EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT
(For Use With Farmowners Policies)

Refer to Supplemental Declarations if information is not shown on this form.
We provide coverage under this endorsement subject to the ***terms*** contained in the General Policy Provisions.

Policy No. _____
Named ***Insured***: _____

HOW MUCH *WE* PAY
Equipment breakdown coverage is subject to the policy limit and deductible stated in the Declarations, except as specifically described in this endorsement.

COVERED CAUSES OF LOSS
We pay for direct physical loss to covered property caused by ***equipment breakdown*** as provided by this endorsement.

CONDITIONS APPLICABLE TO *EQUIPMENT BREAKDOWN*
1. ***Equipment breakdown*** is added to the covered causes of loss shown in ***your*** policy.
2. For the coverage provided by this endorsement, the specific ***terms*** and conditions of this endorsement shall take precedence over any other conflicting ***terms*** and conditions stated in any other part of ***your*** policy.
3. The additional ***terms*** and conditions applicable to the Extensions of Coverage shown below shall be in addition to all other ***terms*** and conditions of ***your*** policy.
4. Any specific amounts of insurance shown in this endorsement shall take precedence over any other amounts of insurance or limits of liability shown elsewhere in ***your*** policy.
5. ***Equipment breakdown*** coverage does not extend beyond the ***insured premises***, except as provided in the Extensions of Coverage for Consequential Loss and Off Premises Coverage for Coverage C.
6. Whenever covered property is found to be in, or exposed to, a dangerous condition, any of ***our*** representatives may immediately suspend the insurance against loss or damage to that covered property for the causes of loss covered by this endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension / coverage reinstatement to ***your*** last known address or the address where the covered property is located.
   Once suspended, ***your*** insurance can be reinstated only by an endorsement to this policy for that equipment.
   If ***we*** suspend ***your*** insurance, ***you*** will get a pro rata refund of premium. But, the suspension will be effective even if ***we*** have not yet made or offered a refund.
7. Jurisdictional Inspections – If any covered property under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, ***we*** agree to perform such inspection on ***your*** behalf. ***We*** do not warrant that conditions are safe or healthful.

WHAT *WE* PAY FOR
Equipment breakdown means:
1. Direct physical loss or damage originating within:
   a. Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding: waste disposal piping; any piping forming part of a fire protective system; furnaces; and any water piping other than: boiler feed water piping between the feed pump and the boiler; boiler condensate return piping; or water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes; or

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b. Any mechanical, electrical, electronic or fiber optic equipment; and caused by, resulting from, or consisting of: mechanical breakdown, electrical breakdown, electronic breakdown, rupture, bursting, bulging, implosion, or steam explosion; and

2. Caused by, resulting from, or consisting of: mechanical breakdown, electrical breakdown, electronic breakdown, rupture, bursting, bulging, implosion, or steam explosion.

If covered electrical equipment requires drying out as a result of moisture, ***we*** only pay for the direct expenses incurred of such drying out.

WHAT *WE* DO NOT PAY FOR

1. ***Equipment breakdown*** will not mean direct physical loss or damage caused by or resulting from any of the following; however, if loss or damage not otherwise excluded results, then ***we*** will pay for such resulting damage:
   a. Wear and tear; rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other quality in property that causes it to damage or destroy itself; smog; settling, cracking, shrinking or expansion; nesting or infestation, or discharge or release of waste products or secretions, by birds, rodents or other animals; any accident, loss, damage, cost, claim or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs, or software; scratching and marring; or
   b. Loss, damage, cost or expense directly caused by, contributed to, resulting from or arising out of the following causes of loss: fire; lightning; combustion explosion; windstorm; hail; weight of ice, snow or sleet; freezing; falling objects; smoke; aircraft or vehicles; riot or civil commotion; vandalism; sinkhole collapse; volcanic action; leakage from fire extinguishing equipment; water; water damage; earth movement; and flood.
2. ***Equipment breakdown*** coverage excludes scheduled and unscheduled mobile farm machinery and equipment designed for use on or off public roads including but not limited to tractors, combines, loaders, bulldozers, and all-terrain vehicles, including implements and attachments for use with these including but not limited to plows, cutting heads, discs, sprayers, manure agitators or spreaders and bag filling apparatus. This exclusion does not apply to global positioning equipment or monitoring devices mounted on or attached to this equipment, whether they are or aren't factory installed.

EXTENSIONS OF COVERAGE

1. **CFC Refrigerants**

   We will pay for the additional and necessary cost to repair or replace covered property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances resulting from an ***equipment breakdown***.

   Additional and necessary costs mean those in excess of what would have been required to repair or replace covered property, had no CFC refrigerant been involved. ***We*** also pay for additional loss as described under Consequential Loss or Loss of Income Extensions of Coverage provided by this endorsement, caused by the presence of a refrigerant containing CFC substances.

   We pay no more than the least of the following:

   a. The cost to repair the damaged property and replace any lost CFC refrigerant;
   b. The cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant, and charge the system with a non-CFC refrigerant; or
   c. The cost to replace the system with one using a non-CFC refrigerant.

2. **Hazardous Substances Remediation**

   The following applies despite any Ordinance or Law Exclusion found elsewhere in this policy. This coverage does not apply to damage or contamination caused by any refrigerant, including ammonia.

   We pay up to $25,000 for combined Coverages A, B and C or $100,000 for combined Coverages E, F and G for reasonable expenses ***you*** incur for clean up and disposal of pollutants generated by a covered ***equipment breakdown*** and for repair or replacement of covered property which is damaged, contaminated, or polluted by a released substance declared by an authorized governmental agency to be hazardous to health. This Extension of Coverage does not increase the amount of insurance shown on the Declarations page for Coverages A, B and C or Coverages E, F and G.

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This Extension of Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of pollutants. But ***we*** will pay for testing which is performed in the course of extracting the pollutants from land or water.

3. **Consequential Loss**
   We pay up to $25,000 for Coverage C or $100,000 for combined Coverages E and G for loss of ***perishable goods*** due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by an ***equipment breakdown*** to covered personal property and farm personal property. The damaged property must be on or within 1,000 feet of the ***insured premises*** and it must be property owned by ***you*** or property of others for which ***you*** are legally liable. This Extension of Coverage does not increase the amount of insurance shown on the Declarations page for Coverage C or Coverages E and G.
   Perishable goods means property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change.
4. **Expediting Expenses**
   We pay for the expediting expenses incurred as a result of an ***equipment breakdown*** with respect to ***your*** damaged covered property. ***We*** will pay the reasonable extra cost to make temporary repairs, expedite permanent repairs and expedite permanent replacement.
   Reasonable extra cost shall mean the extra cost of temporary repair and of expediting the repair of such damaged covered property of the ***insured***, including overtime and the extra cost of express or other rapid means of transportation.
5. **Refrigerant Contamination**
   We pay for loss to covered personal property and farm personal property contaminated by escaping refrigerant caused by an ***equipment breakdown*** to refrigerating, cooling or humidity control equipment at the ***insured premises***. The most ***we*** pay for Coverage C is $25,000 or for combined Coverages E and G is $100,000 for loss or damage covered under this coverage. This Extension of Coverage does not increase the amount of insurance shown on the Declarations page for Coverage C or Coverages E and G.
6. **Power Interruption**
   We pay for ***your*** loss of income from the interruption of power or other utility services to covered property on or within 1,000 feet of the ***insured premises*** as the direct result of an ***equipment breakdown*** to equipment that is owned by a utility, landlord or other supplier, with whom ***you*** have a contract to supply ***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, wide area networks or data transmission. The equipment must meet the definition of ***equipment breakdown*** except that it is not covered property.
7. **Loss of Income**
   We pay for ***your*** loss of income up to $100,000, or any larger amount endorsed on the policy, resulting directly from the necessary interruption of ***your farming*** activities caused by an ***equipment breakdown***, for up to a 30 day period. The loss of income which shall be the income ***your farming*** could be reasonably expected to have earned during the period of interruption had no loss occurred less the income ***your farming*** actually earned during that period. In no event will ***we*** pay more than the reduction in income less charges and expenses which do not necessarily continue during the period. Coverage also applies to expenses ***you*** incur to reduce loss of income, not otherwise covered by any other agreement in this policy, but only to the extent that they actually reduce ***your*** loss of income.
   The deductible does not apply to this Extension of Coverage.
   Under this Extension of Coverage, income is defined as the sum of:
   a. Net profit;
   b. Payroll expenses;
   c. Taxes;
   d. Interest; and
   e. Rents and all other necessary operating expenses incurred from ***your farming*** activities.
   You shall make every reasonable effort to resume complete or partial operation as soon as possible and, where practicable, use substitute facilities and property.
   We do not pay for any Loss of Income:
   a. Resulting from suspension, lapse or cancellation of any lease, license, contract or order;
   b. Caused directly or indirectly by enforcement of any local or state ordinance or law regulating the construction, repair or demolition of buildings or structures; or

c. Caused directly or indirectly by interference by strikers or other persons with rebuilding, repairing or replacing property or with the resumption or continuation of operations.

8. ***Green*** **Environmental, Safety and Efficiency Improvements**

   If covered property requires repair or replacement due to an ***equipment breakdown***, ***we*** will pay:

   a. The additional cost to repair or replace that property with property that is better for the environment, safer, or more efficient than the property being repaired or replaced;
   b. The additional reasonable and necessary fees incurred by ***you*** for an accredited professional certified by a ***green authority*** to participate in the repair or replacement of physically damaged covered property as ***green***;
   c. The additional reasonable and necessary cost incurred by ***you*** for certification or recertification of the repaired or replaced covered property as ***green***;
   d. The additional reasonable and necessary cost incurred by ***you*** for ***green*** in the removal, disposal or recycling of damaged covered property; and
   e. The Coverage D loss during the additional time required for repair or replacement of covered property, consistent with ***green***, in the coverages above.

   However, ***we*** will not pay more than 150% of what the cost would have been to repair or replace such property with like kind and quality inclusive of fees, costs, and any Coverage D loss incurred as stated above. This Extension of Coverage does not increase any of the applicable limits. This Extension of Coverage does not apply to any property to which Actual Cash Value applies.

   Green means products, materials, methods and processes certified by a ***green authority*** that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.

   Green authority means an authority on ***green*** buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), ***Green*** Building Initiative ***Green*** Globes®, Energy Star Rating System or any other recognized ***green*** rating system.

9. ***Farm Animals***

   We will pay for loss to ***farm animals*** resulting from an ***equipment breakdown***. The most ***we*** will pay for ***farm animals*** is $25,000 direct loss or consequential loss including suffocation. Regardless of the number of claims, this limit is the most ***we*** will pay for the total of all loss or damage arising out of all occurrences of an ***equipment breakdown*** which take place in a 12-month period (starting with the beginning of the present and annual policy period).

10. ***Poultry***

    We will pay for loss to ***poultry*** resulting from an ***equipment breakdown***. The most ***we*** will pay for ***poultry*** is $25,000 for direct loss or consequential loss including suffocation. Regardless of the number of claims, this limit is the most ***we*** will pay for the total of all loss or damage arising out of all occurrences of an ***equipment breakdown*** which take place in a 12-month period (starting with the beginning of the present and annual policy period).

11. **Off Premises Coverage for Coverage C**

    We will pay up to $10,000 for loss or damage to covered personal property as a result of an ***equipment breakdown*** while temporarily at a premises or location that is not an ***insured premises***. This coverage does not apply to any motorized vehicles. This Extension of Coverage does not increase the amount of insurance provided by this endorsement.

All other ***terms*** and conditions remain unchanged.

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