

Farmowner Program

Farm Overview

<u>Preferred Farmowner Pac</u> For the <u>above average</u> farming operation that wants the simplicity of a package policy	<ul style="list-style-type: none">◆ Competitive Rate◆ Full Package Policy◆ Many Built-in Coverages
<u>Preferred Farmowner</u> For the <u>above average</u> farming operation that needs a custom-built policy	<ul style="list-style-type: none">◆ Competitive Rate◆ More Flexibility◆ Wide Choice of Options◆ Buy only what you need
<u>Farmowner</u> For the <u>average</u> farming operation	<ul style="list-style-type: none">◆ Flexible Underwriting◆ Coverage can be tailored to the characteristics of the risk

Program Summary

Preferred Farmowners Pac	Preferred Farmowner
Occupancy	Farm Operated by Owner-Occupant
Eligibility	Structures in Excellent Condition; Ongoing Dairy, Beef, or Crop Farming Operation
Limits Home Liability Blanket Farm Personal Property Scheduled Farm Personal Prop.	\$750,000 Maximum \$100,000 Minimum \$100,000 Minimum No Minimum
Base Deductible	\$1000
Optional Deductibles	\$2,500 - \$5,000
Automatic Coverages Personal Property Add'l Living Cost or Loss of Rent Liability Medical Payments Fire Department Service Charge Inflation Guard Liability for Occasional Employee Miscellaneous	75% of Coverage A 20% of Coverage A Optional Optional \$2,500 1% per Quarter Included Includes: ♦ \$500 Refrigerated Food Spoilage* ♦ Replacement on Contents ♦ \$4,000 Contaminated Milk (Property Coverage) * ♦ Glass Breakage in Cabs \$1,000 * <i>No Deductible Applies</i>

Program Summary

	Farmowner
Occupancy	Owner or Tenant Farmer
Eligibility	Miscellaneous Farm Operations Buildings with Low Value
Limits Home Liability Blanket Farm Personal Property Schedule Farm Personal Property	\$500,000 Maximum \$100,000 Minimum \$100,000 Minimum No Minimum
Base Deductible	\$1000
Optional Deductibles	\$2,500 - \$5,000
Automatic Coverages Personal Property Add'l Living Cost or Loss of Rent Liability Medical Payments Fire Department Service Charge Liability for Occasional Employee Miscellaneous	60% of Coverage A 20% of Coverage A Optional Optional \$2,500 Included Includes: ♦ \$500 Refrigerated Food Spoilage* ♦ Glass Breakage in Cabs \$1,000
Coverage Options	Dwelling & Personal Property Farm Building Farm Personal Property Liability Medical Payment Other Property & Liability Coverage

Farmowner Rules

RULE 1 – GENERAL REQUIREMENTS

1.1 Photographs and Diagrams

All applications must be accompanied by good, clear photos of the dwelling, front and back, and all other buildings on the premises. Please complete a farm layout diagram with approximate distances between buildings.

1.2 Woodburning – Solid Fuel Units

This includes furnaces, inserts, outdoor, pellet stoves, furnace add-ons and free-standing units whether they are being used or not. A solid fuel supplement and clear photos of the stove and of the stovepipe must accompany the application. If unit is equipped with a stand-alone stovepipe that is vented directly outside, pictures must show stovepipe passing through the wall, ceiling, etc. Solid fuel units that are the primary (only) source of heat are not acceptable without prior underwriting approval. Units that are double vented with gas are not acceptable; double venting with oil may be acceptable subject to underwriting approval, however the chimney must be lined. Metal chimneys cannot be bound. Solid fuel in attached garage is prohibited and may not be bound. Heat Reclaimers and similar devices are not acceptable. Damage to outdoor units for fire originating from within the unit is not covered.

NO BINDING – Coverage Ineligible

- a. Solid fuel units that are the (only) source of heat
- b. Single-walled/iron pipe metal chimneys
- c. Unlined chimneys
- d. Solid fuel in *attached* garages or detached structures within 25 ft. of dwelling
- e. Outdoor units housed inside/alongside a structure or within 25 ft of any structure

1.3 Binding Authority

In addition to the binding restrictions in the general rules and the solid fuel restrictions above, the following also apply. Coverage may not be bound on any of the following:

- a. Any farm with a commercial exposure on the same premises
- b. Insured or tenant is paid to provide care for any persons
- c. Vacant, for sale or farm is known to be for sale soon
- d. Deer, bison, buffalo, elk, and other exotic animals on premise
- e. Buildings that are undergoing major remodeling
- f. Dwellings that only qualify for Basic Perils
- g. Cut your own Christmas tree exposure
- h. Self/Volunteer built homes
- i. Dog on premise that is on restricted list
- j. Sawmill or logging operations

Generally, the above are ineligible for coverage, but the company may consider writing. Contact Underwriting to obtain authority.

RULE 2 – PROGRAM ELIGIBILITY

2.1 Preferred Farmowner Pac and-Preferred Farmowner

The following are eligibility guidelines for the Preferred Farmowner Pac and the Preferred Farmowner programs:

- a. The farm must be owner-occupied
- b. Dairy, beef, potato & ginseng operations
- c. Above average risk - Buildings in excellent condition
- d. Routine maintenance performed on property
- e. Housekeeping is above average
- f. Hobby farm (Allowed in Preferred Farmowner Program, but not the Preferred Farmowner Pac)
- g. No property exclusions exist for the risk

Farmowner Rules

2.2 Farmowner

The following are eligibility guidelines for the Farmowner program:

- a. The farm can be owner or tenant-occupied
- b. Dairy, beef, potato & ginseng operations; Buildings are in good condition
- c. Routine maintenance performed on property
- d. Property is average or better condition
- e. Housekeeping is good
- f. Discontinued or limited farm operations (hobby farm), but property must be occupied & not for sale

RULE 3 – PRINCIPAL PROPERTY COVERAGES

3.1 Coverage A – Residence

Owner-occupied or tenant-occupied residence.

3.2 Coverage C – Personal Property

Personal property, other than farm personal property, owned by or in the care of the insured.

3.3 Coverage D – Additional Living Costs and Loss of Rent

Increased living costs and loss of rent or fair rental value that occurs when a covered loss makes the insured premises unfit for use. Fair rental value only applies if part of the Coverage A - Residence is rented to others.

3.4 Coverage E – Farm Barns, Buildings and Structures

Barns, buildings and structures, additional farm dwellings and portable buildings.

3.5 Coverage F – Scheduled Farm Personal Property

Specific farm personal property items for which a limit is shown on the declarations page or schedule.

3.6 Coverage G – Unscheduled Blanket Farm Personal Property

Farm personal property on an unscheduled basis. Minimum limit for this coverage is \$100,000. The farm personal property must be insured for at least 80% of the value of all owned farm personal property for the blanket coverage to apply.

RULE 4 – PRINCIPAL LIABILITY COVERAGES

4.1 Coverage L – Liability

Coverage for damages due to bodily injury or property damage caused by an occurrence that involves the insured premises, farm activities and related operations of the insured's personal activities.

4.2 Coverage M – Medical Payments

Medical expenses incurred by persons who are not insureds for bodily injury that occurs in connection with the insured premises, farm activities or related operations.

RULE 5 – PREMIUM MODIFICATIONS

5.1 Deductibles – All Perils/All Coverages

The deductible amount for the basic coverages is shown on the declarations page. The deductible applies to all losses & coverages except as noted in the policy. All rates in the manual are based on a \$1000 deductible, unless otherwise noted.

A policy may also be issued with multiple deductible options. This does not apply to the Farm Pac Program.

Farmowner Rules

5.2 Mortgage Free Discount

A 5% credit is available for policies without a mortgagee or loss payee.

5.3 Claim Free Discount

The following credit is available if claim free at least three years with Mutual of Wausau Insurance Corporation. The discounts are as follows:

3 Years Claim Free	5%
6 Years Claim Free	10%
9 Years or more Claim Free	15%

5.4 Dwelling Under Construction (Also See Rule 6.42)

When the policy covers a dwelling under construction, the new home discount applies. Underwriter approval is required before binding coverage. The following requirements must be met:

- The dwelling is insured to 100% of the estimated completed value
- Construction is to be completed within one year and must be completed by a licensed contractor
- The policy must be effective on the date construction begins
- A Builders Risk Supplement must be completed.

5.5 New Home Discount

A 15% credit will be applied to homes that are 10 years old or less. Homes 11-20 years old receive a 10% credit.

5.6 Individual Risk Premium Modification (IRPM)

A particular risk can be subject to a premium modification based on the unique characteristics (including claim history) of the risk. A premium surcharge of up to 500% or a credit of up to 25% can be applied to the premium. The modification requires prior underwriting approval. A premium modification worksheet is required when this rule applies.

5.7 Non-Visibility Surcharge

The residence must be 25% or more visible from any road in all seasons or a surcharge of 15% applies.

5.8 60-AMP Electrical Surcharge

Underwriter approval required for binding coverage. Not eligible in the Preferred Farm Program.

Property with 60-AMP electrical service will be subject to a surcharge of 25% (applicable to the base rate).

5.9 Log Home Surcharge

A premium surcharge of 25% will be applied to the base rate for all log homes.

6.0 Policy Fee

A premium fee of \$25 will be applied to the base rate for all policies.

RULE 6 – OPTIONAL PROPERTY COVERAGE

6.1 Fire Department Service Charge in Excess of \$2,500

For increased limits refer to rate pages.

6.2 Replacement Value – Personal Property (Included in Farm Pac and Preferred) – Form FO-55

Personal property can be insured for replacement value at the additional charge shown in the Rate Pages.

6.3 Well Pump (No Deductible) – Forms MW-4 & MW-4F

The coverage for well pumps under Incidental Property Coverages (applicable to Coverage A) can be amended to replacement cost coverage with no deductible (Form MW-4).

Well pumps (other than those which service a residence covered under Coverage A) located on the insured premises which service the property are not covered under the policy. Coverage can be purchased for each well pump in the amount of \$1,500 on an actual cash value basis (Form MW-4F).

6.4 Added Animal Perils – Form FO-356

Provides coverage for livestock described on the farm personal property blanket or schedule for the additional perils of attack by wild animals or dogs, accidental shooting, and drowning of livestock and collapse of a building.

Farmowner Rules

- 6.5 Farm Extension** – Forms FO-5025, FO-5026, FO-5027, FO-6
Includes: \$2,000 – Emergency Produce Removal; \$750 – Machinery Rental; \$500 – Farm Extra Expense. \$1000 – Refrigerated Milk.
- 6.6 Farm Extension Broadened** – Forms FO-356, FO 5025, FO 5026, FO 5027, FO-6, MW-69 PAC
Includes the four endorsements above, plus additional perils for livestock, falling objects, collapse damage to farm personal property, and borrowed machinery.
- 6.7 Borrowed Machinery** – Form FO-6
Coverage for borrowed, rented or leased farm machinery, vehicles and equipment.
- 6.8 Scheduled Personal Property – Inland Marine**
Additional coverage can be obtained on items such as jewelry, guns, boats, antiques, snowmobiles, etc. Please refer to Inland Marine Section of Manual.
- 6.9 Peak Season Inventory – Farm Personal Property** – Form FO-352
Farm personal property covered under Coverage F or G can be increased for specific monthly periods.
- 6.10 Replacement Cost – Farm Barns, Buildings, and Structures** – Form FO-341
Farm buildings covered under Coverage E can be amended to replacement cost coverage. For full replacement, buildings must be insured for 80% of their replacement value.
- 6.11 Solid Fuel Unit Surcharge**
There will be a surcharge for each acceptable solid fuel unit. Complete and attach a solid fuel questionnaire with pictures of front and back, and where stovepipe enters chimney. If unit is equipped with a stand-alone stovepipe that is vented directly outside, pictures must show stovepipe passing through the wall or ceiling. Heat savers/reclaimers are not acceptable.
- 6.12 Outdoor Antennas**
Satellite dish, antennas, masts, towers and wiring are covered in the policy for up to \$1,500. A higher limit can be obtained.
- 6.13 Swimming Pool** – Form MW-12
The base policy limits underground or above ground swimming pools to \$500 of coverage on a named peril basis. Diving boards and slides are unacceptable. All in-ground pools must be fenced. Above ground pools should be fenced. Coverage can be increased.
- 6.14 Machinery & Equipment Rental Reimbursement** – Form FO 5027
Agricultural machinery and equipment rental reimbursement up to \$75 a day (\$750 maximum), or \$150 a day (\$1,500 maximum).
- 6.15 Falling Objects and Collapse** – Form MW-69
Loss to covered buildings caused by falling objects and loss to farm personal property damaged by collapse of a building.
- 6.16 Silo Unloader Collision** – Form FO 5020
Damage to any scheduled silo unloader caused by collision with the ground.
- 6.17 Refrigerated Food Spoilage**
Loss to freezer contents/refrigerated foods from the interruption of electrical service to refrigeration equipment. The interruption must be caused by damage to the generating or transmission equipment or mechanical or electrical breakdown of the refrigeration system. You must maintain the refrigeration equipment in proper working condition. Coverage is included up to \$500, additional limits are available.
- 6.18 Refrigerated Milk** – Form FO 5025
Refrigerated milk spoilage. Loss caused by a change in temperature resulting from interruption of electrical service to the refrigerated bulk tank, or mechanical or electrical breakdown of the refrigeration system.
- 6.19 Equipment Intake of Foreign Objects** – Form MW-18 (Coverage F or G Deductible applies)
Loss due to intake of foreign objects into harvesting equipment. Separate rates apply for custom and non-custom farming equipment.

Farmowner Rules

- 6.20 Barn Glass Breakage** – Form FO 5022 – (Coverage E Deductible applies)
Coverage for barn glass breakage.
- 6.21 Emergency Produce Removal** – Form FO 5026
Limits of \$2,000, \$5,000, & \$10,000 available for the expense of emergency produce removal to prevent a fire from spontaneous combustion.
- 6.22 Glass Breakage in Cabs** – Form FO-6
Breakage of cab glass on farm vehicles. Included coverage is \$1,000 per occurrence, but additional coverage can be purchased. This is blanket coverage per occurrence, not per vehicle. No deductible applies.
- 6.23 Farm Extra Expense** – Form FO-6
Farm extra expenses paid for actual and necessary costs incurred to resume normal farming operations that are interrupted by a covered peril.
- 6.24 Farm Income Coverage** - Form FO 0400 (Option 1)
Loss of farm income when the normal farming operations are suspended due to a covered loss to farm buildings and/or farm personal property (Coverage E, F & G).
- 6.25 Loss of Rents** – Form FO 0400 (Option 2)
Loss of rental Income from Farm Buildings.
- 6.26 Water Back-Up and Sump Discharge or Overflow Coverage** – Form FO 5208
Limited coverage for damage caused by water backup or overflow is available for owner-occupied policies. Risks in a flood hazard area or risks that have had a prior water back-up claim are not eligible. The limits available are \$1,000 minimum up to \$10,000 and additional limits of \$15,000; \$20,000; and \$25,000. Coverage is subject to the policy deductible. Coverage cannot be bound for properties with stone foundations.
- Limits up to \$10,000 can only be bound at the policy inception or on the anniversary date, except with underwriter approval. Mid-term additions may be approved with an effective date of a minimum of 30-days in the future.**
- Limits greater than \$10,000 can only be bound with underwriter approval.**
- 6.27 Automatic Adjustment of Limits** (Inflation Guard) – Form FO-184 (Option 1)
Limits for coverage A, C & D can be increased 1% per quarter.
- 6.28 Theft of Building Materials for Farm Building Under Construction** – Form FO-345
Loss resulting from theft of building materials and supplies from a building under construction can be added. The Coverage E deductible applies. The premium is fully earned from the inception of this coverage.
- 6.29 Weight of Ice, Snow or Sleet** – Form MW-323
Loss caused by the weight of ice, snow or sleet can be added for property covered under Coverage E.
Coverage may not be bound on new and existing business during the months of December, January, February or March, unless the agent obtains prior approval from underwriting. The limit for this coverage is the same as the policy limit for the covered property.
- 6.30 Scheduled Property in Storage** – Form MW-35
Provides Basic perils for property in storage.
- 6.31 Farm Property in Transit** – Form FO-361
Coverage for farm personal property in transit. Limit is \$5000 per occurrence or the limit that applies to the covered property, whichever is less.
- 6.32 Suffocation of Livestock** – Form FO-349
Coverage for livestock under Coverage F or G can be extended to include death caused by suffocation. Suffocation must result from the breakdown of or the interruption of power to, equipment that controls the temperature, atmosphere or movement of air within a building that confines the covered livestock. To qualify for this coverage the following requirements must be met:
- a. A stationary generator must be on the premises and periodically tested
 - b. A working alarm system must be in place with the following characteristics:
 1. Alarm audible to outside the building

Farmowner Rules

2. An automatic phone dialer system
3. Monitors installed for temperature and electrical interruption/disturbance.

Ten percent of the amount of each loss will be applied as a deductible, subject to \$1,000 minimum deductible. The limit for this coverage must be the same as the livestock limit.

6.33 No Deductible on Livestock

The deductible on livestock can be waived.

6.34 Ordinance or Law – Farm Barns, Buildings and Structures – Form FO-257

Increased costs that result from the enforcement of a code, ordinance, or law that regulates the construction, repair or demolition of property following a covered loss may be added for property covered under Coverage E.

6.35 Silo Collapse – Form MW-34

Coverage (\$5,000) can be purchased for the collapse of a silo. The silo must be in good condition and well maintained in order to qualify for coverage. Coverage can be bound on new applications. Coverage may be added mid-term or on the anniversary date only with underwriting approval. The company will inspect for silo condition and maintenance.

6.36 Consent to Move Mobile Home – Form FO-25 Underwriter Approval Required

The coverage provided for a mobile home covered under Coverage A can be amended to apply while the mobile home is away from the insured premises. This endorsement is effective for 30 days.

6.37 Collision or Upset (Mobile Home with Special or Broad Perils Only) – Form FO-26 Underwriter Approval Required

The mobile home can be covered against loss by collision or upset while being moved. This coverage may be provided in connection with the Consent to Move Mobile Home Endorsement. This endorsement is effective for 30 days.

6.38 Replacement Cost Terms (Mobile Home with Special or Broad Perils Only) – Form FO-200

Coverage for a mobile home covered under Coverage A can be provided on a replacement cost basis. The mobile home cannot be more than nine years old, and it must have a minimum insurable value of \$15,000.

6.39 Modified Replacement Cost Terms – Form FO-256

Provides replacement cost coverage for partial losses when the Coverage A limit is less than 80% of the dwelling's replacement cost. The endorsement cannot be added to a Basic dwelling. The following eligibility guidelines also apply:

- a. Shingled roof is less than 20 years old (If roof is excluded, any age roof is acceptable)
- b. Dwelling is in good condition and properly maintained

6.40 Equipment Breakdown Coverage – Form FO 0420

Coverage for direct physical loss caused by an accident to covered equipment. The endorsement provides extensions of coverage for Expediting Expenses, Pollutants, Spoilage, Computers in Dwelling, and Data Restoration. Coverage for loss caused by Utility Interruption and Loss of Farm Income may also be provided.

6.41 Total Loss Endorsement – Form FO 5017

Coverage for specified buildings applies only in the event of a total loss to the structure; partial losses are not covered.

6.42 Dwelling Under Construction – Collapse Coverage and Theft – Forms HO 2722 and HO 5722

While a residence is being constructed, coverage can be provided for collapse of the dwelling or foundation and for theft of building materials. The collapse coverage applies only while the dwelling is under construction and ceases once it is occupied OR 12 months after the effective date of the coverage (whichever occurs first). The premium is fully earned from the inception of this coverage.

6.43 Personal Property – Coverage C

The Coverage C limit can be increased or decreased.

6.44 Farmowner Additional Coverage Package – Forms MW-69 PAC, MW-323 PAC50 or MW-323 PAC100, FO 5022, FO 5026, FO-400

Falling objects coverage to buildings and loss to farm personal property due to collapse of a building - \$5000 limit; barn glass breakage - \$1000 limit; emergency produce removal - \$4000 limit; loss of income & extra expense - \$10,000 limit; peril of weight of ice, snow & sleet for farm structures - \$50,000 or \$100,000 limit. Coverage may

Farmowner Rules

not be bound on existing business during the months of December, January, February or March, unless the agent inspects the risk and obtains prior approval from underwriting. See forms for limitations and conditions.

6.45 Feed Spoilage Coverage – Form MW-73

Feed that is in the open (silo bags) that spoils as a result of hail damaging the silo bag. The limit is \$2,500 with a \$500 deductible.

6.46 Replacement Cost Coverage Farm Personal Property (Partial Losses) – Form MW-80

Payment based on repair costs without applying depreciation. Repairs must be made to receive replacement cost payments. Depreciation will still apply to outdated items, tires, items that are not being used and items that are not in good working condition.

6.47 Identity Fraud Expense Coverage – Form FO 0794

Necessary and reasonable expense reimbursement for costs associated with identity fraud. This limit is \$5,000, and the deductible is \$100.

6.48 Reserved for Future Use

6.49 Expanded Replacement Cost – Form FO 0145 (Preferred Program)

Applies to the described dwelling covered under Coverage A insured for 100% of replacement cost. If the amount actually and necessarily spent to repair or replace the damaged building exceeds the applicable limit, we will pay up to 125% of the limit. We must be notified within 45 days of any increase in the dwelling's value of \$5,000 or more. Dwellings under construction are not eligible.

6.50 Wausau FarmPAC

An enhanced package of coverage consisting of:

Coverage A – Special Building and Contents Form - FO 6

Coverage D - Loss of Use – Actual Loss Sustained - FO 6

Specified Additional Amount of Insurance - Coverage A - 25% - HO 4844

Money; bank notes; bullion; gold other than gold-ware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinum-ware and platinum-plated ware; coins; medals; scrip; smart cards;

Identity Fraud Expense - \$5,000 – FO 0794

Lock Replacement - \$250 - MW-LR

Personal Injury Protection - HO 4001

Identity Fraud Expense - \$5,000 - HO 2786

Well Pump - \$0 Deductible - \$1,500 - WSM 4

Tree Removal - \$500

6.51 Wausau FarmPAC Plus – Preferred Farmowners program only

A comprehensive package of coverage consisting of:

Coverage A – Special Building and Contents Form – FO 6

Coverage D - Loss of Use – Actual Loss Sustained - FO 6

Specified Additional Amount of Insurance - Coverage A - 25% - HO 4844.

Money; bank notes; bullion; gold other than gold-ware and gold-plated ware; silver other than silverware and silver-plated ware; platinum other than platinum-ware and platinum-plated ware; coins; medals; scrip; smart cards;

Jewelry, watches, precious and semiprecious stones, gems, and furs - Loss by Theft - \$3,500 - FO 0794

Silverware, goldware, platinum ware, pewterware, and items plated with gold, silver, or platinum - Loss by Theft - \$5,000 - MW 2565

Guns and items related to guns - Loss by Theft - \$3,500 - MW 2565

Higher Limits on Personal Property Used for Business Purposes - HO 3565

\$5,000 on property while on the "described location"

\$1,000 on property while away from the "described location"

Increased Cost - Ordinance or Law – 25% of Coverage A - HO-2557

Backup of Sewers and Drains Coverage - \$2,000

Trees, Plants, Shrubs, or Lawns - Limit Per Item - \$2,000 - MW 2530

Identity Fraud Expense - \$10,000 - FO 0794

Lock Replacement - \$500 - MW-LR PAC

Personal Injury Protection - HO 4001

Well Pump - \$0 Deductible - \$1,500 - WSM 4

Tree Removal - \$1,000

Farmowner Rules

RULE 7 – OPTIONAL LIABILITY COVERAGES

- 7.1 Dairy Farm Liability – Contaminated Milk Liability Coverage**
Farm liability for farms with less than 500 acres. Contaminated milk liability coverage (Form MW-29) is included. Includes up to two horses owned by the insured.
- 7.2 Dairy Farm Liability – Contaminated Milk Liability Coverage/\$1,000 Deductible**
Farm liability for farms with less than 500 acres. Contaminated milk liability coverage with a \$1,000 deductible (Form MW-29D) is included. Includes up to two horses owned by the insured.
- 7.3 Farm Liability – Without Contaminated Milk Liability Coverage**
Farm liability for farms with less than 500 acres. Contaminated milk liability coverage is **not** included (Form MW-29E). Includes up to two horses owned by the insured.
- 7.4 Hobby Farm – Over 60 Acres**
Small farming operations with 10 or less livestock/animals and over 60 acres. Includes up to one horse owned by the insured.
- 7.5 Hobby Farm – 60 Acres or Less**
Small farming operations with 10 or less livestock/animals and 60 acres or less. Includes up to one horse owned by the insured.
- 7.6 Additional Farm Location**
Additional farm locations with buildings.
- 7.7 Acres Over 500**
Farms that have more than 500 acres, (not including wooded acreage). If acreage exceeds 2,000 acres, contact underwriting for prior approval.
- 7.8 Custom Farm Work – Form GL-75**
Liability coverage for claims arising out of the insured performing custom farming for others. The application of pesticides or herbicides, or manure hauling are not eligible for coverage. The work must be incidental to the farm operations. Maximum annual gross receipts are \$100,000.
- 7.9 Farm Employers Liability – Form GL-76**
Provides liability for injury to farm employees while performing duties in connection with the farming operation of the insured. The basic rate includes an occasional worker. Employees working less than 320 hours (40 man days) per year are included in the base policy.

Farmowner Rules

7.10 Watercraft – Form GL-82

a. Outboard Motors

The base liability rate includes liability coverage for outboard motors up to 50hp. Any motor in excess of 50hp requires an additional premium. Watercraft in excess of 250hp or in excess of 30ft are not eligible.

b. Inboard, Inboard/Outboard, Sailboats – Form GL-82

Boats powered by inboard or inboard/outboard motors 50-250hp requires an additional premium charge. Jet boats, boats with turbo charge or modified engines, racing craft and any watercraft capable of exceeding 45 mph are not eligible for coverage.

c. Sailboats

Sailboats 26ft-40ft are eligible for an additional premium charge.

7.11 Recreational Motor Vehicle – Form FO 5004

Off-premises liability and medical payments coverage for listed recreational motor vehicles.

The following risks are **INELIGIBLE** for coverage:

- a. 3-Wheelers
- b. Recreational vehicles used in racing or that have been customized or modified in any manner
- c. Homemade or kit vehicles
- d. Recreational vehicles owned by a corporation other than a farm corporation
- e. Dirt and trail bikes
- f. High performance snowmobiles, those over 700cc except 4-stroke and touring
- g. Sport ATV's
- h. Jet Ski's seating over two people.

7.12 Additional Residence or Farm Rented to Others – Form GL-73

Coverage for liability arising out of one- or two-family dwellings owned by the insured and rented to others.

7.13 Trampoline

If there is a trampoline on premises with a safety enclosure, an additional premium charge will be made. Otherwise, a liability exclusion will be added if no safety enclosure is present.

7.14 Additional Insured

- a. An additional insured may be added if:

1. The entity is a lessor of leased equipment (Form FO-5007); or
2. Our insured uses someone else's premises and the owner wants to be named as an additional insured to protect their interests (Form GL-70) ; or
3. The corporate farm name or LLC needs to be listed as an additional insured.

- b. Including Personal Liability – Form GL-72

Coverage for insureds that have an interest in the farming operations but occupy a separate residence. The additional insured must be a person, and not a business entity.

7.15 Seasonal or Additional Residence

Premises Liability Coverage can be extended to additional locations owned by the insured. This extension of coverage is limited to 1-2 family dwellings.

7.16 Fire Legal Liability

For an additional premium, fire legal liability can be increased up to the policy limits for farm buildings.

7.17 Incidental Lessors Risk

Provides coverage for farmland that the insured rents or leases to others.

7.18 Horse Liability

Horses, donkeys, and miniature horses can be added. The following rules apply:

- a. Total maximum number of horses is 8 (including boarded horses)
- b. Horses must be for pleasure use only (no riding lessons, teaching, instructing, etc.)
- c. Professional showing, racing, competition or breeding is not allowed
- d. Boarding – maximum of 6 horses boarded and must also be rated as Incidental Business Pursuit.

7.19 Personal Injury – Form GL-81

(Owner-Occupied, Primary Liability Only)

Named Insured's legal liability resulting from the false arrest, libel, slander, or invasion of privacy of another.

Farmowner Rules

7.20 Care Provided for Others – Form GL-84

Liability coverage for an insured that cares for up to three persons on the insured premises may be available when the premises are well maintained, and care and safety are exercised in the operation of the business. This endorsement is not available when the insured has a pond, trampoline, unprotected pool, dogs, horses, goats or vicious animals of any kind on the premises. Adult care is not eligible.

7.21 Reserved for Future Use

7.22 Reserved for Future Use

7.23 Incidental Business Pursuits – Form GL-90

Incidental business that is conducted on the premises. Coverage is for BI & PD that occurs on the insured premises only. Products Liability, Completed Operations Coverage, and Professional Liability Coverage are not included.

The business must be incidental to the primary occupancy of the premises as a residence. The insured must be the sole proprietor with no other employees. Gross receipts cannot exceed \$10,000 (\$15,000 if retail sales) annually. The types of business activities include babysitting, horse boarding, roadside markets, Storage of property of others (up to 10 units) not including Bailee's coverage, retail, seed & fertilizer sales, and similar activities.

7.24 Office, School or Studio Use – Form FO 5002

Incidental office, school or studio exposures. Professional liability is not provided.

The following rules apply:

- a. The business must be conducted by an insured
- b. The residence must be occupied principally for residential purposes
- c. There is no other business conducted on the premises
- d. The insured employs no assistants or employees; and
- e. The residence has not been altered to accommodate the occupancy

7.25 Reserved for Future Use

7.26 Reserved for Future Use

7.27 Household Employee

Injury to a household employee that is not covered by workers compensation can be provided for an additional premium charge.

7.28 Home Based Business – Underwriter Approval Required – Form ML-450

Home based business coverage can be provided with a farmowner policy to cover the property and liability exposures of a small business conducted on or off of the insured premises.

The business must be owned or operated by the insured and be incidental to the premises. Gross receipts must not exceed \$250,000 and the number of employees, including family members, must not exceed 3 workers.

Businesses that offer installation service; child or adult care services; home health care services; dog kennel grooming, or training; horse boarding or training; and lawn care services, are not eligible.

The home-based business coverage part provides property & liability (some including products) coverage for the covered business exposure.

There are 6 classifications of home-based businesses that will be considered. They are office, service, food, retail, crafts, and bed & breakfast. Contact underwriting for acceptability and rating.

Farmowner Rules

7.29 **Hired and Non-Owned Auto**

Non-owned auto liability provides bodily injury or property damage coverage for damage caused by an auto the named insured does not own, lease, hire, or borrow, but is used in connection with the named insured's farming business. The non-owned auto must be used by someone other than the named insured.

Hired auto liability provides bodily injury or property damage coverage for damage caused by an auto the named insured leases, hires, or borrows on an occasional basis. It does not include autos that the named insured leases, hires, or borrows from its employees or its partners or executive officers.

This coverage cannot be added if the farming operation owns vehicles that are insured on a commercial auto policy and this coverage is available through that policy.

7.30 **Limited Farm Pollution Liability** – Form ML-FP

Coverage is included in the amount of \$50,000 with additional limits available up to \$200,000. Limits over this amount up to \$1,000,000 may be available subject to underwriting approval.