations of this policy as applicable to Item A – Dwelling, shall be increased at the same rate as the increase indicated by the current Boeckh Company Residential Building Cost Percentage Change Factor as applicable to South Carolina Zip Codes.

To determine the limit of liability for Coverage A on a particular date, the current percentage factor will be prorated according to the number of months that coverage under the policy has been in force from the inception date, renewal date, or the last date on which the amount of coverage on the dwelling was changed. The resulting factor will be multiplied by the limit of liability for such item.

If during the term of the policy the limit of liability applicable is changed, then the effective date of this coverage for such item is amended to coincide with the effective date of such change.

In no event will the limit of liability be reduced to less than the amount shown in the Declarations or the amount calculated at the time of the most recent renewal inception date, whichever is greater.

8. **Loss Assessment.** We will pay up to \$1,000 for **your** share of any loss assessment charged during the policy period against **you** by a corporation

or association of property owners. This only applies when the assessment is made as a result of each direct loss to property, owned by all members collectively, caused by a Peril Insured Against under Coverage A – Dwelling, other than earthquake or land shock waves or tremors before, during or after a volcanic eruption.

This coverage applies only to loss assessments charged against **you** as owner or tenant of the **residence premises**.

We do not cover loss assessments charged against **you** or a corporation or association of property owners by any governmental body.

9. **Property Removed.** **We** insure covered property against direct loss from any cause while being removed from a premises endangered by a Peril Insured Against and for no more than 30 consecutive days while removed. This coverage does not change the limit of liability that applies to the property being removed. Coverage applies on a pro rata basis to any property not removed.
10. **Reasonable Repairs.** **We** will pay the reasonable cost incurred by **you** for necessary repairs made solely to protect covered property from further damage if a Peril Insured Against causes the loss. This coverage does not increase the limit of liability that applies to the property being repaired.
11. **Refrigerated Products.** **We** will pay up to \$1,000 under Coverage C to cover the contents of refrigerated units on the **residence premises** for loss due to power failure or mechanical failure. If mechanical or power failure is known to you, all reasonable means must be used to protect the property insured from further damage or this coverage is void. Power or mechanical failure shall not include:
 - a. removal of a plug from an electrical outlet; or
 - b. turning off an electrical switch unless caused by a named peril.
12. **Trees, Shrubs and Other Plants.** **We** cover trees, shrubs, plants or lawns on the **residence premises** for loss caused by the following Perils Insured Against: Fire or lightning, Explosion, Riot or civil commotion, Aircraft, Vehicles not owned or operated by a resident of the **residence premises**, Vandalism or malicious mischief, or Theft.

The limit of liability for this coverage will not be more than 5% of the limit of liability that applies to the dwelling, or more than \$500 for any one tree, shrub or plant. **We** do not cover property grown for **business** purposes.

This coverage is additional insurance.

13. **Water Backup and Sump Discharge or Overflow.**
 - a. **We** will pay up to \$2,500 for direct physical loss, not caused by the negligence of any **insured**, to property covered under Section I caused by:

- (1) water, or water-borne material, that backs up through sewers or drains; or
- (2) water, or water-borne material, that overflows or is discharged from a sump, sump pump or related equipment even if such overflow or discharge results from the mechanical breakdown of the sump pump or related equipment.

b. This Additional Coverage does not apply to:

- (1) direct physical loss of the sump pump, or related equipment, which is caused by mechanical breakdown;
- (2) loss caused by:
 - (a) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
 - (b) water, or water-borne material, which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment which is the direct or indirect result of flood; or
 - (c) water, or water-borne material, below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure;

all caused by or resulting from human or animal forces or any act of nature.

This coverage does not increase the limits of liability for Coverages A, B, C or D stated in the policy Declarations. Except as stated under Additional Coverages 4, Damage from **Fungi** above, **we** do not cover indirect, subsequent, consequential, or concurrent loss caused by **fungi** in any sequence to a loss caused by water backup and sump discharge or overflow.

Direct loss by fire or explosion resulting from water damage is covered.

14. Ordinance or Law.

- a. **We** will pay up to 3% of the limit of liability that applies to Coverage A for increased costs **you** incur due to the enforcement of any law or ordinance that regulates or requires:
 - (1) construction, demolition, remodeling, renovation, or repair of that part of a covered building or other structure damaged by a Peril Insured Against;

- (2) demolition and reconstruction of the undamaged portion of a covered building or other structure, when that building or other structure must be totally demolished due to damage caused by a Peril Insured Against to another portion of that covered building or other structure;
 - (3) remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. This coverage may be used to pay for any increased costs incurred to remove debris from the construction, demolition, remodeling, renovation, repair, or replacement of property indicated in a. above.
 - c. **We do not cover:**
 - (1) loss in value to any covered building or other structure due to requirements of any ordinance or law; or
 - (2) costs to comply with any ordinance or law that requires any **insured** or any others to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants** in or on any covered building or other structure.

This coverage applies only to loss to **your** dwelling on the **residence premises** covered by Coverage A – Dwelling. This coverage does not apply to any other structure whatsoever.

This coverage is additional coverage.

SECTION I – PERILS INSURED AGAINST

COVERAGE A – DWELLING AND COVERAGE B – OTHER STRUCTURES

We insure against risks of direct physical loss to property described in Coverages A and B, if that loss is a physical loss to property, unless the loss is excluded in Section I – Exclusions.

However, **we** do not insure loss:

- 1. involving collapse, other than as provided in Additional Coverage 2;
- 2. caused by:
 - a. freezing of a plumbing, heating, air conditioning, or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This exclusion applies only while the dwelling is

vacant, unoccupied or being constructed unless you have used reasonable care to:

- (1) maintain heat in the building; or
 - (2) shut off the water supply and drain all systems and appliances of water;
- b. freezing, thawing, pressure or weight of water, ice, hail, snow or sleet, whether driven by wind or not, to a:
- (1) fence, pavement, deck, patio or swimming pool;
 - (2) footing, foundation, retaining wall or bulkhead or any other structure or device that supports all or part of a building or other structure;
 - (3) pier, wharf or dock; or
 - (4) gutter;
- c. theft in or to a dwelling or other structure under construction, or of materials and supplies for use in the construction until the dwelling or other structure is finished and occupied;
- d. vandalism and malicious mischief or breakage of glass and safety glazing materials if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- e. these below:
- (1) wear and tear, marring, deterioration;
 - (2) inherent vice, latent defect, mechanical breakdown;
 - (3) the presence, growth, proliferation, spread, or any activity of rust, bacteria, mold, mildew, wet or dry rot, or any fungi, whether or not, in whole or in part:
 - (a) caused by or resulting from;
 - (b) contributed to by; or
 - (c) aggravated by;

any peril or cause of loss, regardless of whether such peril or cause of loss is covered by this policy, and regardless of whether any other peril or cause of loss contributed concurrently or in any sequence to such loss.
 - (4) smog, smoke from agricultural smudging or industrial operations;

- (5) release, discharge or dispersal of contaminants or **pollutants**;
- (6) settling, cracking, shrinking, bulging or expansion of driveways, pavements, patios, foundations, walls, floors, roofs or ceilings; or
- (7) birds, vermin, rodents, insects or domestic animals.

If any of these cause water damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, **we** cover loss caused by the water including the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. **We** do not cover loss to the system or appliance from which this water escaped.

- 3. excluded under Section I – Exclusions.

COVERAGE C – PERSONAL PROPERTY

We insure for direct physical loss to the property described in Coverage C caused by a peril listed below unless the loss is excluded in Section I – Exclusions.

- 1. **Fire or lightning.**

- 2. **Windstorm or hail.**

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard motors, only while inside a fully enclosed building.

- 3. **Explosion.**

- 4. **Riot or civil commotion.**

- 5. **Aircraft**, including self-propelled missiles and spacecraft.

- 6. **Vehicles.** This peril includes damage to **your** property caused by a vehicle. It does not include damage to **your** personal property caused by **your recreational vehicle** or collision damage to any vehicle **you** own, rent or lease, including **recreational vehicles**.

- 7. **Smoke**, meaning sudden and accidental damage from smoke including emission of smoke, soot, fumes, or vapors from a boiler, furnace, or related equipment. This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

- 8. **Vandalism or malicious mischief.**

This peril does not include loss to property on the **residence premises** if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant.

Also, this peril does not include loss to any computer, computer system, network, hardware, program, **electronic data**, information repository, microchip, integrated circuit, or similar device unless there are visible signs of physical damage to the exterior of the computer, equipment, computer system, or non-computer equipment.

9. **Theft**, including attempted theft and loss of property from a known place when it is likely that the property has been stolen.

This peril does not include loss caused by theft:

- a. committed by an **insured**;
- b. in or to a dwelling or other structure under construction, or of materials and supplies for use in the construction until the dwelling or other structure is finished and occupied; or
- c. from that part of a **residence premises** rented by an **insured** to someone other than an **insured**;
- d. of **electronic data**.

This peril does not include loss caused by theft that occurs off the **residence premises** of:

- a. property while at any other residence owned by, rented to, or occupied by an **insured**, except while an **insured** is temporarily living there. Property of a student who is an **insured** is covered while residing away from **your residence premises** at a residence away from home.
 - b. watercraft of all types, and their furnishings, equipment and outboard motors;
 - c. trailers and campers.
10. **Damage of glass**, meaning damage to personal property caused by breakage of glass which is part of a building on the **residence premises**. There is no coverage for loss or damage to the glass.
11. **Falling Objects**.
- This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.
12. **Weight of ice, snow or sleet** which causes damage to property contained in the building.

13. **Accidental discharge or overflow of water or steam** from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

This peril does not include loss:

- a. to Personal Property caused by smog or the presence, growth, proliferation, spread, or any activity of rust, bacteria, mold, wet or dry rot, or fungi;
 - b. on the **residence premises**, if the dwelling has been vacant or unoccupied for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
 - c. to the system or appliance from which the water or steam escaped;
 - d. caused by or resulting from freezing except as provided in the peril of freezing below;
 - e. on the **residence premises** caused by accidental discharge or overflow which occurs off the **residence premises**, or
 - f. caused by overflow or back-up of water in guttering.
14. **Sudden and accidental tearing apart, cracking, burning or bulging** of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water, but not gutters.

This peril does not include loss to Personal Property caused by smog, or the presence, growth, proliferation, spread, or any activity of rust, bacteria, mold, wet or dry rot, or fungi, or caused by or resulting from freezing except as provided in the peril of freezing below.

15. **Freezing** of a plumbing, heating air conditioning or automatic fire protective sprinkler system or of a household appliance, but not gutters.

This peril does not include loss:

- a. on the **residence premises** while the dwelling is vacant, unoccupied or being constructed, unless you have used reasonable care to:
 - (1) maintain heat in the building; or
 - (2) shut off the water supply and drain the system and appliances of water.
- b. to Personal Property caused by smog, or the presence, growth, proliferation, spread, or any activity of rust, bacteria, mold, wet or dry rot, or fungi;

- c. on the **residence premises** caused by accidental discharge or overflow which occurs off the **residence premises**;
 - d. caused by overflow or backup of water of any form in gutters.
16. **Sudden and accidental damage from artificially generated electrical current.**

This peril does not include loss to a tube, transistor or similar electronic component.

SECTION I – EXCLUSIONS

We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

1. **Ordinance or Law**, meaning enforcement of any ordinance or law regulating the construction, repair, or demolition of a building or other structure, unless specifically provided elsewhere under this policy.
2. **Earth Movement**, meaning earthquake including land shock waves or tremors before, during or after a volcanic eruption; any volcanic eruption; landslide; mudflow, erosion, earth sinking, contracting, expanding, rising or shifting, unless direct loss by:
 - a. fire;
 - b. explosion; or
 - c. breakage of glass or safety glazing material which is part of a building, storm door or storm window;

ensues and then **we** will pay only for the ensuing loss.

Also, **we** do not cover any loss or damage caused by growth or decay of trees, roots, plants or vines.

This exclusion does not apply to loss by theft.

3. **Water Damage**, meaning:
 - a. flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
 - b. water, or water-borne matter that backs up through sewers or drains or that overflows or is discharged from a sump, sump pump or related equipment; except as provided in Additional Coverage 13; or
 - c. water, or water-borne matter, below the surface of the ground, including water which exerts pressure on or seeps or leaks through a

building, sidewalk, driveway, foundation, swimming pool or other structure.

Direct loss by fire, explosion or theft resulting from water damage is covered.

4. **Power Failure** or interruption, meaning the failure of power or interruption or other utility service if the failure takes place off the **residence premises**. But, if a Peril Insured Against ensues on the **residence premises**, we will pay only for that ensuing loss.
5. **Neglect**, meaning neglect of an **insured** to use all reasonable means to save and preserve property at and after the time of a loss, or when property is endangered.
6. **War and Military Action Exclusion**

We will not pay for loss or damage caused by the following, listed below. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

- a. War, including undeclared civil war;
- b. Warlike action by a military force, including action to hinder or defend against an actual, expected, or threatened attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

If there is any action that comes within the terms of this exclusion and involves nuclear reaction or radiation or radioactive-contamination, then this War and Military Action Exclusion supersedes the Nuclear Hazard Exclusion.

7. **Terrorism Exclusion.** Regardless of the amount of damage and losses, this exclusion applies to any and all incidents of **terrorism**:
 - a. that involve the use, release or escape of pathogenic or poisonous biological or chemical materials; or
 - b. that could cause the release or escape of pathogenic or poisonous biological or chemical materials; or
 - c. to any incident that directly or indirectly results in nuclear reaction or radiation or radioactive contamination.

We will not pay for loss or damage caused directly or indirectly by **Terrorism**, including action to hinder or defend against an actual, expected or threatened incident of **Terrorism**. Such loss or damage is excluded

regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

But if **Terrorism** results in fire, **we** will pay for the loss or damage caused by that fire. However, this exception for fire applies only to direct loss or damage by fire to Covered Property.

With respect to any such activity that also comes within the terms of the War and Military Action Exclusion, that exclusion supersedes the **Terrorism** Exclusion.

In the event of an act of **Terrorism** that involves nuclear reaction or radiation, or radioactive contamination, this **Terrorism** Exclusion supersedes the Nuclear Hazard Exclusion.

8. **Nuclear Hazard**, to the extent set forth in the Nuclear Hazard Clause of Section I – Conditions.
9. **Intentional Acts**, meaning any loss arising out of any act committed:
 - a. by or at the direction of any **insured**; or
 - b. with the intent to cause a loss; or
 - c. in a domestic dispute between **insureds**, family members, or others.
10. **We** do not insure under any coverage for loss resulting from one or more of the items below:
 - a. conduct, act, failure to act, or decision of any person, group, organization, or governmental body whether intentional, wrongful, negligent, or without fault;
 - b. defect, weakness, inadequacy, fault or unsoundness in:
 - (1) planning, zoning, development surveying, siting;
 - (2) design, specifications, workmanship, construction, grading, compaction;
 - (3) materials used in construction or repair; or
 - (4) maintenance;

of any property (including land, structures, or improvements of any kind) whether on or off the **residence premises**.

However, **we** do insure for any ensuing covered loss from items a. and b. unless the ensuing loss is itself a loss excluded by this section.

11. **We** do not insure for loss under any coverage regardless of whether one or more of the items listed in paragraph 10 above:

- a. directly or indirectly cause, contribute to or aggravate the loss; or
- b. occur before, at the same time, or after the loss or any other cause of the loss.

However, **we** do insure for ensuing covered loss from items 10a and 10b unless the ensuing loss is itself a loss excluded by this section.

- 12. **We** do not insure under any coverage for loss resulting from weather conditions. This exclusion applies only if weather conditions contribute in any way with a cause or event excluded in items 1 through 11 above.
- 13. **Asbestos and Lead Removal.** This policy does not insure covered property for damage, loss of use, or expenses arising from:
 - a. actual or attempted removal of any asbestos material, lead pipes, lead paint, or any material containing lead, unless the asbestos or lead pipes, lead paint, or any material containing lead, is itself damaged by a peril insured against;
 - b. demolition or increased cost of reconstruction, repair, or debris removal, attributable to the enforcement of any law, ordinance or regulation concerning asbestos material, lead paint, lead pipes, or any material containing lead;
 - c. any governmental direction or request declaring that asbestos material, lead paint, lead pipes, or any material containing lead, present in, part of, or utilized by any undamaged portion of the **insured's** property can no longer be used for the purpose for which it was intended or installed and must be modified, covered, sealed, protected, or removed.
- 14. **Pollutants and Pollution Exclusion.** **We** do not insure for loss, cost, or expense:
 - a. which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at any time, by any person, organization or governmental authority; and
 - b. arising out of any:
 - (1) request, demand or order that any **insured** or others test for, monitor, clean-up, remove, remedy, repair, contain, treat, detoxify or neutralize, or in any other way respond to, or assess the effects of **pollutants**; or
 - (2) claim or suit by or on behalf of any person, organization or governmental authority for damages because of testing for, monitoring, cleaning up, removing, remedying, repairing, containing, treating, detoxifying or neutralizing, or in any other way responding to, or assessing the effects of **pollutants**.

- c. This exclusion does not apply to **bodily injury** or **property damage** arising out of heat or smoke from a hostile fire. As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it is intended to be.
- 15. **We** do not insure covered property for damage, loss of use, or expenses caused by radon gas, radium, any other radioactive substance, any gas, or any sound or light. **We** do not cover the cost of any investigations, fines, or other costs related to radon gas, radium, any other radioactive substance, any gas, or any sound or light.
- 16. **Prejudgment Interest.** This policy does not pay prejudgment interest.
- 17. **We** do not insure for loss or damage arising directly or indirectly out of:
 - a. loss of, alteration of, or damage to; or
 - b. a reduction in the functionality, availability or operation of:

any computer, computer system, network, hardware, software, program, **electronic data**, information, repository, microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of an **insured** or others.
 - c. **we** will not cover, pay for, or reimburse **you** or anyone else for any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement, or supervision provided to correct, determine, prevent, rectify, or test for any actual, alleged or potential problems described in subparagraphs a. and b. above.
 - d. **we** will pay for direct physical loss or damage to covered property caused by a Peril Insured Against, Section I, Coverage C – Personal Property. However, this exception does not apply to any loss or damage that is:
 - (1) otherwise excluded in Section I – Exclusions; or
 - (2) caused by the peril of **Vandalism or Malicious Mischief**, unless there are visible signs or physical damage to the exterior of such computer system, computer equipment or non-computer equipment.
 - e. with respect to loss or damage excluded by this paragraph, if a peril listed in Section I – Perils Insured Against for Coverage C – Personal Property ensues, **we** will pay for the direct physical loss or damage caused by such ensuing peril.
- 18. **Collapse**, other than as provided in **Additional Coverages**.

SECTION I – CONDITIONS

1. **Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, **we** will not be liable in any one loss:
 - a. to the **insured** for more than the amount of the **insured's** interest at the time of loss; or
 - b. for more than the applicable limit of liability.
2. **Your Duties After Loss.** In case of a loss to covered property, **you** must see that the following are done:
 - a. immediately notify the police or other appropriate law enforcement agency in any case of loss where a crime is suspected;
 - b. immediately notify the credit card or fund transfer card company in case of loss under Credit Card or Fund Transfer Card coverage;
 - c. give prompt notice to **us** or **our** agent;
 - d.
 - (1) protect the property from further damage;
 - (2) make reasonable and necessary repairs to protect the property; and
 - (3) keep an accurate record of repair expenses;
 - (4) cooperate with **us** in the investigation and settlement of any claim;
 - e. prepare an inventory of damaged personal property showing the quantity, description, how, when, and where acquired, **actual cash value** and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
 - f. as often as **we** reasonably require, of **you**, any other **insured**, or any other person seeking coverage:
 - (1) allow **us**, or **our** designee(s) to inspect the damaged property;
 - (2) allow **us** to secure, and retain, at **our** expense, evidence relating to the loss;
 - (3) provide **us** with records and documents **we** request and permit **us** to make copies;
 - (4) allow **us** to obtain from **you**, and any other person seeking coverage, separate recorded statements; and
 - (5) submit to examination(s) under oath and sign and swear to it;

- g. send to **us**, within 60 days after **our** request, **your** signed, sworn proof of loss which sets forth, to the best of **your** knowledge and belief:
- (1) the time and cause of loss;
 - (2) the interest of the **insured** and all others in the property involved and all mortgages or liens on the property;
 - (3) other insurance, service agreements or warranty provisions which may cover the loss;
 - (4) changes in title or occupancy of the property during the term of the policy;
 - (5) specifications of damaged buildings and detailed repair estimates;
 - (6) the inventory of damaged personal property described in 2e above;
 - (7) receipts for additional living expense incurred and records that support the fair rental value loss; and
 - (8) evidence or affidavit that supports a claim under the Credit Card, Fund Transfer Card, Forgery and Counterfeit Money coverage, stating the amount and cause of loss.

3. **Loss Settlement.** Covered property losses are settled as follows:

- a. Personal property at replacement cost except those properties specifically excluded below:
- (1) antique, fine arts, paintings and similar articles of rarity or antiquity, which cannot be replaced;
 - (2) memorabilia, souvenirs, collectors items and similar articles whose age or history contribute to its value;
 - (3) articles not maintained in good or workable condition;
 - (4) articles that are outdated or obsolete;
 - (5) property not useful for its intended purpose.

Loss to personal property in categories one through five above will be settled at **actual cash value** at the time of loss, but not more than the amount required to repair or replace. **Actual cash value** will include consideration of fair market value, age and condition of the item in question at the time of the loss.

- b. Carpeting and household appliances, whether or not attached to buildings at replacement cost.

- c. The following will be settled at **actual cash value** at the time of the loss, but for not more than the amount required to repair or replace;
- (1) structures that are not buildings;
 - (2) buildings not permanently attached to or otherwise forming a part of the realty;
 - (3) awnings, antennas and outdoor equipment, including equipment used to service the **residence premises**;
 - (4) fences, property line and similar walls, including seawalls;
 - (5) structures, including the property in or on the structure, located in whole or in part in or over water;
 - (6) swimming pools.

Actual cash value will include consideration of fair market value, age, and condition of the item in question at the time of the loss.

- d. Personal Property Replacement Cost Adjustment:
- (1) **We** will pay not more than the smallest of the following amounts:
 - (a) replacement cost at time of loss without deduction for depreciation;
 - (b) the full cost of repair at time of loss;
 - (c) 400 percent of the **actual cash value** at the time of loss;
 - (d) the limit of liability applying to Coverage C; or
 - (e) any special limits of liability stated in this policy.
 - (2) When the replacement cost for the entire loss under this coverage exceeds \$500, **we** will pay no more than the **actual cash value** for the loss or damage, until the actual repair or replacement is completed.
 - (3) **You** may make a claim for loss on an **actual cash value** basis and then make claim within 180 days after the loss for any additional liability, in accordance with this coverage.
- e. Buildings permanently attached to or otherwise forming a part of the realty, under Coverage A or B at replacement cost without deduction for depreciation, subject to the following:
- (1) If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, **we** will pay the cost

to repair or replace, without deduction for depreciation, but not more than the least of the following amounts:

- (a) the limit of liability under this policy that applies to the building;
 - (b) the replacement cost of that part of the building damaged for like construction and use of the same premises; or
 - (c) the necessary amount actually spent to repair or replace the damaged building.
- (2) If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, **we** will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building;
- (a) the **actual cash value** of that part of the building damaged; or
 - (b) that proportion of the cost to repair or replace, without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.
- (3) To determine that amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, **we** will not include the value of:
- (a) excavations, foundations, piers or any supports which are below the undersurface of the lowest basement floor;
 - (b) those supports in (a) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
 - (c) underground flues, pipes, wiring and drains.
- (4) **We** will pay no more than the **actual cash value** of the damage, up to the policy limit, until actual repair or replacement is completed.
- (5) **You** may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to buildings on an **actual cash value** basis. **You** may then make claim within 180 days after loss for any additional liability on a replacement cost basis.

We do not guarantee an exact decorative match in texture or color for any roofing, exterior or interior building material, furniture or upholstery.

4. **Loss to a Pair or Set.** In case of loss to a pair or set, **we** may elect to:
 - a. repair or replace any part to restore the pair or set to its value before the loss; or
 - b. pay the difference between **actual cash value** of the property before and after the loss; or
 - c. pay in any loss involving part of a series of panels or pieces the reasonable cost of:
 - (1) replacing or repairing the damaged part to match the remainder as closely as possible; or
 - (2) providing an acceptable decorative effect as may be necessary. However, **we** do not guarantee exact replacement availability. In the event of damage to a part, **we** are not liable for the value of or the repair or replacement of the entire series of panels or pieces.
5. **Glass Replacement.** Loss for damage to glass caused by a Peril Insured Against will be settled on the basis of replacement with safety glazing materials when required by ordinance or law.
6. **Appraisal.** If **you** and **we** fail to agree on the amount of loss, either one can demand that the amount of the loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, **you** or **we** can ask a judge of a court of record in the state where the **residence premises** is located to select an umpire. The appraisers shall then set the amount of loss. If the appraisers submit a written report of an agreement to **us**, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by **you** and **us**.
7. **Other Insurance.** If a loss covered by this policy is also covered by other insurance, a service contract or warranty provisions, **we** will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.
8. **Suit Against Us.** No action can be brought unless the policy provisions have been complied with and the action is started within one year after the date of loss.

9. **Our Option.** We may repair or replace any part of the property damaged or stolen with equivalent property. Any property we pay for or replace becomes our property at our option.
10. **Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we:
 - a. reach an agreement with you; or
 - b. receive your proof of loss and reach an agreement with you; or
 - c. there is an entry of a final judgment; or
 - d. there is a filing of an appraisal award with us.
11. **Abandonment of Property.** We need not accept any property abandoned by an insured.
12. **Mortgagee Clause.**

The word **mortgagee** includes trustee.

If a mortgagee is named in this policy, any loss payable under Coverage A or B will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.

If we deny your claim that denial will not apply to a valid claim of the mortgagee, if the mortgagee:

- a. notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
- b. pays any premium due under this policy on demand if you have neglected to pay the premium; and
- c. submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

If the policy is cancelled or not renewed by us, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.

If we pay the mortgagee for any loss and deny payment to you:

- a. we are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or

- b. at our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

13. **No Benefit to Bailee.** We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provisions of this policy.
14. **Nuclear Hazard Clause.**
 - a. **Nuclear Hazard** means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
 - b. Loss caused by the **nuclear hazard** will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against in Section I.
 - c. This policy does not apply under Section I to loss caused directly or indirectly by **nuclear hazard**, except that direct loss by fire resulting from the **nuclear hazard** is covered.
15. **Intentional Loss.** If you or any person insured under this policy causes or procures a loss to property covered under this policy for the purpose of obtaining insurance benefits, then the policy is void and we will not pay you or any other insured for this loss.
16. **Unearned Premium Clause.** If a loss under your policy is payable or has been paid, the Company has the option to:
 - a. reduce your coverage by any sum up to the amount of the loss and refund to you within 30 days of our notice to you of the reduction in coverage the pro rata unearned premium as of the time of the loss; or
 - b. retain the unearned premium and maintain your policy without regard to the loss; or
 - c. terminate your policy and within 30 days of our notice refund to you any pro rata unearned premium as of the time of the loss.
17. **Valuation Clause.** For the perils of fire and lightning, you and we agree that the value of the building described in this policy is, and hereby fix the amount of insurance to be carried on the building as, the amount shown for Coverage A – Dwelling, on the Declarations of this policy. These agreed values are established for insurance purposes only. At any date the building is under construction, the maximum amount of insurance shall be

the proportion of the value of the building that the **actual cash value** of the building, on that date, bears to the value of the building when completed.

18. **Loss Deductible Clause.** In case of loss under Coverages A, B, or C, the deductible stated on **your** latest Declarations will be applied per occurrence and will be deducted from the amount of the loss. This loss deductible clause shall not apply to the: Arson Award; Credit Card, Fund Transfer Card or Access Device, Forgery and Counterfeit Money; and Fire Department Service Charge coverages.
19. **Change in Ownership, Renting or Leasing.** This policy does not apply if:
 - a. there is a change in ownership of the dwelling to a person or organization, other than an **insured**;
 - b. **you** rent or lease the dwelling to a person, other than an **insured**, unless **you** notify **us** in writing of the change, rental or lease within 30 days.
20. **Report Increased Values.** **You** agree to notify **us** within 90 days of the start of any building valued at \$5,000 or more or any additions to or remodeling of buildings that increases their value by \$5,000 or more, and pay any additional premium for the increased value. If **you** fail to notify **us** within 90 days, or pay the additional premium, **we** will not cover any increased values.

SECTION II – LIABILITY COVERAGES

COVERAGE E – PERSONAL LIABILITY

If a claim is made or a suit is brought against an **insured** for damages because of **bodily injury** or **property damage** caused by an **occurrence** to which this coverage applies, **we** will:

1. pay up to **our** limit of liability for the damages for which the **insured** is legally liable; and
2. have the right and duty to provide a defense at **our** expense by counsel of **our** choice, even if the suit is groundless, false or fraudulent. **We** may investigate, settle, deny, or defend any claim or suit that **we** decide is appropriate. However, **we** will have no duty to defend any suit seeking damages for **bodily injury** or **property damage** to which this insurance does not apply. **Our** duty to settle or defend ends when the amount **we** pay for damages resulting from the **occurrence** equals **our** limit of liability.

Damages because of **bodily injury** include damages claimed by any person or organization for care, loss of services or death resulting at any time from the **bodily injury**.

Property damage that is loss of use of tangible property that is not physically injured will be deemed to occur at the time of the **occurrence**

that caused it. For the purposes of this Section, **electronic data** is not tangible property. **We** will not cover any loss, loss of use, deletion, corruption, or degradation of performance of any other **electronic data** equipment or material caused by **your** ownership, use, or operation of any **electronic data** equipment, material, or instructions, whether the damage or consequences was intentional or not.

This insurance applies to **bodily injury** and **property damage** only if:

- a. the **bodily injury** or **property damage** is caused by an **occurrence** which takes place in the **coverage territory**; and
- b. the **bodily injury** or **property damage** occurs during the policy period of this policy.

The amount **we** will pay for damages is limited as described in SECTION II – LIMITS OF LIABILITY.

COVERAGE F – MEDICAL PAYMENTS TO OTHERS

We will pay the necessary medical expenses that are incurred within three years from the date of an accident causing **bodily injury**. **We** will make these payments regardless of fault. Necessary medical expenses means reasonable charges for first aid administered at the time of the accident, medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to **you**, any other **insured**, or regular residents of **your** household except **residence employees**. As to others, this coverage applies only:

1. to a person on the **insured location** with the permission of an **insured**; or
2. to a person off the **insured location**, if the **bodily injury**:
 - a. arises out of a condition on the **insured location** or the ways immediately adjoining;
 - b. is caused by the activities of an **insured**;
 - c. is caused by a **residence employee** in the course of the **residence employee's** employment by an **insured**; or
 - d. is caused by an animal owned by or in the care of an **insured**, but not a **business**, including a farm, animal.
3. to a **residence employee** if the **occurrence** causing **bodily injury** occurs off the **insured location** and arises out of or in the course of the **residence employee's** employment by an **insured**.

These payments will not exceed the applicable limits of liability. This coverage applies only to accidents occurring in the **coverage territory** during the policy period.

SECTION II – EXCLUSIONS

1. **Coverage E – Personal Liability and Coverage F – Medical Payments to Others** do not apply to **bodily injury** or **property damage**:
 - a. resulting from intentional acts or directions of **you** or any **insured**. The expected or unexpected results or these acts or directions are not covered.
 - b. arising out of or in connection with **business** pursuits of an **insured** or the rental or holding for rental of any part of any premises by an **insured**.

This exclusion does not apply to the rental or holding for rental of any **insured location**:
 - (1) on an occasional basis if used only as a residence;
 - (2) in part, unless intended for use as a residence by more than two roomers or boarders; or
 - (3) in part, as an office, school studio or private garage.
 - c. resulting from any **insured's** regularly providing home day care services, or foster parenting services, at any time to a person or persons other than any **insured**, in return for which any **insured** receives monetary or other compensation or any other consideration. The providing of such services in exchange for such compensation is a **business**. Mutual exchange of home day care services, however, is not considered compensation.
 - d. arising out of the rendering of or failure to render professional services of any nature, even if covered by another policy.
 - e. arising out of any act or omission that occurs at, on, or in connection with a premises:
 - (1) owned or controlled by any **insured**;
 - (2) rented to any **insured**; or
 - (3) rented to others by any **insured**;
 that is not an **insured location**.
 - f. arising out of:
 - (1) the ownership, lease, rental, maintenance, use, loading or unloading of motor vehicles, **recreational vehicles**, or any other motorized land conveyances, including trailers, owned or operated by or rented or loaned to an **insured**;

- (2) the entrustment by an **insured** of a motor vehicle, **recreational vehicle** or any other motorized land conveyance to any person;
- (3) maintenance or use of any motor vehicle, **recreational vehicle**, or any other motorized land conveyance;
 - (a) on any highway or public road;
 - (b) on another's land, whether owned, leased, or rented, without expressed permission;
 - (c) on public or private lands where these conveyances are prohibited, whether posted or not;
 - (d) in any impromptu, prearranged, or organized race, speed trial, time trial or any other similar contest; or
- (4) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a conveyance excluded in paragraph (1), (2), or (3) above.

This exclusion does not apply to:

- (1) a trailer not towed by or carried on a motorized land conveyance.
 - (2) a motorized golf cart while being used to play golf on a golf course.
 - (3) a vehicle, **recreational vehicle** or conveyance not subject to motor vehicle registration:
 - (a) while being used to assist a handicapped person;
 - (b) while in dead storage on an **insured location**; or
 - (c) which is a lawn or garden tractor, with no more than a 30 horsepower engine rating, that is not used in any **business** and is not a **recreational vehicle**.
- g. arising out of:
- (1) the ownership, maintenance, use, loading or unloading of a watercraft described below;
 - (2) the entrustment by an **insured** of a watercraft described below to any person; or
 - (3) vicarious liability, whether or not statutorily imposed, for the actions of a child or minor using a watercraft described below.

Watercraft:

- (1) with inboard or inboard-outdrive motor power owned by an **insured**;
- (2) with inboard or inboard-outdrive motor power of more than 50 horsepower rented to an **insured**;
- (3) that is a sailing vessel, with or without auxiliary power, 26 feet or more in length owned by or rented to an **insured**;
- (4) powered by one or more outboard motors with more than 25 total horsepower if the outboard motor is owned by an **insured**. But, outboard motors of more than 25 total horsepower are covered for the policy period if:
 - (a) **you** acquire them prior to the current policy period and:
 - 1) **you** declare them at the current policy inception; or
 - 2) **your** intention to insure is reported to **us** in writing within 45 days after **you** acquire the outboard motors.
 - (b) **you** acquire them during the current policy period and **your** intention to insure is reported to **us** in writing within 45 days after **you** acquire the outboard motors; or
- (5) designated as a jet ski, air boat, air cushion, hovercraft, personal watercraft or similar type of craft, unless endorsed on this policy.

This exclusion does not apply while the watercraft is stored.

h. arising out of:

- (1) the ownership, maintenance, use, operation, loading or unloading of any aircraft or hovercraft by any **insured** or any other person;
- (2) the leasing, or rental of an aircraft or hovercraft by any **insured**, including any aircraft loaned to any **insured**;
- (3) the entrustment by any **insured** of an aircraft to any person; or
- (4) vicarious liability whether or not statutorily imposed for the actions of a child or minor using an aircraft or hovercraft.

An aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people, cargo, photographic, video or electronic equipment. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles.

- i. all other damages actually or alleged to be caused, directly or indirectly, happened through, or in consequence of:

- (1) war, including undeclared war;
- (2) warlike action by a military force or military personnel, including action in hindering or defending against an actual, threatened, or expected attack, by any government, sovereign, or other authority using military personnel or other agents;
- (3) civil war, insurrection, rebellion, revolution, usurped power, or action taken by governmental authority to hinder or defend against any of these; or
- (4) **terrorism**, including any action taken to hinder or defend against an actual, threatened, or expected incident of **Terrorism**;

regardless of any other cause or event that contributes concurrently or in sequence to the injury or damage.

Discharge of a nuclear weapon or device will be deemed a warlike act even if accidental.

- j. arising from **sexual harm** committed, caused, instigated, or directed by:

- (1) **you**, any **insured** or any covered person; or
- (2) **your**, any **insured's** or any covered person's employee or agent;

whether or not such **bodily injury, personal injury or property damage** is:

- (a) intended;
- (b) expected; or
- (c) foreseeable;

by anyone.

- (3) This exclusion also applies to **bodily injury, personal injury or property damage** arising from the negligent:
 - (a) employment, hiring, contracting, and/or retention by anyone of a person who commits **sexual harm**;
 - (b) investigation of, or reporting or failure to report to the proper authorities, a person:
 - 1) employed;
 - 2) hired;

3) contracted; or

4) retained;

by you, or any **insured** and who commits **sexual harm**.

(c) failure of any **insured** or any covered person to seek medical, psychological, or other treatment, rehabilitation, or counseling, to prevent:

1) involvement in;

2) instigation of; or

3) continuation of;

sexual harm by:

1) any **insured**;

2) any **insured's** agent; or

3) any person employed, hired, contracted, and/or retained by any **insured**;

(4) supervision of a person who commits **sexual harm**;

(5) entrustment of a person to any other person who commits **sexual harm**;

(6) allowing, by anyone, of any other person to be in the presence of any person who commits **sexual harm**;

(7) failure by anyone to take action to stop any other person from being in the presence of any person who commits **sexual harm**, including but not limited to failure to warn such other or any person; or

(8) failure of anyone to prevent the commission of **sexual harm**.

Paragraphs (3) (a) and (b), (4), (5), (6), (7) and (8) above also apply to any person who may commit, has committed or is alleged to have committed **sexual harm**.

k. resulting from any **insured's** conduct, act, failing to act, or decision whether intentional, wrongful, negligent, or without fault while acting as a participant, member, officer, director, advisor, or trustee of any group, board, organization, or government body, whether or not elected.

This exclusion does not apply to loss assessment as defined under Section II – Additional Coverages, paragraph 4.

- l. arising out of the actual, alleged, attempted or threatened exposure to or transmission of any communicable disease, bacteria, parasite, virus, insects, rust, mold, mildew, wet rot or dry rot, any other fungi, other organism, sickness, condition or illness, regardless of whether any other cause, event, material, or product contributed concurrently or in any sequence to such injury or damage by:
 - (1) **you**;
 - (2) any members of **your** household;
 - (3) anyone **you** employ; or
 - (4) any other person acting on **your** behalf or at **your** direction.
- m. arising out of corporal punishment or physical or mental abuse; or arising out of **personal injury** except as covered by Section II, Additional Coverage.
- n. arising out of acts committed, or alleged to have been committed, by any **insured** that causes **personal injury**, **bodily injury** to, or damages property of, any other **insured** under the provisions of this policy.
- o. arising out of the use, sale, manufacture, delivery, transfer, or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled substances include but are not limited to cocaine, LSD, marijuana, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.
- p. arising out of:
 - (1) ownership, possession, controlling, keeping, harboring, or breeding or knowingly permitting any other person to own, possess, control, keep, harbor, or breed any dangerous exotic animal on any **insured premises**. The presence of any government agency permit does not negate this exclusion and this policy does not serve as evidence of liability insurance coverage for exotic animal owners, possessors, or breeders.
 - (2) the use of any livestock or other animal in, or while in practice or preparation for, a prearranged racing, speed, or strength contest, or prearranged stunting activity. But this exclusion applies only to **occurrences** arising out of such contests or activities that take place at the site designated for the contest or activity.
- q. arising from any nuclear reaction, nuclear radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.

- r. arising from loss, cost or expense, whether direct or indirect, and whether or not environmental:
- (1) which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at any time, by any person, organization or governmental authority;
 - (2) or arising out of any:
 - (a) request, demand or order that any **insured** or others test for, monitor, clean-up, remove, remedy, repair, contain, treat, detoxify or neutralize, or in any other way respond to, or assess the effects of **pollutants**, asbestos, lead, radium, radon, insects, rust, bacteria, mold, mildew, wet rot or dry rot, or any **fungi**; or
 - (b) fine, claim or suit by or on behalf of any person, organization or governmental authority for damages because of testing for, monitoring, cleaning up, removing, remedying, repairing, containing, treating, detoxifying or neutralizing, or in any other way responding to, or assessing the effects of **pollutants**, asbestos, lead, radium, radon, insects, rust, bacteria, mold, mildew, wet rot or dry rot, or any other **fungi**.
 - (c) supervision, instruction, disclosures, or failures to disclose, recommendations, warning, or advice given, or which allegedly should have been given, in connection with **bodily injury** or **property damage** from any consequence of rust, mold, **fungi**, bacteria, wet or dry rot or other microbes or the activities described in subpart (a) above; or
 - (d) obligation to share with or repay another who must pay damages because of **bodily injury** or **property damage** of the type described in this paragraph r. This applies regardless of any other cause that contributed directly or indirectly, concurrently or in any sequence to the **bodily injury** or **property damage**.

This exclusion does not apply to **bodily injury** or **property damage** arising out of heat or smoke from a hostile fire. As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it is intended to be.

- (3) any asbestos material or substitute or material containing lead; or
- (4) radon gas, radium, any other radioactive substance, any gas, any sound or light, all or any occurring at or emanating from any location.

We do not cover expenses incurred for investigation or defense of any claim or suit, clean-up costs, any other costs, fines, or penalties whatsoever related to (1), (2), (3), or (4) above.

- s. arising out of the sale or transfer of real property or any enclosed, inhabitable living space, including but not limited to the following:
 - (1) known or unknown property or structural defects;
 - (2) known or hidden defects in the plumbing, heating, air conditioning, or electrical systems;
 - (3) known or unknown soil conditions or drainage problems; or
 - (4) concealment or misrepresentation of any known defects.
- t. arising from damage, deletion, corruption, loss, loss of use or degradation of performance of any other **electronic data** equipment or material caused by **your** use or operation of any **electronic data** equipment, material, or instructions however caused.

Exclusions d., e., f., g., and h., do not apply to **bodily injury** to a **residence employee** arising out of and in the course of the **residence employee's** employment by an **insured**.

2. **Coverage E – Personal Liability**, does not apply to:

- a. liability:
 - (1) for **your** share of any loss assessment charged against all members of an association, corporation or community of property owners, except as provided by Section II – Additional Coverages, 4. Loss Assessment; or
 - (2) under any contract or agreement whether written or unwritten.
- b. **property damage** to property owned by an **insured**.
- c. **property damage** to property rented to, occupied or used by or in the care of an **insured**. This exclusion does not apply to **property damage** caused by fire, smoke or explosion.
- d. **bodily injury** to any person eligible to receive any benefits voluntarily provided; or required to be provided, by an **insured** under any:
 - (1) workers' compensation law;
 - (2) non-occupational disability law;
 - (3) occupational disease law;
 - (4) unemployment compensation law; or

- (5) any similar law.
 - e. **bodily injury or property damage** for which an **insured** under this policy:
 - (1) is also an **insured** under a nuclear energy liability policy; or
 - (2) would be an **insured** under that policy but for the exhaustion of its limit of liability.
 - f. **bodily injury to you** or any **insured** within the meaning of part a. or b. of **insured** as defined.
3. **Coverage F – Medical Payments to Others**, does not apply to **bodily injury**:
- a. to a **residence employee** if the bodily injury:
 - (1) occurs off the **insured location**; and
 - (2) does not arise out of or in the course of the **residence employee's** employment by an **insured**.
 - b. to any person eligible to receive any benefits voluntarily provided, or required to be provided, under any:
 - (1) workers' compensation law;
 - (2) non-occupational disability law;
 - (3) occupational disease law;
 - (4) unemployment compensation law; or
 - (5) any similar law.
 - c. from any:
 - (1) nuclear reaction;
 - (2) nuclear radiation; or
 - (3) radioactive contamination;

all whether controlled or uncontrolled or however caused.
 - d. to any person, other than a **residence employee** of an **insured**, regularly residing on any part of the **insured location**.

SECTION II – ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

1. **Claim Expenses. We pay:**
 - a. expenses **we** incur and costs taxed against an **insured** in any suit **we** defend;
 - b. premiums on bonds required in a suit **we** defend, but not for bond amounts more than the limit of liability for Coverage E. **We** need not apply for or furnish any bond;
 - c. reasonable expenses incurred by an **insured** at **our** request, including actual loss of earnings (but not loss of other income) up to \$50 per day, for assisting **us** in the investigation or defense of a claim or suit;
 - d. interest on the entire judgment which accrues after entry of the judgment and before **we** pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.
2. **First Aid Expenses. We** will pay reasonable expenses for immediate first aid administered within 24 hours of an accident to others, incurred by an **insured**, for **bodily injury** covered under this policy. **We** will not pay for first aid to **you** or any other **insured**.
3. **Damage to Property of Others.** When **you** have property of others entrusted to or loaned to **you**, or under **your** temporary control, **we** will pay limited benefits if **you** damage or destroy it accidentally.
 - a. **We** will pay the lesser of:
 - (1) replacement cost at the time of loss;
 - (2) full cost of repairs; or
 - (3) \$500 in any one occurrence.
 - b. **We** will not pay for **property damage**:
 - (1) for any amount recoverable under Section I of this policy;
 - (2) caused intentionally by any **insured** who is 13 years of age or older;
 - (3) to property owned by or rented to an **insured**;
 - (4) to property owned by or rented to a tenant of an **insured** or a resident of **your** household; or
 - (5) arising out of:
 - (a) professional services or an **insured's business** pursuits;

- (b) any act or omission in connection with a premises owned, rented or controlled by an **insured**, other than the **insured location**; or
- (c) the ownership, maintenance, or use of aircraft, hovercraft, watercraft, **recreational vehicle**, motor vehicles or any other motorized land conveyances.

This exclusion does not apply to a motorized land conveyance, or **recreational vehicle**, designed for recreational use off public roads, not subject to motor vehicle registration and not owned or leased by, or rented to or by, or available for the regular use of any **insured**.

- (d) damage, deletion, corruption, loss, loss of use or degradation of performance of any other **electronic data** equipment or material caused by **your** use or operation of any **electronic data** equipment, material, or instructions however caused.

4. **Loss Assessment.** We will pay up to \$1,000 for **your** share of any loss assessment charged during the policy period against **you** by a corporation or association of property owners, when the assessment is made as a result of:
 - a. each **occurrence** to which Section II of this policy would apply;
 - b. liability for each act of a director, officer or trustee in the capacity as a director, officer or trustee, provided;
 - (1) the director, officer or trustee is elected by the members of a corporation or association of property owners; and
 - (2) the director, officer or trustee serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.

This coverage applies only to loss assessments charged against **you** as owner or tenant of the **residence premises**.

We do not cover loss assessments charged against **you** or a corporation or association of property owners by any governmental body. **We** will not pay more than \$1,000 per **occurrence** or per act and not more than \$1,000 during the policy period.

Section II – Coverage E – Personal Liability Exclusion 2.a.(1) does not apply to this coverage.

5. **Personal Injury.** We will pay up to \$100,000 for loss or damages caused by **personal injury**, unless a higher limit of liability for this specific coverage is provided by endorsement and an additional premium paid. This limit applies to one event and to all events for these damages in a policy period.

Also, **Loss Assessment** listed immediately above this paragraph is amended to pay up to \$1,000 only for **your** share of loss assessment charged during this policy period against **you** by a corporation or association of property owners when the assessment is made as a result of **personal injury** not excluded elsewhere in this endorsement. This coverage applies only to loss assessments charged against **you** as an owner or tenant of the **residence premises**.

We do not cover assessments charged against **you** or a corporation or association of property owners by any governmental body.

Regardless of the number of assessments, the most **we** will pay for loss arising out of **personal injury** is \$1,000.

This Additional Coverage does not apply to **personal injury**:

- a. alleged, or harm caused by, any humiliation, embarrassment, alienation of affection, or **sexual harm**;
- b. caused by a willful violation of a penal law or ordinance committed by or with the knowledge or consent of any **insured**;
- c. (1) to a person arising out of any:
 - (a) refusal to employ that person;
 - (b) termination of that person's employment;
 - (c) employment-related practices, policies, acts of omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person; or
- (2) injury to the spouse, child, parent, brother, or sister of that person as a result of **personal injury** to that person at whom any of the employment-related practices described in paragraphs (a) through (c) above is directed.

This exclusion applies:

- (1) whether the **insured** may be liable as an employer or in other capacity; and
- (2) to any obligation to share damages with or repay someone else who must pay damages because of the injury.
- d. arising from any civic or public activities performed for pay by an **insured**; or
- e. to **you** or any **insured** within the meaning of part a. or b. of **insured** as defined, caused by **you** or any other **insured** under the provisions of this policy.

- f. (1) arising out of oral or written publication of material, if done by or at the direction of the **insured** with knowledge of its falsity;
- (2) arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- (3) for which an **insured** has assumed liability in any contract or agreement. This exclusion does not apply to:
 - (a) liability for damages that the **insured** would have in the absence of the contract or agreement;
 - (b) a written indemnity obligation **you** assumed directly relating to the ownership, maintenance or use of the **residence premises**.
- g. acts, attempts, coercion or threats of sexual or physical molestation, abuse, assault, harassment or harm caused, instigated or directed by any **insured**;
- h. exposure to or transmission of any disease, sickness or illness to another from any **insured**;
- i. caused by or at the direction of any **insured** with the knowledge that the act would violate the rights of another and would inflict **personal injury**;
- j. arising out of or in connection with any **business** conducted from an **insured location** or engaged in by any **insured**, whether or not the **business** is owned or operated by an **insured** or employs an **insured**. This applies to, but is not limited to, any act or omission regardless of its nature or circumstance, involving any service or duty rendered, promised, owed, or implied to be provided because of the nature of the business. But this exclusion does not apply to the rental or holding for rental of a covered item:
 - (1) occasionally if used only as a residence; or
 - (2) in part as an office, school, studio, or private garage endorsed elsewhere on this policy.
- k. arising from any **insured's** conduct, act, failure to act, or decision whether intentional, wrongful, negligent, or without fault while acting as a participant, member, officer, director, advisor, or trustee of any group, board, organization, or government body, whether or not elected.
- l. arising from the actual, alleged, or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**, at any time.
- m. arising from any loss, cost, or expense due to:

- (1) a request, demand or order that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of, **pollutants**, or
- (2) claim or suit by or on behalf of any governmental authority for damages because of testing for, monitoring, clean up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

SECTION II – CONDITIONS

1. **Limit of Liability.** Our total liability under Coverage E for all damages resulting from any one **occurrence** will not be more than the limit of liability for Coverage E as shown in the Declarations. This limit is the same regardless of the number of **insureds**, persons or organizations making claims or bringing suits, claims made or persons injured.

Our total liability under Coverage F for all medical expense payable for **bodily injury** as the result of one accident will not be more than the limit of liability for Coverage F as shown in the Declarations. This limit is the same regardless of the number of **insureds**, persons or organizations making claims or bringing suits, claims made or persons injured.

2. **Annual Aggregate Limits.** Our total liability under Coverage E and Coverage F for all incurred damages resulting during a policy period will not be more than three times the respective limit of liability for these coverages as shown in the Declarations.
3. **Severability of Insurance.** This insurance applies separately to each **insured**. This condition will not increase **our** limit of liability for any one **occurrence**.
4. **Duties After Loss.** In case of an accident or **occurrence**, the **insured** will perform the following duties that apply. **You** will help **us** by seeing that these duties are performed:
 - a. give prompt written notice to **us** or **our** agent as soon as is practical, which sets forth:
 - (1) the identity of the policy and **insured**;
 - (2) reasonably available information on the time, place and circumstances of the accident or **occurrence**; and
 - (3) names and addresses of any claimants and witnesses;
 - b. immediately forward to **us** every notice, demand, summons or other process relating to the accident or **occurrence**;
 - c. at **our** request, help **us**:
 - (1) to make settlement;

- (2) to enforce any right of contribution or indemnity against any person or organization who may be liable to an **insured**;
 - (3) with the conduct of suits and attend hearings and trials;
 - (4) to secure and give evidence and obtain the attendance of witnesses;
 - d. under the coverage, Damage to Property of Others, submit to **us** within 60 days after the loss a sworn statement of loss, and show the damaged property if in the **insured's** control;
 - e. the **insured** will not, except at the **insured's** own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the **bodily injury**;
 - f. cooperate with **us** in the investigation, settlement or defense of any claim or suit;
 - g. as often as **we** reasonably require, submit to examination(s) under oath and sign and swear to it.
5. **Duties of an Injured Person – Coverage F – Medical Payments to Others.**

The injured person or someone acting for the injured person will:

- a. give **us** written proof of claim, under oath if required as soon as is practical; and
- b. authorize **us** to obtain copies of medical reports and records.

The injured person will submit to a physical exam by a doctor of **our** choice when and as often as **we** reasonably require.

6. **Payment of Claim – Coverage F – Medical Payments to Others.** Payment under this coverage is not an admission of liability by an **insured** or **us**.

7. **Suit Against Us.** No action can be brought against **us** unless there has been full compliance with all the policy provisions of this Section.

No one will have the right to join **us** as a party to any action against an **insured**. Also, no action with respect to Coverage E can be brought against **us** until the obligation of the **insured** has been determined by final judgment or agreement signed by **us**.

8. **Bankruptcy of an Insured.** Bankruptcy or insolvency of an **insured** will not relieve **us** of our obligations under this policy.
9. **Other Insurance – Coverage E – Personal Liability.** This insurance is excess over other valid and collectible insurance except insurance written

specifically to cover as excess over the limits of liability that apply in this policy.

SECTION I AND II – CONDITIONS

1. **Policy Period.** This policy applies only to loss in Section I or **bodily injury** or **property damage** in Section II, which occurs during the policy period.
2. **Concealment or Fraud.** If **you** or any other **insured** under this policy has intentionally concealed or misrepresented any material fact or circumstance, or made false statements or engaged in fraudulent conduct relating to this insurance, whether before or after a loss, then this policy is void as to **you** and any other **insured**.
3. **Liberalization Clause.** If **we** make a change which broadens coverage under this edition of **our** policy without additional premium charge, that change will automatically apply to **your** insurance as of the date **we** implement the change, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

- a. a subsequent edition of this policy; or
 - b. an amendatory endorsement.
4. **Waiver or Change of Policy Provisions.** A waiver or change of a provision of this policy must be in writing by **us** to be valid. **Our** request for an appraisal or examination will not waive any of **our** rights.
 5. **Membership.** Membership in the Farm Bureau Federation is a condition precedent to coverage and that coverage may be cancelled or nonrenewed for failure to maintain current membership in the Farm Bureau Federation.
 6. **Cancellation.**
 - a. **You** may cancel this policy at any time by returning it to **us** or by notifying **us** in writing of the future date cancellation is to take effect.
 - b. When the policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded. When **you** request cancellation, or if **we** cancel, the return premium will be pro rata.
 - c. If the premium is not refunded with notice of cancellation or when the policy is returned to **us**, **we** will refund it within a reasonable time after the date of cancellation.

d. **We** may cancel this policy by notifying **you** in writing. This cancellation notice may be delivered to **you**, or mailed to **you** at **your** mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice. The written notification will be:

(1) 10 days in advance of the date of cancellation if the reason is for nonpayment of:

(a) any premium due **us**; or

(b) annual membership dues to the South Carolina Farm Bureau Federation.

(2) 30 days in advance of the date of cancellation for the reasons below:

(a) misrepresentation, fraud or withholding of material when the policy was obtained or when a claim was submitted;

(b) substantial change or increased hazard in the risk **we** originally agreed to insure;

(c) substantial breach of **your** contractual duties, conditions or warranties;

(d) loss of **our** reinsurance covering a significant portion of **your** policy, or if the continuation of **your** policy would imperil **our** solvency or place **us** in violation of the insurance laws of this state;

(e) any other reason lawfully permitted.

e. Subsection (2) (a) through (d) above do not apply to this policy if it has been in effect for less than 90 days and is not a renewal of a previously existing policy. Policies in effect for less than 90 days may be cancelled for any reason by furnishing 30 days written notice of cancellation, unless the reason is for nonpayment of:

(1) premium to **us**; or

(2) dues to the South Carolina Farm Bureau Federation

in which case **we** will furnish 10 days written notice.

7. **Non-Renewal.** **We** may elect not to renew this policy for any reason, including nonpayment of membership dues to the South Carolina Farm Bureau Federation. **We** may do so by delivering to **you**, or mailing to **you** at **your** mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

8. **Automatic Termination.** If we offer to renew or continue this policy and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer. Then, a new application, subject to underwriting rules and payment of premium, may be required to obtain new coverage.
9. **Assignment.** Assignment of this policy will not be valid unless we give our written consent.
10. **Subrogation.** If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another, we shall be subrogated to that right. That person shall:
 - a. do whatever is necessary to enable us to exercise our rights; and do nothing after loss to prejudice them;
 - b. reimburse us to the extent of our payment if a recovery from another person or party responsible for the loss has been made; and
 - c. be required to repay us if any settlement or judgment duplicates our payments.

Subrogation does not apply under Section II to Medical Payments to Others or Damage to Property of Others.

11. **Death.** If any person named in the Declarations or the spouse, if a resident of the same household, dies:
 - a. we insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death;
 - b. **insured** includes:
 - (1) any member of your household who is an insured at the time of your death, but only while a resident of the residence premises; and
 - (2) with respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

12. **Payment of Premium.** Checks in payment of your premium are accepted subject to collection. If a check is returned to us uncollected for any reason, your premium is considered unpaid.

If the check you gave us for payment of any premium due is returned unpaid, we are entitled to collect a lawful bad check fee. This fee is not considered premium and your payment of it does not reinstate this policy or provide any past or future coverage.

13. **Audit and Inspection Clause.** At our option, we may inspect your property and operations at any time. We do not assume any liability by exercising our right to inspect or audit. By our making any inspection or audit, we make no representation that your property or operations are safe, not harmful to health, or comply with any law, rule or regulation.
14. **Grace Period.** This grace period applies only to the premium due at the renewal inception date and does not apply to any subsequent payments due on your part of any installment or premium finance plan, nor any additional premium due to a policy change after renewal. If your premium due for renewal (including unpaid membership fees) is received by the Company within 15 days, exclusive of the due date, your policy will provide continuous protection without a lapse in coverage. After 15 days, the policy will expire as of the due date and an application for a new policy may be required.
15. **Fair Credit Reporting Act Statement.** At our option, we may conduct a credit investigation or obtain credit information on you, any insured or future insured, under this policy. This report will be used for underwriting purposes to determine if an offer of coverage will be made; if coverage may continue; or to determine rates, terms, or any other condition.

MUTUAL COMPANY CONDITIONS

Applies only to South Carolina Farm Bureau Mutual Insurance Company

This policy is issued by a mutual company having special regulations lawfully applicable to its organizations, membership, policies or contracts of insurance, of which the following shall apply to and form a part of this policy:

By virtue of this policy, the policyholder is a member of the Company and is entitled to vote, in person or by proxy, at all meetings of the members of the Company.

The policyholder shall participate in the return of unused premiums (dividends) to the extent and on the conditions determined, fixed and declared by the Board of Directors in accordance with the law.

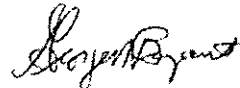
This policy is nonassessable. The holder of this policy is not subject to any contingent liability nor liability to assessment.

The **insured** is hereby notified that by virtue of this policy he is a member of the South Carolina Farm Bureau Mutual Insurance Company and that the bylaws of the Company fix the annual meeting at 12:00 o'clock Noon on the last Thursday in October of each year at the Company's Home Office.

IN WITNESS WHEREOF, this Company has executed and attested these presents; but this policy shall not be valid unless countersigned by the duly authorized Agent of this Company.



President



Secretary

PARTICIPATING CONDITIONS

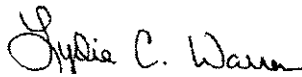
For Policies Issued in Southern Farm Bureau
Casualty Insurance Company Only.

While this policy is in force, the named insured is entitled to share in the distributable net earnings and savings of the **Company** in accordance with the dividends declared by the Board of Directors on this and like policies.

IN WITNESS WHEREOF, the **COMPANY** has caused this policy to be signed by its President and Secretary and countersigned on the **Declarations** page by a duly authorized representative of the **Company**.



President - CEO



Secretary

PALMETTO CASUALTY CONDITIONS

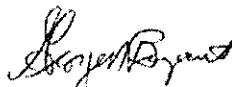
For Policies Issued in Palmetto Casualty Insurance Company Only

While this policy is in force, the named insured is entitled to share in the distributable net earnings and savings of this **Company** in accordance with the dividends declared by the Board of Directors on this and like policies.

IN WITNESS WHEREOF, this **Company** has caused this policy to be signed by its President and Secretary and countersigned on the **Declarations** page by a duly authorized representative of this **Company**.



President



Secretary

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF LANCASTER

CIVIL ACTION NO: 2025-CP-29-00096

South Carolina Farm Bureau Mutual Insurance
Company,

Plaintiff,

v.

John Milin and Angela Leone,

Defendants.

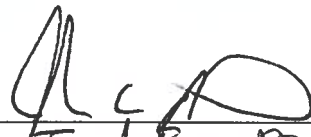
AFFIDAVIT OF JOSEPH BARRETT

PERSONALLY APPEARED BEFORE ME, the undersigned, Joseph Barrett, who, after being duly sworn, deposes and says:

1. My name is Joseph Barrett. I am above 18 years of age. I make this affidavit based on my knowledge and observations.
2. I am a District Claims Manager employed by South Carolina Farm Bureau Insurance Company ("Farm Bureau"). I am familiar with the Farm Bureau homeowner's policy, Policy No. HO 0482350, issued to Angela Leone with effective dates of February 9, 2023 to October 7, 2023 (the "Homeowners Policy") and the handling of Claim Number 39P01935092 under that policy related to a June 13, 2023 dog bite incident.
3. On August 15, 2024, John Milin filed suit in the Lancaster County Court of Common Pleas against Angela Leone, Civil Action No. 2024-CP-29-01058 (hereinafter the "Underlying Action").
4. Farm Bureau is providing Angela Leone a defense in the Underlying Action under the Homeowners Policy. Farm Bureau retained attorney Karl Brehmer as defense counsel for Ms. Leone in the Underlying Action.

5. On November 6, 2023, Farm Bureau tendered the Homeowners Policy's \$300,000 personal liability limit to counsel for John Milin for the claims he alleges against Ms. Leone in the Underlying Action

FURTHER AFFIANT SAYETH NOT

 (Signature)
Joseph Borne (Printed Name)

SWORN to and subscribed before me
This 9th day of July, 2025
Shelley Bramham (U.S.)
Notary Public for South Carolina
My Commission Expires: 02.24.2033





South Carolina Farm Bureau® Mutual Insurance Company
PO Box 2124
West Columbia, SC 29171-2124
www.SCFBIns.com

Real Service. Real People.®

390100000547

Angela Leone
3135 Old Hickory Rd
Lancaster, SC 29720-8897

Policy Number 390100000547
Named Insured Angela Leone



Welcome to AG PROMISE®.
Farm Coverage. Farm Bureau Service.

Dear Policyholder:

As a farmer, your work is built on a promise - to the land as well as the community. At Farm Bureau® insurance, our work is built on a promise to you.

With that in mind, we would like to officially welcome you as a new AG PROMISE policyholder. You have made an excellent decision to go with AG PROMISE, and we are confident that you will enjoy all the benefits that come with this exceptional new policy.

AG PROMISE was created to offer a variety of enhanced coverages tailored to your specific needs, and since it is from Farm Bureau insurance, you can rest easy knowing that our team is ready to help you however possible.

If you have any questions, we invite you to stop by your local county office or give your agent a call. Our promise is to do whatever we can to make a difference in your life and on your farm, and that promise begins today.

Sincerely,

A handwritten signature in black ink, appearing to read "Courtney B. Cowart".

Courtney B. Cowart
Senior Vice President - State Manager
South Carolina Farm Bureau® Mutual Insurance Company



South Carolina Farm Bureau® Mutual Insurance Company
PO Box 2124
West Columbia, SC 29171-2124
www.SCFBIns.com

Real Service. Real People.®



Tom Baker
Po Box 2228
Lancaster, SC 29720
803-283-9908
Tombaker@Scfbins.Com

AG PROMISE® POLICY DECLARATIONS

NAMED INSURED AND ADDRESS

Angela Leone

3135 Old Hickory Rd
Lancaster, SC 29720-8897

Policy Number: 390100000547
County Farm Bureau® Member Number: 001009070
Printed Date: 10/19/2022
Term: 1

Policy Effective Date: 10/06/2022
Policy Expiration Date: 10/06/2023
at 12:01 a.m.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

IMPORTANT NOTICE:

Thank you for choosing AG PROMISE. We appreciate the opportunity to provide you with your insurance services. We recommend you read your policy carefully. There are definitions, conditions and exclusions that apply to your coverages. If you have any questions about your policy or if you need other insurance coverages, please give your insurance agent a call. Your agent will be happy to assist you. 'THE INSURER CAN CANCEL THIS POLICY FOR WHICH YOU ARE APPLYING WITHOUT CAUSE DURING THE FIRST 120 DAYS. THAT IS THE INSURER'S CHOICE. AFTER THE FIRST 120 DAYS, THE INSURER CAN ONLY CANCEL THIS POLICY FOR REASONS STATED IN THE POLICY.'

COINSURANCE CLAUSE

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM	
FARM PROPERTY	\$	2,287.42
FARM LIABILITY	\$	580.83
TOTAL	\$	2,868.25
Applicable Discounts		
Account Discount		
Claims-Free Discount		
Continuous Coverage Discount		
Farm Package Discount		
Financial Responsibility Discount		

FORMS APPLICABLE TO ALL COVERAGE PARTS

Code	Edition
SIL 00 17	04 16
SIL 00 21	04 16
SIL 01 95	07 22
SIL 02 49	04 21
SIL P 001	04 16

COUNTERSIGNED DATE: 10/19/2022

BY:



UNDERWRITING INFORMATION PROCEDURES

As part of our underwriting procedures, we may make a routine inquiry into your past insurance claims history (C.L.U.E. Report). We may also make an inquiry concerning drivers and any physical impairments, automobile accidents, traffic violations, and use of vehicles (MVR Report). We may also obtain a credit report or use a credit-based insurance score based on the information obtained in that credit report. We may use a Consumer Reporting agency in connection with the development of your insurance score. Further information about your credit report or any other of these reports will be available from the Consumer Reporting Agency. We will provide you with the name and address of the agency at your request.

FOR YOUR INFORMATION

If you have any questions, please contact your local Farm Bureau agent.

You may contact our state office at:

South Carolina Farm Bureau Insurance Companies
Post Office Box 2124
West Columbia, South Carolina 29171-2124

Our toll-free 24-hour Claims Call Center number is 1-800-799-7500.

Form Number	Description
SFB 150 04 16.....	AG PROMISE® Letter
FPP 20 04 16.....	Common Policy Declarations
FPP 97 05 18.....	Dec Page Attachment - South Carolina
FPP 96 04 16.....	Table of Contents
SIL 00 17 04 16.....	Common Policy Conditions
SFP 10 25 09 20.....	Cyber Event Exclusion
SIL 00 21 04 16.....	Nuclear Energy Liability Exclusion Endorsement
SIL 01 95 07 22.....	South Carolina Changes
SIL 02 49 04 21.....	South Carolina Changes- Cancellation and Nonrenewal
SIL P 001 04 16.....	U. S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders
FPP 30 04 16.....	Farm Property Declarations
FPP 31 04 16.....	Schedule of Farm Personal Property - Coverage E
SFP 00 13 02 20.....	Farm Property - Farm Personal Property Coverage Form
SFP 00 14 04 16 (REV 05 18).....	Farm Property - Barns, Outbuildings and Other Farm Structures
SFP 00 90 09 22.....	Farm Property - Other Farm Provisions Form - Additional Coverages, Conditions, Definitions
SFP 01 39 01 21.....	South Carolina - Valuation
SFP 04 04 04 16.....	Farm Building Replacement Cost Protection
SFP 04 20 04 16.....	Foreign Objects In Machinery
SFP 05 21 04 16.....	Replacement Cost - Farm Machinery, Vehicles, and Equipment
SFP 10 21 04 16.....	Exclusion of Certain Computer-Related Losses
SFP 10 34 04 16.....	Exclusion of Loss Due to By-Products of Production or Processing Operations (Rental Properties)
SFP 10 60 04 16.....	Causes of Loss Form - Farm Property
SFP 99 04 12 19.....	Cannabis Exclusion with Industrial Hemp Exception
FPP 40 04 16.....	Farm Liability Declarations
SFL 00 20 04 16.....	Farm Liability
SFL 01 10 04 16.....	Insurance Under More Than One Policy
SFL 04 65 04 16.....	Coverage K - Farm Employers' Liability and Coverage L - Farm Employees' Medical Payments Insurance
SFL 10 12 04 16.....	Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception
SFL 10 15 07 18.....	Exclusion - Raw Milk
SFL 10 44 04 16.....	Exclusion of Certified Nuclear, Biological, Chemical or Radiological Acts of Terrorism: Cap on Losses From Certified Acts of Terrorism.
SFL 10 55 04 16 (REV 11 17).....	Exclusion - Aviation Liability
SFL 22 50 01 20.....	Exclusion - Failure to Supply
SFL 40 15 12 19.....	Cannabis Exclusion with Industrial Hemp Exception
SFL P 100 08 20.....	Policyholder Disclosure Notice of Terrorism Insurance Coverage

COMMON POLICY CONDITIONS

This endorsement modifies insurance provided in this Policy. Please read it carefully.

All Coverage Parts included in this Policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this Policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this Policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this Policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This Policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this Policy with our consent. This Policy's terms can be amended or waived only by endorsement issued by us and made a part of this Policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this Policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- a. Are safe or healthful; or

- b. Comply with laws, regulations, codes or standards.

3. Paragraphs **D.1.** and **D.2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph **D.2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this Policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER EVENT EXCLUSION

This endorsement modifies insurance provided under the following:

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM
FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS FORM – FARM PROPERTY
FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS

Unless otherwise directed in this endorsement, the “cyber event” exclusion applies to all Property Coverage Parts in the Policy to which this endorsement is attached.

A. Cyber Event Exclusion

We will not pay for any loss, damage, cost or expense directly or indirectly caused by, resulting from, or arising out of a “cyber event”. Such loss, damage, cost or expense is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

As used in this endorsement, “cyber event” includes, but is not limited to, any of the following:

1. Unauthorized access to or use of or any unauthorized attempt to access or use any computer system, network, electronic device, or electronic data.
2. The introduction of any malicious code, virus, worm, spyware, malware, or any other harmful computer code which is used or designed to access, collect, encrypt, steal, destroy, alter, retrieve, disrupt, exploit or otherwise harm or perpetuate a fraud upon any computer system, network, electronic device, or electronic data.
3. Any denial of service attack, threat, or demand for any type of payment, which involves a malicious or otherwise harmful restriction of access to, disablement of, impairment of, or disruption of the normal use, functioning or operation of any computer system, network, electronic device, or electronic data.

B. Exceptions And Limitations

1. Fire Or Explosion

If a “cyber event”, as defined in this endorsement, causes or results in fire or explosion, we will pay for the ensuing loss or damage caused by that fire or explosion.

2. The “cyber event” exclusion in Paragraph **A.** does not apply to the extent that coverage for a “cyber event” is specifically provided under any endorsement or other coverage under this Policy.

C. Vandalism

The following exclusion applies to any Vandalism coverage provided in the Causes of Loss Form – Farm Property under the Basic, Basic With Collapse, Broad, or Special coverages.

Vandalism does not include loss or damage arising out of a “cyber event” as described in Paragraph **A** of this endorsement.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

FARM COVERAGE PART

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

(a) Any "nuclear reactor";

- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES

This endorsement modifies insurance provided under the following:

FARM COVERAGE PART

A. Mutual Policy Conditions

This Policy is issued by South Carolina Farm Bureau® Mutual Insurance Company (Mutual Company). By virtue of this Policy being in force, and as a policyholder, you are a member of the Mutual Company. You are entitled to cast one vote in the election of directors and upon each matter coming to a vote at meetings of the members. You may vote in person or by proxy. If you vote by proxy, unless previously given by virtue of your insurance application, the proxy must be executed and filed with the secretary of the corporation at least ten days before the meeting as to which it is to be effective. Your proxy may be revoked at any time by attending in person any membership meeting of the corporation or by written request to the secretary of the corporation not less than twenty days before the date of any membership meeting of the corporation. Unless otherwise specified, any such revocation shall be solely with respect to the meeting which you attend or the meeting for which you have revoked the proxy in order to cast a vote. Unless revoked as provided herein, your proxy shall be effective for an initial term of one year or the duration of the policy, whichever period is shorter, and shall be deemed to be automatically reestablished for additional terms of one year or the duration of the policy, whichever is shorter, upon each subsequent renewal or reinstatement of your policy.

The annual meeting of the members of the Mutual Company shall be held on the dates of, at the time and place of, and in conjunction with the Annual Convention of the South Carolina Farm Bureau® Federation.

B. Local Farm Bureau Membership

Membership in your local Farm Bureau agricultural organization is a condition precedent or prerequisite to your ability to both apply for and to renew the Policy. Failure to maintain membership in your local Farm Bureau agricultural organization will result in the cancellation or nonrenewal of your Policy.

Any dues paid or payable to your local Farm Bureau agricultural organization are solely in consideration of membership in that organization. Such membership dues are not insurance premiums and therefore, are not in consideration of insurance provided by this Policy.

C. Participating Conditions

If a dividend is declared for the period during which this Policy is in force, the Named Insured may participate in any dividends to the extent and on the conditions determined, fixed and declared by the Board of Directors in accordance with the law.

IN WITNESS WHEREOF, the South Carolina Farm Bureau® Mutual Insurance Company, has caused this Policy to be signed by an officer of the company and shall not be valid unless countersigned on the Declarations by a duly authorized representative of the Company.

South Carolina Farm Bureau® Mutual Insurance Company



Courtney B. Cowart
Senior Vice President – State Manager

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

FARM COVERAGE PART

A. Paragraphs 2. and 3. of Cancellation Common Policy Condition are deleted.

B. The following conditions are added to the Cancellation Common Policy Condition:

7. Cancellation Of Policies In Effect For Less Than 120 Days

If this Policy has been in effect for less than 120 days and is not a renewal of a previously existing policy we issued, we may cancel this Policy without cause and for any reason by mailing or delivering to the first Named Insured's and agent's last known address written notice of cancellation:

- a.** At least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- b.** At least 30 days before the effective date of cancellation, if we cancel for any other reason.

8. Cancellation Of Policies In Effect For 120 Days Or More

a. If this Policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this Policy by mailing or delivering to the first Named Insured's and agent's last known address written notice of cancellation:

- (1)** At least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2)** At least 30 days before the effective date of cancellation if we cancel for any other reason.

b. We may only cancel this Policy based on one or more of the following reasons:

- (1)** Nonpayment of premium;

(2) Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;

(3) Substantial change in the risk assumed, except to the extent that:

(a) We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or

(b) We should reasonably have foreseen the change or contemplated the risk in writing the policy;

(4) Substantial breaches of contractual duties, conditions or warranties; or

(5) Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.

Prior to cancellation for reasons permitted in this Item **(5)**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.

FARM
SIL 02 49 04 21

2. If we decide not to renew this Policy, we will:
 - a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
 - (1) The expiration date of this Policy, if the policy is written for a term of one year or less; or
 - (2) An anniversary date of this Policy, if the policy is written for a term of more than one year or for an indefinite term; and
 - b. Provide at least 60 days' notice of nonrenewal.
3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your Policy. You should read your Policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential Declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organization; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site - <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments, nor premium refunds, may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

PROPERTY



South Carolina Farm Bureau® Mutual Insurance Company
PO Box 2124
West Columbia, SC 29171-2124
www.SCFBIns.com

® Real Service. Real People.®



Tom Baker
Po Box 2228
Lancaster, SC 29720
803-283-9908
Tombaker@Scfbins.Com

AG PROMISE® PROPERTY DECLARATIONS

NAMED INSURED AND ADDRESS

Angela Leone

3135 Old Hickory Rd
Lancaster, SC 29720-8897

Policy Number: 390100000547
County Farm Bureau® Member Number: 001009070
Printed Date: 10/19/2022
Term: 1

Policy Effective Date: 10/06/2022
Policy Expiration Date: 10/06/2023
at 12:01 a.m.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

TOTAL PREMIUM: \$2,287.42

IMPORTANT NOTICE:

COINSURANCE CLAUSE

FARM LOCATIONS				
Location Number	Address City	Zip Code	County	State
1	3135 Old Hickory Rd Lancaster	29720-8897	Lancaster	South Carolina

LOCATION ENDORSEMENTS

FARM PROPERTY ENDORSEMENTS

SFP 00 13 02 20	Farm Property - Farm Personal Property Coverage Form
SFP 00 14 04 16 (REV 05 18)	Farm Property - Barns, Outbuildings And Other Farm Structures Coverage Form
SFP 00 90 09 22	Farm Property - Other Farm Provisions Form - Additional Coverages, Conditions, Definitions
SFP 10 60 04 16	Causes of Loss Form - Farm Property
SFP 10 21 04 16	Exclusion of Certain Computer-Related Losses
SFP 10 25 09 20	Exclusion - Cyber Event Exclusion
SFP 10 34 04 16	Exclusion of Loss Due to By-Products of Production or Processing Operations (Rental Properties)
SFP 99 04 12 19	Exclusion - Cannabis Exclusion with Industrial Hemp Exception

ROA - 376

FPP 30 04 16

COUNTERSIGNED DATE: 10/19/2022

BY:

A handwritten signature in black ink, appearing to be "L. B. Cant", written over a horizontal line.

ELECTRONICALLY FILED - 2025 Jul 10 11:02 AM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

ROA - 377

Farm Structures

COVERAGES PROVIDED Insurance at the "Insured Locations" applies only for coverages for which Limits of Insurance are shown.

Barns, Outbuildings, And Other Structures (Sec. G)									
Loc #	Bldg #	Year	Type / Description	Construction Type	Limit	Cause of Loss	Deductible	Valuation	Premium
1	1	2020	Cattle Shed Building# 1	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	2	2020	Cattle Shed Building# 2	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	3	2020	Cattle Shed Building# 3	Aluminum	\$10,000	Basic	\$2,000	RC	\$96.61
1	4	2020	Cattle Shed Building# 4	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	5	2020	Cattle Shed Building# 5	Aluminum	\$10,000	Basic	\$2,000	RC	\$96.61
1	6	2020	Cattle Shed Building# 6	Aluminum	\$10,000	Basic	\$2,000	RC	\$96.61
1	7	2020	Cattle Shed Building# 7	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	8	2020	Cattle Shed Building# 8	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	9	2020	Cattle Shed Building# 9	Frame	\$20,000	Basic	\$2,000	RC	\$170.01
1	10	2020	Cattle Shed Building# 10	Frame	\$10,000	Basic	\$2,000	RC	\$119.37
1	11	2020	Cattle Shed Building# 11	Frame	\$10,000	Basic	\$2,000	RC	\$119.37
1	13	2020	Cattle Shed Building# 13	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59
1	14	2020	Cattle Shed Building# 14	Aluminum	\$10,000	Basic	\$2,000	RC	\$96.61
1	15	2020	Cattle Shed Building# 15	Frame	\$10,000	Basic	\$2,000	RC	\$119.37
1	16	2020	Barn	Frame	\$20,000	Basic	\$2,000	RC	\$137.65
1	17	2020	Cattle Shed Building# 16	Frame	\$10,000	Basic	\$2,000	RC	\$119.37
1	18	2020	Cattle Shed Building# 16	Aluminum	\$15,000	Basic	\$2,000	RC	\$118.59

ACV = Actual Cash Value

RC = Replacement Cost

OPTIONAL COVERAGES**INCREASE LIMITS - COVERAGE EXTENSIONS AND ADDITIONAL COVERAGES**

Limit is Part of and not in addition to Coverage E, F, or G Limit Of Insurance.

COVERAGE EXTENSIONS / ADDITIONAL COVERAGES

SFP 00 13 02 20

Borrowed Farm Machinery, Vehicles, and Equipment
Total Limit - \$10,000

SFP 00 13 02 20

Coverage Extensions and Additional Coverages

\$47.00

ROA - 378

FPP 30 04 16

ELECTRONICALLY FILED - 2025 Jul 10 11:02 AM - LANCASTER - COMMON PLEAS - CASE#2025CP2900096

SFP 00 13 02 20 Rented or Leased Farm Machinery, Vehicles, and Equipment
Total Limit - \$75,000
Number of Days - 60 Days
Deductible - \$500

SFP 00 14 04 16 (REV 05 18) Coverage Extensions and Additional Coverages \$12.50

ENDORSEMENTS

SFP 04 04 04 16 Farm Building Replacement Cost Protection

MORTGAGEE

Loc. #	Bldg #	Name	Address	City / County	State	Zip Code
1	1	NONE				
1	2	NONE				
1	3	NONE				
1	4	NONE				
1	5	NONE				
1	6	NONE				
1	7	NONE				
1	8	NONE				
1	9	NONE				
1	10	NONE				
1	11	NONE				
1	13	NONE				
1	14	NONE				
1	15	NONE				
1	16	NONE				
1	17	NONE				
1	18	NONE				

Farm Equipment**COVERAGE E - FARM PROPERTY - SCHEDULED FARM PERSONAL PROPERTY****SCHEDULED FARM EQUIPMENT**

Item	Year	Make	Model / Type / Serial Number	Cause of Loss	Deductible	Valuation	Theft Exclusion	Vandalism Exclusion	Custom Farming	Glass Breakage	Damage to Tires	Premium
1	2006	John Deere	5525 Tractor 156664646	Special	\$ 2,000	ACV	N	N	N	N	N	\$ 73.62
2	2017	Honda	300 4 wheeler 1649646129	Special	\$ 2,000	ACV	N	N	N	N	N	\$ 41.52
3	2014	Kawasaki	641611514 4-wheeler (side by side) 6416406949169	Special	\$ 2,000	ACV	N	N	N	N	N	\$ 43.73
4	2020	Ferris	5901796 Riding Lawn Mower 49T8770010G1	Special	\$ 2,000	RC	N	N	N	N	N	\$ 67.34

ACV = Actual Cash Value

RC = Replacement Cost

Endorsements

SFP 04 20 04 16 Foreign Objects in Machinery

SFP 05 21 04 16 Replacement Cost - Farm Machinery, Vehicles, and Equipment

Loss Payee

Item	Loss Payee	Address
1	NONE	
2	NONE	
3	NONE	
4	NONE	

FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Form, the words "you" and "your" refer to the Named Insured shown in the Declarations. If the Named Insured shown in the Declarations and spouse are members of the same household, the words "you" and "your" also refer to the spouse. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions Section of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

SECTION I – COVERAGES

COVERAGE E – SCHEDULED FARM PERSONAL PROPERTY

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the "insured location" described in the Declarations, or elsewhere as expressly provided below, caused by or resulting from any Covered Cause of Loss.

1. Covered Property

All of the following are Covered Property under Coverage E of this Coverage Form, provided the specific type of property is scheduled or a Limit Of Insurance is shown in the Declarations for the specific type of property:

- a. Grain, threshed seeds and beans, ground feed, silage, and manufactured and blended "livestock" feed in buildings or structures or in sacks, wagons or trucks.
- b. Grain in stacks, shocks, swaths or piles in the open, but for this property, fire or lightning, vandalism, vehicles and theft are the only Covered Causes of Loss.
- c. Hay, straw and fodder:
 - (1) In buildings or structures; and
 - (2) In stacks, windrows or bales, but for this property, fire or lightning, windstorm or hail, vandalism, vehicles and theft are the only Covered Causes of Loss.

A stack means hay, straw or fodder in one area separated by a clear space of 100 feet or more from any other hay, straw or fodder in the open.

- d. Farm products, materials and supplies shown in the Declarations. These include farm materials and related packing materials and containers usual to the operations of a farm, but not hay, grain or any growing crops.

- e. "Poultry" (excluding turkeys unless specified):

- (1) In the open; or
- (2) In any building designated for "poultry" in the Declarations.

But for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.

- f. Trays, boxes and box shook, each item or set in the proportion that its value bears to the total value of all trays, boxes and box shook covered under this Coverage Form.

- g. Computers and related software used principally as aids in farm management.

But an item of software is Covered Property only up to the amount required to replace it as a prepackaged program, or in unexposed or blank form, whichever is greater.

- h. Miscellaneous equipment, usual or incidental to the operation of a farm (including machinery, vehicles, tools, and supplies of all kinds), covered under a single Limit Of Insurance shown for Miscellaneous Equipment in the Declarations.

But such miscellaneous farm equipment does not include:

- (1) Threshing machines, tractors, combines, corn pickers, hay balers, harvesters, peanut diggers, potato diggers and pickers, cotton pickers, crop driers, sawmill equipment or other self-propelled equipment;
- (2) Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles, all-terrain vehicles; mobile homes, house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft or aircraft; or the equipment, tires or parts of any of these;
- (3) Liquefied petroleum or manufactured gas or fuel, or their containers;

- (4) Bulk milk tanks, bulk feed tanks or bins attached to buildings or structures; barn cleaners, pasteurizers or boilers; any permanent fixtures within or attached to a building;
 - (5) Brooders;
 - (6) Fences; windmills or windchargers or their towers;
 - (7) Outdoor radio or television equipment, antennas, masts and towers, including any guy wires and lead-in wiring; private power and light poles;
 - (8) Irrigation equipment not including polypipe, other disposable pipe, or irrigation supplies;
 - (9) Portable buildings and portable structures;
 - (10) Household personal property or property usual to a "dwelling"; or
 - (11) Property more specifically covered under another coverage or Coverage Form of this or any other policy.
- i. Farm machinery, vehicles and equipment that you borrow or rent, whether or not under a written contract, except while on the premises of its owner. The borrowed or rented property must be:
- (1) Usual or incidental to farming operations;
 - (2) In your care, custody or control; and
 - (3) Property in which you have no interest as owner or lienholder.
- But Covered Property does not include borrowed or rented property of the following types:
- (a) Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles, all-terrain vehicles; mobile homes, house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft or aircraft; or the equipment, tires or parts of any of these; or
 - (b) Dealers' demonstration machinery, vehicles or equipment.
- j. Farm machinery, vehicles and equipment which are individually described and specifically covered in the Declarations, while on or away from the "insured location", except while in the custody of a common or contract carrier.
- k. "Livestock" on or away from the "insured location", but for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.

But we do not cover "livestock" while:

- (1) In the custody of a common or contract carrier;
 - (2) At public stockyards, sales barns or sales yards; or
 - (3) At packing plants or slaughterhouses.
- l. Bees, but for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.
- m. Worms, but for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.
- n. Fish, but for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.
- o. Other animals, but for this property, the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.
- p. Portable buildings and portable structures that you own.

2. Property Not Covered

Under Coverage E, Covered Property does not include:

- a. Growing crops, trees, plants, shrubs or lawns;
- b. Household personal property or property usual to a "dwelling";
- c. Magnetic recording or storage media for electronic data processing, such as cell, disc, drum, film and tape, over or above their replacement value:
 - (1) As prepackaged software programs; or
 - (2) In unexposed or blank form;
 whichever is greater;
- d. Any permanent fixtures within or attached to a building;
- e. Outdoor radio or television equipment, antennas, masts and towers, including any guy wires and lead-in wiring; private power and light poles;
- f. Contraband or property in the course of illegal transportation or trade; or
- g. "Agritainment property".

3. Special Limits Of Insurance Under Coverage E – Scheduled Farm Personal Property

Under Coverage E, certain individual items of Covered Property are subject to Special Limits Of Insurance. These Special Limits are part of, not in addition to, the applicable Limits Of Insurance shown in the Declarations.

- a. If no specific stack limit is shown in the Declarations for hay, straw or fodder in the open, the limit will be \$10,000 on any one stack.
- b. For covered "poultry", the Limit of Insurance per bird under any provision of this Coverage Form applicable to "poultry" will be its cash market value as of the time of loss.
- c. The Limit of Insurance on any one item of miscellaneous equipment is \$15,000.
- d. The most we will pay for loss of or damage to any one head of "livestock" (other than animals individually described and specifically covered under this coverage) is the least of the following amounts:
 - (1) 120% of the amount obtained by dividing the total insurance on the class and type of animal involved by the number of head of that class and type owned by you as of the time of loss. For this calculation, each horse, mule or head of cattle under one year of age as of the time of loss will be counted as ½ head;
 - (2) The actual cash value of the animal destroyed or damaged; or
 - (3) \$2,000.

B. Coverage E Scheduled Farm Personal Property Conditions

Coverage **E** is subject to the following Loss Conditions as well as to the Farm Property Conditions (see Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions) and Common Policy Conditions:

LOSS CONDITIONS

1. Portable Buildings And Portable Structures That You Own

The most we will pay for loss of or damage to this property in any one occurrence is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the value of all portable buildings and portable structures you own as of the time of loss.

2. "Livestock", "Poultry", Bees, Fish, Worms And Other Animals

With respect to "livestock", "poultry", bees, fish, worms, and other animals, the phrase loss of or damage to means death or destruction caused by, resulting from or made necessary by a Covered Cause of Loss.

3. Valuation

In the event of loss of or damage to Covered Property, we will settle at actual cash value as of time of loss, but we will not pay more than the amount necessary for repair or replacement.

4. Coverage Territory

We cover loss or damage commencing within the coverage territory. The coverage territory is:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

COVERAGE F – UNSCHEDULED FARM PERSONAL PROPERTY

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the "insured location" described in the Declarations, or elsewhere as expressly provided below, caused by or resulting from any Covered Cause of Loss.

1. Covered Property

All of the following are Covered Property under Coverage **F** of this Coverage Form, provided a Limit Of Insurance is shown in the Declarations:

- a. All items of "farm personal property" on the "insured location", except for items specified under Paragraph **2. Property Not Covered**. But for "livestock", the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss; and

- b. The following items of "farm personal property" away from the "insured location":

- (1) Grain, ground feed, fertilizer, fodder, hay, herbicides, manufactured and blended "livestock" feed, pesticides, silage, straw, threshed beans and threshed seeds, except while:

- (a) Being stored or processed in commercial drying plants, manufacturing plants, public elevators, seed houses or warehouses; or
- (b) In the custody of a common or contract carrier.

- (2) "Livestock", except while:

- (a) In the custody of a common or contract carrier;
- (b) At public stockyards, sales barns or yards; or
- (c) At packing plants or slaughterhouses.

But for "livestock", the Basic, Basic with Collapse, or Broad Covered Causes of Loss are the only Covered Causes of Loss.

- (3) Farm machinery, equipment, implements, tools and supplies, except:

- (a) Items specified under Paragraph **2. Property Not Covered**; or

- (b) While in the custody of a common or contract carrier.

2. Property Not Covered

Covered Property does not include:

- a. Household or personal property usual to a "dwelling";
- b. Magnetic recording or storage media for electronic data processing, such as cell, disc, drum, file and tape, over or above their replacement value:
 - (1) As prepackaged software programs; or
 - (2) In unexposed or blank form; whichever is greater;
- c. Animals other than "livestock";
- d. "Poultry", bees, fish or worms;
- e. Racehorses, show horses or show ponies;
- f. Any of the following while being stored or processed in manufacturing plants, public elevators, warehouses, seed houses or commercial drying plants: grain, threshed seeds, threshed beans, hay, straw, fodder, silage, ground feed, herbicides, fertilizer, manufactured or blended "livestock" feed;
- g. Trees, plants, shrubs or lawns;
- h. Tobacco, cotton, vegetables, root crops, potatoes, bulbs, fruit or nursery stock;
- i. Crops in the open, except to the extent provided for in the applicable Coverage Extension in Section II of this Coverage Form;
- j. Contents of chicken fryer or broiler houses, laying houses, "poultry" brooder or duck or turkey houses;
- k. Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles, all-terrain vehicles; mobile homes, house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft or aircraft; or the equipment, tires or parts of any of these;
- l. Fences; windmills or windchargers or their towers;
- m. Bulk milk tanks, bulk feed tanks or bins attached to buildings or structures; barn cleaners, pasteurizers or boilers; any permanent fixtures within or attached to a building;
- n. Outdoor radio or television equipment, antennas, masts and towers, including any guy wire and lead-in wiring;
- o. Portable buildings or portable structures;

- p. Irrigation equipment not including polypipe, other disposable pipe, or irrigation supplies;
- q. Property separately described and specifically covered in whole or in part under another coverage or Coverage Form of this or any other policy;
- r. Cotton pickers and harvester-thresher combines;
- s. Contraband or property in the course of illegal transportation or trade;
- t. "Agritainment property"; or
- u. Any property shown in the Declarations under the heading Other Property Not Covered Under Coverage F.

3. Special Limits Of Insurance Under Coverage F – Unscheduled Farm Personal Property

Under Coverage F, individual "livestock" are subject to Special Limits Of Insurance. These Special Limits are part of, not in addition to, the applicable Limit Of Insurance shown in the Declarations.

The most we will pay for loss of or damage to any one head of "livestock" is:

- a. \$1,000 on any horse, mule or head of cattle under one year of age as of time of loss; and
- b. \$2,000 on any head of "livestock" not included under Paragraph a. above.

If it becomes necessary to impose the penalty provided for in the first paragraph of the Coverage F Loss Condition – Coinsurance (see Paragraph B.2. below), no amount used as the actual cash value of an animal will exceed the applicable Limit of Insurance specified above.

B. Coverage F Unscheduled Farm Personal Property Conditions

Coverage F is subject to the following Loss Conditions as well as to the Farm Property Conditions (see Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions) and the Common Policy Conditions:

LOSS CONDITIONS

1. "Livestock"

With respect to "livestock", the phrase loss of or damage to means death or destruction caused by, resulting from or made necessary by a Covered Cause of Loss.

2. Coinsurance

You must maintain insurance on unscheduled "farm personal property" to the extent of at least 80% of its actual cash value as of the time of loss. If you fail to do this, the percentage we pay of any loss will be the result produced by dividing the Limit of Insurance actually carried by the required Limit of Insurance.

The following provision applies in the event of loss of or damage to machinery or equipment within 60 days after the purchase of additional or replacement machinery or equipment.

If the Limit of Insurance actually carried becomes inadequate due to the purchase of additional or replacement machinery or equipment, then, up to \$100,000 of the value of the newly purchased additional machinery or equipment and \$75,000 of the value of the newly purchased replacement machinery or equipment will be omitted in determining the required Limit of Insurance.

3. Valuation

In the event of loss of or damage to covered "farm personal property", we will settle at actual cash value as of time of loss, but we will not pay more than the amount necessary for repair or replacement.

4. Coverage Territory

We cover loss or damage commencing within the coverage territory. The coverage territory is:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

SECTION II – COVERAGE EXTENSIONS

A. Property In The Custody Of A Common Or Contract Carrier

This Coverage Extension applies to Coverages **E** – Scheduled Farm Personal Property and **F** – Unscheduled Farm Personal Property.

Coverage is extended to apply to "farm personal property", insured under Coverage **E** – Scheduled Farm Personal Property or Coverage **F** – Unscheduled Farm Personal Property, while in the custody of a common or contract carrier, for up to a total of \$2,500 under each of these coverages. However, if a higher limit is specified in the Declarations for Coverage **E** or Coverage **F** –

Property in the Custody of a Common or Contract Carrier, the higher limit will apply to the coverage(s) specified, instead of \$2,500.

B. Covered Property Away From The "Insured Location"

This Coverage Extension applies to Coverage **E** – Scheduled Farm Personal Property.

1. Coverage is extended to apply to Covered Property while away from the "insured location", for up to a certain percentage of the Limit Of Insurance shown in the Declarations for the specific type of property, as follows:
 - a. 25%, for Miscellaneous Equipment Usual or Incidental to the Operation of a Farm; or
 - b. 10%, for other types of property.
2. This Coverage Extension is part of, not in addition to, the applicable Limit of Insurance or Special Limit of Insurance.
3. This Coverage Extension does not apply to:
 - a. "Livestock" or individually insured farm machinery, vehicles or equipment which are described in Paragraph **1.j.** or **1.k.** of Covered Property;
 - b. Property while in the custody of a common or contract carrier;
 - c. Property stored or being processed in manufacturing plants, public elevators, warehouses, seed houses or commercial drying plants; or
 - d. Property in public sales barns or public sales yards.
4. Under this Coverage Extension, the greatest proportion we will pay of any one loss is the proportion we would have paid if every policy covering the property involved in the loss had provided the same coverage as this Coverage Extension.

C. Replacement Machinery, Vehicles And Equipment Newly Purchased

This Coverage Extension applies to Coverage **E** – Scheduled Farm Personal Property.

1. A Special Limit of Insurance equal to \$75,000 plus the actual cash value of the replaced item scheduled in the Declarations for individually scheduled items of Farm Machinery, Vehicles and Equipment applies to any item of property purchased as a replacement of such machinery, vehicle or equipment.

The additional \$75,000 coverage will end:

- a. 60 days after the date of purchase of the replacement item; or
- b. When this Policy expires; whichever comes first.
2. When values for Newly Purchased Replacement Farm Machinery, Vehicles, and Equipment are reported under this Coverage Extension, additional premium for these values will be due and payable from the date of purchase.

3. In no event will we pay more than the actual cash value as of the time of loss.
4. The deductible applicable to the replaced property also applies to coverage provided under this extension.
5. A newly purchased vehicle or item of machinery or equipment is covered under this Coverage Extension only to the extent that it is not covered under another coverage or Coverage Form of this or any other policy of the "insured".

D. Additional Machinery, Vehicles And Equipment Newly Purchased

This Coverage Extension applies to Coverage **E** – Scheduled Farm Personal Property.

1. Coverage on such items of farm equipment, machinery and vehicles such as tractors, combines, harvesters, corn pickers and hay balers will extend to apply to newly purchased additional farm equipment, machinery and vehicles.
2. The most we will pay under this Coverage Extension is \$100,000 for loss of or damage to all such Newly Purchased Additional Farm Equipment, Machinery and Vehicles. This \$100,000 limit is part of, not in addition to, the applicable Limit of Insurance.
3. When values for Newly Purchased Additional Farm Equipment, Machinery and Vehicles are reported under this Coverage Extension, additional premium for these values will be due and payable from the date of purchase.
4. A \$500 deductible applies to this Coverage Extension.
5. None of the following is covered under this Coverage Extension:
 - a. Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles; all-terrain vehicles; mobile homes or house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft, aircraft; or their equipment, tires or parts;
 - b. Liquefied petroleum or manufactured gas or fuel, or their containers;
 - c. Brooders, fences, windmills or windchargers or their towers; or
 - d. Any farm equipment, machinery, or vehicles purchased as replacements of equipment, machinery, vehicles or equipment specifically described in the Declarations.
 - e. Any property listed as not covered under Coverage **E** in Provision **A.2. Property Not Covered**.
6. This Coverage Extension will end:
 - a. 60 days after the date of acquisition of the additional item; or
 - b. When this Policy expires;
 whichever comes first.
7. Newly Purchased Additional Farm Equipment, Machinery and Vehicles are covered under this Coverage Extension only to the extent that they are not covered under another coverage or Coverage Form of this or any other policy of the "insured".

E. Additional Acquired "Livestock"

This Coverage Extension applies to Coverage **E** – Scheduled Farm Personal Property.

1. If Coverage **E** covers "livestock":
 - a. Specifically declared and described in the Coverage **E** Declarations; or
 - b. With separate Limits Of Insurance per class shown in the Coverage **E** Declarations;
 we will cover additional "livestock" you acquire during the policy period, for up to 30 days from acquisition.
2. The most we will pay under this Coverage Extension is the lesser of:
 - a. The actual cash value of the additional "livestock"; or
 - b. 25% of the total of the Limits Of Insurance shown in the Coverage **E** Declarations for:
 - (1) Specifically declared and described "livestock"; and
 - (2) "Livestock" with separate limits per class.
3. You must report the additional "livestock" within 30 days from the date of acquisition and pay any additional premium due. If you do not report such property, coverage will end 30 days after the date of acquisition.

F. Rental Reimbursement On Farm Machinery And Equipment

This Coverage Extension applies to Coverage **E** – Scheduled Farm Personal Property and Coverage **F** – Unscheduled Farm Personal Property.

1. In the event of loss or damage to covered farm machinery or equipment by a Covered Cause of Loss, we will also cover your cost to rent similar farm machinery or equipment to replace the covered property. This applies only if:
 - a. The Covered Property cannot be used;
 - b. You do not have other equipment available for similar use; and
 - c. It is necessary for you to rent farm machinery and equipment to continue your normal farming operations.

2. The amount of coverage provided by this additional coverage is limited to actual expenses incurred up to \$1,000 for each day subject to a maximum of \$5,000 for each loss. This coverage is additional insurance.
3. Coverage begins upon your notification to us that a covered loss has occurred. It ends at the earlier of the following:
 - a. When the covered property has been replaced or restored to service; or
 - b. When the need for rental property no longer exists.
4. This additional coverage is not subject to a deductible or the coinsurance provision.

G. Rented Or Leased Farm Machinery, Vehicles, And Equipment

This Coverage Extension applies to Coverage E – Scheduled Farm Personal Property.

1. We will pay up to \$75,000 during the policy period for loss or damage to rented or leased farm machinery, vehicles and equipment caused by the Special Covered Causes of Loss as described in the Causes of Loss Form – Farm Property. But if a higher limit is specified on the Declarations, the higher limit will apply.

The rented or leased farm machinery, vehicles or equipment must be:

- a. Usual or incidental to farming operations;
- b. In your care, custody or control at the time of loss or damage;
- c. Initially rented or leased by you after the beginning of the policy period; and
- d. Property in which you have no interest as owner or lienholder.

However, we will not pay for loss of or damage to borrowed or rented property of the following types:

- (1) Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles, all-terrain vehicles; mobile homes, house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft or aircraft; or the equipment, tires or parts of any of these; or
- (2) Dealers' demonstration machinery, vehicles or equipment.
2. This Coverage Extension does not apply to any farm machinery, vehicles and equipment while on the premises of its owner.
3. None of the following is covered under this Coverage Extension:
 - a. Any items of nonowned property specifically described in the Declarations; or

- b. Any property listed as not covered under Coverage E in Provision A.2. Property Not Covered.

4. Insurance under this extension is excess over any other valid and collectible insurance available to the owner of the property.
5. This Coverage Extension will end:
 - a. 60 days after the farm machinery, vehicles, or equipment was rented or leased; or
 - b. When this Policy expires;
 whichever comes first.
6. A \$500 deductible applies to this Coverage Extension.
7. If any property covered under this Coverage Extension remains in your possession for a period of more than 60 days, you must report value for it, and additional premium will be due and payable from the 61st day after you took possession.

H. Borrowed Farm Machinery, Vehicles And Equipment

This Coverage Extension applies to Coverage E – Scheduled Farm Personal Property.

1. We will pay up to \$10,000 in any one occurrence for loss or damage to borrowed farm machinery, vehicles and equipment (not listed for road use) caused by the Special Covered Cause of Loss as described in the Causes of Loss Form – Farm Property. This is primary insurance. However, if a higher additional Limit of Insurance is specified in the Declarations, the higher limit will apply. The borrowed farm machinery, vehicles and equipment must be:
 - a. Usual or incidental to farming operations;
 - b. In your care, custody or control at the time of loss or damage;
 - c. Initially borrowed by you after the beginning of the policy period; and
 - d. Property in which you have no interest as owner or lienholder.
2. No deductible applies to this Coverage Extension.
3. At our option, we will either:
 - a. Pay the actual cash value of the property; or
 - b. Repair or replace the property with other property of like quality and kind.
4. This coverage does not apply to loss or damage to any property of the following types:

a. Automobiles, trucks, motorcycles, motorized bicycles or tricycles, mopeds, dirt bikes, snowmobiles, all-terrain vehicles; mobile homes, house trailers; vehicles primarily designed and licensed for road use (other than farm wagons and farm trailers); watercraft or aircraft; or the equipment, tires or parts of any of these; or

b. Dealers' demonstration machinery, vehicles or equipment.

5. This Coverage Extension does not apply to any farm machinery, vehicles and equipment while on the premises of its owner.

6. Insurance under this Coverage Extension will end:

a. 30 days after the farm machinery, vehicles or equipment is borrowed; or

b. When this Policy expires;
whichever comes first.

7. If any property covered under this Coverage Extension remains in your possession for a period of more than 30 days, you must report value for it, and additional premium will be due and payable from the 31st day after you took possession.

I. Farm Products In The Open – Coverage Against Certain Causes Of Loss

This Coverage Extension applies to Coverage F – Unscheduled Farm Personal Property.

You may apply up to 10% of the Limit Of Insurance shown in the Declarations for "farm personal property" to cover the following in the open:

1. Grain in piles, shocks, stacks or swaths;
2. Hay, straw and fodder in stacks, windrows or bales; but the most we will pay for loss or damage is \$10,000 for any one stack of hay, straw or fodder.

A stack means hay, straw or fodder in one area separated by a clear space of 100 feet or more from any other hay, straw or fodder in the open.

Fire or lightning, windstorm or hail, vandalism, vehicles and theft are the only Covered Causes of Loss for the property named in Paragraphs 1. and 2. above.

3. Unharvested barley, corn, oats, rye, wheat and other grains, flax, soy beans and sunflowers (but not on seed or forage crops, straw or stubble).

Fire or lightning is the only Covered Cause of Loss for this property.

This extension is part of, not in addition to, the applicable Limit of Insurance.

SECTION III – ADDITIONAL COVERAGES

A. Cost Of Restoring Farm Operations Records

For any one loss we will pay up to \$2,000 to cover your cost to research, replace or restore the lost information on farm operations records damaged by a Covered Cause of Loss.

No deductible applies to this Additional Coverage.

B. Extra Expense

We will pay up to \$2,000 for the actual and necessary expenses you incur to resume normal farming operations interrupted as the result of direct physical loss of or damage to Covered Property by a Covered Cause of Loss.

Coverage for such extra expense is not limited by the expiration of this Policy. But, we will not pay extra expense you incur after the period required for repair, rebuilding or replacement of Covered Property.

But, if a higher Limit Of Insurance is specified in the Declarations, the higher limit will apply.

Extra Expense Coverage does not include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires any "insured" or others to abate, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of, "pollutants".

No deductible applies to this Additional Coverage.

C. Other Additional Coverages

For other Additional Coverages, see Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

SECTION IV – OTHER PROVISIONS

A. Covered Causes Of Loss, Exclusions And Limitations

See Causes of Loss Form – Farm Property, for Basic, Basic with Collapse, Broad or Special coverage as shown in the Declarations.

B. Limits Of Insurance

See Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

C. Deductible

See Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions, unless a specific deductible is otherwise indicated in this Coverage Form.

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Form the words "you" and "your" refer to the Named Insured shown in the Declarations. If the Named Insured shown in the Declarations and spouse are members of the same household, the words "you" and "your" also refer to the spouse. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions Section of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

SECTION I – COVERAGES

COVERAGE G – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the "insured location" described in the Declarations, or elsewhere as expressly provided below, caused by or resulting from any Covered Cause of Loss.

1. Covered Property

All of the following are Covered Property under Coverage G of this Coverage Form, provided a Limit Of Insurance is shown in the Declarations for the specific type of property:

- a. Farm buildings and structures other than "dwellings", including attached sheds and permanent fixtures;
- b. Silos individually described in the Declarations or on a schedule, whether or not attached to buildings;
- c. Portable buildings and portable structures;
- d. All fences (except field and pasture fences), corrals, pens, chutes and feed racks;
- e. Outdoor radio and television equipment, antennas, masts and towers, including any guy wire and lead-in wiring;
- f. Improvements and Betterments. Improvements and betterments are additions, alterations, fixtures or installations made part of the described building, but do not include

items that may be legally removed by the "insured". If you are a tenant we cover your interest in the improvements and include items that may be legally removed by an "insured". If you are a tenant, we cover your use interest in the improvements and betterments you make at your expense to a building you do not own at the "insured location"; and

g. Building Materials and Supplies:

- (1) For use in building, altering or repairing farm buildings or structures; and
- (2) Kept on or adjacent to the "insured location".

2. Property Not Covered

Covered Property does not include:

- a. Land (including land on which a building or structure is located);
- b. Water;
- c. Field or pasture fences;
- d. Foundations, if below ground, of buildings or structures;
- e. Pilings, piers, wharves or docks;
- f. The cost of excavations, grading, filling or backfilling; or
- g. Private power and light poles, except as provided in the Section II – Coverage Extensions, Private Power and Light Poles.
- h. "Solar panels", "wind generators", and windmills, including all components of either such as, but not limited to, inverters, batteries, mounting poles, mounting brackets or interconnecting wiring associated with "solar panels", "wind generators", or windmills, all whether attached to Covered Property or not, including the cost to remove, reset and/or replace "solar panels", "wind generators" or windmills.

B. Coverage G Conditions

Coverage G is subject to the following Loss Conditions as well as to Farm Property Conditions (see the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions) and Common Policy Conditions.

LOSS CONDITIONS

1. Fences, Corrals, Pens, Chutes, And Feed Racks

The most we will pay in any one occurrence of loss of or damage to covered fences, corrals, pens, chutes and feed racks is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the value of all covered fences, corrals, pens, chutes and feed racks you own as of the time of loss.

2. Portable Buildings And Portable Structures

The most we will pay in any one occurrence of loss of or damage to portable buildings or portable structures is the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the value of all portable buildings and portable structures you own as of the time of loss.

But this condition does not apply to any portable building or portable structure individually covered under its own Limit Of Insurance shown in the Declarations.

3. Valuation – Property Other Than Improvements And Betterments

a. If the Replacement Cost Basis option is not expressly indicated in the Declarations, we will, in the event of loss or damage to Covered Property, settle at the actual cash value, as of the time of loss, of the destroyed or damaged part of the structure, but we will not pay more than the amount necessary for repair or replacement.

The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

b. If the Replacement Cost Basis option is expressly indicated in the Declarations, loss valuation will be determined as provided below:

(1) The basis for loss settlement will be determined by the ratio of the applicable Limit of Insurance for the specific building or structure to the full replacement cost of the destroyed or damaged Covered Property. When determining the full replacement cost, the values of the following will be disregarded:

- (a) Excavations, footings;
- (b) Foundations; and
- (c) Piers and other structures or devices that support all or part of Covered Property and are below the

undersurface of the lowest basement floor; or, where there is no basement, those below the surface of the ground inside the foundation walls; also underground flues, pipes, wiring and drains.

(2) If the Limit of Insurance on the damaged building or structure is at least 80% of its full replacement cost as of the time of loss, we will settle the loss based on the smallest of the following amounts:

- (a) The cost to replace the damaged part of the building or structure with material of like kind and quality and for like use;
- (b) The amount actually and necessarily spent to repair or replace the building or structure; or
- (c) The applicable Limit of Insurance.

If the structure is rebuilt at a new premises, the cost described in Paragraph **B.3.b.(2)** is limited to the cost that would have been incurred if the structure had been rebuilt at the original premises.

The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

(3) If the Limit of Insurance on the damaged building or structure is less than 80% of its full replacement cost as of the time of loss, we will settle on the basis of (a) or (b) below, whichever is larger:

- (a) The actual cash value, as of time of loss, of the damaged part of the building or structure; or
- (b) A proportion of the cost to repair or replace the damaged part of the building or structure, without deduction for depreciation. This proportion will equal the ratio of the applicable Limit of Insurance to 80% of the cost of repair or replacement. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

However, we will not pay more than the applicable Limit of Insurance, regardless of whether Paragraph (a) or (b) above applies.

- (4) If your loss qualifies for payment on a replacement cost basis, but the cost of repair or replacement is more than either \$5,000 or 5% of the applicable Limit of Insurance, the only basis on which we will settle pending completion of repair or replacement is actual cash value, as of time of loss, of the damaged part of the building or structure. In case of such a loss, you can make an initial claim for payment on the actual cash value basis, and later make a supplementary claim for replacement cost payment. If you elect to exercise this option, you must notify us of your intention in writing within 180 days of the occurrence of the loss.

The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.

4. Valuation – Improvements And Betterments

- a. If repair or replacement is done at the expense of the "insured" within 12 months after the loss, we will settle the loss on the basis of actual cash value as of time of loss.
- b. If repair or replacement is not done within 12 months after loss, we will settle on the basis of a proportion of the cost of repair or replacement. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property. The applicable proportion will equal the ratio of Paragraph (1) below to Paragraph (2) below:
 - (1) The period of time from the loss or damage to the expiration of the lease.
 - (2) The period of time from the installation of the improvements to the expiration of the lease.

Lease means the lease, whether written or oral, in effect at the time of the loss.

If your lease contains a renewal option and if you exercise that option, the expiration of the renewal option period will replace the expiration of the lease in Paragraphs (1) and (2) above.

- c. If repair or replacement is done at the expense of others for the use of the "insured", we provide no insurance.

5. Valuation – Glass Replacement

We will settle on the basis of the cost to replace damaged glass with safety glazing material, if required by law.

SECTION II – COVERAGE EXTENSIONS

A. Private Power And Light Poles

We will pay up to \$1,000 in any one occurrence as an additional amount of insurance for direct physical loss of or damage to private power and light poles, outside wiring, including any guy wire or lead-in wiring, and attachments. Attachments include attached switch boxes, fuse boxes, and other electrical equipment mounted on poles you own at the "insured location". The \$1,000 limit applies in excess of any applicable Deductible.

However, if a higher Limit Of Insurance is specified in the Declarations, the higher limit will apply.

B. New Construction

1. We will pay up to \$100,000 for direct physical loss of or damage to new, permanent farm structures at the "insured location" including materials and supplies for use in their construction.
2. This Coverage Extension applies only:
 - a. To structures that are not otherwise covered under this or any other policy; and
 - b. To loss caused by aircraft, explosion, fire, lightning, riot or civil commotion, smoke, vandalism, vehicles, windstorm or hail.
3. Insurance on each farm structure covered under this Coverage Extension will end as soon as any of the following takes place:
 - a. You report values to us. (We will charge you an additional premium for values reported from the date construction begins or the materials and supplies are delivered.)
 - b. 60 days have elapsed since the first date of delivery of the materials and supplies.
 - c. This Policy expires.
4. No deductible applies to this Coverage Extension.

SECTION III – ADDITIONAL COVERAGES

A. Extra Expense

If a Limit Of Insurance is shown in the Declarations for Extra Expense Coverage, we will pay, up to that Limit of Insurance, the actual and necessary expenses you incur to resume normal farming operations interrupted as the result of direct physical loss of or damage to Covered Property by a Covered Cause of Loss.

Coverage for such extra expense is not limited by the expiration of this Policy. But, we will not pay extra expense you incur after the period required for repair, rebuilding or replacement of Covered Property.

Extra Expense Coverage does not include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires any "insured" or others to abate, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of, "pollutants".

No deductible applies to this Additional Coverage.

B. Water Damage

In the event of water (or steam) damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we:

1. Will also pay the necessary cost of tearing out and replacing any part of a covered building or structure so that the damaged system or appliance can be repaired, provided that Special Causes of Loss is shown in the Declarations for Coverage **G** Farm Property – Barns, Outbuildings and Other Farm Structures Coverage under which the building or structure is covered; but
2. Will **not** pay the cost to repair any defect which caused water or steam to escape from a system or appliance containing water or steam.

In this Additional Coverage, a plumbing system does not include a sump, sump pump or related equipment.

This Additional Coverage will not increase the Limit of Insurance provided in this Coverage Part.

C. Other Additional Coverages

For other Additional Coverages, see Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

SECTION IV – OTHER PROVISIONS**A. Covered Causes Of Loss, Exclusions And Limitations**

See Causes Of Loss Form – Farm Property for Basic, Basic with Collapse, Broad or Special coverage as shown in the Declarations.

B. Limits Of Insurance

See Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

C. Deductible

See Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS

A. Additional Coverages

1. Debris Removal

- a. We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- b. Except as provided in Paragraph d. below, the most we will pay under this Additional Coverage is 25% of:
 - (1) The amount we pay for the direct physical loss of or damage to Covered Property; plus
 - (2) The deductible in this Policy applicable to that loss or damage.
- c. This Additional Coverage does not apply to costs to:
 - (1) Extract "pollutants" from land or water; or
 - (2) Remove, restore or replace polluted land or water.
- d. Debris removal expense is included in the Limit of Insurance applying to the damaged property. But if:
 - (1) The amount payable for the sum of direct physical loss or damage and debris removal expense exceeds the applicable Limit Of Insurance; or
 - (2) The debris removal expense exceeds the amount payable under the 25% limitation in Paragraph b. above;

an additional 5% of the Limit of Insurance applying to the damaged property will be available to cover debris removal expense.

2. Reasonable Repairs

We will pay the reasonable cost to make necessary repairs to protect Covered Property from further damage after a loss insured against has occurred.

Payment under this Additional Coverage will be subject to, not in addition to, the Limit Of Insurance applying to the property being repaired.

3. Damage To Property Removed For Safekeeping

We will pay for loss to Covered Property damaged by any cause during or up to 30 days after its removal from a building endangered by a Covered Cause of Loss.

Payment under this Additional Coverage will be subject to, not in addition to, the Limit of Insurance applying to the property being removed.

4. Fire Department Service Charge

We will pay up to \$500 for the liability you have assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect Covered Property from a Covered Cause of Loss. But we will not pay fire department service charges if the property is located within the limits of the city, municipality or protection district furnishing the fire department response.

The amount we pay under this Additional Coverage will be in addition to any Limit of Insurance that applies under this Coverage Form.

No deductible applies to this Additional Coverage.

5. Collapse

The following Additional Coverage applies when Basic with Collapse, Broad or Special Covered Causes of Loss is specified in the Declarations:

a. With respect to buildings:

- (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose;
- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse;
- (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building;

- (4) A building that is standing or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
 - b. We will pay for direct physical loss or damage to Covered Property, caused by collapse of a building or any part of a building that is covered under a Farm Property Coverage Form or that contains property covered under a Farm Property Coverage Form, if the collapse is caused by one or more of the following:
 - (1) The "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
 - (2) Decay that is hidden from view, unless the presence of such decay is known to an "insured" prior to collapse;
 - (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an "insured" prior to collapse;
 - (4) Weight of people or personal property;
 - (5) Weight of rain that collects on a roof; or
 - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in Paragraphs **b.(1)** through **b.(5)**, we will pay for the loss or damage even if use of defective material or methods in construction, remodeling or renovation, contributes to the collapse.
 - The criteria set forth in Paragraphs **a.(1)** through **a.(4)** do not limit the coverage otherwise provided under the Causes Of Loss Form – Farm Property for the causes of loss listed in Paragraphs **b.(1)**, **b.(4)** and **b.(5)**.
 - c. With respect to the following property:
 - (1) Foundations and retaining walls;
 - (2) Underground pipes, flues and drains;
 - (3) Cesspools and septic tanks;
 - (4) Walks, roadways, patios and other paved surfaces;
 - (5) Awnings;
 - (6) Fences;
 - (7) Outdoor equipment including yard fixtures;
 - (8) Swimming pools; and
 - (9) Bulkheads, docks, piers and wharves;
 - if the collapse is caused by a cause of loss listed in Paragraphs **b.(2)** through **b.(6)**, we will pay for loss or damage to that property only if:
 - (1) Such loss or damage is a direct result of the collapse of a building insured under a Farm Property Coverage Form; and
 - (2) The property is Covered Property under a Farm Property Coverage Form.
 - d. This Additional Coverage will not increase the Limits of Insurance provided in this Coverage Part.
- 6. Pollutant Clean Up And Removal**
- We will pay your expense to extract "pollutants" from land or water at the "insured location" if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.
- This Additional Coverage does not apply to costs to abate, test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.
- The most we will pay under this Additional Coverage, for each location listed in the Declarations as an "insured location", is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this Policy.
- No deductible applies to this Additional Coverage.
- 7. Glass Or Safety Glazing Material**
- a. We cover:
- (1) The breakage of glass or safety glazing material which is part of a covered building or structure, storm door or storm window;
 - (2) The breakage of glass or safety glazing material which is part of a covered building or structure, storm door or storm window when caused directly by earth movement; and

- (3) The direct physical loss or damage to Covered Property caused solely by the pieces, fragments or splinters of broken glass or safety glazing material which is part of a building or structure, storm door or storm window.
- b. This coverage does not include loss or damage:
 - (1) To Covered Property which results because the glass or safety glazing material has been broken, except as provided in:
 - (a) Paragraph **a.(3)** above of this Glass Or Safety Glazing Material Additional Coverage; or
 - (b) Paragraph **5.b.(1)** of the Collapse Additional Coverage, in connection with the abrupt collapse of a building or part of a building when such collapse is caused by breakage of building glass; or
 - (2) On the "insured location" if the covered building or structure has been "vacant" for more than 60 consecutive days immediately before the loss, except when the breakage results directly from earth movement as provided in **a.(2)** above. A building or structure being constructed is not considered "vacant".
- c. This Additional Coverage does not increase the Limit of Insurance that applies to the damaged property.

B. Farm Property Conditions

In addition to the Common Policy Conditions and the conditions in the individual Coverage Forms, the following apply:

Loss Conditions

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that the selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties In The Event Of Loss Or Damage

- a. In the event of loss or damage to Covered Property, we have no duty to provide coverage under this Policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
 - (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
 - (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

(8) Cooperate with us in the investigation or settlement of the claim.

- b. We may examine any "insured" under oath, while not in the presence of any other "insured" and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an "insured's" books and records. In the event of an examination, an "insured's" answers must be signed.

4. Insurance Under Two Or More Coverages

If two or more of this Policy's Coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

5. Legal Action Against Us

No one may bring a legal action against us under a Coverage Form to which this condition applies, unless:

- a. There has been full compliance with all of the terms of this Coverage Form; and
- b. The action is brought within 3 years after the date on which the direct physical loss or damage occurred.

6. Loss Payment

- a. In the event of loss or damage covered under a Coverage Form to which this condition applies, at our option we will either:

- (1) Pay the value of lost or damaged property;
- (2) Pay the cost of repairing or replacing the lost or damaged property, subject to Paragraph **b.** below;
- (3) Take all or any part of the property at an agreed or appraised value; or
- (4) Repair, rebuild, or replace the property with other of like kind and quality, subject to Paragraph **b.** below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in the Coverage Form or any applicable provision that amends or supersedes the Valuation Condition.

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property.
- c. We will not pay you more than your financial interest in the Covered Property.

- d. We will give notice of our intentions within 30 days after we receive the proof of loss.

- e. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, provided you have complied with all the terms of the Coverage Form, and

(1) We have reached agreement with you on the amount of loss; or

(2) An appraisal award has been made.

- f. We may adjust losses with the owners of lost or damaged property if other than you. Our payment for such losses will only be for the owners' account. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

- g. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

7. Pair, Sets Or Parts

a. Pair Or Set

In case of loss or damage to any part of a pair or set, we may:

- (1) Repair or replace any part to restore the pair or set to its value before the loss; or
- (2) Pay the difference between the value of the pair or set before and after the loss.

b. Parts

In case of loss of or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

8. Other Insurance And Service Agreement

- a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under the applicable Coverage Form. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under the Coverage Form bears to the Limits of Insurance of all insurance covering on the same basis.

- b. If there is other insurance covering the same loss or damage, other than that described in Paragraph **8.a.** above, we will pay only the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- c. In the settlement of loss or damage to farm machinery, vehicles or equipment covered under Coverage **E** that you have borrowed, rented, or leased, Paragraph **b.** of this Condition will not apply.
- d. If loss or damage is also covered by a service agreement, any amounts payable for such loss or damage under the applicable Coverage Form will be excess over any amounts payable under any such agreement. Service agreement means a service plan, property restoration plan, home warranty or other similar service or warranty agreement, even if it is characterized as insurance.

9. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

10. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- a. Prior to loss.
- b. After a loss, only if at the time of loss, that party is one of the following:
 - (1) Someone insured by this insurance;
 - (2) A business firm:
 - (a) Owned or controlled by you; or
 - (b) That owns or controls you; or
 - (3) Your tenant.

This will not restrict your insurance.

11. "Unoccupancy" And "Vacancy"

- a. If a building or structure is "vacant" or "unoccupied" beyond a period of 120 consecutive days, the amount we would otherwise pay for loss or damage to the building or structure and its contents will be automatically reduced by 15%, unless we extend the period of "vacancy" or "unoccupancy" by endorsement made a part of the applicable Coverage Form.
- b. In addition to the penalty described in Paragraph **a.** above, "vacancy" results in certain exclusions or limitations applicable to certain causes of loss. See Causes Of Loss Form – Farm Property.

General Conditions

1. Concealment, Misrepresentation Or Fraud

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This insurance;
- b. The Covered Property;
- c. Your interest in the Covered Property; or
- d. A claim under this insurance.

2. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this insurance at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

3. Liberalization

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to any Farm Property Coverage Form that is affected by the liberalization and is a part of this Policy.

4. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.

- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this insurance, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under the affected Coverage Forms at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of the affected Coverage Forms will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of the Coverage Forms involved:
 - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.
- f. If we cancel this Policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this Policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

5. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

6. Policy Period

We cover loss or damage commencing during the policy period shown in the Declarations.

7. Inflation Protection

Each year, on the effective date of the renewal of this Policy, we may increase the limits of liability for Coverage **G** – Barns, Outbuildings and Other Farm Structures and Coverage **E** – Scheduled Farm Personal Property to keep pace with inflation and rising costs. We will advise you of such increase and compute your renewal premium based on the new coverage amounts. It is your responsibility, however, to ensure that you maintain an adequate amount of insurance coverage for your property.

C. Definitions

The following words and phrases have a special meaning throughout the Farm Property Coverage Forms:

1. "Agritainment" means an agricultural or aquacultural related activity or enterprise that is primarily operated on the "insured location":
 - a. For the purposes of tourism or entertainment; and
 - b. Engaged in for monetary or other compensation.
2. "Agritainment property" means property owned by an "insured" used primarily in connection with the operation of any "agritainment". "Agritainment property" does not include buildings, structures, land, water and growing crops (other than growing crops held for nursery stock and ready for sale).
3. "Business property" means property pertaining to any trade, profession or occupation other than farming. "Business property" does not include "agritainment property".
4. "Dwelling" means a building used principally for family residential purposes, and includes mobile homes and modular and prefabricated homes.

"Dwelling" does not mean a building used in such agricultural operations as storage of farm produce, "livestock" or "poultry".

5. "Farm personal property" means equipment, supplies and products of farming or ranching operations, including but not limited to feed, seed, fertilizer, "livestock", other animals, "poultry", grain, bees, fish, worms, produce and agricultural machinery, vehicles and equipment.
6. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by "fungi".
7. "Electronic data processing equipment" means:
 - a. Programmable electronic equipment (hardware) that is used to store, retrieve and process data; and
 - b. Associated peripheral equipment that provides communication, including input and output functions such as printing, or auxiliary functions such as data transmission.
8. "Electronic media and records" means:
 - a. Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
 - b. Data stored on such media; and
 - c. Programming records used for "electronic data processing equipment" or electronically controlled equipment.
9. "Insured" means you and, if you are an individual, the following members of your household:
 - a. Your relatives;
 - b. Any other person under the age of 21 who is in your care or in the care of a member of your household who is your relative;
 - c. A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:
 - (1) 24 and your relative; or
 - (2) 24 and in your care or in the care of a member of your household who is your relative.
10. "Insured location" means any location, including its private approaches, described in the Farm Property Declarations.
11. "Livestock" means cattle, sheep, swine, goats, horses, mules and donkeys.
12. "Money" means currency, coins and bank notes in current use and having a face value; also scrip, stored value cards and smart cards, travelers' checks, register checks and money orders held for sale to the public.
13. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
14. "Poultry" means fowl kept by you for use or sale.
15. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt used in connection with credit or charge cards, which cards are not issued by you.

But "securities" does not include "money".
16. "Solar panel" means a thin panel consisting of solar cells (photovoltaic cells) used to generate electricity directly from sunlight.
17. "Specified Causes of Loss" means the following as defined in either Paragraph a., b. or c.:
 - a. When **Basic** Covered Causes of Loss is specified in the Declarations, "specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse or volcanic action.

Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.

- b. When **Basic with Collapse** Covered Causes of Loss is specified in the Declarations, "specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; weight of snow, ice or sleet.

Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into man-made caves.

- c. When **Broad** Covered Causes of Loss is specified in the Declarations, "specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; or water damage.

- (1) Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (a) The cost of filling sinkholes; or
- (b) Sinking or collapse of land into man-made underground cavities.

- (2) Falling objects does not include loss or damage to:

- (a) Personal property or "agritainment property" in the open;
- (b) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object; or
- (c) The falling object itself.

- (3) Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the "insured location" and contains water or steam.

- d. When **Special** Covered Causes of Loss is specified in the Declarations, "specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; or water damage.

- (1) Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (a) The cost of filling sinkholes; or
- (b) Sinking or collapse of land into man-made underground cavities.

- (2) Falling objects does not include loss or damage to:

- (a) Personal property or "agritainment property" in the open;
- (b) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object; or

- (c) The falling object itself.

- (3) Water damage means:

- (a) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the "insured location" and contains water or steam; and

- (b) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the "insured location" and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in Paragraph **b. (3)(a)** or **(3)(b)** of this definition of "specified cause of loss", such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

18. "Unoccupancy" or "unoccupied" means the condition of a building or structure (except while being constructed) not being used, even if it contains furnishings or other property customary to its intended use or occupancy.
19. "Vacancy" or "vacant" means the condition of a building or structure (except while being constructed) not containing sufficient furnishings or other property customary to its intended use or occupancy.
20. "Wind generator" means a device for converting wind power to mechanical rotation with a low velocity turbine designed for compressible fluids (air) for producing electricity.

D. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the lesser of the following:

1. The applicable Limit Of Insurance shown in the Declarations; or
2. The applicable Special Limit of Insurance described under Section **A** of each applicable Coverage.

E. Deductible

We will not pay for loss, damage or expense in any one occurrence until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of loss, damage or expense in excess of that Deductible, up to the applicable Limit of Insurance or Special Limit of Insurance.

In the event of loss to multiple items due to the same occurrence, the deductible applied shall not exceed the highest deductible applicable to any one of the damaged items.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA – VALUATION

This endorsement modifies insurance provided under the following:

FARM PROPERTY – BARN, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

The following provision is added to **LOSS CONDITIONS, 3. Valuation - Property Other Than Improvements And Betterments:**

A. For loss or damage to buildings caused by or resulting from fire or lightning, you and we agree that:

1. The value of buildings shown in this Policy; and
2. The total amount of insurance to be carried on the buildings

are the amounts shown in the Declarations page of this Policy.

B. For loss or damage to a barn, outbuilding or other farm structure under construction when caused by or resulting from fire or lightning, the amount paid will be determined by comparing the actual cash value of the building on the date of loss with the value of the building as stated in the Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FARM BUILDING REPLACEMENT COST PROTECTION

This endorsement modifies insurance provided under the following:

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

SCHEDULE*

(1) "Insured Location" Number	(2) Building Number And Description
** See Schedule Attached **	
*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

The terms of this endorsement apply separately to each building shown in column (2) of the Schedule.

If you are a tenant, building means building additions, alterations, fixtures, improvements or installations made or acquired at your expense to that part of the building used exclusively by you.

Replacement Cost Coverage

With respect to a building described in the Schedule, the **Valuation** Loss Condition is replaced by the following:

- A.** We will settle covered loss or damage on the basis of replacement cost without deduction for depreciation.

However, we will pay no more than the smallest of the following amounts for construction with materials of like kind and quality and used on the same premises:

1. The replacement cost of the damaged part of the building;
2. The amount actually and necessarily spent to repair or replace the damaged part of the building; or

- 3.** The applicable Limit Of Insurance for the building, as shown in the Declarations.

However, we will pay no more than the actual cash value of the damaged part of the building as of the time of loss, until actual repair or replacement is complete.

To recover on a replacement cost basis, you must complete the actual repair or replacement within 12 months of the date of loss or have written authorization from us that extends the time for repair or replacement.

- B.** You may disregard the replacement cost loss settlement provisions and make an initial claim for payment on an actual cash value basis, and later make a supplementary claim for replacement cost payment. If you elect to exercise this option, you must notify us of your intention within 180 days of the occurrence of the loss.

However, you must make all claims within 12 months of the date of loss or have written authorization from us that extends the time to make claims for additional liability on a replacement cost basis.

Policy Number: 390100000547

SFP 04 04 04 16

Farm Building Replacement Cost Protection

Schedule

(1) "Insured Location" Number	(2) Building Number and Description
1	1 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	2 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	3 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	4 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	5 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	6 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	7 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	8 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	9 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	10 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	11 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	13 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	14 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed

(1) "Insured Location" Number	(2) Building Number and Description
1	15 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	16 3135 Old Hickory Rd Lancaster, SC 29720-8897 Barn
1	17 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed
1	18 3135 Old Hickory Rd Lancaster, SC 29720-8897 Cattle Shed

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FOREIGN OBJECTS IN MACHINERY

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS FORM – FARM PROPERTY
FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

With respect to each item of farm machinery, vehicles and equipment which is specifically indicated under Farm Machinery, Vehicles, Equipment of the Coverage **E** Declarations as having Foreign Objects coverage, we will pay for loss or damage caused by or resulting from foreign objects being taken into the farm machinery, vehicles and equipment.

Exclusion **1.p.(2)** under Paragraph **D. Covered Causes Of Loss - Special** in the Causes Of Loss Form – Farm Property does not apply with respect to the coverage provided by this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REPLACEMENT COST – FARM MACHINERY, VEHICLES, AND EQUIPMENT

This endorsement modifies insurance provided under the following:

FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

SCHEDULE*

The provisions of this endorsement apply only to an item(s) of farm machinery, vehicles, and equipment listed below and specifically described on a Schedule Basis in the Declarations of the Farm Property - Farm Personal Property Coverage Form.

**** See Schedule Attached ****

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The Valuation Loss Condition under Coverage E
Scheduled Personal Property Conditions in Farm
Property – Farm Personal Property Coverage
Form is replaced by the following:

3. Valuation

- a. In the event of loss or damage to an item of farm machinery, vehicles, and equipment listed in the Schedule from any of the Covered Causes Of Loss, we will determine the value of that item on the basis of replacement cost without deduction for depreciation.
- b. If your loss qualifies for payment on a replacement cost basis, but the cost of repair or replacement is more than \$1,000, the only basis on which we will settle pending completion of repairs or replacement is actual cash value as of time of loss.

In case of such a loss, you can make an initial claim for payment on an actual cash value basis, and later make a supplementary claim for replacement cost payment. If you elect to exercise this option, you must notify us of your intention in writing within 180 days of the occurrence of the loss.

- c. For any item of farm machinery, vehicles, and equipment that you elect not to repair or replace, the value will be the least of the following:
 - (1) Actual cash value of that item;
 - (2) Cost of reasonably restoring that item to its condition immediately before the loss or damage; or
 - (3) Cost of replacing that item with a functionally equivalent item.

**COVERAGE E – SCHEDULED FARM PERSONAL
PROPERTY**

**B. The following are added to A.2. Property Not
Covered:**

- h.** All farm machinery, vehicles, and equipment for which a single Limit Of Insurance is shown in the Declarations;
- i.** Any item of farm machinery, vehicles, and equipment that is over five model years old;
- j.** Any battery, tire, filter, belt, chain or canvas that is part of any item of farm machinery, vehicles, and equipment; and
- k.** Property covered under Section II - Coverage Extensions, Item **C.** Replacement Machinery, Vehicles, and Equipment Newly Purchased and Item **D.** Additional Machinery, Vehicles and Equipment Newly Purchased.

Policy Number: 390100000547

SFP 05 21 04 16

Replacement Cost - Farm Machinery, Vehicles, And Equipment
Schedule

The provisions of this endorsement apply only to an item(s) of farm machinery, vehicles, and equipment listed below and specifically described on a Schedule Basis in the Declarations of the Farm Property - Farm Personal Property Coverage Form.					
Equipment Type	Equipment Sub-type	Year	Make	Model	Serial Number
Landscaping & Mowing Equipment	Riding Lawn Mower	2020	Ferris	5901796	49T8770010G1

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM
FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS FORM – FARM PROPERTY
FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS,
DEFINITIONS

- A.** We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.
- 1.** The failure, malfunction or inadequacy of:
 - a.** Any of the following, whether belonging to any "insured" or to others:
 - (1)** Computer hardware, including micro-processors, or other "electronic data processing equipment" as may be defined elsewhere in this policy;
 - (2)** Computer application software, including "electronic media and records" as may be defined elsewhere in this policy;
 - (3)** Computer operating systems and related software;
 - (4)** Computer networks;
 - (5)** Microprocessors (computer chips) not part of any computer system; or
 - (6)** Any other computerized or electronic equipment or components; or
 - b.** Any other products or any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **1.a.** above;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
 - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by or for any "insured" to determine, rectify or test for, any potential or actual problems described in Paragraph **1.** above.
- B.** If an excluded cause of loss as described above in Paragraph **A.** results in:
- 1.** A "specified cause of loss" under the Special Causes of Loss; or
 - 2.** A Covered Cause of Loss under the Basic, Basic with Collapse, or Broad Causes of Loss;
- we will pay only for the loss or damage caused by such "specified cause of loss" or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraph **A.1.a.** or **b.** above to correct any deficiencies or change any features.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO BY-PRODUCTS OF PRODUCTION OR PROCESSING OPERATIONS (RENTAL PROPERTIES)

This endorsement modifies insurance provided under the following:

DISRUPTION OF FARMING OPERATIONS (INCOME LOSS AND EXPENSE COVERAGE)

ENDORSEMENT

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS

- A.** With respect to the provisions of this endorsement, Definition **10.** "insured location" in Paragraph **C. Definitions** of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions is replaced by the following:

"Insured location" means:

1. Any property described in Paragraph **2.** below that is a rental property; and
2. The contents of any such farm building(s) or structure(s) covered under Coverage **G** of the Farm Property – Barns, Outbuildings And Other Farm Structures Coverage Form.

- B.** We will not pay for loss or damage to the "insured location" caused by or resulting from smoke, vapor, gas or any substance released in the course of production operations or processing operations performed at the "insured location". This exclusion applies regardless of whether such operations are:

1. Legally permitted or prohibited;
2. Permitted or prohibited under the terms of any rental agreement; or
3. Usual to the intended occupancy of the "insured location".

This exclusion does not apply to loss or damage by fire or explosion that results from the release of a by-product of the production or processing operation.

- C.** We do not provide coverage for:

1. Extra Expense, as provided under the Additional Coverages in the Coverage Forms

listed below, if any such coverage forms are made a part of the Policy:

- a. Farm Property – Farm Personal Property Coverage Form; or
- b. Farm Property – Barns, Outbuildings And Other Farm Structures Coverage Form;

that you incur as a result of loss or damage described in Paragraph **B.** of this Exclusion Of Loss Due To By-products Of Production Or Processing Operations (Rental Properties) endorsement; or

2. Income loss or expenses, as provided under the Disruption Of Farming Operations (Income Loss And Expense Coverage) endorsement, if the Disruption Of Farming Operations (Income Loss And Expense Coverage) endorsement is made a part of the Policy, that you incur as a result of loss or damage described in Paragraph **B.** of this Exclusion Of Loss Due To By-products Of Production Or Processing Operations (Rental Properties) endorsement.
- D.** The conduct of a tenant's production or processing operations will not be considered to be vandalism of the "insured location" regardless of whether such operations are:
1. Legally permitted or prohibited;
 2. Permitted or prohibited under the terms of any rental agreement; or
 3. Usual to the intended occupancy of the "insured location".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAUSES OF LOSS FORM – FARM PROPERTY

Words and phrases that appear in quotation marks have special meaning. Refer to the Definitions section of the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions.

A. Covered Causes Of Loss

Covered Causes Of Loss means the causes as described and limited under either Paragraph **B.** or **C.** or **D.** or **E.** below in Basic with Collapse or of either Basic, Basic with Collapse, or Broad or Special, respectively, on the Declarations opposite each coverage or property to which this insurance applies. Covered Causes of Loss are also limited by the exclusions in Paragraph **F** of this endorsement.

However, certain property is covered only for particular causes of loss, as listed under the following items: Paragraphs **1.b.**, **1.c.(2)**, **1.e.**, **1.k.**, **1.l.**, **1.m.**, **1.n.** and **1.o.** of Coverage **E** – Scheduled Farm Personal Property; Paragraphs **1.a.** and **1.b.(2)** of Coverage **F** – Unscheduled Farm Personal Property; Paragraph **G.**, **H.**, and **I.** of the Coverage Extensions to Coverage **E** and **F**; and Paragraph **B.** of Coverage Extensions to the Coverage **G** – Barns, Outbuildings, and Other Farm Structures.

B. Covered Causes Of Loss – Basic

Subject to the provisions in Paragraph **A.** of this endorsement, when Basic is shown in the Declarations, Covered Causes of Loss means the following:

1. Fire Or Lightning

We will not pay for loss of or damage to buildings, or contents usual to a tobacco or other curing barn, if that loss or damage:

- a. Results from the use of open fire for curing or drying tobacco or other foliage in the barn; and
- b. Occurs during, or within the five-day period following, open-fire curing or drying.

2. Windstorm Or Hail, but not including:

- a. Frost or cold weather;
- b. Ice (other than hail), snow or sleet, whether driven by wind or not; or
- c. Loss of or damage to:

- (1) The interior of any building or structure, or the property inside a building or structure, caused by rain, snow, sleet, sand or dust, whether driven by wind or not, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sleet, sand or dust enters; or
- (2) Watercraft or their trailers, furnishings, equipment or outboard engines or motors unless within a fully enclosed building.
- (3) Under Coverage **E** – Scheduled Farm Personal Property or Coverage **F** – Unscheduled Farm Personal Property:
 - (a) "Livestock" or "poultry" when caused by running into streams, ponds or ditches, or against fences or other objects; or from smothering; or resulting directly or indirectly from fright;
 - (b) "Livestock" or "poultry" when caused by freezing or smothering in blizzards or snowstorms; or
 - (c) Dairy or farm products in the open other than hay, straw or fodder.

3. Explosion, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages of such a vessel from which the gases of combustion pass.

But under Coverages **E** – Scheduled Personal Property, **F** – Unscheduled Personal Property, and **G** – Barns, Outbuildings and Other Farm Structures, this Cause of Loss does not include loss or damage caused by or resulting from:

- a. Explosion of alcohol stills, steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
- b. Electric arcing;
- c. Rupture or bursting of water pipes;
- d. Rupture, bursting or operation of pressure relief devices; or
- e. Rupture or bursting due to expansion or swelling of the contents of any building or structure caused by or resulting from water.

4. Riot Or Civil Commotion, including:

- a. Acts of striking employees while occupying the "insured location"; and
- b. Looting occurring at the time and place of a riot or civil commotion.

5. Aircraft, meaning only loss or damage caused by or resulting from:

- a. Contact of an aircraft, spacecraft or self-propelled missile with Covered Property or with a building or structure containing Covered Property; or
- b. Objects falling from aircraft.

6. Vehicles, meaning only loss or damage caused by contact of a vehicle, or of an object thrown up by a vehicle, with Covered Property or with a building or structure containing Covered Property.

This Cause of Loss does not include loss or damage to:

- a. "Livestock"; or
- b. A fence, driveway or walk.

7. Smoke, causing sudden and accidental loss or damage, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This Cause of Loss does not include loss or damage by smoke from agricultural smudging or industrial operations.

8. Vandalism

This Cause of Loss does not include loss of or damage to:

- a. A building or structure, or its contents, if the building or structure has been "vacant" for more than 60 consecutive days immediately before the loss;
- b. Any electronic equipment that reproduces, receives or transmits audio, visual or data signals that is operated by power from the electrical system of a motor vehicle or mobile agricultural vehicle, unless it is:
 - (1) Covered Property; and
 - (2) Permanently installed in the motor vehicle or mobile agricultural vehicle; or
- c. While in or upon a motor vehicle or mobile agricultural vehicle, any tape, wire, record, disc or other media for use with any electronic equipment that reproduces, receives or transmits audio, visual or data signals and that is operated by power from the electrical system of the motor vehicle or mobile agricultural vehicle.

9. Theft, including:

- a. Attempted theft and loss of property from a known location when it is likely that the property has been stolen. However, with respect to property covered under the Coverage **E** – Scheduled Farm Personal Property or **F** – Unscheduled Farm Personal Property, coverage for attempted theft and loss of property from a known location applies only to property other than "livestock", "poultry", bees, fish, worms and other animals.

This Cause of Loss does not include loss caused by or resulting from:

- (1) Under Coverage **G** – Barns, Outbuildings and Other Farm Structures, theft in or from a building or structure under construction, or of materials and supplies for use in such construction, until the building or structure is completed and is being used;
- (2) Under Coverage **E** – Scheduled Farm Personal Property or **F** – Unscheduled Farm Personal Property, the acceptance of counterfeit "money", fraudulent post office or express "money" orders, or checks or promissory notes not paid upon presentation;
- (3) Theft of any electronic equipment that reproduces, receives or transmits audio, visual or data signals that is operated by power from the electrical system of a motor vehicle or mobile agricultural vehicle, unless it is:
 - (a) Covered Property; and
 - (b) Permanently installed in the motor vehicle or mobile agricultural vehicle;
- (4) While in or upon a motor vehicle or mobile agricultural vehicle, theft of any tape, wire, record, disc or other media for use with any electronic equipment that reproduces, receives or transmits audio, visual, or data signals and that is operated by power from the electrical system of the motor vehicle or mobile agricultural vehicle;
- (5) Unauthorized instructions to transfer property to any person or to any place.
- (6) Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense; or

- (7) Dishonest or criminal acts (including theft) by you or any "insured", any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (a) Applies whether or not an act occurs during your normal hours of operation;
 - (b) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
- b. With respect to "livestock", "poultry", bees, fish, worms and other animals covered under the Coverage **E** – Scheduled Farm Personal Property or **F** – Unscheduled Farm Personal Property, loss caused by attempted theft of "livestock", "poultry", bees, fish, worms and other animals.

This Cause of Loss does not include theft of "livestock", "poultry", bees, fish, worms and other animals:

- (1) On the basis of acceptance of counterfeit "money", fraudulent post office or express "money" orders, or checks or promissory notes not paid upon presentation;
- (2) On the basis of unauthorized instructions to transfer "livestock", "poultry", bees, fish, worms and other animals to any person or to any place; or
- (3) On the basis of voluntary parting with any "livestock", "poultry", bees, fish, worms and other animals by you or anyone else to whom you have entrusted such property if induced to do so by fraudulent scheme, trick, device or false pretense.

Under this Theft Cause of Loss, Paragraph **B.9.**, we also will not pay, under:

- (a) Coverage **E** – Scheduled Farm Personal Property or **F** – Unscheduled Farm Personal Property, for property that is missing, where the only evidence of the missing property is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property; and
- (b) Coverage **G** – Barns, Outbuildings and Other Farm Structures, for the disappearance of portable buildings or structures where there is no physical evidence to show what happened to the property.

10. **Sinkhole Collapse**, meaning loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This Cause of Loss does not include:

- a. The cost of filling sinkholes; or
- b. Sinking or collapse of land into man-made underground cavities.

11. **Volcanic Action**, meaning direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a. Airborne volcanic blast or airborne shock waves;
- b. Ash, dust or particulate matter; or
- c. Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

This Cause of Loss does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the Covered Property.

12. **Collision – Coverages E – Scheduled Farm Personal Property And F – Unscheduled Farm Personal Property Only**

- a. **Causing Damage To Covered Farm Machinery**

We will pay for loss of or damage to covered farm machinery caused by collision or overturn of that machinery. Collision means accidental contact of the farm machinery with another vehicle or object.

Under this Cause of Loss we will not pay for loss or damage:

- (1) To tires or tubes unless the damage is coincidental with other damage to the farm machinery or implement; or

- (2) Caused by foreign objects taken into any farm machine or mechanical harvester.

b. Causing Death Of Covered "Livestock"

We will pay for loss of covered "livestock" caused by:

- (1) Collision or overturn of a vehicle on which the "livestock" are being transported. Collision means accidental contact of that vehicle with another vehicle or object; or
- (2) "Livestock" running into or being struck by a railroad train or a vehicle while the "livestock" are crossing, moving along or standing in a public road.

But we will not pay for loss if a vehicle owned or operated by an "insured":

- (1) Collides with the vehicle on which the "livestock" are being transported; or
- (2) Strikes "livestock" crossing, moving along or standing in a public road.

c. Causing Damage To Other Farm Personal Property

We will pay for loss of or damage to covered "farm personal property" (other than that described in Paragraph **a.** or **b.** above) in or upon a motor vehicle, caused by collision or overturn of that vehicle. Collision means accidental contact of the motor vehicle with another vehicle or object.

13. Earthquake Loss To "Livestock"

14. Flood Loss To "Livestock"

We will pay for loss or damage to "livestock" caused by or resulting from flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge).

C. Covered Causes Of Loss – Basic With Collapse

Subject to the provisions in Paragraph **A.** of this endorsement, when Basic with Collapse is shown in the Declarations, Covered Causes of Loss means the Covered Causes of Loss under Paragraph **B.** Covered Causes Of Loss – Basic, plus the following:

- 15. Weight Of Ice, Snow Or Sleet** causing damage to a building or to any property inside a building.

But under this Cause of Loss, we will not pay for loss by pressure or weight of water in any form, whether driven by wind or not, to any:

- a.** Foundation or retaining wall;
- b.** Pavement or patio;
- c.** Awning;
- d.** Fence;
- e.** Outdoor equipment;
- f.** Swimming pool; or
- g.** Bulkhead, dock, pier or wharf.

D. Covered Causes Of Loss – Broad

Subject to the provisions in Paragraph **A.** of this endorsement, when Broad is shown in the Declarations, Covered Causes of Loss means the Covered Causes of Loss under Paragraph **B.** Covered Causes Of Loss – Basic and Paragraph **C.** Covered Causes Of Loss – Basic with Collapse, plus the following:

16. Electrocution Of Covered "Livestock"

17. Attacks On Covered "Livestock" By Dogs Or Wild Animals

This Cause of Loss does not include loss or damage:

- a.** To sheep; or
- b.** Caused by dogs or wild animals owned by you, your employees or other persons residing on the "insured location".

18. Accidental Shooting Of Covered "Livestock"

This Cause of Loss does not include loss or damage caused by you, any other "insured", your employees, or other persons residing on the "insured location".

19. Drowning Of Covered "Livestock" From External Causes

This Cause of Loss does not include loss resulting from the drowning of swine under 30 days old.

20. Loading/Unloading Accidents, meaning sudden, unforeseen and unintended events causing or necessitating death of covered "livestock" and occurring while they are being unloaded from or loaded onto vehicles used or to be used to transport them.

This Cause of Loss does not include loss caused by or resulting from disease.

21. Falling Objects

But we will not pay for loss or damage to:

- a.** Personal property in the open;

- b. The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object; or
- c. The falling object itself.

22. Sudden And Accidental Tearing Apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective system, or an appliance for heating water.

Under this Cause of Loss we will not pay for loss or damage caused by or resulting from freezing.

23. Accidental Discharge Or Leakage Of Water Or Steam from within a plumbing, heating, air conditioning or other system or appliance that is located on the "insured location" and contains water or steam.

Under this Cause of Loss we will pay for loss of or damage to covered personal property provided that Broad is shown in the Declarations for the coverage applicable to that personal property. If any part of a building or structure to which Coverage **G** – Barns, Outbuildings and Other Farm Structures applies must be torn out and replaced so that repairs can be made to the damaged system or appliance, we will also pay the necessary costs involved, provided that Broad is shown in the Declarations for the coverage applying to that building or structure.

We will not pay:

- a. For loss or damage caused by discharge or leakage from a sump or related equipment and parts, including overflow due to sump pump failure or excessive volume of water;
- b. The cost to repair any defect that caused the loss or damage;
- c. For loss or damage caused by discharge or leakage in a building or structure "vacant" for more than 60 consecutive days immediately before the loss;
- d. For loss or damage caused by or resulting from freezing;
- e. For loss or damage caused by or resulting from discharge or leakage from roof drains, gutters, downspouts or similar fixtures or equipment; or
- f. For loss caused by continuous or repeated seepage or leaking over a period of weeks, months, or years.

24. Freezing Of A Plumbing, Heating, Air Conditioning Or Automatic Fire Protective System Or Of A Household Appliance but only if you have used reasonable care to:

- a. Maintain heat in the building or structure; or
- b. Shut off the water supply and drain all systems or appliances of water.

However, if the building or structure is protected by an automatic fire protective system, you must use reasonable care to continue the water supply and maintain heat in the building or structure for coverage to apply.

A plumbing system does not include a roof drain, gutter, downspout or similar fixtures or equipment.

E. Covered Causes Of Loss – Special

Subject to the provisions in Paragraph **A.** of this endorsement, when Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this Policy.

1. We will not pay for loss or damage caused by or resulting from:
 - a. Fire, if that loss or damage is sustained by buildings or contents usual to tobacco or other curing barns as the result of using open fire for curing or drying tobacco or other foliage in the barn, and occurs:
 - (1) While tobacco or other foliage is being fired; or
 - (2) Within the five-day period following tobacco or other foliage firing in the barn;
 - b. Collapse, except as provided in the Additional Coverage entitled Collapse. But if collapse results in a Covered Cause of Loss at the "insured location", we will pay for the loss or damage caused by that Covered Cause of Loss;
 - c. Windstorm or hail to:
 - (1) Dairy or farm products in the open;
 - (2) Watercraft or their trailers, furnishings, equipment or outboard engines or motors, unless within a fully enclosed building;
 - d. Rain, snow, ice or sleet to personal property in the open;

- e. Rain, snow, sleet, sand or dust, whether driven by wind or not, to the interior of any building or structure or the property inside a building or structure, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sleet, sand or dust enters;
- f. Freezing, thawing, or pressure or weight of water or ice, whether or not driven by wind, to any:
 - (1) Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of any property covered under Coverages **G** – Barns, Outbuildings or Other Farm Structures;
 - (2) Retaining wall or bulkhead that does not support all or part of a building or structure;
 - (3) Pavement or patio;
 - (4) Fence;
 - (5) Swimming pool; or
 - (6) Dock, pier or wharf;
- g. Discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective system or from within a household appliance:
 - (1) That occurs on the "insured location", but is caused by discharge that takes place off the "insured location";
 - (2) Caused by or resulting from freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building or structure; or
 - (b) Shut off the water supply and drain all systems or appliances of water.

However, if the building or structure is protected by an automatic fire protective system, you must use reasonable care to continue the water supply and maintain heat in the building or structure for coverage to apply.
 - (3) Due to any cause other than freezing and occurring in a building or structure "vacant" for more than 60 consecutive days immediately before the loss;
- h. Any of the following occurrences, if they take place in buildings or structures covered under Coverage **G** – Barns, Outbuildings or Other Farm Structures or if the property destroyed or damaged is "farm personal property":

- (1) Explosion of alcohol stills, steam boilers, steam pipes or steam engines, if you own, lease or operate them;
- (2) Conditions or events (other than explosions) inside hot water boilers or other heating equipment, to the extent that they cause loss or damage to these boilers or equipment;
- (3) Rupture, bursting or operating of pressure relief devices; or
- (4) Rupture or bursting due to expansion of the contents of any building or structure, if the expansion is caused by or results from water.

But this exclusion does not apply to loss or damage caused by or resulting from explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass;

- i. Under Coverage **G** – Barns, Outbuildings and Other Farm Structures, theft in or from a building or structure under construction, or of materials and supplies for use in such construction until the building or structure is completed and is being used;
- j. Unauthorized instructions to transfer property to any person or to any place;
- k. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense;
- l. Theft of or vandalism to:
 - (1) Any electronic equipment that reproduces, receives or transmits audio, visual or data signals that is operated by power from the electrical system of a motor vehicle or mobile agricultural vehicle, unless it is:
 - (a) Covered Property; and
 - (b) Permanently installed in the motor vehicle or mobile agricultural vehicle; or
 - (2) While in or upon a motor vehicle or mobile agricultural vehicle, any tape, wire, record, disc or other media for use with any electronic equipment that reproduces, receives or transmits audio, visual, or data signals and that is operated by power from the electrical system of the motor vehicle or mobile agricultural vehicle;

- m. Vandalism, if the building or structure was "vacant" for more than 60 consecutive days immediately before the loss;
- n. Dishonest or criminal acts (including theft) by you or any "insured", any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1) Applies whether or not an act occurs during your normal hours of operation;
- (2) Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered;
- o. Transport of "farm personal property", except to the extent of the coverage afforded under Covered Causes of Loss – Basic, Basic with Collapse, and Broad;
- p. Any cause included in the following list if that loss or damage is sustained by farm machinery:
 - (1) Collision or overturn of farm machinery or equipment, to the extent of any loss of or damage to the tires or inner tubes of such machinery or equipment. But we will pay for the loss of or damage to the tires or inner tubes if the same accident causes other covered loss to the same machinery or equipment.
 - (2) Foreign objects being taken into any farm machine or mechanical harvester;
- q. Smoke, vapor or gas from agricultural smudging or industrial operations, to any building, structure or personal property;
- r. The following causes of loss to any building, structure or personal property:
 - (1) Wear and tear;
 - (2) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
 - (3) Smog;

- (4) Settling, cracking, shrinking or expansion;
- (5) Nesting or infestation, or discharge or release of waste products or secretions, by birds, vermin, rodents, insects or domestic animals.
- (6) Virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.
- (7) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- (8) Dampness or dryness of atmosphere;
- (9) Changes in temperature or extremes of heat or cold, including freezing. But this exclusion does not apply to freezing of a plumbing, heating, air conditioning or automatic fire protective system or freezing of a household appliance, if you have used reasonable care to:
 - (a) Maintain heat in the building or structure; or
 - (b) Shut off the water supply and drain all systems or appliances of water.

However, if the building or structure is protected by an automatic fire protective system, you must use reasonable care to continue the water supply and maintain heat in the building or structure for coverage to apply;

- (10) Marring or scratching.

But if an excluded cause of loss that is listed in Paragraphs **r.(1)** through **r.(10)** results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

2. We will not pay:

- a. Under Coverage **E** – Scheduled Farm Personal Property or **F** – Unscheduled Farm Personal Property, for property that is missing, where the only evidence of the missing property is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property;
- b. Under Coverage **G** – Barns, Outbuildings and Other Farm Structures, for the disappearance of portable buildings or structures where there is no physical evidence to show what happened to the property.

3. We will not pay for loss or damage caused by or resulting from any of the following in Paragraphs **3.a.** through **3.c.** But if an excluded cause of loss that is listed in Paragraphs **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

- a. Weather conditions. But this exclusion applies only if weather conditions contribute in any way with a cause or event excluded in Paragraph **E.** Exclusions to produce the loss or damage.
- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- c. Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance;

of part or all of any property on or off the "insured location".

4. We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

F. Exclusions

The following exclusions apply when any or all of the Covered Causes of Loss, Basic, Basic with Collapse, Broad or Special, are specified in the Declarations.

We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

- a. Regulating the construction, use or repair of any property; or
- b. Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (1) An ordinance or law that is enforced even if the property has not been damaged; or
- (2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

2. Earth Movement

- a. Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- b. Landslide, including any earth sinking, rising or shifting related to such event;
- c. Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- d. Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions that cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

This exclusion applies regardless of whether the Earth Movement, as described in Paragraphs **a.** through **d.** above, is caused by an act of nature or is otherwise caused.

But:

- (1) If Earth Movement, as described in Paragraphs **a.** through **d.** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion; or
- (2) If:
 - (a) Loss or damage to farm machinery, vehicles and equipment covered for the Special Causes of Loss; or
 - (b) Loss to "livestock";

is caused by earthquake, as described in Paragraph **a.** above, this Earth Movement Exclusion does not apply to such loss or damage.

- e. Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire or volcanic action, we will pay for the loss or damage caused by that fire or volcanic action.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (1) Airborne volcanic blast or airborne shock waves;
- (2) Ash, dust or particulate matter; or
- (3) Lava flow.

With respect to coverage for Volcanic Action as set forth in Paragraphs e.(1), e.(2), and e.(3), all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to Covered Property.

3. "Fungi", Wet Rot And Dry Rot

Presence, growth, proliferation, spread or any activity of "fungi", wet rot or dry rot.

But if "fungi", wet rot or dry rot results in a Covered Cause of Loss or a "specified cause of loss", we will pay for the loss or damage caused by that Covered Cause of Loss or "specified cause of loss".

4. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Form.

5. Intentional Loss

We will not pay for loss or damage arising out of any act any "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

6. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

7. Utility Services

The failure of power, communication, water or other utility service supplied to the "insured location", however caused, if the failure:

- a. Originates away from the "insured location"; or
- b. Originates at the "insured location", but only if such failure involves equipment used to supply the utility service to the "insured location" from a source away from the "insured location".

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include, but are not limited to, service relating to Internet access or access to any electronic, cellular, or satellite network.

8. Neglect

Neglect, meaning neglect of an "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

9. War And Military Action

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

10. Water

- a. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- b. Mudslide or mudflow;
- c. Water that backs up or overflows or is otherwise discharged from a sewer or drain;

- d. Water that backs up or overflows or is otherwise discharged from a sump, sump pump or related equipment;
- e. Water under the ground surface pressing on, or flowing or seeping through:
 - (1) Foundations, walls, floors or paved surfaces;
 - (2) Basements, whether paved or not; or
 - (3) Doors, windows or other openings; or
- f. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph a., c., d. or e., or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs a. through f., is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But:

- (1) If any of the above, in Paragraphs a. through f., results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage; or
- (2) If loss or damage to:
 - (a) Farm machinery, vehicles and equipment covered for the Special Causes of Loss; or
 - (b) "Livestock";
 is caused by water as described in Paragraph a. above, this Water Exclusion does not apply to such loss or damage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANNABIS EXCLUSION WITH INDUSTRIAL HEMP EXCEPTION

This endorsement modifies insurance provided under the following:

FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS

A. Property Not Covered under Coverage **E** – Scheduled Farm Personal Property and **Property Not Covered** under Coverage **F** – Unscheduled Farm Personal Property;—in the Farm Property – Farm Personal Property Coverage Form and **Property Not Covered** under Coverage **G** – Barns, Outbuildings and Other Farm Structures in the Farm Property – Barns, Outbuildings and Other Farm Structures Coverage Form is amended as follows:

1. “Cannabis” is added to **Property Not Covered**.
2. Paragraph **A.1.** of this endorsement does not apply to goods or products containing or derived from “industrial hemp”, including, but not limited to:
 - a. Seeds;
 - b. Food;
 - c. Clothing;
 - d. Lotions, oils or extracts;
 - e. Building materials; or
 - f. Paper.

However, this Paragraph **A.2.** does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located.

B. For the purpose of this endorsement, the following applies to the **Extra Expense** coverage in **Section III – Additional Coverages** in the Farm Property – Farm Personal Property Coverage Form and in the Farm Property – Barns, Outbuildings and Other Farm Structures Coverage Form and when SFP 15 01 Disruption of Farming Operations or SFP 15 02 Income Loss and Expense Coverage For Computer-Related Date Processing And Other Electronic Problems are indicated in the Declarations as being provided under this Policy:

1. Coverage under this Policy does not apply to that part of the Extra Expense coverage, or to any coverage under the Disruption of Farming Operations, or the Income Loss and Expense Coverage For Computer-Related Date Processing And Other Electronic Problems for expenses incurred, due to a suspension of your operation, which is attributable to the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of “cannabis”.
2. Paragraph **B.1.** of this endorsement does not apply to that part of the Extra Expense coverage or any other coverage provided by the Disruption of Farming Operations, or the Income Loss and Expense Coverage For Computer-Related Date Processing And Other Electronic Problems for expenses incurred, which is attributable to goods or products containing or derived from “industrial hemp”, including, but not limited to:
 - a. Seeds;
 - b. Food;

- c. Clothing;
- d. Lotions, oils or extracts;
- e. Building materials; or
- f. Paper.

However, this Paragraph **B.2.** does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located.

- C. The following definitions are added to the **Definitions** section in the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph **C.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:

- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
- b. Any compound, byproduct, extract, derivative, mixture or combination, such as:

(1) Resin, oil or wax;

(2) Hash or hemp; or

(3) Infused liquid or edible "cannabis";

whether or not derived from any plant or part of any plant set forth in Paragraph **C.2.a.**

"Industrial Hemp" means:

The plant Cannabis sativa L. and any part of that plant, whether growing or not, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis or as otherwise specifically defined by law.

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Tombaker@Scfbins.Com

AG PROMISE® LIABILITY DECLARATIONS

NAMED INSURED AND ADDRESS

Angela Leone

3135 Old Hickory Rd
Lancaster, SC 29720-8897

Policy Number: 390100000547

County Farm Bureau® Member Number: 001009070

Printed Date: 10/19/2022

Term: 1

Policy Effective Date: 10/06/2022

Policy Expiration Date: 10/06/2023
at 12:01 a.m.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

IMPORTANT NOTICE:

Coverages Provided		Limits of Insurance	
General Aggregate Limit		\$	3,000,000
Each of the following limits is subject to the General Aggregate Limit:			
Coverage H -			
Bodily Injury & Property Damage Liability	Each Occurrence	\$	1,000,000
Farm Products	Aggregate Limit	\$	10,000
Fire Damage	Any One Fire (Premises Rented to Insured)	\$	25,000
Coverage I -			
Personal & Advertising Injury Liability	Any One Person Or Organization	\$	1,000,000
Coverage J -			
Medical Payments	Any One Person	\$	1,000

COUNTERSIGNED DATE: 10/19/2022

BY:

ROA - 434

AG PROMISE® LIABILITY DECLARATIONS**Named Insured: Angela Leone****Policy Number: 390100000547**

THE APPLICABLE COVERAGES ARE THOSE FOR WHICH PREMIUMS ARE INDICATED BELOW. THESE PREMIUMS MAY BE SUBJECT TO ADJUSTMENT. COVERAGES MAY BE ADDED OR DELETED DURING THE POLICY PERIOD BY ENDORSEMENT.

COVERAGES				PREMIUM
Coverage H	Bodily Injury and Property Damage	SEE EXPLANATION OF RATING COMPONENTS BELOW*	\$	394.78
	Fire Damage			INCLUDED
	Farm Products			INCLUDED
Coverage I	Personal and Advertising Injury Liability		\$	69.51
Coverage J	Medical Payments		\$	9.33
* OTHER APPLICABLE FORMS AND ENDORSEMENTS FOR WHICH A PREMIUM IS CHARGED.				
SFL 00 20 04 16	Farm Liability Coverage Form			
SFL 01 10 04 16	Insurance Under More Than One Policy			
SFL 04 65 04 16	Coverage K - Farm Employers' Liability		\$	92.22
SFL 04 65 04 16	Coverage L - Farm Employees' Medical Payments		\$	14.99
SFL 10 12 04 16	Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data - Related Liability - With Limited Bodily Injury Exception			
SFL 10 44 04 16	Exclusion Of Certified Nuclear, Biological, Chemical Or Radiological Acts Of Terrorism Cap On Losses From Certified Acts Of Terrorism			
TOTAL PREMIUM			\$	580.83

AG PROMISE® LIABILITY DECLARATIONS**Named Insured: Angela Leone****Policy Number: 390100000547**

EXPLANATION OF RATING COMPONENT	COMPONENT
Commodity Groups	Timber/Fallow Livestock (other than Dairy) Row Crops
Total Acreage	243
Number of "Insured Locations"	2
Number of Self Propelled Machines	3
Number of Livestock	114

Other Forms and Endorsements Applicable to this Coverage Form:

SFL 10 15 07 18	Exclusion - Raw Milk
SFL 10 55 04 16 (REV 11 17)	Exclusion - Aviation Liability
SFL 22 50 01 20	Exclusion - Failure to Supply
SFL 40 15 12 19	Exclusion - Cannabis Exclusion with Industrial Hemp Exception
SFL P 100 08 20	Policyholder Disclosure-Notice of Terrorism Insurance Coverage

DESCRIPTION OF "INSURED LOCATION"

Loc #	Street Address or Non-Specific Location Description	City	County	State	Operations	# of Acres
1	3135 Old Hickory Rd	Lancaster	Lancaster	South Carolina	Livestock (other than Dairy)	6
1	3135 Old Hickory Rd	Lancaster	Lancaster	South Carolina	Row Crops	6
1	3135 Old Hickory Rd	Lancaster	Lancaster	South Carolina	Timber/Fallow	156
2	HWY 5	Catawba	York	South Carolina	Timber/Fallow	75

FARM LIABILITY COVERAGE FORM

TABLE OF CONTENTS

	Beginning on Page
SECTION I-COVERAGES	
Coverage H-Bodily Injury And Property Damage Liability	
Insuring Agreement	1
Exclusions	2
Coverage I-Personal And Advertising Injury Liability	
Insuring Agreement	10
Exclusions	10
Coverage J-Medical Payments	
Insuring Agreement	13
Exclusions	13
Additional Coverages	
Supplementary Payments-Coverages H And I	14
Damage To Property Of Others	15
Coverage Extension-Coverages H, I, And J	15
Additional Policy Exclusions-Coverages H, I, And J	15
SECTION II-LIMITS OF INSURANCE	16
SECTION III-FARM LIABILITY CONDITIONS	
Loss Conditions	17
Bankruptcy	17
Duties In The Event Of Occurrence, Claim Or Suit	17
Insurance Under Two Or More Coverages	18
Legal Action Against Us	18
No Admission Of Liability With Medical Payments	18
Other Insurance	18
Transfer Of Rights Of Recovery Against Others To Us	18
Additional Conditions	18
Liberalization	18
Representations	18
Separation Of Insureds	18
Assignment	19
Audit	19
Concealment, Misrepresentation Or Fraud	19
Automatic Termination	19
SECTION IV-DEFINITIONS	19

FARM LIABILITY COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

The Declarations, this Coverage Form, and all endorsements are hereby deemed to be a part of this Policy.

Throughout this Coverage Form the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we”, “us” and “our” refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section IV – Definitions.

SECTION I – COVERAGES

COVERAGE H – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the “insured” becomes legally obligated to pay as damages because of “bodily injury” or “property damage”, except “punitive damages” and/or exemplary damages, to which this insurance applies. We will have the right and duty to defend the “insured” against any “suit” seeking those damages. However, we will have no duty to defend the “insured” against any “suit” seeking damages for “bodily injury” or “property damage” to which this insurance does not apply. We may at our discretion investigate any “occurrence” and settle any claim or “suit” that may result. But:

- (1) The amount we will pay for damages is limited as described in Section II – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of:
 - (a) Judgments or settlements under Coverages H or I; or
 - (b) Medical expenses under Coverage J.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under the Additional Coverages.

- b. This insurance applies to “bodily injury” and “property damage” only if:

- (1) The “bodily injury” or “property damage” is caused by an “occurrence” which takes place in the “coverage territory”; and
 - (2) The “bodily injury” or “property damage” occurs during the policy period; and
 - (3) Prior to the policy period, no “insured” listed under Paragraph a. of Definition 14. “Insured” and no employee authorized by you to give or receive notice of an “occurrence” or claim, knew that the “bodily injury” or “property damage” had occurred, in whole or in part. If such a listed “insured” or authorized employee knew, prior to the policy period, that the “bodily injury” or “property damage” had occurred or was occurring, then any continuation, change or resumption of such “bodily injury” or “property damage” during or after the policy period will be deemed to have been known prior to the policy period.
- c. “Bodily injury” or “property damage” that occurs during the policy period and was not, prior to the policy period, known to have occurred by:
- (1) Any “insured” listed under Paragraph a. of Definition 14. “Insured”; or
 - (2) Any employee authorized by you to give or receive notice of an “occurrence” or claim;
- includes any continuation, change or resumption of that “bodily injury” or “property damage” after the end of the policy period.
- d. “Bodily injury” or “property damage” will be deemed to have been known to have occurred at the earliest time when any “insured” listed under Paragraph a. of Definition 14. “Insured” or any employee authorized by you to give or receive notice of an “occurrence” or claim:
- (1) Reports all, or any part, of the “bodily injury” or “property damage” to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the “bodily injury” or “property damage”; or
 - (3) Becomes aware by any other means that “bodily injury” or “property damage” has occurred or has begun to occur.
- e. Damages because of “bodily injury” include damages claimed by any person or

organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" resulting from intentional acts of any "insured" or acts carried out at the direction of any "insured". The expected and unexpected results of these acts or directions are not covered.

b. Contractual Liability

"Bodily injury" or "property damage" for which any "insured" is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That any "insured" would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for any "insured's" "indemnitee" shall be deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such "indemnitee" for, or for the cost of, that "indemnitee's" defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that "indemnitee" against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are claimed.

c. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is, or was at any time owned or occupied by, or rented or loaned to, any "insured". However,

this Subparagraph (1)(a) does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (iii) "Bodily injury" or "property damage" caused by heat, smoke or fumes from:
 - (1) A fire set by the "insured" on the "insured location" to burn off crop, stubble or other vegetation, and is consistent with normal agricultural practice, or to raze buildings; or
 - (2) Agricultural smudging; and
Is not set in violation of any ordinance, law or regulation.
- (b) At or from any premises, site or location which is or was at any time used by or for any "insured" or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any "insured"; or
 - (ii) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any "insured" or any contractors or subcontractors working directly or indirectly on any "insured's" behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor.

However, this Subparagraph **(1)(d)** does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such "insured", contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
 - (e) At or from any premises, site or location on which any "insured" or any contractors or subcontractors working directly or indirectly on any "insured's" behalf are performing operations if the operations are to abate, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any "insured" or others abate, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Subparagraph **(2)** does not apply to liability for damages because of "property damage" that the "insured" would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

d. Release Or Discharge From Aircraft, Mobile Equipment Or Other Apparatus

"Bodily injury" or "property damage" caused by or resulting from the application, discharge, dispersal, seepage, migration, release or escape, by or from any aircraft, "mobile equipment" or other apparatus, of herbicides, insecticides, pesticides, fungicides, fertilizers, or other substances, including but not limited to substances used in spraying or crop dusting operations, by any "insured", by any person or organization for whom any "insured" may be legally responsible, or by any contractors or subcontractors working directly or indirectly for or on behalf of any "insured".

This exclusion does not apply to model or hobby aircraft unless used or designed to carry an operator(s), any other person(s), or cargo.

e. Aircraft, Unmanned Aerial System, Motor Vehicle, Motorized Bicycle Or Tricycle

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of any aircraft, "unmanned aerial system", "motor vehicle", motorized bicycle or tricycle owned or operated by or rented or loaned to any "insured". Use includes operation and "loading or unloading";
- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving any aircraft,

"unmanned aerial system", "motor vehicle", motorized bicycle or tricycle; or

- (3) Arising out of any means of transport named in Paragraph (1) or (2) above that is used in, or while in practice or preparation for, a prearranged or organized race, speed, strength or demolition contest or in any stunting activity or any other competition.

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "unmanned aerial system", "motor vehicle", motorized bicycle or tricycle that is owned or operated by or rented or loaned to any "insured".

This exclusion does not apply to:

- (a) "Bodily injury" to a "residence employee" caused by an aircraft, provided the "bodily injury" occurs while the "residence employee" is not engaged in the operation or maintenance of such aircraft;
- (b) Parking a "motor vehicle" or motorized bicycle or tricycle on, or on the ways next to, premises you own or rent, provided the "motor vehicle" is not owned by, or rented or loaned to any "insured";
- (c) A "motor vehicle" not subject to motor vehicle registration:
 - (i) By reason of its exclusive use as a device for assisting the handicapped; or
 - (ii) Designed for recreational use off public roads and not owned by any "insured"; or
- (d) "Bodily injury" or "property damage" arising out of:
 - (i) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

- (ii) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment" (Section IV).

f. Watercraft

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of an excluded watercraft described below. Use includes operation and "loading or unloading";
- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving an excluded watercraft described below;
- (3) Arising out of any means of transport named in Paragraph (1) or (2) above that is used in, or while in practice or preparation for, a prearranged or organized race, speed, strength or demolition contest or in any stunting activity or any other competition.

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use, or entrustment to others of an excluded watercraft described below.

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor or are sailing vessels, whether owned by or rented to an "insured".

This exclusion does not apply to:

- (1) Watercraft that are not sailing vessels and are powered by:
 - (a) Inboard or inboard-outdrive engine or motor power, including those that power a water jet pump, of 50 horsepower or less not owned by an "insured";
 - (b) Inboard or inboard-outdrive engine or motor power, including those that power a water jet pump, of more than 50 horsepower not owned by or rented to an "insured";
 - (c) One or more outboard engines or motors with 25 total horsepower or less;
 - (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or

motor is not owned by an "insured"; or

- (e) Outboard engines or motors of more than 25 total horsepower owned by an "insured" if:

- (i) You acquire them prior to the policy period; and
 - i. You declare them at policy inception; or
 - ii. Your intention to insure is reported to us in writing within 45 days after you acquire the outboard engines or motors; or
- (ii) You acquire them during the policy period.

This coverage applies for the policy period.

- (2) Watercraft that are sailing vessels, with or without auxiliary power:

- (a) Less than 26 feet in overall length; or
- (b) 26 feet or more in overall length, not owned by or rented to any "insured";

- (3) Watercraft that are stored; or

- (4) "Occurrences" of "bodily injury" or "property damage":

- (a) That take place on the "insured location"; or
- (b) Sustained by a "residence employee" in the course of employment by any "insured".

g. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by a "motor vehicle" owned or operated by, or rented or loaned to, any "insured"; or
- (2) The use of any self-propelled land vehicle or "mobile equipment" in, or while in practice or preparation for:
 - (a) A prearranged racing, speed, strength or demolition contest; or
 - (b) Any stunting activity.

h. Use Of Livestock Or Other Animals

"Bodily injury" or "property damage" arising out of:

- (1) The use of any livestock or other animal in, or while in practice or preparation for:

- (a) A prearranged racing, speed or strength contest; or

- (b) A prearranged stunting activity.

But this Exclusion **h.(1)** applies only to "occurrences" arising out of such contests or activities that take place at the site designated for the contest or activity; or

- (2) The use of any livestock or other animal, with or without an accessory vehicle, for providing:

- (a) Rides to any person for a fee; or
- (b) Rides in connection with or during a fair, charitable function or similar type of event.

i. Business Pursuits

"Bodily injury" or "property damage" arising out of or in connection with a "business" engaged in by any "insured". This exclusion applies but is not limited to any act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

j. Custom Farming

"Bodily injury" or "property damage" arising out of any "insured's":

- (1) Performance of; or
- (2) Failure to perform;

"custom farming" operations.

But this exclusion will apply only when your receipts from "custom farming" operations exceed \$5,000 for the 12 months immediately preceding the date of the "occurrence".

k. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of, or failure to render, professional services. This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the rendering of, or failure to render, any professional service.

l. Rental Of Premises And Ownership Or Control Of Premises

"Bodily injury" or "property damage" arising out of:

- (1) An act or omission in connection with any location (other than an "insured location") that is rented to, or owned or controlled by, any "insured".

The only exceptions to this exclusion are in "occurrences" of "bodily injury" or "property damage" sustained by a "residence employee" arising out of and in the course of employment by any "insured".

- (2) The rental or holding for rental of an "insured location" by an "insured" to others.

This exclusion does not apply to:

- (a) The rental of a farm premises shown in the Declarations, provided such premises is rented for "farming" purposes, and:
 - (i) The premises is shown in the Declarations as being rented to others; or
 - (ii) The rental commences during the present annual policy period.
- (b) The rental of a farm premises acquired during the present annual policy period, provided the rental is for "farming" purposes.
- (c) The rental of a residence for residential purposes, provided:
 - (i) The residence is located on a farm premises used for "farming" purposes; and
 - (ii) Such farm premises is shown in the Declarations or acquired during the present annual policy period; and
 - (iii) The rental commences during the present annual policy period.
- (d) The occupancy of a part of your principal residence as:
 - (i) Living quarters, by no more than two roomers or boarders; or
 - (ii) An office, school, studio or private garage.
- (e) The occasional occupancy of your principal residence by persons using the residence exclusively as living quarters.

Exclusion 2.i. under Coverage H does not apply with respect to coverage provided in Paragraphs (a), (b), (c), (d) or (e) above.

m. Communicable Disease

"Bodily injury" or "property damage" arising out of the transmission of a communicable disease by any "insured".

n. Workers' Compensation Or Similar Law

Any obligation of any "insured" under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

o. Employers' Liability

"Bodily injury" sustained by:

- (1) Any employee (other than a "residence employee") as a result of his or her employment by an "insured";
- (2) Any "residence employee", unless the "residence employee" makes a written claim or brings "suit" no later than 36 months after the end of the policy period; or
- (3) The spouse, child, parent, brother or sister of any employee as a consequence of "bodily injury" to that employee.

This exclusion applies whether any "insured" may be held liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

p. Building Or Structure Under Construction

"Bodily injury" arising out of any premises on which a building or structure is being constructed.

The only exception to this exclusion is in an "occurrence" of "bodily injury" sustained by:

- (1) Persons who are not "insureds"; or
- (2) "Residence employees" of an "insured" arising out of or in the course of their employment.

But this exception requires that:

- (a) In the case of a building that will be used as a dwelling:
 - (i) It is located on an "insured location"; and
 - (ii) It is intended for occupancy by any "insured", or by any "insured's" "farm employee(s)" or "residence employee(s)"; or
- (b) In the case of buildings or structures that will be used in "farming" operations:
 - (i) They are located on an "insured location"; and
 - (ii) Intended for the use of any "insured".

q. Bodily Injury To An Insured

"Bodily injury" to you or to any "insured" within the meaning of "insured" as defined in Paragraph **14.a.(1)** in Section **IV** – Definitions.

This exclusion also applies to any claim made or "suit" brought against you or any "insured" to:

- (1) Repay; or
- (2) Share damages with;

another person who may be obligated to pay damages because of such "bodily injury".

r. Damage To Property

"Property damage" to:

- (1) Property you own, nor to any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Property you rent or occupy;
- (3) Premises you sell, give away, or abandon, if the "property damage" arises out of any part of those premises;
- (4) Property loaned to you; or
- (5) Personal property in the care, custody or control of any "insured".

But with respect to "custom farming", Paragraph **r.(5)** will apply only when your receipts from "custom farming" operations exceed \$5,000 for the 12 months immediately preceding the date of the "occurrence".

Paragraphs **r.(4)** and **r.(5)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

s. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

t. Damage To Your Work

"Property damage" to:

- (1) "Your work", arising out of it or any part of it; or
- (2) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

But with respect to "custom farming", Exclusion **t.** will apply only when your receipts from "custom farming" operations exceed \$5,000 for the 12 months immediately preceding the date of the "occurrence".

u. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

But with respect to "custom farming", Exclusion **u.** will apply only when your receipts from "custom farming" operations exceed \$5,000 for the 12 months immediately preceding the date of the "occurrence".

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" after it has been put to its intended use.

v. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use, by any person or organization, because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

w. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse.

x. Controlled Substances

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following lawful orders of a licensed healthcare professional.

y. Personal Injury

"Bodily injury" arising out of "personal injury".

z. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003, or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

aa. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war; or
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

bb. Agritainment

"Bodily injury" or "property damage" arising directly or indirectly out of any "agritainment". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed or implied to be provided because of the nature of the "agritainment".

cc. Employment-Related Practices

"Bodily injury" to:

- (1) A person, arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or

- (c) Employment-related practices, policies, acts or omissions, including but not limited to coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

- (2) The spouse, child, parent, brother or sister of that person at whom any of the acts in Paragraphs (1)(a), (b) or (c) above is directed, as a consequence of "bodily injury" to that person.

This exclusion applies:

- (a) Whether the injury-causing event described in Paragraph (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person.
- (b) Whether any "insured" may be held liable as an employer or in any other capacity; and
- (c) To any obligation to share damages with or repay someone else who must pay damages because of the "bodily injury".

dd. Asbestos, Lead, Radium, Radon, Silica And Silica-Related Dust

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of:

- (a) Asbestos, asbestos fibers or any other material or substance containing asbestos;
- (b) Lead, paint containing lead, or any other material or substance containing lead;
- (c) Radium, radon or any other material or substance containing radium or radon; or
- (d) "Silica" or "silica-related dust"; or

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any "insured" or others abate, test for, monitor, clean up, remove, remedy, repair, contain, treat, detoxify, neutralize, remediate or dispose of, or in any way respond to or assess the effects of, asbestos, lead, radium, radon, "silica" or "silica-related dust"; or

- (b) Claim or "suit" by or on behalf of any person, organization or governmental authority for damages because of abating, testing for, monitoring, cleaning up, removing, remedying, repairing, containing, treating, detoxifying, neutralizing, remediating, or disposing of, or in any way responding to or assessing the effects of, asbestos, lead, radium, radon, "silica" or "silica-related dust".

ee. Home Day Care

"Bodily injury" or "property damage" resulting from any "insured's" regular provision of home day care services to a person or persons other than an "insured", in return for which any "insured" receives monetary or other compensation. The providing of such services in exchange for such compensation is a "business". Mutual exchange of home day care services, however, is not considered compensation.

ff. Duties As Officer Or Director

"Bodily injury" or "property damage" arising out of or resulting from any "insured's" act, failure to act, omission or error while acting in the scope of his or her duties as an officer, executive officer or director of any corporation or "business" unless such corporation or "business" is shown in the Declarations as a Named Insured.

gg. Insects, Rust, Bacteria, Wet Rot Or Dry Rot, Mold, Mildew, And Any Other Fungi

- (1) "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged, attempted, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, insects, rust, bacteria, wet rot or dry rot, mold, mildew, or any other "fungi", regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage; or
- (2) Loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that you or any person abate, test for, monitor, clean up, remove, remedy, repair, contain, treat, detoxify, neutralize, dispose of, or in any way respond to, or assess the effects of, insects, rust, bacteria, wet rot or dry rot, mold, mildew or any other "fungi"; or

- (b) Fine, claim or "suit" by or on behalf of any person, organization, or governmental authority for damages because of abating, testing for, monitoring, cleaning up, removing, remedying, repairing, containing, treating, detoxifying, neutralizing, disposing of, or in any way responding to, or assessing the effects of, insects, rust, bacteria, wet rot or dry rot, mold, mildew, or any other "fungi".

hh. Computer, Computer Virus, And Other Computer-Related Injury Or Damage

"Bodily injury" or "property damage" arising from any computer instruction or code that is designed to alter, damage, destroy, reduce the functionality or availability or operation of, record or transmit information within, contaminate or interrupt or usurp the normal operation of, any:

- (1) Computer;
- (2) Computer system or hardware, including but not limited to hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices, microchips, integrated circuits or similar devices in computer equipment or non-computer equipment or other media which are used with electronically controlled equipment;
- (3) Computer software (including systems and applications software and utilities), programs or data; or
- (4) Information repository, which includes data used in the processing of application software in any format or media type.

Such instruction or code includes, but is not limited to, any group of computer instructions or codes commonly called a virus or a worm, and any other instructions or codes, that are self-replicating or self-propagating.

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, entrustment to others, maintenance, use, or operation of any:

- (1) Computer;
- (2) Computer system or hardware, including but not limited to hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices, microchips, integrated circuits or similar devices in

computer equipment or non-computer equipment, or other media which are used with electronically controlled equipment;

- (3) Computer software (including systems and applications software and utilities), programs or data; or
- (4) Information repository, which includes data used in the processing of application software in any format or media type.

ii. Erroneous Delivery Or Mixture And Resulting Failure of Seeds To Germinate

"Property damage" arising out of:

- (1) The erroneous delivery of seed, which includes:
 - (a) The failure to deliver seed;
 - (b) The delivery of wrong seed; or
 - (c) The delivery of seed at the wrong time or season.
- (2) An error in mechanical mixture of seed; or
- (3) The failure of seed to germinate.

Exclusions c. through v. and Exclusions aa. and bb. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Limit of Insurance applies to this coverage as described in Section II – Limits Of Insurance.

COVERAGE I – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the "insured" becomes legally obligated to pay as damages because of "personal injury" or "advertising injury", except "punitive damages" and/or exemplary damages, to which this insurance applies. We will have the right and duty to defend the "insured" against any "suit" seeking those damages. However, we will have no duty to defend the "insured" against any "suit" seeking damages for "personal injury" or "advertising injury" to which this insurance does not apply. We may at our discretion investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section II – Limits Of Insurance; and
 - (2) Our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of:
 - (a) Judgments or settlements under Coverages H or I; or

(b) Medical expenses under Coverage J.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under the Additional Coverages.

- b. This insurance applies to "personal injury" only if caused by an offense:
 - (1) Committed during the policy period; and
 - (2) Arising out of personal activities or out of operations usual or incidental to "farming".
- c. This insurance applies to "advertising injury" only if caused by an offense committed during the policy period.

2. Exclusions

This insurance does not apply to:

- a. "Personal injury" or "advertising injury":
 - (1) **Knowing Violation Of Rights Of Another**
Caused by or at the direction of any "insured" with the knowledge that the act would violate the rights of another and would inflict "personal injury" or "advertising injury".
 - (2) **Material Published With Knowledge Of Falsity**
Arising out of oral or written publication, in any manner, of material, if done by or at the direction of any "insured" with knowledge of its falsity.
 - (3) **Material Published Prior To Policy Period**
Arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.
 - (4) **Criminal Acts**
Arising out of a criminal act committed by or at the direction of an "insured".

This exclusion does not affect our duty to defend, in accordance with Paragraph 1.a. under Coverage I above, an "insured" prior to determining, through the appropriate legal processes, that that "insured" is responsible for a criminal act.

(5) Contractual Liability

For which any "insured" has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the "insured" would have in the absence of the contract or agreement.

(6) Pollution

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

(7) Pollution-related Loss, Cost Or Expense

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any "insured" or others abate, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (2) Claim or "suit" by or on behalf of a governmental authority for damages because of abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

(8) Recording And Distribution Of Material In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (b) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (c) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

- (d) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003, or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

(9) War

However caused, arising, directly or indirectly, out of:

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

(10) Infringement Of Copyright, Patent, Trademark Or Trade Secret

Arising out of the infringement of copyright, patent, trademark, trade secret, or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

(11) Electronic Chatrooms Or Bulletin Boards

Arising out of an electronic chatroom or bulletin board:

- (a) The "insured" hosts, owns; or
- (b) Over which any "insured" exercises control.

(12) Unauthorized Use Of Another's Name Or Product

Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

(13) Unmanned Aerial System

Arising out of the ownership, maintenance, or use, including "loading or unloading" of an aircraft that is an "unmanned aerial system".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the offense that caused the "personal injury" or "advertising injury" arose out of the ownership, maintenance, or use, including "loading or unloading" of an aircraft that is an "unmanned aerial system."

b. "Personal injury":

(1) Business Pursuits

Arising out of or in connection with a "business" engaged in by an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

(2) Civic Or Public Activities For Pay

Arising out of civic or public activities performed for pay by the "insured".

(3) Personal Injury To An Insured

To you or to any "insured" within the meaning of "insured" as defined in Paragraph **14.a.(1)** in Section **IV** – Definitions.

This exclusion also applies to any claim made or "suit" brought against you or any "insured" to:

(a) Repay; or

(b) Share damages with;

another person who may be obligated to pay damages because of such "personal injury".

(4) Agritainment

Arising directly or indirectly out of any "agritainment". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "agritainment".

(5) Employment-Related Practices

(a) To a person arising out of any:

(1) Refusal to employ that person;

(2) Termination of that person's employment; or

(3) Employment-related practices, policies, acts or omissions, including but not limited to coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person;

(b) To the spouse, child, parent, brother or sister of that person as a consequence of "personal injury" to that person at whom any of the employment-related practices described in Paragraphs (a)(1), (2) or (3) above is directed.

This exclusion applies:

(a) Whether the injury-causing event described in Paragraphs (a)(1), (2) or (3) above occurs before employment, during employment or after employment of that person;

(b) Whether the "insured" may be liable as an employer or in any other capacity; and

(c) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

(6) Insects, Rust, Bacteria, Wet Rot Or Dry Rot, Mold, Mildew, And Any other Fungi

(a) Which would not have taken place, in whole or in part, but for the actual, alleged, attempted, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, insects, rust, bacteria, wet rot or dry rot, mold, mildew, or any other "fungi", regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage; or

(b) Loss, cost or expense arising out of any:

(i) Request, demand, order or statutory or regulatory requirement that you or any person test for, monitor, clean up, remove, remedy, repair, contain, treat, detoxify, neutralize, dispose of, or in any way respond to, or assess the effects of, insects, rust, bacteria, wet rot or dry rot, mold, mildew or any other "fungi"; or

- (ii) Fine, claim or "suit" by or on behalf of any person, organization, or governmental authority for damages because of testing for, monitoring, cleaning up, removing, remedying, repairing, containing, treating, detoxifying, neutralizing, disposing of, or in any way responding to, or assessing the effects of, insects, rust, bacteria, wet rot or dry rot, mold, mildew, or any other "fungi".

c. "Advertising injury" arising out of:

(1) Breach Of Contract

A breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

(2) Quality Or Performance Of Goods – Failure To Conform To Statements

The failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

(3) Wrong Quotation Or Description Of Prices

The wrong quotation or description of the price of goods, products or services stated in your "advertisement".

(4) Insured In Media And Internet Type Businesses

An offense committed by an "insured" whose "business" is:

- (a) Advertising, broadcasting, publishing, or telecasting;
- (b) Designing or determining content of web sites for others; or
- (c) An Internet search, access, content or service provider.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising for you or others anywhere on the Internet, is not by itself, considered the "business" of advertising, broadcasting, publishing or telecasting.

COVERAGE J – MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay reasonable medical expenses incurred within three years from the date of an accident causing "bodily injury".

We will make these payments regardless of fault.

Reasonable medical expenses means expenses incurred for:

- (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.
- b. This coverage applies only:
- (1) To a person (other than an "insured") who is on the "insured location" with the permission of an "insured";
 - (2) To a person (other than an "insured") off the "insured location", provided the "bodily injury":
 - (a) Arises out of a condition on the "insured location" or the ways immediately adjoining it;
 - (b) Is caused by the activities of an "insured" or by a "farm employee" in the course of employment by an "insured";
 - (c) Is caused or sustained by a "residence employee" in the course of employment by an "insured"; or
 - (d) Is caused by an animal owned by or in the care of an "insured".

2. Exclusions

We will not pay expenses for "bodily injury" to:

a. Professional Services And Business Pursuits

Any person injured while on the "insured location" by reason of:

- (1) Professional services being rendered there. This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" involved the rendering of, or failure to render any professional service; or
- (2) "Business" being engaged in there. This Exclusion **a.(2)** applies, but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

The only exceptions to Paragraphs **a.(1)** and **(2)** are in "occurrences" of "bodily injury" to a "residence employee".

b. Location Rented, Owned Or Controlled By Insured

Any person injured due to an act or omission in connection with any location (other than an "insured location") that is owned, rented or controlled by the "insured".

The only exceptions to this exclusion are in "occurrences" of "bodily injury" sustained by a "residence employee" arising out of and in the course of employment by the "insured".

c. Farm Employees Or Others Maintaining The Farm

Any "farm employee" or other person engaged in work usual or incidental to the maintenance or use of the "insured location" as a farm.

The only exceptions to this exclusion are in "occurrences" of "bodily injury" sustained by a "residence employee" or by a person on the "insured location" in a neighborly exchange of assistance for which an "insured" is not obligated to pay any money.

d. Workers' Compensation Or Similar Law

Any person eligible to receive any benefits that an "insured" voluntarily provides or is required to provide under any workers' compensation, non-occupational disability or occupational disease law.

e. Injury To Resident

Any person regularly residing on any part of the "insured location" or who is a resident member of your household.

The only exceptions to this exclusion are in "occurrences" of "bodily injury" to a "residence employee".

f. Agritainment

Any person injured while on the "insured location" by reason of "agritainment" being engaged in there. This Exclusion f. applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "agritainment".

g. Coverage H Exclusions

Any person, if the "bodily injury" is excluded under Coverage H.

ADDITIONAL COVERAGES**1. Supplementary Payments – Coverages H And I**

- a. We will pay, with respect to any claim we investigate or settle, or any "suit" against any "insured" we defend:

(1) All expenses we incur.

- (2) Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Coverage H applies. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments, but only for bond amounts within the applicable Limits of Insurance. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) Prejudgment interest awarded against any "insured" on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- (7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have:
- (a) Paid;
 - (b) Offered to pay; or
 - (c) Deposited in court;
- the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the Limits of Insurance.

- b. If we defend an "insured" against a "suit" and an "indemnitee" of the "insured" is also named as a party to the "suit", we will defend that "indemnitee" if all of the following conditions are met:
- (1) The "suit" against the "indemnitee" seeks damages for which the "insured" has assumed the liability of the "indemnitee" in a contract or agreement that is an "insured contract";
 - (2) This insurance applies to such liability assumed by the "insured";
 - (3) The obligation to defend, or the cost of the defense of, that "indemnitee", has also been assumed by the "insured" in the same "insured contract";
 - (4) The allegations in the "suit" and the information we know about the

"occurrence" are such that no conflict appears to exist between the interests of the "insured" and the interests of the "indemnatee";

- (5) The "indemnatee" and the "insured" ask us to conduct and control the defense of that "indemnatee" against such "suit" and agree that we can assign the same counsel to defend the "insured" and the "indemnatee"; and
- (6) The "indemnatee":
 - (a) Agrees in writing to:
 - (i) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (ii) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (iii) Notify any other insurer whose coverage is available to the "indemnatee"; and
 - (iv) Cooperate with us with respect to coordinating other applicable insurance available to the "indemnatee"; and
 - (b) Provides us with written authorization to:
 - (i) Obtain records and other information related to the "suit"; and
 - (ii) Conduct and control the defense of the "indemnatee" in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that "indemnatee", necessary litigation expenses incurred by us and necessary litigation expenses incurred by the "indemnatee" at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **b.(2)** of the Contractual Liability Exclusion (Exclusion 2.) under Coverage **H** – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the Limits of Insurance.

Our obligation to defend any "insured's" "indemnatee" and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- (1) We have used up the applicable Limit of Insurance in the payment of judgments or settlements; or

- (2) The conditions set forth above, or the terms of the agreement described in Paragraph **b.(6)** above, are no longer met.

2. Damage To Property Of Others

- a. We will pay up to \$1,000 per "occurrence" for "property damage" to property of others caused by any "insured".

At our option, we will either:

- (1) Pay the actual cash value of the property; or
- (2) Repair or replace the property with other property of like kind and quality.

- b. But we will not pay for "property damage":

- (1) Caused intentionally by any "insured" who is 13 years of age or older;
- (2) To property owned by or rented to:
 - (a) An "insured";
 - (b) A tenant of an "insured"; or
 - (c) A member of your household; or
- (3) Arising out of:
 - (a) Professional services or a "business" or "agritainment" engaged in by any "insured";
 - (b) An act or omission in connection with any premises (other than an "insured location") that are owned, rented or controlled by the "insured"; or
 - (c) The ownership, maintenance, operation, use, or "loading or unloading" of any "motor vehicle", motorized bicycle or tricycle, farm machinery or equipment, aircraft, "unmanned aerial system", or watercraft.

COVERAGE EXTENSION – COVERAGES H, I, AND J

The words "you" and "your", throughout this Coverage Form, include your spouse if a resident of the same household. This coverage extension also applies to any endorsement attached to this Coverage Form.

ADDITIONAL POLICY EXCLUSIONS – COVERAGES H, I, AND J

This Coverage Form does not apply to:

1. Migrant And Seasonal Agricultural Worker Protection Act (Hereinafter MSAWPA)

Damages, fines or penalties alleged or awarded under:

- a. MSAWPA (29 USC Sections 1801 et seq.);
- b. Any law, due to violation of the MSAWPA; or
- c. Any regulation promulgated pursuant to the MSAWPA.

2. Nuclear

"Bodily injury" or "property damage" arising from any:

- a. Nuclear reaction;
- b. Nuclear radiation; or
- c. Radioactive contamination;

all whether controlled or uncontrolled or however caused; or any consequence of any of these.

3. Employees' Retirement Income Security Act (Hereinafter E.R.I.S.A.)

Any obligation of any "insured" under E.R.I.S.A., and any amendments to it or any similar federal, state or local statute, rule or ordinance.

4. Association Liability

Liability for any loss assessment charged against you as a member of an association, corporation or community of property owners.

5. Transmissible Spongiform Encephalopathies, Foot and Mouth Disease, And Other Infectious Disease

- a. "Bodily injury", "property damage", "personal and advertising injury" arising out of, resulting from, caused or contributed to by:

- (1) Transmissible Spongiform Encephalopathies (hereinafter referred to as TSE);
- (2) Foot and Mouth Disease (hereinafter referred to as FMD);
- (3) Other infectious disease;
- (4) Exposure to TSE, FMD, or other infectious disease; or
- (5) Exposure to any item that is known or suspected to cause, contribute to or enable TSE, FMD, or other infectious disease.

- b. The costs of abatement, mitigation, removal or disposal of feed, feed additives or animals, or of any premises or equipment handling such items, as a result of any known or suspected connection between such items and TSE, FMD, and/or other infectious disease; or
- c. Any costs related to a person's abatement, mitigation or removal of, or testing, medical monitoring, medical costs or cure for TSE, FMD, and/or other infectious disease.

This exclusion also includes:

- a. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above; and
- b. Any obligation to share damages with or repay someone else who must pay damages because of such injury or damage.

These exclusions apply to all coverages provided by this Coverage Form, whether provided within the Coverage Form itself or by endorsement.

SECTION II – LIMITS OF INSURANCE

- 1. The Limits Of Insurance shown in the Declarations and the provisions below fix the most we will pay regardless of the number of:

- a. "Insureds";
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

- 2. The General Aggregate Limit is the most we will pay for the sum of:

- a. Damages under Coverage H and Coverage I; and
- b. Medical expenses under Coverage J.

- 3. Subject to Paragraph 2. above, the Farm Products Aggregate Limit shown in the Declarations is the most we will pay under Coverage H for "bodily injury" and "property damage" arising from "your product" during any one annual policy period, regardless of the number of:

- a. "Occurrences";
- b. "Insureds";
- c. Claims made or "suits" brought; or
- d. Persons or organizations making claims or bringing "suits".

- 4. a. Subject to Paragraphs 2. and 3. above, the Each Occurrence Limit is the most we will pay for the sum of:

- (1) Damages under Coverage H; and
- (2) Medical expenses under Coverage J.

because of all "bodily injury", and "property damage" arising out of any one "occurrence".

All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions will be considered the result of one "occurrence".

- b. Included within the Each Occurrence Limit is a Special Limit of Insurance equal to the greater of:

- (1) \$10,000; or
- (2) The dollar amount of statutorily imposed vicarious liability for the actions of a child or minor.

This is the most we will pay for all covered damages that any "insured" becomes legally obligated to pay because of statutorily imposed

vicarious liability for the actions of a child or minor. However, we will not pay for those damages excluded by means of Paragraphs **2.e., f., l., w., or x.** of Section **I – Coverage H, Exclusions.**

5. Subject to Paragraph **4.a.** above, the Fire Damage Limit is the most we will pay under Coverage **H** for damages because of “property damage” to premises, while rented to you or temporarily occupied by you with permission of the owner, arising out of any one fire.
6. Subject to Paragraph **2.** above, the Personal and Advertising Injury Liability Limit is the most we will pay under Coverage **I** for the sum of all damages because of all “personal injury” and all “advertising injury” sustained by any one person or organization.
7. Subject to Paragraph **4.** above, the Medical Expense Limit is the most we will pay under Coverage **J** for all medical expenses because of “bodily injury” sustained by any one person.

The Limits for this Coverage Form apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations. The Limits applicable to any one such period apply only:

- a. With respect to Coverage **H**, to “bodily injury” or “property damage” which occurs during such period; and
- b. With respect to Coverage **I**, to “personal injury” or “advertising injury” which occurs during such period; and
- c. With respect to Coverage **J**, to accidents occurring during such period.

However, if the policy period is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for purposes of determining the Limit of Insurance and the policy period during which:

- a. With respect to Coverage **H**, the “bodily injury” or “property damage” occurs; or
- b. With respect to Coverage **I**, the “personal injury” or “advertising injury” occurs; or
- c. With respect to Coverage **J**, the accident occurs.

SECTION III – FARM LIABILITY CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

Loss Conditions

1. Bankruptcy

Bankruptcy or insolvency of any “insured” or of the “insured’s” estate will not relieve us of our obligations under this Coverage Form.

2. Duties In The Event Of Occurrence, Claim Or Suit

We have no duty to provide coverage under this Policy if failure to comply with the following duties is prejudicial to us:

- a. You must see to it that we are notified as soon as practicable of an “occurrence” or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the “occurrence” or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the “occurrence” or offense.
- b. If a claim is made or “suit” is brought against any “insured”, you must:
 - (1) Immediately record the specifics of the claim or “suit” and the date received; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or “suit” as soon as practicable.
- c. You and any other “insured” involved must:
 - (1) Notify the police if a law may have been broken;
 - (2) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or “suit”;
 - (3) Authorize us to obtain records and other information;
 - (4) Cooperate with us in the investigation or settlement of the claim or defense against the “suit”; and
 - (5) At our request, assist us in the enforcement of any right against any person or organization that may be liable to any “insured” because of injury or damage to which this insurance may also apply.
- d. No “insured” will, except at that “insured’s” own cost, voluntarily make any payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- e. Any injured person who makes a claim for payment of medical expenses under the provisions of Coverage **J** must:
 - (1) Give us written proof of claim, under oath if required, as soon as practicable;

- (2) Execute authorization to allow us to obtain copies of medical reports and records; and
- (3) Submit to physical examination by a physician selected by us when and as often as we reasonably require.

Requirements (1) and (2) above may be carried out by a person acting on behalf of the injured person.

- f. If loss occurs under Additional Coverage 2. – Damage To Property Of Others, you must:
 - (1) Submit to us within 60 days after the loss, a signed, sworn proof of loss; and
 - (2) If within your control, exhibit the damaged property.
- g. We may examine any “insured” under oath, while not in the presence of any other “insured” and, at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an “insured’s” books and records. In the event of an examination, an “insured’s” answers must be signed.

3. Insurance Under Two Or More Coverages

If two or more of this Policy’s coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

4. Legal Action Against Us

No person or organization has a right under this Coverage Form:

- a. To join us as a party or otherwise bring us into a “suit” asking for damages from an “insured”; or
- b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an “insured”; but we will not be liable for damages that are not payable under the terms of this Coverage Form or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the “insured” and the claimant or the claimant’s legal representative.

5. No Admission Of Liability With Medical Payments

No payment we make under the provisions of Coverage J constitutes an admission of liability by any “insured” or us.

6. Other Insurance

This condition applies only if, in addition to the insurance provided under this Coverage Form, the

“insured” has other insurance under this or any other policy covering the same obligations to pay damages and provide defense against “suits” for damages.

- a. We will pay only the proportion of covered damages and related defense costs that the applicable Limit of Insurance under this Coverage Form bears to the total amount of all your insurance providing the same coverage, in covered “occurrences” arising from any cause except the ownership, maintenance, use, operation or “loading or unloading” of a:
 - (1) “Motor vehicle”;
 - (2) Vehicle which qualifies as “mobile equipment” only while used on premises you own or rent; or
 - (3) Watercraft.

- b. In covered “occurrences” arising from the ownership, maintenance, operation, use, or “loading or unloading” of a conveyance described in Paragraphs a.(1), (2) or (3) above, this insurance will not apply to the extent that any collectible insurance, whether primary, excess or contingent, is available to any “insured”.

7. Transfer Of Rights Of Recovery Against Others To Us

If the “insured” has rights to recover all or part of any payment we have made under this Coverage Form, those rights are transferred to us. The “insured” must do nothing after loss to impair them. At our request, the “insured” will bring “suit” or transfer those rights to us and help us enforce them.

Additional Conditions

1. Liberalization

If we adopt any revision that would broaden the coverage under this Coverage Form without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Form.

2. Representations

By accepting this Policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Policy in reliance upon your representations.

3. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this

Coverage Form to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each "insured" against whom claim is made or "suit" is brought.

4. Assignment

Your rights and duties under this Policy may not be transferred without our written consent, except in the case of the death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone who has proper temporary custody of your property will have your rights and duties, but only with respect to that property.

5. Audit

- a. We will compute all premiums for this Coverage Form in accordance with our rules and rates.
- b. Premium shown in this Coverage Form as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.
- d. In the event the Policy is subject to an account billing arrangement, the excess will instead be applied to reduce the account balance as shown on the next invoice provided following the audit.

6. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you as it relates to this Coverage Form at any time. It is also void if any "insured" intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form; or
- b. A claim under this Coverage Form.

7. Automatic Termination

If we offer to renew or continue this Coverage Form and you or your representative do not accept, this Coverage Form will automatically terminate at the end of the current policy period. Failure to pay the

required renewal or continuation premium when due shall mean that you have not accepted our offer. Our acceptance of your payment in the form of a check, credit card, debit card or draft is conditioned upon such check, credit card, debit card or draft being honored by your financial institution. If your financial institution does not honor such check, credit card, debit card or draft when presented by us for payment, this will be considered a failure to pay the required renewal or continuation premium.

If this Coverage Form is other than a renewal or continuation of coverage by us, and payment is made with a check, credit card, debit card or draft, and such check, credit card, debit card or draft is not honored by your financial institution when presented by us for payment, this Coverage Form will be considered void.

If you obtain other insurance, any similar insurance provided by this Policy will terminate on the effective date of the other insurance.

SECTION IV – DEFINITIONS

1. **"Advertisement"** means a notice that is broadcast or published to the general public or specific market segments about your farm-related goods, products or services for the purpose of attracting customers or supporters.

For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web sites, only that part of a web site that is about your farm-related goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. **"Advertising injury"** means an injury arising out of one or more of the following offenses:

- a. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- b. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- c. The use of another's advertising idea in your "advertisement"; or
- d. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

3. **"Agritainment"** means an agricultural or aquacultural related activity or enterprise that is primarily operated on the "insured location":

- a. For the purposes of tourism or entertainment; and

- b. Engaged in for monetary or other compensation.
- 4. **"Bodily injury"** means bodily injury, sickness or disease sustained by a person, and includes death resulting from any of these at any time.
- 5. **"Business"** means a trade, profession, occupation, enterprise or activity, other than:
 - a. "Agritainment";
 - b. "Farming"; or
 - c. "Custom farming";

which is engaged in for the purpose of any financial gain, income, profit, or monetary or other compensation, regardless of the amount of such compensation. However, "business" does not include any activity undertaken for financial gain, income, profit, or monetary or other compensation, by any "insured" who is a minor or full-time student under the age of 24, unless:

- (1) Such activity is the full-time activity of any "insured"; or
- (2) The annual receipts from such activity exceed \$3,000.

This exception does not apply with respect to "property damage" sustained by any "insured".

- 6. **"Coverage territory"** means:
 - a. The United States of America;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above; or
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your "farming" activities;

provided any "insured's" responsibility to pay damages is determined in a "suit" on the merits in the territory described in Paragraph a. above or in a settlement we agree to.

- 7. **"Custom farming"** means performance of specific planting, cultivating, harvesting or similar specific "farming" operations by any "insured", at a farm that is not an "insured location", when the performance is for, and under the direction or supervision of, the owner or operator of the farm or the authorized representative of the owner or operator.

But "custom farming" does not mean:

- a. Operations conducted at a premises rented to, leased to or controlled by an "insured";

- b. Operations for which no compensation in money or goods is received; or
- c. A neighborly exchange of services.
- 8. **"Farm employee"** means any "insured's" employee whose duties are principally in connection with the maintenance or use of the "insured location" as a farm. These duties include the maintenance or use of any "insured's" farm equipment. But "farm employee" does not mean any employee while engaged in an "insured's" "business", or in an "insured's" "agritainment".
- 9. **"Farming"**:
 - a. Means the operation of an agricultural or aquacultural enterprise, and includes the operation of roadside stands on your farm premises, maintained solely for the sale of farm products produced principally by you.
 - b. Unless specifically indicated in the Declarations, does not include:
 - (1) Retail activity other than that described above; or
 - (2) Mechanized processing operations;
 - c. Does not include the operation of:
 - (1) Any "agritainment" on your farm premises; or
 - (2) Any retail activity or any mechanized processing operations performed, in whole or in part, for "agritainment"; or
 - (3) The brokerage of the agricultural products of others.
- 10. **"Fungi"** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by any fungus, but does not include any fungus that is, is on, or is contained in, any goods or products intended for bodily consumption.
- 11. **"Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.
- 12. **"Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- (1) The repair, replacement, adjustment or removal of "your product" or "your work"; or

- (2) Your fulfilling the terms of the contract or agreement.

13. "Indemnatee" means a person or organization whose liability for payment of damages because of "bodily injury" or "property damage" covered under this Coverage Form has been assumed by an "insured" under an "insured contract".

14. "Insured"

a. "Insured" means you, and if you are:

- (1) An individual, "insured" also means the following members of your household:

- (a) Your relatives;
- (b) Any other person under the age of 21 who is in your care or in the care of a member of your household who is your relative;
- (c) A student enrolled in school full time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:
 - (i) 24 and your relative; or
 - (ii) 24 and in your care or in the care of a member of your household who is your relative.

- (2) A partnership or joint venture, "insured" also means your members and your partners and their spouses, but only with respect to the conduct of your "farming" operations.

- (3) A limited liability company, "insured" also means:

- (a) Your members, but only with respect to the conduct of your "farming" operations; and
- (b) Your managers, but only with respect to their duties as your managers.

- (4) An organization other than a partnership, joint venture, or limited liability company, "insured" also means:

- (a) Your executive officers and directors, but only with respect to their duties as your officers and directors; and
- (b) Your stockholders, but only with respect to their liability as stockholders.

No person or organization is an "insured" with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

- b. "Insured" also means any of your employees other than either your executive officers (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts that:

- (1) Cause "bodily injury" or "personal injury" to someone other than you, your partners or members (if you are a partnership or joint venture), your members (if you are a limited liability company) or a co-employee; and

- (2) Are within the scope of the employee's employment by you. The providing of professional health care services or the failure to provide them will not be considered to be within the scope of any employee's employment by you.

- c. "Insured" also means any person (other than your employee), or any organization while acting as your real estate manager.

- d. "Insured" also means any person or organization legally responsible for animals or watercraft owned by an "insured" as defined in Paragraph a. above, but only insofar as:

- (1) The insurance under this Coverage Form applies to "occurrences" involving animals or watercraft;

- (2) That person's or organization's custody or use of the animals or watercraft does not involve "business" or "agritainment"; and

- (3) That person or organization has the custody or use of the animals or watercraft with the owner's permission.

- e. "Insured" also means any person using a vehicle on the "insured location" with your consent, provided this insurance applies to the vehicle.

- f. "Insured" also means if you are an individual, any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and

- (2) Until your legal representative has been appointed.

- g. "Insured" also means if you are an individual, your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this policy.

15. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. That part of any other contract or agreement pertaining to your "farming" operations (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph e. does not include that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing.

16. "Insured location" means:

- a. The farm premises (including grounds and private approaches) and "residence premises" shown in the Declarations;
- b. That part of other premises, or of other structures and grounds, that is used by you as a residence and:
 - (1) Shown in the Declarations; or
 - (2) Acquired by you during the present annual policy period for your use as a residence;
- c. Premises used by you in conjunction with the premises included in Paragraphs a. or b. above;

- d. Any part of premises not owned by any "insured" but where an "insured" is temporarily residing;
- e. Vacant land owned by or rented to an "insured";
- f. Land, owned by or rented to an "insured", on which:
 - (1) A dwelling is being constructed for occupancy by:
 - (a) An "insured"; or
 - (b) An "insured's" "farm employees" or "residence employees"; or
 - (2) A building or structure is being constructed for the use of an "insured" in "farming" operations;
- g. Individual or family cemetery plots or burial vaults of an "insured";
- h. Any part of premises occasionally rented to any "insured" for other than "business" or "agritainment" purposes; and
- i. Any farm premises (including its grounds and private approaches) that you or, if you are an individual, your spouse, acquire during the present annual policy period.

17. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "motor vehicle";
- b. While it is in or on an aircraft, watercraft or "motor vehicle"; or
- c. While it is being moved from an aircraft, watercraft or "motor vehicle" to the place where it is finally delivered.

But "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "motor vehicle".

18. "Mobile equipment" means the following, including any attached machinery or equipment:

- a. Bulldozers, forklifts and tractors designed for use principally off public roads;
Other farm machinery designed for use:
 - (1) Principally off public roads; and
 - (2) As implements for cultivating or harvesting;
- b. Vehicles which are not subject to motor vehicle registration, including but not limited to all-terrain vehicles while used in "farming" at the time of the "occurrence" or while on premises you own or rent;

- c. Vehicles that travel on crawler treads; except that snowmobiles are "mobile equipment" only while on an "insured location" or any premises you own or rent;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraphs **a.**, **b.**, **c.**, or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraphs **a.**, **b.**, **c.**, or **d.** above that are maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "motor vehicles":

- (1) Equipment designed primarily for:
 - (a) Road maintenance, but not construction or resurfacing; or
 - (b) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "motor vehicles".

19. "Motor vehicle"

- a. As used in this Coverage Form, the term "motor vehicle" means:

- (1) A motorized land vehicle, trailer or semi-trailer:
 - (a) Designed for travel on public roads; or
 - (b) Used on public roads; unless it qualifies as "mobile equipment";
 - (2) Any machinery or equipment attached to a vehicle, trailer or semi-trailer included in Paragraph (1) above;
 - (3) Any motorized golf cart, except a golf cart described in Paragraph **b.(3)** below, snowmobile or other motorized land vehicle owned by an "insured" and designed for recreational use off public roads, while off an "insured location";
 - (4) Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
 - (5) Any vehicle, including any attached machinery or equipment, while being towed by or carried on a vehicle included in Paragraphs (1), (2), (3), or (4) above.
- b. However, "motor vehicle" does not mean:
- (1) "Mobile equipment";
 - (2) A boat, camp trailer, home trailer or utility trailer unless it is being towed by or carried on a motorized land vehicle included in Paragraph **a.(1)** above; or
 - (3) A motorized golf cart owned by an "insured", designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground, and that at the time of an "occurrence" that caused the "bodily injury" or "property damage", is within the legal boundaries of:
 - (a) A golfing facility, and is parked or stored there or is being used by an "insured" to:
 - (i) Play the game of golf, or for other recreational or leisure activity allowed by the facility;
 - (ii) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
 - (iii) Cross public roads at designated points to gain access to other parts of the golfing facility; or

(b) A private residential community, including its public roads upon which a motorized golf cart can legally travel, that is subject to the authority of a property owners' association and contains an "insured's" "residence premises".

20. "**Occurrence**" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

21. "**Personal injury**" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of, a room, dwelling or premises that person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy.

22. "**Pollutants**" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to any actual or potential carcinogen or other substance which may actually or potentially cause illness or disease, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, sewage and waste. Waste includes, but is not limited to, materials to be recycled, reconditioned or reclaimed.

23. "**Property damage**" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

24. "**Punitive damages**" means damages that may be imposed to punish a wrongdoer and to deter others from similar conduct.

25. "**Residence employee**" means an "insured's" employee:

- a. Whose duties are principally in connection with the maintenance or use of the "residence premises", including household or domestic services; or
- b. Who performs duties of a similar nature to those described in Paragraph a. above.
 - (1) Not at the "residence premises"; and
 - (2) Not in connection with the "business" or "agritainment" of any "insured".

26. "**Residence premises**" means:

- a. Your principal residence; and
- b. The grounds and structures appurtenant to your principal residence.

"Residence premises" does not include any part or parts of a building or structure that are used for "business" or "agritainment".

27. "**Silica**" means silica dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

28. "**Silica-related dust**" means a mixture or combination of "silica" and other dust or particles.

29. "**Suit**" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the "insured" must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the "insured" submits with our consent.

30. "**Your product**":

- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (i) You; or
 - (ii) Others trading under your name; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include property rented to or located for the use of others but not sold.

31. "Your work":

- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

32. "Unmanned Aerial System" means an aircraft that is manufactured or designed for operation, control, and navigation by onboard computers or remote control of a person on the ground.

"Unmanned aerial system" does not include any aircraft:

- a. Manufactured or designed for operation, control, and navigation by a person physically on or within the aircraft; or
- b. Over 55 pounds.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSURANCE UNDER MORE THAN ONE POLICY

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

The following Paragraph **c.** is added to Loss Condition **6.** Other Insurance in Section **III** – Farm Liability Conditions:

- c.** However, regardless of the provisions of Paragraphs **a.** and **b.** above, this Policy does not apply to any loss or damage or defense against a "suit" which:
 - (1)** Is covered under any other policy or any renewal or replacement thereof; or
 - (2)** Would be covered under another policy or any renewal or replacement thereof, had the limits of such policy not been exhausted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE K – FARM EMPLOYERS' LIABILITY AND COVERAGE L – FARM EMPLOYEES' MEDICAL PAYMENTS INSURANCE

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

SCHEDULE*

Coverages	Limits Of Insurance
Coverage K – Farm Employers' Liability	\$** See Schedule Attached ** Each "Farm Employee" \$ Each "Occurrence"
Coverage L – Farm Employees' Medical Payments	\$** See Schedule Attached ** Each "Farm Employee"
The Earned Premium For This Coverage Is Subject To The Audit Provisions Of This Endorsement. ** See Schedule Attached **	
Employees To Whom The Provisions Of This Endorsement Do Not Apply:	
*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

SECTION I – COVERAGES

The following insuring agreements and exclusions are added to Section I – Coverages of the Farm Liability Coverage Form:

A. Farm Employers' Liability

1. Additional Insuring Agreement

- a. We will pay those sums that the "insured" becomes legally obligated to pay as damages because of "bodily injury" to which this insurance applies. The "bodily injury" must:

- (1) Be caused by an "occurrence";
- (2) Be sustained by a "farm employee"; and
- (3) Arise out of and in the course of the injured employee's employment by the "insured". This employment must involve ownership, maintenance or use of portions of the "insured location" that are owned or operated for "farming" purposes. As used here, the terms ownership, maintenance and use include operations necessary or incidental to ownership, maintenance and use.

- b. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

- c. We will have the right and duty to defend the "insured" against any "suit" seeking damages of the kind described in Paragraph a. However, we will have no duty to defend the "insured" against any "suit" seeking damages for "bodily injury" to which this insurance does not apply.

We may at our discretion investigate any "occurrence" and settle any claim or "suit" that may result.

But our right and duty to defend end when we have used up the Limit Of Insurance shown in the Schedule in payment of judgments or settlements.

- d. No other obligation or liability to pay sums or perform acts or services is covered, except for the costs, expenses and interest amounts explicitly provided for in the Farm Liability Coverage Form under Paragraph a. of the Additional Coverage Supplementary Payments – Coverages H and I.

2. Additional Exclusions

The insurance afforded under this endorsement does not apply to:

- a. "Bodily injury" for which the "insured" is obligated to pay damages by reason of the assumption of liability in a contract or agreement;
- b. "Bodily injury" sustained by any "farm employee" unless, within 36 months of the end of the policy period, written claim is made or "suit" is brought against the "insured" for damages because of the "bodily injury";
- c. "Bodily injury" sustained by any employee while engaged in the operation or maintenance of aircraft.

This exclusion does not apply to model or hobby aircraft unless used or designed to carry an operator(s), any other person(s) or cargo;

- d. "Bodily injury" to any employee eligible to receive any benefits that an "insured" voluntarily provides or is required to provide under any workers' compensation, disability benefits or unemployment compensation law or any similar law;
- e. "Bodily injury" to any employee employed in violation of law with your knowledge or consent;
- f. Punitive or exemplary damages for "bodily injury" to any employee employed in violation of law. "Punitive damages" are damages that may be imposed to punish a wrongdoer; exemplary damages are damages that may be imposed to deter others from similar conduct; or
- g. "Bodily injury" to the spouse, child, parent, brother or sister of a "farm employee" as a consequence of "bodily injury" to that employee.

B. Farm Employees' Medical Payments

1. Additional Insuring Agreement

- a. We will pay, to or for each "farm employee" who sustains "bodily injury" caused by an accident, all reasonable medical expenses to which this insurance applies.

The "bodily injury" must arise out of and in the course of the injured employee's employment by the "insured", and this employment must involve ownership, maintenance or use of portions of the "insured location" that are owned or operated for "farming" purposes. As used here, the terms ownership, maintenance and use include operations necessary or incidental to ownership, maintenance and use.

- b. We will pay these expenses regardless of fault.
- c. Reasonable medical expenses means expenses incurred for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.
- d. This insurance applies only to reasonable medical expenses incurred within three years of the date of the accident.

2. Extension Of Coverage – "Occurrences" Involving "Motor Vehicles" Or Watercraft

The coverage granted under the Additional Insuring Agreement in Paragraph 1. is extended to apply to payment of all reasonable medical expenses to or for each "farm employee" who sustains "bodily injury" in an "occurrence" involving the maintenance, use, operation or "loading or unloading" of a "motor vehicle" or watercraft while acting within the scope of his or her "farming" duties. This coverage extension is not additional insurance.

3. Additional Exclusions

The insurance afforded under this endorsement does not apply to:

- a. "Bodily injury" sustained by an employee while engaged in the operation or maintenance of aircraft; or

- b. "Bodily injury" to any employee eligible to receive any benefits that an "insured" voluntarily provides or is required to provide under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

SECTION II – WHO IS AN INSURED

1. If this endorsement is made a part of a policy containing the Farm Liability Coverage Form, Definition 14. "insured" (Section IV) of that Coverage Form does not apply to the insurance afforded under this endorsement.
2. With respect to the insurance afforded under this endorsement, the following applies:

If you are designated in the Declarations as:

- a. An individual, you are an "insured", and, if they are members of your household, your spouse, and your and your spouse's relatives who are under the age of 21, are also "insureds".
- b. A partnership or joint venture, you are an "insured". Your members and partners and their spouses are also "insureds", but only with respect to the conduct of your "farming" operations.
- c. A limited liability company, you are an "insured". Your members are also "insureds", but only with respect to the conduct of your "farming" operations. Your managers are "insureds", but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an "insured". Your executive officers and directors are "insureds", but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.

No person or organization is an "insured" with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limit Of Insurance shown in the Schedule and the provisions below fix the most we will pay regardless of the number of:
 - a. "Insureds";
 - b. Persons who sustain "bodily injury"; or
 - c. Claims made or "suits" brought on account of "bodily injury".
2. The Limit Of Insurance shown in the Schedule for Farm Employers' Liability is the most we will pay for all damages as the result of any one "occurrence".
3. The Limit Of Insurance shown in the Schedule for Farm Employees' Medical Payments as applicable to each "farm employee" is the most we will pay for all medical expense for "bodily injury" to any one "farm employee" as the result of any one accident.
4. The Limit Of Insurance shown in the Schedule for Farm Employers' Liability and Farm Employees' Medical Payments will not reduce the General Aggregate Limit.

SECTION IV – AUDIT

The advance premium for this coverage is an estimated premium only. After each anniversary and upon termination of the Policy, we will compute the earned premium using our rules, rates, rating plans, premiums and minimum premiums that apply to this coverage. The due date for audit premiums is the date shown as the due date on the bill. If the earned premium we compute is more than the advance premium, you must pay us the difference. If the earned or minimum premium is less than the advance premium, we will refund the difference.

In the event the Policy is subject to an account billing arrangement, the refund will instead be applied to reduce the account balance as shown on the next invoice provided following the audit.

Policy Number: 390100000547

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**Coverage K - Farm Employers' Liability And Coverage
L - Farm Employees' Medical Payments Insurance**

Schedule

Coverages		Limits of Insurance
Coverage K - Farm Employers' Liability		\$100,000 Each "Farm Employee" \$300,000 Each "Occurrence"
Coverage L - Farm Employees' Medical Payments		\$1,000 Each "Farm Employee"
The Earned Premium For This Coverage Is Subject To The Audit Provisions Of This Endorsement.		
Item Number	Employees To Whom The Provisions Of This Endorsement Do Not Apply:	

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

A. The following exclusion is added to:

Paragraph **2. Exclusions** of **Section I – Coverages, Coverage H – Bodily Injury And Property Damage Liability** in the Farm Liability Coverage Form; and

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- a.** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- b.** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **a.** or **b.** above.

However, unless Paragraph **a.** above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

B. The following exclusion is added to Paragraph **2.a. Exclusions** of **Section I – Coverages, Coverage I – Personal And Advertising Injury Liability** in the Farm Liability Coverage Form:

This insurance does not apply to:

- a.** "Personal injury" or "advertising injury":

Access Or Disclosure Of Confidential Or Personal Information

Arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – RAW MILK

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

1. The following exclusion is added to Paragraph 2. **Exclusions** under Coverage **H** – Bodily Injury And Property Damage Liability; and Paragraph 2. **Exclusions** under Coverage **J** – Medical Payments:

2. Exclusions

This insurance does not apply to:

Raw Milk

"Bodily injury", "property damage", or medical expenses which either directly or indirectly arise out of, are caused by or are contributed to or aggravated by:

- a. The sale, distribution, handling or furnishing of "raw milk" that is intended to be consumed or used as "raw milk"; or
- b. The sale, distribution, handling or furnishing of milk products or other dairy products that are made from "raw milk" and are intended to be consumed or used as "raw milk" products.

This exclusion applies to the sale, distribution, handling or furnishing of "raw milk" or products made from or containing "raw milk" in connection with programs which allow consumers to purchase a share of a milk producing animal, such as a cow, goat or sheep.

2. The following is added to the definition of "your product", in Section **IV**- Definitions of the Farm Liability Coverage Form:
 - d. Does not include "raw milk" that is intended to be consumed or used as "raw milk" or any milk or dairy product made from "raw milk" that is intended to be consumed or used as a "raw milk" product.
3. The following definition is added to Section **IV** – Definitions:

"Raw milk" means milk from any milk-producing animal, such as but not limited to cows, goats or sheep, that is not pasteurized or subject to any other process intended to destroy microorganisms or other harmful pathogens. This definition includes any milk product or dairy product that is made from or that includes as an ingredient unpasteurized milk, or milk not subjected to any other process intended to destroy microorganisms or other harmful pathogens.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION OF CERTIFIED NUCLEAR,
BIOLOGICAL, CHEMICAL OR RADIOLOGICAL ACTS
OF TERRORISM; CAP ON LOSSES FROM
CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

A. The following exclusions are added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism". However, this exclusion applies only when one or more of the following are attributed to such act:

1. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
2. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
3. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

TERRORISM PUNITIVE DAMAGES

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under the Farm Liability Coverage Form to which this endorsement is applicable, or covered under any endorsement modifying the Farm Liability Coverage Form, and includes but is not limited to "bodily injury", "property damage", "personal injury" or "advertising injury" as may be defined in the Farm Liability Coverage Form or any endorsement modifying the Farm Liability Coverage Form.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under the Farm Liability Coverage Form or any endorsement modifying the Farm Liability Coverage Form.

- D. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Policy Number: 390100000547

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – AVIATION LIABILITY

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

Section I. Coverages, Coverage H – Bodily Injury And Property Damage Liability and Coverage J – Medical Payments in the Farm Liability Coverage Form do not apply to any “bodily injury” or “property damage” arising out of the ownership, maintenance, operation, use or entrustment to others of airfields, runways, hangars, buildings or other properties used in connection with aviation activities or airports.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – FAILURE TO SUPPLY

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

The following exclusion is added to Paragraph 2.
Exclusions under Coverage **H** – Bodily Injury and
Property Damage Liability in Section **I** – Coverages of
the Farm Liability Coverage Form:

This insurance does not apply to "bodily injury" or
"property damage" arising out of the failure of any
"insured" to adequately supply gas, oil, water,
electricity, steam or biofuel.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANNABIS EXCLUSION WITH INDUSTRIAL HEMP EXCEPTION

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

- A.** The following exclusion is added to the **Additional Policy Exclusions – Coverage H, I, and J** section in **Section I – Coverages**:

This Coverage Form does not apply to:

1. "Bodily injury", "property damage," "personal injury," or "advertising injury" arising out of:
 - a. The design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis"; or
 - b. The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "cannabis"; or

2. "Property damage" to "cannabis".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal injury" or "advertising injury", involved that which is described in Paragraph **A.1.** or **A.2.** above.

- B.** The exclusion in Paragraph **A.** does not apply to:

1. "Bodily injury", "property damage," "personal injury," or "advertising injury" arising out of goods or products containing or derived from "industrial hemp", including, but not limited to:
 - a. Seeds;
 - b. Food;
 - c. Clothing;
 - d. Lotions, oils or extracts;
 - e. Building materials; or
 - f. Paper.

2. "Property damage" to goods or products described in Paragraph **B.1.** above.

However, Paragraph **B.1.** and **B.2.** above does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state wherein:

- (1) The "bodily injury" or "property damage" occurs;
- (2) The "occurrence" which caused the "bodily injury" or "property damage" takes place; or
- (3) The offense which caused the "personal injury" or "advertising injury" was committed.

3. "Personal injury" and "advertising injury" arising out of the following offenses:

- a. False arrest, detention or imprisonment; or
- b. The wrongful eviction from; wrongful entry into; or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor.

- C.** The following definitions are added to Section **IV - Definitions** section:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph **C.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:

- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
- b. Any compound, byproduct, extract, derivative, mixture or combination, such as:
 - (1) Resin, oil or wax;
 - (2) Hash or hemp; or
 - (3) Infused liquid or edible "cannabis";whether or not derived from any plant or part of any plant set forth in Paragraph C.2.a.

"Industrial Hemp" means:

The plant Cannabis sativa L. and any part of that plant, whether growing or not, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis or as otherwise specifically defined by law.



**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE**

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

Coverage for acts of terrorism is included in your policy. The premium for this coverage is waived for this Policy.

You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury- in consultation with the Secretary of Homeland Security, and the Attorney General of the United States- to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; 80% beginning on January 1, 2020 and extended until December 31, 2027, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$0 and does not include any charges for the portion of losses covered by the United States Government under the Act.

Name of Insured: Angela Leone

Policy Number: 390100000547

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF LANCASTER	)	SIXTH JUDICIAL CIRCUIT
	)	
	)	Civil Action No.: 2025-CP-29-00096
South Carolina Farm Bureau Mutual	)	
Insurance Company,	)	
	)	
Plaintiff,	)	MEMORANDUM OF LAW IN SUPPORT OF
	)	DEFENDANT MILIN'S MOTION FOR
	)	SUMMARY JUDGMENT ON BEHALF OF
	)	DEFENDANT LEONE
	)	
-vs-	)	
	)	
	)	
John Milin and Angela Leone,	)	
	)	
Defendants.	)	

INTRODUCTION

This memorandum is submitted on behalf of Defendant Angela Leone in support of Defendant John Milin's motion for summary judgment. Although Ms. Leone is the named defendant in the underlying tort suit, her interests are aligned with Mr. Milin on the issue before this Court: whether the Farm Liability Policy issued by South Carolina Farm Bureau Mutual Insurance Company ("Farm Bureau") affords coverage for the June 13, 2023 dog bite incident.

The damages in the underlying suit exceed the \$300,000 homeowners liability limits already tendered. Farm Bureau now seeks to avoid its obligations under the \$1,000,000 Farm Liability Policy by relying on an "escape clause." For the reasons below, the Farm Policy provides coverage, and Farm Bureau must defend and indemnify Ms. Leone accordingly.

LEGAL STANDARD

Summary judgment is appropriate where there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. **Rule 56(c), SCRPC**; Whether an insurance policy provides coverage is a question of law suitable for summary judgment. *S.C. Farm Bureau Mut. Ins. Co. v. Wilson*, 344 S.C. 525, 528, 544 S.E.2d 848, 849 (Ct. App. 2001).

ARGUMENT

I. The Farm Policy Cannot Be Construed to Eliminate Coverage Where Two Policies Were Issued and Premiums Paid.

Farm Bureau issued both a Homeowners Policy and a Farm Liability Policy to Defendant Leone, charging separate premiums for each. Both policies provide liability protection against risks associated with her residence and farm. The insurer's attempt to rely on competing "other insurance" clauses to avoid coverage altogether is inconsistent with South Carolina precedent and with fundamental insurance principles.

In *S.C. Ins. Co. v. Fid. & Guar. Ins. Underwriters, Inc.*, 327 S.C. 207, 489 S.E.2d 200 (1997), the South Carolina Supreme Court held that where "other insurance" provisions in two policies are mutually repugnant, they must be disregarded so that coverage is not forfeited. *Id.* at 213, 489 S.E.2d at 203. Here, the Homeowners Policy declares itself "excess," while the Farm Policy seeks to "escape" if any other policy applies. Enforcing both would leave Defendant Leone with no coverage at all—an unreasonable and impermissible result under *Fidelity*.

II. The Escape Clause in the Farm Policy Is Unenforceable in These Circumstances.

Courts construe insurance exclusions and escape clauses narrowly, against the insurer, particularly where enforcement would produce an absurd or illusory result. *City of Hartsville v.*

S.C. Mun. Ins. & Risk Fin. Fund, 382 S.C. 535, 544, 677 S.E.2d 574, 578 (2009) (coverage exclusions must be construed so as not to defeat the insured's reasonable expectations).

The Farm Policy states it does not apply to losses covered under another policy or that “would be covered... had the limits... not been exhausted.” (Farm Policy, p. 111). By its own terms, the escape clause should not apply once the Homeowners Policy limits have been exhausted, as occurred here. The Farm Policy should first cover the damages and then the Homeowners Policy should cover the excess damages. To read the clause otherwise would render the exhaustion language meaningless, in violation of South Carolina's rules of policy interpretation.

III. Farm Bureau's Position Defeats the Insured's Reasonable Expectations and Public Policy.

South Carolina courts recognize that an insured's reasonable expectations are relevant where the insurer seeks to avoid coverage by technical readings of overlapping policies. In *S.C. Farm Bureau Mut. Ins. Co. v. S.E.C.U.R.E. Underwriters Risk Retention Grp.*, 353 S.C. 249, 578 S.E.2d 8 (2003), although the Supreme Court limited the “total policy insuring intent” doctrine, it reaffirmed that clear and unambiguous provisions must still be construed to avoid illusory results. *Id.* at 254, 578 S.E.2d at 11.

Here, Farm Bureau collected separate premiums for both policies. To deny coverage under the Farm Policy solely because the Homeowners Policy initially applied would frustrate the insured's reasonable expectation of layered protection and effectively render the Farm Policy worthless for risks occurring on the farm residence. South Carolina law disfavors such outcomes.

See *Gilliland v. Elmwood Props.*, 301 S.C. 295, 391 S.E.2d 577 (1990) (ambiguities in insurance contracts are construed against the insurer to protect the insured's reasonable expectations).

IV. The Duty to Defend Is Triggered by the Allegations of Bodily Injury, Regardless of the Punitive Damages Exclusion.

Even if the Farm Policy excludes punitive damages, the underlying complaint alleges negligence and seeks compensatory damages for bodily injury. That is sufficient to trigger the duty to defend. See *City of Hartsville*, 382 S.C. at 544, 677 S.E.2d at 578 (“If the underlying complaint creates a possibility of coverage, the insurer is obligated to defend.”). The punitive damages exclusion, even if valid, does not relieve Farm Bureau of its broader obligations to defend and indemnify for covered compensatory damages

CONCLUSION

The Farm Policy provides coverage for the June 13, 2023 incident. Farm Bureau's attempt to avoid liability by invoking an escape clause contradicts South Carolina precedent, violates public policy, and defeats the reasonable expectations of the insured. The Homeowners Policy has been exhausted, and the Farm Policy, purchased with a separate premium and offering broader coverage, must now respond.

Accordingly, this Court should declare that:

1. The Farm Liability Policy affords coverage for the June 13, 2023 incident;
2. Farm Bureau must defend Angela Leone in the underlying action; and
3. Farm Bureau must indemnify Defendant Leone for compensatory damages up to the Farm Policy's limits.

s/C. Baxter Burnette IV

C. Baxter Burnette IV

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Rock Hill, South Carolina
September 2, 2025

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF LANCASTER

FOR THE SIXTH JUDICIAL CIRCUIT

South Carolina Farm Bureau Mutual Insurance
Company,

Civil Action No. 2025-CP-29-00096

Plaintiff,

v.

John Milin and Angela M. Leone,

**PLAINTIFF'S MOTION TO ALTER OR
AMEND ORDER OR, IN THE ALTERNATIVE,
MOTION TO CLARIFY ORDER**

Defendants.

Pursuant to Rule 59(e) of the South Carolina Rules of Civil Procedure, Plaintiff South Carolina Farm Bureau Mutual Insurance Company ("Farm Bureau") hereby moves to alter or amend the Court's October 27, 2025 Order to grant summary judgment in favor of Farm Bureau on its declaratory judgment claims. In the alternative, Farm Bureau moves for clarification of the Order, clarifying that it dismisses, as premature, the punitive damages claim without prejudice and with the consent of the Plaintiff and that the Order ends the case.

SUMMARY

In its October 27, 2025 Order, the Court granted summary judgment in favor of the Defendants on Plaintiff's first declaratory judgment claim, finding that the escape clause in Farm Bureau's Farm Policy was unenforceable and that the excess clause in the Farm Bureau Homeowners Policy was mutually repugnant with the escape clause in the Farm Bureau Farm Policy, both of which were issued to the same insured. Respectfully, the Order should be altered to correct a clear error of law. Under South Carolina law, the escape clause is enforceable, and the excess clause and escape clause are not mutually repugnant.

In the alternative, the Order should be amended to clarify that the second “punitive damage” declaratory judgment claim is dismissed without prejudice as premature and to clarify that the Order ends the case.

STANDARD OF REVIEW

Pursuant to Rule 59(e) of the South Carolina Rules of Civil Procedure, a motion to alter or amend a judgment may be served “not later than 10 days after receipt of written notice of the entry of the order.” Rule 59(e), SCRPC. As the South Carolina Supreme Court in *Elam v. South Carolina Dept. of Transp.* explained:

[I]t is proper to view a Rule 59(e) motion not only as a vehicle to request the trial court “alter or amend the judgment,” but also as a vehicle to seek “reconsideration” of issues and arguments. A motion under Rule 59(e) long has been viewed as “motion for reconsideration” despite the absence of those words from the rule. Consequently, a party usually is allowed to ask the court to reconsider its decision even if it means rehashing all or part of an argument previously presented. *See, e.g., Arnold v. State*, 309 S.C. 157, 420 S.E.2d 834 (1992) (“purpose of Rule 59(e), SCRPC, to alter or amend the judgment is to request the judge to reconsider matters properly encompassed in a decision on the merits”); *Curcio v. Caterpillar, Inc.*, 355 S.C. 316, 585 S.E.2d 272 (2003) (an example of the many cases in which trial and appellate courts describe a Rule 59(e) motion as a “motion to reconsider” or “motion for reconsideration”); James Flanagan, *South Carolina Civil Procedure* 474–475 (2d ed. 1996). There is nothing inherently unfair in allowing a party one final chance not only to call the court's attention to a possible misapprehension of an earlier argument, but also to revisit a previously raised argument. It is inherently unfair to disallow such an opportunity.

361 S.C. 9, 21-22, 602 S.E.2d 772, 778-79 (2004).

ARGUMENT

Farm Bureau issued two policies to the same named insured – a Homeowners Policy and a Farm Policy. The policies were intended to cover separate liabilities, and the Farm Policy included an escape clause to prevent overlapping coverage for the same liability. On June 13, 2023, a dog bite incident occurred adjacent to the insured’s home while Defendant John Milin was cutting Defendant Angela Leone’s fenced-in yard. Defendant John Milin filed suit against Angela Leone.

Farm Bureau is providing a defense to Angela Leone under its Homeowners Policy and has tendered the Homeowners Policy's \$300,000 liability limit to John Milin.

The Farm Policy's escape clause is enforceable under South Carolina and is not mutually repugnant with the excess clause in the Homeowners Policy. Respectfully, this Court's Order is contrary to the South Carolina Supreme Court's holding in *Spann v. Phoenix Ins. Co. of Hartford, Conn.*, 83 S.C. 262, 65 S.E. 232 (1909) and should be reversed.¹

I. Under South Carolina law, the Escape Clause is enforceable as written.

"Insurance companies and insureds are generally free to contract for exclusions or limitations on coverage." *Nationwide Ins. Co. of Am. v. Knight*, 433 S.C. 371, 375, 858 S.E.2d 633, 635 (2021). "[I]nsurers have the right to limit their liability and to impose conditions on their obligations provided they are not in contravention of public policy or a statutory prohibition." *South Carolina Farm Bureau Mut. Ins. Co. v. Dawsey*, 371 S.C. 353, 356, 638 S.E.2d 103, 104 (2006). Courts "must enforce, not write, contracts of insurance and . . . must give policy language its plain, ordinary and popular meaning." *Fritz-Pontiac-Cadillac-Buick v. Goforth*, 312 S.C. 315, 318, 440 S.E.2d 367, 369 (1994). "[P]arties have a right to make their own contract and it is not the function of the court to rewrite it or torture the meaning of a policy to extend coverage never intended by the parties." *Torrington Co. v. Aetna Cas. & Sur. Co.*, 264 S.E.2d 636, 643, 216 S.E.2d 547, 550 (1975). Therefore if "the contract's language is clear and unambiguous, the language alone determines the contract's force and effect." *Ballard v. Admiral Ins. Co.*, 442 S.C. 22, 34, 897 S.E.2d 183, 189 (Ct. App. 2023); *see also Bell v. Progressive Direct Ins. Co.*, 407 S.C. 565, 579, 757 S.E.2d 399, 406 (2014) ("Thus, when a contract is unambiguous, clear, and explicit, it must

¹ The exhibits referred to herein are those attached to Farm Bureau's Motion for Summary Judgment Memorandum, which is incorporated herein by reference.

be construed according to the terms the parties have used.”) (citation omitted). “The court’s duty is limited to the interpretation of the contract made by the parties themselves” *B.L.G. Enterprises, Inc. v. First Financial Ins. Co.*, 334 S.C. 549, 535, 514 S.E.2d 327, 330 (1999) (cleaned up) (citations omitted).

The Farm Bureau Farm Policy provision at issue states: “[T]his Policy does not apply to any loss or damage or defense against a "suit" which [i]s covered under any policy other...or [w]ould be covered under another policy...had the limits of such policy not been exhausted.” (Ex. D, Farm Policy, p. 111). The provision at issue is a type of “escape clause” – “which provides that an insurer is absolved of all liability if other coverage is available.” *South Carolina Ins. Co. v. Fid. & Guar. Ins. Underwriters, Inc.*, 327 S.C. 207, 211, 489 S.E.2d 200, 202 (1997). Under the Homeowners Policy – also issued by Farm Bureau, Farm Bureau is paying for the insured’s defense in the Underlying Action. Farm Bureau is also providing indemnity for the insured under the Homeowners Policy. The Homeowners Policy provides coverage for the claims in the Underlying Action. Therefore, the Farm Bureau provision applies according to its plain terms. The Farm Policy does not apply to the loss, damages, or defense in the Underlying Action because they are “covered under another policy” – the Homeowners Policy – or would be covered under the Homeowners Policy “had the limits of such policy not been exhausted.” (Ex. D, Farm Policy, p. 111). This does not leave the named insured without any liability coverage. She has primary liability coverage under the Homeowners Policy for the incident at issue. This policy provision simply prevents overlapping, double coverage for the same named insured.

No South Carolina statute or public policy prevents enforcement of an escape clause, particularly when the same insurer has issued another policy to the same insured that provides coverage for the loss at issue. *See Ferromontan, Inc. v. Georgetown Steel Corp.*, 535 F. Supp.

1198, 1213 (D.S.C. 1982), *aff'd*, 758 F.2d 646 (4th Cir. 1985), and *aff'd sub nom. Raw Material Corp. v. Ryan-Walsh Stevedoring Co.*, 758 F.2d 648 (4th Cir. 1985) (enforcing escape clause and citing numerous other cases that have enforced them). The South Carolina Supreme Court has sustained the validity of escape clauses where only one of two policies contains such a clause. In *Spann v. Phoenix Ins. Co. of Hartford, Conn.*, 83 S.C. 262, 65 S.E. 232 (1909), the court upheld the validity of an escape clause which stated:

The entire policy... shall be void, if the insured now has or shall hereafter make or procure any other contract of insurance, whether valid or not, on the property covered ...by this policy.

Id. at 232. The court held that the policy was voided by the purchase of additional insurance by the insured. This principle was reiterated in *Camden Wholesale Grocery v. Nat'l Fire Ins. Co. of Hartford, Conn.*, 106 S.C. 467, 91 S.E. 732, 734 (1917), *Young v. St. Paul Fire & Marine Ins. Co.*, 68 S.C. 387, 47 S.E. 681, 682 (1904), and *Walker v. Queen Ins. Co.*, 136 S.C. 144, 134 S.E. 263, 273 (1926).

In short, these South Carolina cases indicate that escape clauses such as the one present in the Farm Policy are valid and are to be construed and applied according to their plain terms. With respect to these clauses, a policy of insurance is nothing more than a contract between the insurance carrier and its insured and is to be governed by the ordinary rules of interpretation of contracts. Moreover, Farm Bureau – being the same entity that issued both the Homeowners Policy and the Farm Policy to the same named insured – was aware of its other policy issued to this insured when setting the premium rates for the policies.² As demonstrated by the escape clause, it did not intend

² Both policies were obtained from insurance agent Tom Baker. *Compare* (Ex. B, Homeowners Policy, pp. 1,4) *with* (Ex. D, Farm Policy, p. 3).

to provide liability coverage under the Farm Policy for a loss covered under the Homeowners Policy.

II. The excess clause in the Homeowners Policy is not mutually repugnant with the escape clause in the Farm Policy.

Contrary to the Court's legal conclusions, the Farm Policy's escape clause does not "conflict[] with the Homeowners Policy's excess Framework, creating a circular conflict" nor are the excess clause and escape clause "mutually repugnant." *See* (October 27, 2025 Order, pp. 2, 4). According to the South Carolina Supreme Court, the four most common forms of "other insurance" clauses are:

(1) the "pro rata" clause, which provides that the insurer will pay its share of the loss in the proportion its policy limits relates to the aggregate liability coverage available; (2) **an "excess" clause, which provides that an insurer will pay a loss only after other available primary insurance is exhausted;** (3) **an "escape" clause, which provides that an insurer is absolved of all liability if other coverage is available;** and (4) an "excess escape" clause, which provides that the insurer is liable for that amount of a loss exceeding other available coverage and that the insurer is not liable when other available insurance has limits equal to or greater than its own.

South Carolina Ins. Co., 327 S.C. at 211–12, 489 S.E.2d at 202 (emphasis added).

The Farm Bureau Homeowners Policy's "other insurance" provision provides:

Other Insurance – Coverage E – Personal Liability. This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

(Ex. B, Homeowners Policy, p. 66-67). As the Court correctly recognized, this is an "**excess**" clause. *See* (October 27, 2025 Order, p. 4 ¶ D); *see also S.C. Farm Bureau Mut. Ins. Co. v. S.E.C.U.R.E. Underwriters Risk Retention Grp.*, 353 S.C. 249, 254, 578 S.E.2d 8, 11 (2003) (labeling this exact "other insurance" provision as an "excess" provision).

The Farm Bureau Farm Policy's "other insurance" provision states that "this Policy does not apply to any loss or damage or defense against a "suit" which is covered under any other

policy... or [w]ould be covered under another policy...had the limits of such policy not been exhausted.” (Ex. D, Farm Policy, p. 111). This is an “**escape**” clause – one that provides that “an insurer is absolved of all liability if other coverage is available.” *See South Carolina Ins. Co.*, 327 S.C. at 211–12, 489 S.E.2d at 202; *see also* (October 27, 2025 Order, p. 2) (recognizing this as “escape” language).

This Court cited only one case for its legal conclusion that this excess clause and escape clause are “mutually repugnant” – *South Carolina Ins. Co. v. Fid. & Guar. Ins. Underwriters, Inc.*, 327 S.C. 207, 489 S.E.2d 200 (1997). However, that case involved two excess provisions – not an excess provision v. an escape provision. *Id.* at 212, 489 S.E.2d at 202 (“[I]n this matter we have a competition between two ‘excess’ ‘other insurance’ clauses....”).³ The South Carolina Supreme Court cases dealing with escape clauses have enforced them. *See, e.g., Spann v. Phoenix Ins. Co. of Hartford, Conn.*, 83 S.C. 262, 65 S.E. 232 (1909). Additionally, courts do not find an escape clause and an excess clause mutually repugnant. *See, e.g., Hodgen v. Forest Oil Corp.*, 862 F. Supp. 1567, 1577 n. 43 (W.D. La. 1994) (“A review of the INA and Store-brand policies indicates that the INA policy has a ‘pro-rata’ other insurance clause, and the Store-brand policy has an ‘excess’ other insurance clause....Since neither clause is mutually repugnant from the Commercial Union/Albany ‘escape’ clause, we find that the escape clause may be enforced.”); *State Farm Mut. Auto. Ins. Co. v. Burgin*, 752 F. Supp. 877, 884-86 (W.D. Ark. 1990); *State Auto. Mut. Ins. Co. v. Ryder Truck Rental, Inc.*, 627 So. 2d 1326, 1327 (Fla. Dist. Ct. App. 1993).

³ The only other case the Court cited in its Order – *South Carolina Farm Bureau Mut. Ins. Co. v. S.E.C.U.R.E. Underwriters Risk Retention Grp.* – involved a primary and excess clause and found those clauses were “not mutually repugnant.” 353 S.C. 249, 254, 578 S.E.2d 8, 11 (2003) (“Under the plain language of SECURE’s ‘other insurance’ clause, its insurance is primary. Under the plain language of Farm Bureau’s ‘other insurance’ clause, its insurance is ‘excess.’ Because these two provisions are not mutually repugnant, it was unnecessary to apply the ‘total policy insuring intent’ rule to allocate priority between the two carriers.”).

Moreover, the interaction of these two different clauses does not create “a circular conflict” *See* (October 27, 2025 Order, p. 2). The Homeowners Policy provides some type of coverage irrespective of whether there is other coverage provided by another insurance carrier. In other words, that policy always provides either primary coverage or excess coverage. *See Monumental Paving & Excavating, Inc. v. Pennsylvania Manufacturers' Ass'n Ins. Co.*, 176 F.3d 794, 800 (4th Cir. 1999) (“Under an excess clause the insurer remains liable up to the limits of the policy containing the excess clause. This is distinct from an ‘escape’ clause which provides that the insurer has no liability if there is other insurance.”) (citations omitted). The Homeowners Policy provides primary coverage unless there is “other valid and collectible insurance” – which is the trigger for its excess clause. (Ex. B, Homeowners Policy, p. 66-67). On the other hand, the Farm Policy clearly and unambiguously states that it will provide no coverage where another policy covers all or any part of the loss. Thus, there is no conflict between the Homeowners Policy provision and the Farm Policy provision. Under these circumstances, the Homeowners Policy provides primary coverage. There is no other valid and collectible insurance because the Farm Policy specifically provides no coverage. Consequently, the “excess” clause in the Homeowners Policy is not triggered and does not create a “circular conflict.”

CONCLUSION

For the foregoing reasons and those set forth in its Motion for Summary Judgment Memorandum, Farm Bureau respectfully requests that the Court alter its October 27, 2025 Order and grant summary judgment for farm Bureau on its declaratory judgment claims. In the alternative, Farm Bureau respectfully requests that the Court amend the Order to clarify that the second “punitive damage” declaratory judgment claim is dismissed without prejudice as premature and to clarify that the Order ends the case.

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October 31, 2025

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Jul 15 2026

SC Court of Appeals

In the Court of Appeals

APPEAL FROM LANCASTER COUNTY
Court of Common Pleas

Robert E. Hood, Circuit Court Judge

Case No. 2025-CP-29-00096
Appellate Case No. 2026-000227

South Carolina Farm Bureau Mut. Ins. Co. Appellant,

v.

John Milin and Angela M. Leone..... Respondents.

CERTIFICATE OF COUNSEL

The undersigned certifies that the Record on Appeal contains all material proposed to be included by any of the parties and not any other material.

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July 8, 2026

RECEIVED

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SC Court of Appeals

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July 9, 2026