



LIVESTOCK PREMISES COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F - DEFINITIONS.

A. COVERAGE

1. We will pay for direct physical loss caused by DEATH OR CRIPPLING of the Covered Livestock while at premises you own, lease, operate or control and which are listed in the Declarations, Schedule(s) or Endorsement(s). Such Death or Crippling must:
 - a. be caused directly by or made necessary due to Covered Causes of Loss, and
 - b. occur during the Policy Period.

2. Covered Livestock

Covered Livestock, as used in this Coverage Form, means cattle, sheep, swine, goats, horses, mules and donkeys, your property or the property of others in your care, custody or control.

3. Livestock Not Covered

Covered Livestock does not include Livestock:

- a. While in transit;
- b. Born on your premises;
- c. Which are at your premises for more than forty eight (48) hours after arrival; or
- d. Which are in the course of illegal trade.

4. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS to Covered Livestock from any external cause except those causes of loss listed in the Exclusions.

5. Coverage Extensions

a. Theft

We will extend this policy to pay for loss of the Covered Livestock caused by theft. Theft means the stealing of the Covered Livestock from a listed premises at which there is physical evidence of forcible entry.

b. Recovery Expense

We will extend this insurance to pay the expense you incur to recover Covered Livestock which have escaped or strayed as a direct result of a Covered Cause of Loss.

c. Removal

If it is necessary to move Covered Livestock from the listed premises to preserve it from loss by a Covered Cause of Loss, we will pay for any direct physical loss to that Livestock:

- (1) While it is being moved or temporarily stored at another location, and
- (2) Only if the loss occurs within forty eight (48) hours after the Livestock is first moved.

LIVESTOCK PREMISES COVERAGE FORM

6. Coverage Limitation

We will not pay for loss to Covered Livestock which occurs while loading or unloading such Covered Livestock in or from any transporting vehicle. Loading and unloading begins when the Covered Livestock is on or in the loading chute and ends when the Covered Livestock has departed from the loading chute.

B. EXCLUSIONS

We will not pay for loss caused by or resulting from any of the following:

1. Seizure or destruction of Livestock by order of governmental authority.
But we will pay for acts of destruction to Covered Livestock ordered by governmental authority and taken at the time of a fire to prevent its spread.
2. a. Any weapon employing atomic fission or fusion; or
b. Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct physical loss to Covered Livestock caused by resulting fire.
3. a. War, including undeclared or civil war;
b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
4. Delay, loss of use, loss of market, or any other causes of consequential loss.
5. Unexplained disappearance.
6. Shortage found upon taking inventory.
7. Dishonest acts by:
 - a. You or any of your partners;
 - b. Your directors or trustees;
 - c. Your authorized representatives or employees; or
 - d. Anyone to whom you entrusted the Covered Livestock, including their employees, for any purpose:
whether acting alone or in collusion with others; and
whether or not occurring during the hours of employment.
8. Voluntary parting with any Livestock whether or not induced to do so by any fraudulent scheme, trick, device or false pretense.
9. Unauthorized instructions to transfer Livestock to any person or to any place.
10. Parturition or abortion.
11. Disease.
12. Theft, except as provided for in the Theft Coverage Extension.
13. a. Straying or escape;
b. Wrongful conversion; or
c. Acceptance of counterfeit money, fraudulent post office or express money orders, or checks or promissory notes not paid upon presentation.

C. LIMITS OF INSURANCE

1. The most we will pay for loss in any one occurrence is the **"current market value"** of the Covered Livestock. If we show a specific Limit of Insurance in the Schedule(s) or Endorsement(s) as applicable to the following, we will not pay more than that limit for:
 - a. Any One Animal; or
 - b. At Any One Premises; or
 - c. The listed Premises.
2. Payment under the following Coverage Extensions will not increase the applicable Limit of Insurance:
 - a. Theft; or
 - b. Removal.

3. Payment under the Recovery Expense Coverage Extension is in addition to the Limits of Insurance.

D. DEDUCTIBLE

We will adjust the loss in any one occurrence as a single loss. We will not pay for loss in any one occurrence until the amount of the adjusted loss before applying the applicable Limit of Insurance exceeds the Deductible amount shown in the Schedule(s) or Endorsement(s). We will then pay the amount of the adjusted loss in excess of the Deductible, up to the applicable Limit of Insurance.

E. ADDITIONAL CONDITIONS

The Livestock Policy Conditions apply as well as those listed below:

1. Valuation

The value of the Covered Livestock will be the "**current market value**" of the Livestock. Such value will be assessed as of the date of loss. In the event that the loss occurs on a holiday, weekend or other non-business day, the "current market value" shall be determined as of the first business day following the loss.

2. Disposal of Carcass

Unless we give our permission, you may not dispose of the carcass(es) of the Covered Livestock until we inspect or examine such carcass(es). But, this clause does not apply if such disposal is required by law or ordinance.

3. Premium Adjustment

a. Reports. Within 10 days after the end of each Reporting Period shown in the Schedule, you will report to us the amount of the Premium Base shown in the Schedule.

b. Premium Base.

When the Premium Base is **number of head**, you will report the number of animals covered under this policy during the Reporting Period. If Rates are listed for different types or categories of Livestock, you must report the number of head covered in each category.

When the Premium Base is "**gross receipts**" you will report the amount of "gross receipts" up to and including the date of the report. The premium will be computed using the rates shown per each \$100 of "gross receipts."

When the Premium Base is **gross purchases**, you will report the total amount you spent to purchase Covered Livestock during the Reporting Period.

c. Premium Computation. The premium will be computed using the Rate(s) and Premium Base as of each Reporting Period shown in the Schedule.

d. Premium Adjustment. You must pay us the computed premium as of each Reporting Period.

e. Records. You will keep exact records of your Premium Base from your business activities. You must retain these records for three years after this policy ends.

If the examination and audit of your books and records shows that the amounts of Premium Base you reported to us are less than the amounts you should have reported, you must pay us any additional premium due.

f. Minimum Premium. You must pay at least the minimum premium shown in the Schedule.

g. Retained Premium. If this policy is written on an Until Cancelled basis, meaning that no specific date is shown in the Declarations as to when the Policy Period ends, we will hold the Retained Premium shown in the Declarations or Schedule(s) until this policy is cancelled. We will apply the Retained Premium to the premium you owe us as of the date of cancellation. We will pay to you any part of the retained premium that exceeds the amount you owe us within 30 days of the date of cancellation.

4. Coverage Territory

We will only pay for loss which occurs while the Covered Livestock is located in:

- a. The United States of America; or
- b. Canada.

LIVESTOCK PREMISES COVERAGE FORM

F. DEFINITIONS

1. **"Gross receipts"** means the total amount, collected or not, due you from your business activities we insure by this Coverage Form.
2. **"Current market value"** means the average market value applicable to slaughter, "stocker" or feeder Livestock at the nearest terminal or auction market as published by the United States Department of Agriculture or Agriculture Canada.
3. **"Stocker"** means a non-registered animal used for breeding purposes.