

# Agricultural Property - Equipment Breakdown Endorsement – Form AP085

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As respects this **Equipment Breakdown Enhancement Endorsement**, this endorsement changes coverage provided by the following:

## **AGRICULTURAL PROPERTY NAMED PERILS FORM**

## **AGRICULTURAL PROPERTY FIRE & LIGHTNING FORM**

## **AGRICULTURAL PROPERTY BROAD FORM**

Read the entire endorsement carefully to determine rights, duties and what is and is not covered.

Under the **Agricultural Property Named Perils Form** and **Agricultural Property Fire & Lightning Form** the following changes apply:

### **5 INSURED PERILS**

The following **Insured Peril** is removed:

- b Explosion: Except with respect to explosion of natural, coal, or manufactured gas, there shall in no event be any liability hereunder for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the Insured:
  - (i)
    - 1. the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
    - 2. piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source while under such pressure
    - 3. the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion therefrom;
    - 4. smelt dissolving tanks:
  - (ii) other vessels and apparatus and pipes connected therewith while under pressure or while in use or in operation provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure, but this Exclusion does not apply to loss or damage resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;
  - (iii) moving or rotating machinery or parts thereof;
  - (iv) any vessels and apparatus and pipes connected therewith while undergoing pressure tests but this Exclusion does not apply to other “Property” insured hereunder that has been damaged by such explosion;
  - (v) gas turbines.

The following **Insured Peril** is added:

- a “Equipment Breakdown”

Under the **Agricultural Property Broad Form** the following change applies:

### **5 INSURED PERILS**

The paragraph under **Insured Peril** is modified:

This Form, except as herein provided, insures against all risks of direct physical loss of or damage to the “Property” insured including the peril of “Equipment Breakdown”.

Under the **Agricultural Property Named Perils Form** the following changes apply:

## 6 EXCLUSIONS

### A. PROPERTY EXCLUDED

The following **Property Excluded** is removed:

- g electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion as described in this policy ensues and then only for each ensuing loss or damage, provided such perils are not excluded in Clause 6B of this Form;
- q
  - (i) any pressure vessel having internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
  - (ii) any boiler, including the piping and equipment connected thereto, which contains steam or water under steam pressure [ except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use];
  - (iii) caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such "Property" while connected and ready for use, but this Exclusion does not apply to:
    - 1. manually portable gas cylinders;
    - 2. explosion of natural, coal or manufactured gas;
    - 3. explosion of gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere.
- s "equipment" or "stock" while actually being worked upon and directly resulting from such work or caused by any repairing, adjusting or servicing of "equipment" or "stock". This exclusion does not apply to loss or damage caused directly by resultant fire or explosion as described in this policy.

### B. PERILS EXCLUDED

The following Perils Excluded is removed:

- d by centrifugal force, mechanical or electrical breakdown or derangement in or on the "Premises" unless fire ensues and then only for the loss or damage caused directly by such ensuing fire;

Under the **Agricultural Property Broad Form** the following changes apply.

## 6 EXCLUSIONS

### A. PROPERTY EXCLUDED

The following Property Excluded is removed:

- g electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion as described in Clause 17o "Named Perils" ensues and then only for each ensuing loss or damage, provided such perils are not excluded in Clause 6B of this Form;
- q
  - (i) any pressure vessel having internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
  - (ii) any boiler, including the piping and equipment connected thereto, which contains steam or water under steam pressure [ except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use];
  - (iii) caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such "Property" while connected and ready for use, but this Exclusion does not apply to:
    - 1. manually portable gas cylinders;
    - 2. explosion of natural, coal or manufactured gas;
    - 3. explosion if gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere.

- s “equipment” or “stock” while actually being worked upon and directly resulting from such work or caused by any repairing, adjusting or servicing of “equipment” or “stock”. This exclusion does not apply to loss or damage caused directly by resultant fire or explosion as described in this policy.

## **B. PERILS EXCLUDED**

The following Perils Excluded is removed:

- d by centrifugal force, mechanical or electrical breakdown or derangement in or on the “Premises” unless fire ensues and then only for the loss or damage caused directly by such ensuing fire;
- i (ii) explosion (except with respect to explosion of natural, coal, or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following “Property” owned, operated or controlled by the Insured, unless fire ensues and then only for the loss or damage caused directly by such ensuing fire:
  1. the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
  2. piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
  3. other vessels and apparatus and pipes connected therewith while under pressure or while in use or in operation provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure, but this Exclusion does not apply to loss or damage resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;
  4. moving or rotating machinery or parts thereof;
  5. any vessels and apparatus and pipes connected therewith while undergoing pressure tests but this Exclusion does not apply to other “Property” insured hereunder that has been damaged by such explosion;
  6. gas turbines.

Under the **Agricultural Property Fire & Lightning Form** the following changes apply.

## **6 EXCLUSIONS**

### **A. PROPERTY EXCLUDED**

The following **Property Excluded** is removed:

- f electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion as described in this policy ensues and then only for each ensuing loss or damage, provided such perils are not excluded in Clause 6B of this Form;
- p
  - (i) any pressure vessel having internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
  - (ii) any boiler, including the piping and equipment connected thereto, which contains steam or water under steam pressure [ except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use];
  - (iii) caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such “Property” while connected and ready for use, but this Exclusion does not apply to:
    1. manually portable gas cylinders;
    2. explosion of natural, coal or manufactured gas;
    3. explosion if gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere.
- r “equipment” or “stock” while actually being worked upon and directly resulting from such work or caused by any repairing, adjusting or servicing of “equipment” or “stock”. This exclusion does not apply to loss or damage caused directly by resultant fire or explosion as described in this policy.

### **B. PERILS EXCLUDED**

The following Perils Excluded is removed:

- d by centrifugal force, mechanical or electrical breakdown or derangement in or on the "Premises" unless fire ensues and then only for the loss or damage caused directly by such ensuing fire;

## 7 EXTENSIONS OF COVERAGE

The following **Extensions of Coverage** are added as a part of, and not in addition to, the limit per loss to all forms:

### a **Pollutant Clean Up and Removal**

We will pay for the Pollutant Clean Up and Removal for loss resulting from an "Equipment Breakdown". The most we will pay for the Pollutant Clean Up and Removal is \$250,000 unless another limit is provided by the Deductible and Limits Exceptions Schedule to which this endorsement can be attached. In that case, the limit provided by the Deductible and Limits Exceptions Schedule will apply.

This Additional 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 the land or water.

### b **Expediting Expenses**

We will pay for the expediting expense loss resulting from an "Equipment Breakdown" with respect to your damaged Covered Property. We will pay the "reasonable extra cost" to:

1. Make temporary repairs;
2. Expedite permanent repairs; and
3. Expedite permanent replacement

"Reasonable extra cost" shall mean the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation.

### c **Refrigerant Contamination**

We will pay the loss from contamination by refrigerant used in refrigerating, cooling or humidity control equipment at the described premises as a result of an "Equipment Breakdown".

The most we will pay for Refrigerant Contamination is \$250,000 unless another limit is provided by the Deductible and Limits Exceptions Schedule to which this endorsement can be attached. In that case, the limit provided by the Deductible and Limits Exceptions Schedule will apply.

### d **Spoilage**

We will pay for loss of "perishable goods" due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by an "Equipment Breakdown".

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice 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 or flood.

The most we will pay for Spoilage is \$250,000 unless another limit is provided by the Deductible and Limits Exceptions Schedule to which this endorsement can be attached. In that case, the limit provided by the Deductible and Limits Exceptions Schedule will apply.

### e **CFC Refrigerants**

We will pay for the additional cost to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances as a result of an "Equipment Breakdown".

Additional 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 the Spoilage or Loss of Income Coverages provided by this endorsement, caused by the presence of a refrigerant containing CFC substances.

We pay no more than the least of the following:

1. The cost to repair the damaged property and replace any lost CFC refrigerant;
2. 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
3. The cost to replace the system with one using a non-CFC refrigerant.

**f Computer Equipment**

We will pay for loss or damage to your “computer equipment” caused by an “Equipment Breakdown”.

**g Service Interruption**

Any insurance provided for Business Income, Extra Expense or Spoilage is extended to apply to your loss, damage or expense caused by 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.

**h Data Restoration**

We will pay for your reasonable and necessary cost to research, replace and restore the lost information on electronic media and records as a result of an “Equipment Breakdown”.

The most we will pay for Data Restoration is \$100,000.

**i Livestock**

For purposes of this Equipment Breakdown Enhancement Endorsement “we” will pay for the Livestock loss resulting from an “Equipment Breakdown”. The most “we” will pay for Livestock is \$100,000 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 annual policy period).

**j Poultry**

For purposes of this Equipment Breakdown Enhancement Endorsement “we” will pay for the Poultry loss resulting from an “Equipment Breakdown”. The most “we” will pay for Poultry is \$100,000 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 annual policy period).

**k Drying Out Coverage**

If the presence of water, as a result of an “Equipment Breakdown”, requires the drying out of electrical Covered Property, we will pay for the direct expenses of such drying out.

## **17 DEFINITIONS**

The following definitions are added to all forms:

a “Equipment Breakdown” as used herein means:

a. Physical loss or damage both originating within:

**(1)** 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:

- a. waste disposal piping;
- b. any piping forming part of a fire protective system;
- c. furnaces; and
- d. any water piping other than:

**(1)** boiler feed water piping between the feed pump and the boiler;

**(2)** boiler condensate return piping; or

**(3)** water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes.

- (4) All mechanical, electrical, or fiber optic equipment; and
- b. Caused by, resulting from, or consisting of:
  - (1) Mechanical breakdown;
  - (2) Electrical or electronic breakdown and; or
  - (3) Rupture, bursting, bulging, implosion, or steam explosion.

However, "Equipment Breakdown" will not mean:

- a. 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:
  - (1) Wear and Tear;
  - (2) 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;
  - (3) Smog;
  - (4) Settling, cracking, shrinking or expansion;
  - (5) Nesting or infestation, or discharge or release of waste products or secretions, by birds, rodents or other animals;
  - (6) 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;
  - (7) Scratching and marring.
- b. Loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss: Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice 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 or flood.
- b "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.
- c "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.
- d "Production machinery" means any machine which processes, forms, shapes, or transports raw materials, materials in process, waste materials or finished products.
- e "Computer equipment" means Covered Property that is electronic computer or other data processing equipment, including peripherals used in conjunction with such equipment and electronic media and records.
- f "Perishable goods" means stock preserved and maintained under controlled conditions and susceptible to loss or damage if the controlled conditions change.

## 18 EQUIPMENT BREAKDOWN CONDITIONS

The following Equipment Breakdown Conditions are added to all forms:

### a **Environmental, Safety and Efficiency Improvements**

If Covered Property requires replacement due to an "Equipment Breakdown", we will pay your additional cost to replace with equipment that is better for the environment, safer, or more energy efficient than the equipment being replaced.

However, we will not pay more than 150% of what the cost would have been to repair or replace with like kind and quality. This Condition does not apply to any property to which Actual Cash Value applies.

**b Green Environmental and Efficiency Improvements**

If Covered Property requires repair or replacement due to an "Equipment Breakdown", we will pay;

- a. The lesser of the reasonable and necessary additional cost incurred by the Insured to repair or replace physically damaged Covered Property with equipment of like kind and quality which qualifies as "Green". "Like kind and quality" includes similar size and capacity.
- b. The additional reasonable and necessary fees incurred by the Insured 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 the Insured for certification or recertification of the repaired or replaced Covered Property as "Green".
- d. The additional reasonable and necessary cost incurred by the Insured for "Green" in the removal, disposal or recycling of damaged Covered Property.
- e. The business interruption (if covered within the Policy to which this **Equipment Breakdown Enhancement Endorsement** is attached) loss during the additional time required for repair or replacement of Covered Property, consistent with "Green", in the coverages above.

We will not pay more than 150%, to a maximum limit of \$100,000, of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs, and any business interruption loss incurred as stated above.

**Green Environmental and Efficiency Improvements** does not cover any of the following:

- (i) Covered Property does not include stock, raw materials, finished goods, "production machinery", merchandise, electronic data processing equipment not used in the functional support of the real property, process water, molds and dies, property in the open, property of others for which the Insured is legally liable, or personal property of others.
- (ii) Any loss adjusted on any valuation basis other than a repair or replacement basis as per the Valuation section of this policy.
- (iii) Any loss covered under any other section of this policy.
- (iv) Any cost incurred due to any law or ordinance with which the Insured was legally obligated to comply prior to the time of the "Equipment Breakdown".

**c Mobile Agricultural Machinery and Equipment**

"Mobile agricultural machinery and equipment" is excluded. For the purposes of this "Equipment Breakdown" coverage "mobile agricultural machinery and equipment" shall be defined as any land motor vehicle 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.

However, global positioning or computerized equipment or monitoring devices mounted on or attached to this equipment whether factory installed or not is not excluded.

EXCEPT AS OTHERWISE PROVIDED IN THIS FORM, ALL TERMS, CONDITIONS AND PROVISIONS OF THE POLICY TO WHICH THIS FORM IS ATTACHED SHALL HAVE FULL FORCE AND EFFECT.