

This endorsement changes
the policy
-- PLEASE READ THIS CAREFULLY --

EQUIPMENT BREAKDOWN FOR FARMS (Including Electronic Circuitry Impairment)

AGREEMENT

In return for **your** payment of the required premium, **we** provide the coverage described in this endorsement during the policy period. This coverage is subject to the **terms** of this endorsement; the **declarations**; and the conditions in the Agri-Pak Policy Provisions AP-93 (1-93), except as provided below.

DEFINITIONS

1. **Restoration period** means the time it should reasonably take to resume the described farming operation starting from the date of loss to the property described on the Schedule of Operations caused by a **farm equipment breakdown**, and ending on the date when the described property should be rebuilt, repaired, or replaced. This period of time is not limited by the expiration date of the policy.

This does not include any increase in time due to:

- a. the enforcement of any ordinance, law, or decree that regulates or requires the construction, use, repair, or demolition of any property; or
 - b. the enforcement of any ordinance, law, or decree that requires 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**.
2. The following definitions are added with respect to the coverage provided by this endorsement.
 - a. **Accident** means a fortuitous event that causes direct physical damage to **covered equipment** or **farm-related dwelling equipment**. The event must be one of the following:
 - 1) Mechanical Breakdown, including physical damage caused by centrifugal force. As used in this definition, Mechanical Breakdown means an occurrence involving one or more moving parts of machinery that causes such machinery to operate improperly or to cease operating.
 - 2) artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
 - 3) explosion, other than combustion explosion, of steam boilers, steam piping, steam engines or steam turbines;
 - 4) sudden physical damage not otherwise excluded occurring inside:
 - a) steam boilers, steam engines, steam pipes or steam turbines; or
 - b) hot water boilers or other equipment used solely to heat water.

- 5) bursting, cracking or splitting. However, this does not include any bursting, cracking or splitting associated with an explosion, unless such explosion is an **accident** as defined in 3) above.

b. **Actual cash value**

- 1) **Actual cash value** means the replacement cost for parts, equipment or other property, less Depreciation. However, the **actual cash value** will not be less than 25% of the actual replacement cost.
- 2) Depreciation will not be applied to labor or other costs necessary to complete the repair or replacement.
- 3) As used in this definition, Depreciation means the ratio of the age of the property at the time of loss to its expected useful life.

- c. **Animal** means a creature of the kingdom Animalia. This includes, but is not limited to, amphibians, birds, fish, insects, **livestock**, mammals, poultry, reptiles and worms.

d. **Buried vessels or piping**

- 1) **Buried vessels or piping** means any piping, valve, fitting or vessel that is buried or encased in the earth, concrete or other material, whether above or below grade, or in an enclosure which does not allow access for inspection and repair. Such equipment will be considered **buried vessels or piping** if any portion is buried or encased, whether or not the entire piece of equipment is buried or encased and whether or not the equipment is connected to other equipment that is not buried or encased.
- 2) None of the following are **buried vessels or piping**:
 - a) any piping, valve, fitting or vessel within a building. However, such equipment will not be considered within a building if it is partly or entirely beneath the building's foundation.
 - b) any piping, valve, fitting or vessel within a tunnel through which people can pass and that connects two or more buildings.
 - c) any piping, valve or fitting that is part of a closed loop geothermal system.
 - d) a pressure vessel used as the cylinder of a hydraulic elevator.

- e. **Cloud or outsourced computing services** means professional, on-demand, self-service **data** storage or **data** processing services provided through the internet or over telecommunication lines. This includes services known as IaaS (infrastructure as a service), PaaS (platform as a service), SaaS (software as a service) and NaaS (network as a service). This includes business models known as public clouds, community clouds and hybrid clouds. **Cloud or outsourced computing services** include private clouds if such services are owned and operated by a third party.

- f. **Computer equipment** means covered property that is electronic data processing hardware and related peripheral equipment. This includes, but is not limited to, laptops, monitors and display screens, **media**, keyboards, printers, modems and permanently installed wiring associated with such equipment.

g. **Covered equipment**

- 1) **Covered equipment** means, unless otherwise specified in a **schedule**, covered property under SECTION 3-SCHEDULED FARM PERSONAL PROPERTY, SECTION 5-COVERAGE R, OUTBUILDINGS, or SECTION 6-COVERAGE S, BLANKET FARM PERSONAL PROPERTY:

- a) that generates, transmits, or utilizes energy; or
- b) which, during normal usage, operates under vacuum or pressure, other than weight of contents.

Covered equipment may utilize conventional design and technology or new or newly commercialized design and technology.

2) **Covered equipment** does not mean:

- a) structures, including, but not limited to, the structural portions of buildings, towers or scaffolding;
- b) foundations;
- c) cabinets, compartments, conduits or ductwork;
- d) insulating or refractory materials or glass linings;
- e) dies, patterns or forms;
- f) **buried vessels or piping**;
- g) waste, drainage or sewer piping;
- h) piping, valves or fittings forming a part of a sprinkler or fire suppression system;
- i) piping, valves or fittings used to convey water. However, the following is **covered equipment**:
 - (1) piping, valves or fittings that are part of a closed loop connected to a boiler or a refrigeration or air conditioning system; and
 - (2) valve actuators.
- j) equipment used to service the dwelling, its grounds or structures appurtenant to it, unless the equipment also services property covered under SECTION 3-SCHEDULED FARM PERSONAL PROPERTY;
- k) **vehicles**;
- l) equipment mounted on a **vehicle**. The following, however, will not be considered equipment mounted on a vehicle:
 - (1) equipment covered under Incidental Property Coverages 1.a. Electronics in the Cab, 1.c. Farm Implements and Farm Implement Electronics and 1.e. GPS and Precision Agricultural Components.
 - (2) equipment that is scheduled property and is mounted on wheels, a trailer or a **vehicle** in order to make it portable. Such equipment:
 - (a) cannot be used to steer the wheels of such trailer or **vehicle**; and
 - (b) must be stationary and in use at the **insured premises** at the time of the **equipment breakdown**.
- m) irrigation systems. However, the following will be considered **covered equipment**:
 - (1) With respect to all irrigation systems:
 - (a) sensors and controls.
 - (b) pumps, including drive engines and drive motors used with such pumps.
 - (2) With respect to pivot irrigation systems:
 - (a) tower control boxes.
 - (b) wheels.
 - (c) swing arm and corner attachment drive mechanisms. This includes, but is not limited to, motors and gears associated with such drive mechanisms.

- n) satellites, spacecraft or any equipment mounted on a satellite or spacecraft;
 - o) draglines, excavation or construction equipment;
 - p) equipment manufactured by **you** for sale;
 - q) equipment of others that **you** modify, maintain or test as a professional service; or
 - r) **data**.
- h. **Cyber event** means a hostile, illegal or transgressive act committed through electronic systems. This includes, but is not limited to, hacking, a denial of service attack or the deployment of malware. However, this does not include any such act committed as an act of war, whether or not officially declared.
- i. **Data** means information or instructions stored in digital code capable of being processed by machinery.
- j. **Electrical generating equipment** means equipment which converts any other form of energy into electricity. This includes, but is not limited to, the following:
- 1) boilers used primarily to provide steam for one or more turbine-generator units;
 - 2) turbine-generators (including steam, gas, water or wind turbines);
 - 3) engine-generators;
 - 4) fuel cells or other alternative **electrical generating equipment**;
 - 5) electrical transformers, switchgear and power lines used to convey the generated electricity; and
 - 6) associated equipment necessary for the operation of any of the equipment listed in 1) through 5) above.

Electrical generating equipment must be located on or at **your insured premises** or dwelling.

Electrical generating equipment does not mean:

- 1) elevator or hoist motors that generate electricity when releasing cable; or
 - 2) equipment intended to generate electricity solely on an emergency back-up basis.
- k. **Electronic circuitry** means microelectronic components, including but not limited to, circuit boards, integrated circuits, computer chips and disk drives.
- l. **Electronic circuitry impairment** means a fortuitous event involving **electronic circuitry** within **covered equipment** or **farm-related dwelling equipment** that causes the **covered equipment** or **farm-related dwelling equipment** to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in 1), 2) and 3) below.
- 1) **We** will determine that the reasonable and appropriate remedy to restore such **covered equipment's** ability to function is the replacement of one or more **electronic circuitry** components of the **covered equipment**.
 - 2) The **covered equipment** must be owned or leased by **you**, or operated under **your** control.
 - 3) None of the following is an **electronic circuitry impairment**:
 - a) any condition caused by or related to:
 - (1) incompatibility of the **covered equipment** with any software or equipment installed, introduced or networked within the prior 30 days; or
 - (2) insufficient size, capability or capacity of the **covered equipment**.

- b) exposure to adverse environmental conditions, including, but not limited to, change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty will not be considered an observable loss of functionality.
- m. **Electronics in the cab** means the following electronic components when they are located in or on the enclosed cab of a **vehicle** that is used to perform **precision agricultural operations**:
 - 1) electronic drive and control units;
 - 2) engine control and transmission control units;
 - 3) hydraulic and planter controls;
 - 4) precision monitors and cameras.
 - 5) sensors, including, but not limited to, hand throttle position sensors; and
 - 6) wiring harness assemblies and connectors.

Electronics in the cab does not include any of the following electronic components:

- 1) entertainment systems; or
 - 2) unless specifically covered in m.2) above, any apparatus involved in the propulsion or braking of a **vehicle**.
- n. **Equipment breakdown** means an **accident** or **electronic circuitry impairment**.
 - o. **Farm implement** means mobile **covered equipment** owned or leased by **you** and normally used in the performance of farming operations while being pushed, towed or drawn over land. **Farm implement** includes, but is not limited to:
 - 1) air and broadcast seeders;
 - 2) bean and corn combine heads;
 - 3) cultivators and ploughs;
 - 4) gravel carts and trenchers;
 - 5) hay carts and rakes;
 - 6) spreaders; and
 - 7) straw shredders and log splitters.

With respect to Equipment Breakdown Coverage, a **vehicle** or any equipment permanently affixed to a **vehicle** is not a **farm implement**.

- p. **Farm implement external electronics** means electronics which are:
 - 1) owned or leased by **you**;
 - 2) external to **your farm implement**; and
 - 3) either:
 - a) dedicated solely to controlling **your farm implement**; or
 - b) part of a **vehicle's** electronic system and all other electronically controlled functions of the **vehicle** are operational at the time of the loss.
- q. **Farm-related dwelling equipment** means:
 - 1) **your computer equipment** located in **your** dwelling and used for farming purposes;
 - 2) **your electrical generating equipment** located on or at **your** dwelling; and
 - 3) **your** refrigerated unit located in **your** dwelling.
- r. **GPS equipment** means a vehicle-mounted global positioning device or system that:

- 1) utilizes information from a GPS satellite; and
 - 2) receives direct current input power from the electrical system of a **vehicle**.
- s. **Hazardous substance** means any substance that is dangerous or harmful to health or has been declared by a governmental agency to be dangerous or harmful to health.
- t. **Media** means material on which **data** is recorded, such as flash drives, hard disks, magnetic tapes, optical disks or solid state drives.
- u. **One equipment breakdown** means all **equipment breakdowns** occurring at the same time from the same event. If an **equipment breakdown** causes other **equipment breakdowns**, all will be considered **one equipment breakdown**.
- v. **Perishable stock** means covered farm personal property, other than live **animals**, maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.
- w. **Precision agricultural components** means the following components when they are part of a **vehicle**:
- 1) actuators and assemblies that are directly controlled by **GPS equipment**. This includes:
 - a) steering, mixing, metering or hydraulic assemblies; and
 - b) servo motors.
 - 2) the controller computer of the **GPS equipment** when it is:
 - a) dedicated solely to the **GPS equipment**; or
 - b) part of the electronic system of a **vehicle**, provided all other electronically controlled functions of the **vehicle** are operational at the time of the loss.
- x. **Precision agricultural operations** means farming operations performed by **vehicles** equipped with **GPS equipment** that is used to automate a specific **vehicle** function. An example of such technology is Auto Steer.

As used in this definition, Auto Steer means a system that utilizes a combination of **GPS equipment**, hardware and software to steer agricultural equipment with precision accuracy.

- y. **Production machinery** means any machine or apparatus that processes or produces a product intended for eventual sale. This includes all component parts of such machine or apparatus and any other equipment used exclusively with such machine or apparatus. However, **production machinery** does not mean any boiler, or fired or unfired pressure vessel.

This term does not appear elsewhere in this endorsement, but may appear in a **schedule**.

- z. **Schedule** means the Equipment Breakdown for Farms Schedule.
- aa. **Service agreement** means a service plan, property restoration plan, product or equipment warranty or other similar service or warranty agreement, even if it is characterized as insurance.
- bb. **Spoilage and consequential damage** means any detrimental change in physical state. This includes, but is not limited to:
- 1) thawing of frozen goods;
 - 2) warming of refrigerated products;
 - 3) freezing of fresh goods;

- 4) solidification of liquid or molten material; and
- 5) chemical reactions to material in process.

cc. **Vehicle** means, with respect to this endorsement only, any machine or apparatus that is used for transportation or is able to move under its own power, even if it is solely used within a structure or building. **Vehicle** includes, but is not limited to, any car, truck, bus, trailer, train, aircraft, drone, watercraft, forklift, bulldozer, tractor or harvester.

None of the following is a **vehicle**:

- 1) any property at a covered location that, for at least 24 consecutive hours, has been stationary, installed and receiving electrical power from a power source that is external to such property. However, this exception will not apply to a battery-powered machine or apparatus that requires periodic recharging.
- 2) **farm implements or farm implement external electronics.**
- 3) **GPS equipment** used in **your** farming operation.

PROPERTY NOT COVERED UNDER SECTIONS 3, 5, OR 6

With respect to the coverage provided by this endorsement, Property Not Covered Under Sections 3, 5 or 6 in the Agri-Pak Policy Provisions AP-93 (1-93) is amended to include the following.

We do not cover:

1. alcohol stills;
2. any **farm implements, farm implement external electronics, GPS equipment, electronics in the cab or precision agricultural components** that are 20 years old or older;
3. any farm dwelling, including additions, fixtures, and outdoor equipment for servicing that dwelling;
4. household contents located in a dwelling covered under SECTION 1, Coverage B; or
5. growing crops. However, if growing crops are trampled by **our** effort to reach, remove or repair **covered equipment** damaged by an **equipment breakdown** in a growing crops field, **we** pay for the crop damage caused by such efforts. The most **we** pay for loss under this provision is \$25,000.

PERILS SECTION -- 3, 5, AND 6, AND OTHER FARM RELATED DWELLING EQUIPMENT

Perils insured against include Equipment Breakdown as defined and limited in this endorsement. Without an **equipment breakdown**, there is no Equipment Breakdown Coverage.

We insure against direct physical damage to covered property that is the direct result of an **equipment breakdown**. **We** consider **electronic circuitry impairment** to be physical damage to **covered equipment**.

INCIDENTAL PROPERTY COVERAGES

1. **Incidental Property Coverages That Apply to Farm Property --**

The Incidental Coverages specified below apply to property covered under SECTION 3-SCHEDULED FARM PERSONAL PROPERTY, SECTION 5-COVERAGE R, OUTBUILDINGS, or SECTION 6-COVERAGE S, BLANKET FARM PERSONAL PROPERTY as shown in the **declarations**. These coverages only apply to the direct result of an **equipment breakdown**. Each coverage applies unless otherwise shown in a **schedule**. These coverages do not provide additional insurance.

For coverages that apply to **farm-related dwelling equipment** in addition to the covered property as specified above, see Incidental Property Coverages, 2. Incidental Property Coverages That Apply to Farm Property and Farm-Related Dwelling Equipment.

- a. **Electronics in the Cab -- We** pay for loss or damage to **electronics in the cab**. This does not include loss or damage to any other property that results from an **equipment breakdown to electronics in the cab**.

The most **we** pay for loss, damage or expense under this coverage is \$25,000.

- b. **Expediting Expenses** – With respect to **your** damaged covered property, **we** pay the reasonable extra cost to:

- 1) make temporary repairs; and
- 2) expedite permanent repairs or replacement.

The most **we** pay under this coverage is \$25,000 unless otherwise shown in a **schedule**.

- c. **Farm Implements and Farm Implement Electronics** –

- 1) **We** pay for loss or damage to:

- a) **farm implements**; and
- b) **farm implement external electronics** used to operate or control **your farm implements**.

- 2) Coverage under 1) above does not include loss or damage to any other property that results from an **equipment breakdown to farm implements or farm implement external electronics**.

The most **we** pay for loss or damage under this coverage is \$10,000 unless otherwise shown in a **schedule**.

- d. **Future Loss Avoidance** -- This coverage only applies if **you** have received payment under this Equipment Breakdown Coverage for an **equipment breakdown** that occurred on the **insured premises**.

We pay **your** costs to purchase and install Protective Equipment at the location of the loss as follows:

- 1) electrical surge protection or single-phase Protective Equipment; or
- 2) other Protective Equipment if **we** agree that such equipment would reasonably reduce the likelihood of a future **equipment breakdown** similar to the one for which **you** have received payment from **us**. **We** will not unreasonably withhold such agreement.

As used in this coverage, Protective Equipment means a permanently installed physical device with the principal function of safeguarding one or more pieces of **covered equipment** from physical loss or damage.

We must receive **your** invoices for any purchase and installation costs no later than 180 days after the date **you** receive the payment for the loss from **us**.

With respect to any **one equipment breakdown**, the most **we** pay under this coverage is the lesser of the following:

- 1) 10% of **our** Eligible Payment to **you** prior to any payment under this coverage;
- 2) \$10,000.

As used in this coverage, Eligible Payment means **our** total payment to **you** not including the following:

- 1) any deductible or coinsurance amount; or
- 2) any payment made after this policy has been cancelled or non-renewed.

e. **GPS and Precision Agricultural Components –**

- 1) **We** pay for loss or damage to **GPS equipment**.
- 2) **We** also pay for loss or damage to **precision agricultural components**.

Except as specifically provided in 1) and 2) above, this coverage does not apply to loss or damage to any other property that results from an **equipment breakdown to GPS equipment or precision agricultural components**.

f. **Green --**

- 1) With respect to covered property, **we** pay **your** Additional Cost to:
 - a) repair damaged property using equipment, materials and service firms required or recommended by a Recognized Environmental Standards Program, if repair is the least expensive option;
 - b) replace damaged property using equipment, materials and service firms required or recommended by a Recognized Environmental Standards Program, if replacement is the least expensive option;
 - c) dispose of damaged property or equipment, if practicable, through a recycling process; and
 - d) flush out reconstructed space with up to 100% outside air using new filtration media.
- 2) As used in this Green coverage, Recognized Environmental Standards Program means one of the following:
 - a) the United States Environmental Protection Agency ENERGY STAR® program;
 - b) the U.S. Green Building Council LEED® program;
 - c) the Green Building Initiative GREEN GLOBES® program; or
 - d) any nationally or internationally Recognized Environmental Standards Program designed to achieve energy savings and related objectives of the type included in the programs listed above.
- 3) With respect to any building that is covered property and was, at the time of the **equipment breakdown**, certified by a Recognized Environmental Standards Program, **we** pay **your** Additional Cost:
 - a) to prevent a lapse of such certification;
 - b) to reinstate the certification or replace it with an equivalent certification;
 - c) for an engineer authorized by a Recognized Environmental Standards Program to oversee the repair or replacement of the damaged covered property; and

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- d) for a Professional Engineer to commission or recommission **your** damaged mechanical, electrical, or electronic building systems.
- 4) As used in this Green coverage, Additional Costs mean those beyond what would have been payable under this Equipment Breakdown Coverage in the absence of this Green coverage.
- 5) This coverage is subject to the following provisions:
 - a) This coverage applies in addition to any coverage that may apply under the Environmental, Safety and Efficiency Improvements condition of this endorsement, or any other applicable coverage.
 - b) This coverage only applies to covered property that must be repaired or replaced as a direct result of an **equipment breakdown**.
 - c) This coverage does not apply to any covered property to which **actual cash value** applies.

The most **we** pay for loss, damage or expense under this coverage is \$25,000.

- g. **Hazardous Substances – We pay your** Additional Cost to repair or replace covered property because of contamination by a **hazardous substance**. This includes the additional expenses to clean up or dispose of such property.

This coverage does not apply to testing, clean up or disposal of land, water or any other property that is not covered property.

This does not include contamination of **perishable goods** by refrigerant, including, but not limited to, ammonia, which is addressed in Refrigerant Contamination I.1) below.

As used in this Hazardous Substances coverage, Additional Costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no **hazardous substance** been involved.

The most **we** pay for loss, damage or expense under this coverage is \$25,000 unless otherwise shown in a **schedule**.

- h. **Off Premises Equipment Breakdown – We pay** for physical damage to portable **covered equipment** that, at the time of the **equipment breakdown**, is within the coverage territory, but is not at the **insured premises**.
 - 1) **We** also pay for **your** reasonable and necessary cost to research, replace and restore lost **data** contained within portable **covered equipment** or **farm-related dwelling equipment**, as described above. This amount may not exceed the **limit** applicable to Data Restoration Coverage.
 - 2) With respect to this Off Premises Equipment Breakdown coverage only, the **equipment breakdown** may occur anywhere in the world except within any country on which the United States has imposed sanctions, embargos or similar restrictions on the provisions of insurance.

The most **we** pay under this coverage is the applicable **limit** in **your** policy that applies to covered property while away from the **insured premises**. **Our** payment under this coverage includes Data Restoration.

- i. **Resultant Damage to Animals --** Any insurance provided under the policy to which this Equipment Breakdown Coverage endorsement is attached for **animals** is extended to the coverage provided by this endorsement.

The most **we** pay under this coverage is the lesser of:

- 1) the combined applicable **limits** shown in the **declarations** for **animals**; or
 - 2) \$25,000.
- j. **Resultant Loss from a Cyber Event – We** pay for direct physical damage to **covered equipment** due to an **accident** or **electronic circuitry impairment** caused by or resulting from a **cyber event** when such **cyber event** occurs at the **insured premises**.
- k. **Utility Service Interruption – Any** insurance provided for Data Restoration or Spoilage and Consequential Damage is extended to apply to **your** loss, damage or expense caused by a failure or interruption of service.
- 1) The failure or interruption of service must result from an **equipment breakdown** to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides **you** with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, **cloud or outsourced computing services**, wide area networks or data transmission. The equipment must meet the definition of **covered equipment** except that it is not covered property.
 - 2) **Cloud or outsourced computing services** must be provided by a professional provider with whom **you** have a contract. With respect to this Utility Service Interruption coverage only, the **equipment breakdown** to the equipment of a provider of **cloud or outsourced computing services** may occur anywhere in the world, except within any country on which the United States has imposed sanctions, embargoes or similar restrictions on the provisions of insurance.
 - 3) With respect to the Data Restoration portion of this Service Interruption coverage, coverage also applies to **data** stored in the equipment of a provider of **cloud or outsourced computing services**.
 - 4) Unless otherwise shown in a **schedule**, coverage for Data Restoration loss resulting from the failure or interruption of service will not apply, unless the failure or interruption of service exceeds 24 hours immediately following the **equipment breakdown**. If the interruption exceeds 24 hours, coverage will begin at the time of the interruption, and the applicable deductible will apply.
 - 5) The most **we** pay in any **one equipment breakdown** for loss, damage or expense under this Service Interruption coverage is the applicable **limit** for Data Restoration or Spoilage and Consequential Damage.
- l. **Spoilage and Consequential Damage – We** pay for physical damage to **perishable stock** due to **spoilage and consequential damage**.
- 1) Refrigerant Contamination
We also pay for physical damage to **perishable stock** due to contamination from the release of refrigerant, including, but not limited to, ammonia. If a separate **limit** is indicated for Refrigerant Contamination, this amount is part of, and not in addition to, **your** Spoilage and Consequential Damage **limit**.
 - 2) If **you** are unable to replace the **perishable stock** before its anticipated sale, the amount of **our** payment will be determined on the basis of the sales price of the **perishable stock** at the time of the **equipment breakdown**, less discounts and expenses **you** otherwise would have had. Otherwise, **our** payment will be determined in accordance with the Loss Settlement Provisions.
 - 3) **We** also pay any necessary expenses **you** incur to reduce the amount of loss under this Spoilage and Consequential Damage coverage. However, **we** do not pay more than the amount that would otherwise have been payable under this Spoilage and Consequential Damage coverage.

- 4) **We** extend this coverage to **spoilage and consequential damage** of **farm personal property** in a refrigerated unit located in **your** farm dwelling. Damage to the refrigerated unit is not covered under this Equipment Breakdown Coverage.

The most **we** pay under this coverage is \$25,000 unless otherwise shown in a **schedule**.

2. Incidental Property Coverages That Apply to Farm Property and Farm-Related Dwelling Equipment --

The Incidental Coverages specified below apply to **farm-related dwelling equipment** and also to property covered under SECTION 3 – Scheduled Farm Personal Property, SECTION 5 – Outbuildings, or SECTION 6 – Blanket Farm Personal Property as shown in the **declarations**. These coverages only apply to the direct result of an **equipment breakdown**. Each coverage applies unless otherwise shown in a **schedule**. These coverages do not provide additional insurance.

- a. **Computers in the Dwelling** – Unless coverage is provided elsewhere within **your** policy, **we** pay for loss, damage or expense caused by or resulting from an **equipment breakdown** to **your computer equipment** located in **your** dwelling and used for farming purposes.

The most **we** pay for loss, damage or expense under this coverage is \$25,000 unless otherwise shown in a **schedule**.

- b. **Data Restoration** – **We** pay for **your** reasonable and necessary cost to research, replace and restore lost **data**.

We extend this coverage to loss of any farm **data** stored on **your computer equipment** located in **your** dwelling.

The most **we** pay for loss, damage or expense under this coverage is \$25,000 unless otherwise shown in a **schedule**.

- c. **Renewable Energy** – If there is an **equipment breakdown** to **your electrical generating equipment**, **we** pay the following, if applicable:

- 1) **your** extra expense to purchase replacement energy; or
- 2) **your** loss of utility credits or governmental renewable energy incentives.

Coverage described in 1) above is limited to expenses that exceed the normal expenses **you** would have incurred if no **equipment breakdown** had occurred.

The most **we** pay under this coverage for extra expense, loss of utility credits and loss of government renewable energy incentives is \$25,000.

GENERAL EXCLUSIONS

All Perils Excluded/Exclusions in the policy apply except as modified below and to the extent that coverage is specifically provided by this endorsement.

If any cyber incident exclusion is made a part of this policy, such exclusion will not apply to the coverage provided in Incidental Property Coverages, 1.j. Resultant Loss from a Cyber Event.

Exclusions listed in this endorsement apply regardless of cause.

With respect to the coverage provided by this endorsement, Losses Excluded – Sections 1 - 6 in the Agri-Pak Policy Provisions AP-93 (1-93) is amended as follows.

1. Wear and Tear is deleted and replaced by the following:
Wear and Tear -- wear and tear, including but not limited to loss caused by marring or scratching, deterioration, inherent vice, latent defect, mechanical breakdown, rust, wet or dry rot, corrosion, mold, contamination or smog. But if an **equipment breakdown** results, **we** pay for the resulting loss, damage, or expense.
2. The following exclusions are added:
 - a. **We** do not pay for loss, damage or expense caused directly or indirectly by any of the following, whether or not caused by or resulting from an **equipment breakdown**:
 - 1) fire, including smoke from a fire.
 - 2) explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere.
 - 3) any other explosion, except as specifically covered under this endorsement.
 - 4) any earth movement, including, but not limited to, earthquake, earth sinking, landslide, sinkhole collapse, subsidence, tsunami or volcanic action.
 - 5) flood, mudslide or mudflow; overflow of any body of water; storm surge; tidal waves; tides; surface water; water that discharges, overflows or backs up from a drain, sump or sewer; waves; or spray associated with any of the foregoing; all whether or not caused by or involving wind.

However, if electrical **covered equipment** requires drying out because of the above, **we** pay for the amount **you** actually expend to dry out such equipment, subject to the applicable **limit** and deductible for such equipment shown in the **declarations**. **We** do not pay more than the **actual cash value** of the affected electrical **covered equipment**. **We** do not pay to replace such equipment or for any other loss, damage or expense.

- 6) vandalism, meaning a malicious act that causes damage or destruction. However, this exclusion does not apply to a **cyber event** to the extent coverage is provided in 1.j. (Resultant Loss from a Cyber Event coverage).
 - 7) any **cyber event**, except as specifically provided in Incidental Property Coverages, 1.j. Resultant Loss from a Cyber Event.
 - 8) **your** failure to use all reasonable means to protect covered property from damage following an **equipment breakdown**.
 - 9) freeze caused by cold weather, except as specifically provided under Spoilage and Consequential Damage coverage.
 - 10) discharge of molten material from equipment, including the heat from such discharged material.
- b. **We** do not pay for loss, damage or expense caused directly or indirectly by any condition or event listed in 1) through 5), without regard to whether such condition or event is normal and expected or unusual and unexpected. However, if a condition or event that is listed in 1) through 5) below results in an **equipment breakdown** and no other exclusion applies, **we** will only pay for the loss, damage or expense that is solely attributable to the **equipment breakdown**:
 - 1) any defect, error or shortcoming in design or installation;
 - 2) any undercapacity, underperformance, failure to perform as expected or failure to perform as designed;
 - 3) any defect, programming error, programming limitation, loss of **data**, loss of access, loss of use, loss of functionality or other condition within or involving **data** or **media** of any kind;
 - 4) contamination by a **hazardous substance**;
 - 5) any condition, including, but not limited to, misalignment, miscalibration or tripping off-line, which can be corrected by:

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- a) resetting, tightening, adjusting or cleaning;
 - b) normal maintenance, including, but not limited, to replacing expendable parts, recharging batteries or cleaning;
 - c) rebooting, reloading or updating software or firmware; or
 - d) providing necessary power or supply.
- c. Coverage under this endorsement does not apply to an **equipment breakdown** caused by or resulting from:
- 1) lightning.
 - 2) windstorm or hail. However, this exclusion does not apply when:
 - a) **covered equipment** located within a building or structure suffers an **equipment breakdown** that results from wind-blown rain, snow, sand or dust; and
 - b) the building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.
 - 3) collision or any physical contact caused by or involving a **vehicle**.
 - 4) smoke; riot or civil commotion; sprinkler leakage or elevator collision.
 - 5) weight of snow, ice or sleet.
 - 6) collapse.
 - 7) falling objects. However, this exclusion does not apply to:
 - a) property located outside the walls of a structure or building; or
 - b) loss or damage to property located within a structure or building, unless a falling object first damages the roof or exterior wall of the structure or building.
 - 8) a hydrostatic, pneumatic, or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment.
 - 9) any means, whether or not successful, intended to extinguish a fire. This includes, but is not limited to, the spraying of water.
 - 10) electrocution of any **animal**.
 - 11) foreign objects taken into any **farm implement**.
- d. With respect to Utility Service Interruption coverage, **we** do not pay for:
- 1) loss caused by **your** failure to use due diligence and dispatch and all reasonable means to resume farming operations;
 - 2) except as specifically provided for **animal** contract growers, any increase in loss resulting from an agreement between **you** and **your** customer or supplier; or
 - 3) any contractual penalty resulting from an agreement between **you** and **your** customer or supplier.
- e. Loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an **equipment breakdown**:
- Any mold, fungus, mildew or yeast, including any spores or toxins produced by or emanating from such mold, fungus, mildew or yeast. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such mold, fungus, mildew or yeast, spores or toxins. However, this exclusion does not apply to spoilage of personal property that is **perishable stock**, to the extent that spoilage is covered under Spoilage and Consequential Damage coverage.
- f. With respect to Data Restoration coverage, **we** do not pay to reproduce:
- 1) software programs or operating systems that are not commercially available; or

- 2) **data** that is obsolete, unnecessary, or useless to **you**.
- g. Except as specifically provided under Incidental Property Coverages, 1.i. Resultant Damage to Animals, 2.b. or Data Restoration, **we** do not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an **equipment breakdown**:
 - 1) physical loss or damage to **animals**;
 - 2) loss, interruption or compromise of any research, test or study involving **animals**; or
 - 3) any loss of contract income.
- h. Exclusions 2.c.1) through 2.c.7) above do not apply if:
 - 1) the excluded peril occurs off the **insured premises** and causes an electrical surge or other electrical disturbance;
 - 2) such surge or disturbance is transmitted through utility service transmission lines to the **insured premises** and results in an **equipment breakdown**; and
 - 3) the loss, damage or expense caused by such surge or disturbance is not covered elsewhere under **your** policy.

HOW MUCH WE PAY FOR LOSS OR CLAIM

1. The most **we** pay for loss, damage or expense under this Equipment Breakdown Coverage arising from any **one equipment breakdown** is the applicable **limit** in the **declarations**, unless otherwise shown in a **schedule**. Coverage provided under this Equipment Breakdown Coverage does not provide an additional amount of insurance.

Loss arising from any **one equipment breakdown** may continue to be present or recur in a later policy period. In such a case, the most **we** pay for all loss, damage or expense arising out of any **one equipment breakdown** is the coverage **limit** at the time of the **equipment breakdown**.

If two or more coverage **limits** under this Equipment Breakdown Coverage apply to the same loss or portion of a loss, **we** pay only the smallest of the applicable **limits** for that loss or portion of that loss.

2. With respect to the coverage provided by this endorsement, the deductible in the **declarations** applies, unless a separate Equipment Breakdown deductible is shown in a **schedule**.

OTHER EQUIPMENT BREAKDOWN CONDITIONS

The following conditions are added with respect to the coverage provided by this endorsement.

1. **Legal Action Against Us** – No one may bring a legal action against **us** under this insurance unless:
 - a. There has been full compliance with all of the terms of this insurance; and
 - b. The action is brought within two years after the date the loss is first discovered by **you**.
2. **Other Insurance** -- If there is other insurance that applies to the same loss, damage, or expense, this Equipment Breakdown Coverage will apply only as excess insurance after all other applicable insurance has been exhausted.
3. **Suspension** -- Whenever **covered equipment** is discovered to be in, or exposed to, a dangerous condition, any of **our** representatives may immediately suspend the insurance against loss from an **equipment breakdown** to that **covered equipment**. **We** can do this by mailing or delivering a written

notice of suspension to **your** last known address as shown on the **declarations**, or to the address where the **covered equipment** is located.

Once so suspended, **your** insurance can be reinstated only by an endorsement for that **covered equipment**. If **we** suspend **your** insurance, **you** will get a pro rata refund of premium for that **covered equipment** for the period of suspension. But the suspension is effective even if **we** have not yet offered or made a refund.

4. With respect to Extra Expense and Utility Service Interruption coverage for non-owned **animals**, the following conditions apply:
 - a. **You** must maintain an alarm system consisting of a permanent connection to an automatic digital alarm phone system or a permanent connection to an automatic pager system. The system must be functioning 24 hours per day and be capable of alerting **you** or **your** farm manager in the event of a power interruption or **equipment breakdown**.
 - b. Each **insured premises** must have one or more fully functioning auxiliary generator(s) with sufficient capacity to properly operate the ventilating system(s) of all environmentally controlled confinement buildings at that **insured premises**.
 - c. The functionality and effectiveness of the alarm system and the auxiliary generator(s) must be tested each month.
5. With respect to this Equipment Breakdown Coverage only, the Loss Settlement Provisions in the Agri-Pak Policy Provisions AP-93 (1-93) are deleted and replaced with the following:

Loss Settlement Provisions – We will determine the value of covered property as follows:

- a. Except as specified otherwise, **our** payment for damaged covered property will be the smallest of:
 - 1) the cost to repair the damaged property;
 - 2) the cost to replace the damaged property on the same site;
 - 3) the amount **you** actually spend that is necessary to repair or replace the damaged property;
 - or
 - 4) the applicable **limit** of insurance.
- b. The amount of **our** payment will be based on the most cost-effective means to replace the function, capacity and remaining useful life of the damaged property. This may include the use of generic, used or reconditioned parts, equipment or property. This will not include costs to research or correct defects, errors or shortcomings in the design or installation of the covered property.
- c. Except as described in d. below, **you** must pay the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
- d. **Environmental, Safety, and Efficiency Improvements --** If **covered equipment** requires replacement due to an **equipment breakdown**, **we** pay **your** additional cost to replace with equipment that is better for the environment, safer for people, or more energy or water efficient than the equipment being replaced.

However, **we** do not pay to increase the size or capacity of the equipment and **we** do not pay more than 150% of what the cost would have been to replace with like kind and quality.

This provision does not apply to any property to which **actual cash value** applies and does not increase any of the applicable **limits**.

- e. **Consequential Loss to Undamaged Stock** – **Our** payment for damaged covered property will include compensation for undamaged stock that loses market value or requires additional expense because of the damage to the covered property.
- f. The following property will be valued on an **actual cash value** basis:
 - 1) any property that does not currently serve a useful or necessary function for **you**;
 - 2) any covered property that **you** do not repair or replace within 24 months after the date of the **equipment breakdown**;
 - 3) any **farm implement**; and
 - 4) any covered property for which **actual cash value** coverage is specified in a **schedule**.
- g. If loss or damage to **covered equipment** is also covered by a **service agreement**, any amount payable for such loss or damage under this endorsement will be excess over any amount payable under such **service agreement**.
- h. If any one of the following conditions is met, property held for sale by **you** will be valued at the sales price as if no loss or damage had occurred, less any discounts and expenses that otherwise would have applied:
 - 1) the property was manufactured by **you**;
 - 2) the sales price of the property is less than the replacement cost of the property; or
 - 3) **you** are unable to replace the property before its anticipated sale.
- i. Except as specifically provided for under Data Restoration coverage, **data** and **media** will be valued on the following basis:
 - 1) for mass-produced and commercially available software, at the replacement cost;
 - 2) for all other **data** and **media**, at the cost of blank media for reproducing the records. **We** do not pay for **data** representing financial records based on the face value of such records.

All other provisions of this policy apply.