

## LIVESTOCK BROAD NAMED PERILS FORM

WORDS AND PHRASES IN QUOTATIONS HAVE SPECIAL MEANING AS DEFINED IN THE DEFINITIONS (CLAUSE 13) THE STATUTORY AND ADDITIONAL CONDITIONS ATTACHED TO THIS FORM APPLY TO ALL COVERAGES WITHIN THIS FORM

### Indemnity Agreement

1. In the event that any of the property insured be lost or damaged by the perils insured against, the insurer will indemnify the Insured against the direct loss so caused to an amount not exceeding whichever is the least of:
  - (a) the actual cash of the value of the property at the time of loss or damage;
  - (b) the interest of the Insured in the property;
  - (c) the amount of insurance specified on the "Declaration Page" in respect of the property lost or damaged.

Provided, however, that where the insurance applies to the property of more than one person or interest, the insurer's total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the amount or amounts of insurance specified on the "Declaration Page".

### Property Insured

2. This Form insures the following property but only those items for which an amount of insurance is specified on the "Declaration Page":  
"LIVESTOCK"  
The insured property is covered anywhere within the territorial limits of Canada and the Continental United States of America and inland and coastal waterways.

### Deductible

3. In any one occurrence, we are responsible only for the amount by which the insured loss or damage exceeds the amount of the deductible shown on the "Declaration Page". Coverage provided under the "Extensions of Coverage" is also subject to the policy deductible applicable to the insured premises. If one occurrence could lead to the application of more than one deductible only the largest deductible will apply.

### Co-Insurance

4. If the "Declaration Page" shows that a co-insurance percentage applies to any item this clause will apply only where the total loss exceeds the lesser of 2% of the applicable amount of insurance or \$5,000. If no co-insurance percentage appears on the "Declaration Page" it is understood that the co-insurance percentage applicable to Machinery and Equipment, "Livestock" and Produce shall be 80%.

The Insured is required to maintain a limit of insurance on each item to which this clause applies equal to at least the amount that is calculated when the Co-insurance percentage designated on the "Declaration Page" (or 80% for Machinery and Equipment, "Livestock" and Produce) is multiplied against the actual cash value of the insured property at the time of the loss. Failure to do so will result in the Insured only being entitled to recover that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

### Insured Perils

5. If the Declaration Page shows Farm Livestock Broad Named Perils Form applies, you are insured against direct loss or damage caused by the following perils as described and limited:
  1. FIRE.
  2. LIGHTNING.
  3. EXPLOSION: This peril does not include loss or damage caused by explosion of steam pressure vessels when their normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure.
  4. SMOKE.
  5. WINDSTORM OR HAIL.
  6. RIOT, RIOT ATTENDING A STRIKE.
  7. EARTHQUAKE, COLLAPSE OF BUILDINGS, BRIDGES OR CULVERTS.
  8. FLOOD: This peril means waves, tide or tidal water, and the rising (including the overflowing or breaking of boundaries) of lakes, ponds, reservoirs, rivers, harbours, streams and similar bodies of water, whether driven by wind or not.
  9. COLLISION OR DERAILMENT OR OVERTURN of a vehicle on which insured property is being transported.
  10. IMPACT BY AIRCRAFT OR LAND VEHICLE.

11. STRANDING, SINKING, OR BURNING OR COLLISION of vessels including general average and salvage charges incurred, while waterborne on land vehicles on board any regular ferry while operated on inland or coastal waterways only.
12. THEFT.
13. ACCIDENTAL SHOOTING.
14. DROWNING.
15. ELECTROCUTION.
16. ATTACK BY WILD ANIMALS OR NON-OWNED DOGS: Payment is limited to payment in excess of government compensation.
17. BLIZZARD, SNOWSTORM, SLEETSTORM OR RAINSTORM.
18. VANDALISM OR MALICIOUS ACTS.
19. POWER INTERRUPTION.
20. ELECTRICAL OR MECHANICAL BREAKDOWN of the heating or ventilation systems of the building in which the insured livestock are confined.
21. HUDDLING, PILING, SMOTHERING, FREEZING or STAMPEDING. This peril does not apply unless it is the immediate and direct result of one of the perils 1 to 17 above causing actual physical damage to the buildings in which such insured livestock are confined.
22. ENTRAPMENT: This peril means the accidental and involuntary physical restraint of an animal resulting in the death or destruction of the entrapped animal. There is no coverage under this peril:
  - a. to animals in the process of being bred, either by natural or artificial means;
  - b. for death due to animal birth or while the animal is birthing;
  - c. for livestock in transit or while being loaded or unloaded;
  - d. for choking on objects or food, or medicine taken;
  - e. to any animal which contracted a disease or is sick prior to entrapment;
  - f. for livestock being handled or forcibly restrained for care or treatment;
  - g. for death resulting from physical injury due to an animal having been split;
  - h. for suffocation of animals in their own fluids, when caused by the animals natural inability to regain an upright position.
23. FUMES.
24. ACCIDENTAL STRANGULATION, not including loss or damage:
  - a. to any animal which contracted a disease or was sick or injured before strangulation;
  - b. to animals in transit or while being loaded or unloaded.
25. HARDWARE. - An autopsy will be required to confirm this condition.
26. FROTHY BLOAT, when the cause of death is a direct result of the ingestion of feed.
27. PHYSICAL INJURY, where a fracture of a bone(s) occurs accidentally causing incapacitation of the animal which leads to death or destruction
28. RABIES: Payment is limited to payment in excess of government compensation.
29. ANIMAL BIRTH, meaning death or destruction due to, or made necessary by, the direct birth of an offspring. The loss must occur within 72 hours of the animal birth.

### **General Exclusions**

#### **6.A PROPERTY EXCLUDED**

This Form does not insure against loss or damage:

- (a) to any property illegally acquired or kept;
- (b) to any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- (c) to books of account and evidences of debt or title;
- (d) to property while undergoing a process involving the application of heat, but resulting damage to property is insured;
- (e) to buildings and/or structures, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing, marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substances Act, whether or not the insured is aware of such use of the property.

#### **6.B PERILS EXCLUDED**

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

- (a) caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- (b) caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
- (c) caused by or resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or pollutants, except as provided under "Extensions of Coverage";

- (d) caused by wear, tear, scratching, marring, gradual deterioration, birds, moths, vermin (such as skunks and racoons), rodents (such as squirrels or rats) or insects, latent defect, rust, corrosion, extremes of temperature, wet or dry rot, fungi or spore(s), or contamination;
- (e) caused by mechanical or electrical breakdown or failure, or repairing or maintenance operations unless specific coverage is included in your policy;
- (f) caused by freezing or extremes of temperature unless specific coverage is included in your policy;
- (g) resulting from intentional or criminal acts or failure to act by you, your employees or anyone to whom the damaged or lost property is entrusted;
- (h) because of the voluntary parting with title or ownership, whether or not induced to do so by any fraudulent scheme, trick, device or false pretences;
- (i) caused by mysterious disappearance.

#### 6.C POLLUTION EXCLUDED

This Form does not insure against:

- (a) loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", nor the cost or expense of any resulting "clean-up", but this exclusion does not apply:
  - (i) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is the direct result of a peril not otherwise excluded under this Form;
  - (ii) to loss or damage caused directly by a peril not otherwise excluded under this Form;
- (b) cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

#### 6.D DATA & DATA PROBLEM EXCLUDED

This Form does not insure:

- (a) "Data";
- (b) loss or damage resulting from, contributed to or caused directly or indirectly by "Data Problem".

However, if loss or damage caused by "Data Problem" results in the occurrence of further loss or damage to property insured that is directly caused by 'Insured Perils' as defined in this Form, this exclusion (b) shall not apply to such resulting loss or damage.

#### **Specific Exclusions to this Form**

7. We will not pay under this coverage for loss resulting from or arising out of:

- (a) death or destruction due to or made necessary to acute mastitis and/or milk fever;
- (b) any animals that have become non-functional for the purpose which the animal(s) is kept;
- (c) damage to reproductive organs;
- (d) animals on pasture without daily supervision or care;
- (e) horses while on the grounds of any public race track or while engaged in any competitive events;
- (f) any diseased animal(s) that dies or is destroyed as a result of any of the coverages provided for in this coverage other than the peril of rabies (5-27);
- (g) intentional destruction of any animal(s) without our prior approval;
- (h) animals under sixty (60) days of age;
- (i) poultry.

#### **Limits**

8. The following limits apply to this coverage:

- (a) Livestock is subject to a limit of \$4,000 per animal unless specifically insured.

#### **Extensions of Coverage**

9. The following extensions of coverage shall not increase the amounts of insurance applying under this Form and are subject to all conditions of this Form.

- (a) Newly Acquired Livestock

If you acquire any additional livestock similar to those scheduled, we will automatically insure these under this coverage if you notify us within 14 days. We will pay a maximum of 25% of the total amount of insurance on livestock shown on the "Declaration Page" subject to a limit of \$4,000 per head or the purchase price whichever is the lesser.

- (b) **Non-Owned Livestock**  
If you wish, we will include uninsured livestock of others, to a maximum of \$4,000 while it is on your farm premises, but we do not insure livestock which you are boarding for a fee.
- (c) **Livestock Medicines**  
Up to 5% of the total limit of insurance on Livestock shown on the Declaration Page may be applied to medication for livestock while stored on your premises if it is damaged or destroyed by any of the perils named in this coverage.
- (d) **Professional Fees**  
We agree to pay for reasonable fees due to veterinarians or other professionals whom you employ at our request to confirm the cause of death, or other documents or relevant information on your business, which we will require following a loss to determine the amount payable under the present policy.
- (e) **Deadstock Removal**  
This Coverage pays for the cost of removing deadstock of the property insured under this Form as a result of any insured peril. When the value of the dead swine or poultry and the cost of the deadstock removal exceed the limit of insurance for the damaged property, an additional 5% of the limit of insurance on swine or poultry shown on the "Declaration Page" will be available to cover deadstock removal expenses.  
This coverage, however, does not insure against direct or indirect loss, damage, cost or expense, arising out of the "clean-up", removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of "pollutants".  
Further, this coverage does not insure against direct or indirect loss, damage, cost or expense, for any testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of "pollutants".

**Conditions**

10. The following conditions apply to this coverage:

- (a) **Notice of Illness or Accident:**  
"You" must give immediate notice to "us" of any illness or accident to animal(s) insured by this coverage and must at your own expense immediately provide for adequate treatment by a qualified veterinary surgeon.
- (b) **Salvage:**  
You will be responsible for the removal of deadstock. Salvage value, if any, will be payable to us.
- (c) The carcass must not be moved prior to our approval.
- (d) Payment under this coverage will not be made until "you" produce a certificate from the veterinarian confirming that a Post Mortem was performed and certifying the cause of death.

**Special Conditions**

11. The following special conditions shall not increase the amounts of insurance applying under this Form and are subject to all conditions of this Form.

- (a) In case of livestock alleged to have been killed by lightning, fumes, power interruption, accidental physical entrapment, accidental strangulation, hardware, frothy bloat, physical injury, rabies or animal birth the carcass must not be moved without our approval. Satisfactory evidence that death occurred from one of these perils must be produced.
- (b) If you must remove insured property from your premises to protect it from loss or damage, it is insured by this Form for 7 days or until your policy term ends whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of loss.
- (c) Unless permission is given by the policy or shown on the "Declaration Page", you are not covered for loss or damage to the Building(s) or Contents occurring:
  - (i) during or as a result of addition to or alteration of the building(s), other than normal repairs;
  - (ii) when the building(s) insured or containing the property insured is, to your knowledge, vacant for more than thirty consecutive days.
- (d) If within six months after the expiry or anniversary date of each period of insurance under this policy, you file with us a Premium Adjustment Form showing, for the said period, the actual cash value of the "Livestock" insured on the last day of each month at each location, subject to verification by your accountant, the actual premium for such period will then be calculated at the rate applying to each location for the average amount of the total values declared. If the premium paid by you for such coverage exceeds the actual premium calculated above, we will refund to you any excess paid, subject to a maximum refund of 50% of the premium paid. If any monthly declared values exceed the limit of insurance, the amount of the excess will not be included in the premium.

**Basis of Claim Payment**

12. Unless stated otherwise, we will pay the Actual Cash Value of insured loss or damage up to your financial interest in the

property but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one occurrence.

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

Payment will include any accrued subsidies (where applicable) but limited to payment in excess of government compensation.

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

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

## DEFINITIONS

13. Wherever used in this Form:

- (a) **“Clean-up”** means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization of “pollutants, including testing which is integral to the aforementioned processes.
- (b) **“Data”** means representations of information or concepts, in any form.
- (c) **“Data Problem”** means:
  - (i) erasure, destruction, corruption, misappropriation or misinterpretation of “Data”;
  - (ii) error in creating, amending, entering, deleting or using “Data”; or
  - (iii) inability to receive, transmit or use “Data”; or damage to electronic data processing equipment or other related component system, process or device.
- (d) **“Declaration Page”** means the Declaration Page applicable to this Form.
- (e) **“Fungi”** includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic, or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any “Fungi” or “Spore(s)” or resultant mycotoxins, allergens or pathogens.
- (f) **“Livestock”** includes such classes of livestock usual to the Insured’s business with each class insured separately
- (g) **“Pollutants”** means any solid, liquid, gaseous or thermal irritant, or contaminants including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- (h) **“Premises”** means “Buildings” as named on the “Declaration Page” including the land immediately surrounding and belonging to it.
- (i) **“Spore(s)”** includes, but is not limited to, any reproductive particle of microscopic fragment produced by, emitted from or arising out of any “Fungi”.
- (j) **“We” or “us”** means the Company or Insurer providing this insurance.
- (k) **“You” or “your”** means the person(s) named as Insured on the Declaration Page and, while living in the same household, his or her spouse, the relatives of either or any person under the age of 21 in their care. “Spouse” includes either of two persons who are not married to each other and have lived together continuously for a period of not less than three years or, in a relationship of some permanence where there is a child born of whom they are the natural or adoptive parents, and have cohabited within the preceding year. Only the person named on the “Declaration Page” may take legal action against us.