

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## FARM EQUIPMENT COVERAGE ENDORSEMENT - ILLINOIS

*(ErieSecure Home, ErieSecure Condo, ErieSecure Tenant)*

### DEFINITIONS

*Words and phrases in bold type and quotations are used as defined in the DEFINITIONS section of the policy.*

### PROPERTY PROTECTION – SECTION I

*The following coverage is added to the policy:*

#### OUR PROMISE – Farm Equipment Coverage

For an additional premium, "we" will cover:

1. **"your"** scheduled farm machinery and equipment, including their accessories, tools and spare parts. The tools and spare parts must be designed for and used to operate and maintain the farm machinery and equipment including harness, saddlery, liveries, blankets and similar equipment. This property must be individually scheduled with an amount of insurance for each item shown on the **"Declarations."**
2. **"your"** unscheduled miscellaneous farm machinery and equipment including their tools, accessories and spare parts on a blanket basis but only if 'Blanket' and an amount of insurance is shown on the **"Declarations"** for this property.

Any property covered on a scheduled basis is not covered on a blanket basis.

"We" do not cover any loss:

1. to automobiles, motor trucks, motorcycles, recreational vehicles or other self-propelled vehicles that are designed or licensed for highway use.
2. to **"aircraft"** or watercraft.
3. to tires or tubes unless loss is by fire, windstorm or theft or is coincidental with other loss covered by this policy.

#### WHERE THIS COVERAGE APPLIES

Coverage is provided while the farm machinery is located within 200 miles of where the covered property is normally stored. However, the 200 mile limit does not apply when the farm machinery is being transported by land on **"your"** vehicles to or from the place where such property is bought,

sold, serviced or repaired.

#### PERILS WE INSURE AGAINST – Farm Equipment Coverage

"We" pay for direct physical loss to property insured under the Farm Equipment Coverage Endorsement, unless the loss is excluded elsewhere under this endorsement.

#### EXCLUSIONS – What We Do Not Cover – Farm Equipment Coverage

"We" do not cover loss resulting directly or indirectly from any of the following, even if other events or happenings contributed concurrently, or in sequence, to the loss, or which aggravates the loss, caused by:

1. wear and tear, corrosion or rust.
2. vermin, birds, rodents, skunks or insects.
3. delay, loss of market, loss of use, or **"business"** interruption.
4. a fault or weakness that is part of the property itself which causes it to break, become defective, or self-destruct.
5. war, whether declared or undeclared, discharge of a nuclear weapon (even if accidental), hostile or warlike action in time of peace or war, insurrection, rebellion, revolution, civil war, usurped power, including action taken by governmental authority in defending against such an **"occurrence."**
6. order of civil authority.
7. nuclear reaction or radiation, or radioactive contamination however caused, but if loss or damage by fire results, **"we"** will pay for that resulting loss or damage.
8. deterioration, depreciation or obsolescence.
9. arising out of any act committed by or at the direction of **"anyone we protect"** or any additional insured listed on the **"Declarations"** with the intent to cause a loss.

However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:

- a. such loss arose out of a pattern of criminal domestic violence; and
- b. the perpetrator of the loss is criminally prosecuted for the act causing the loss.

If **"we"** pay a claim under this exclusion, **"our"** payment to the insured is limited to that insured's insurable interest in the property less any payments **"we"** first made to a mortgagee or other party with a legal secured interest in the property. In no event will **"we"** pay more than the amount of insurance.

10. neglect of **"anyone we protect"** to use all reasonable means to protect covered property at and after the time of loss, or when property is threatened by a peril covered under PERILS WE INSURE AGAINST.
11. or resulting from any of the following, unless a covered loss ensues, and then only for ensuing loss:
  - a. weather conditions, but only if weather conditions contribute in any way with a peril excluded by the policy to produce the loss;
  - b. acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body; or
  - c. faulty, inadequate or defective:
    - 1) planning, zoning, development, surveying, siting;
    - 2) design, specifications, workmanship, repair, construction, renovation, modeling, grading, compaction;
    - 3) materials used in repair, construction, renovation or remodeling; or
    - 4) maintenance
 of part or all of any property on or off the described premises.
12. dampness of atmosphere or extremes of temperature unless the loss is directly caused by rain, snow, sleet or hail.
13. mechanical or electrical breakdown or failure, repair, adjustment, service or maintenance operations unless fire or explosion results and then only for loss caused by such ensuing fire or explosion.
14. or resulting from dishonest acts (including misappropriation, secretion, conversion and infidelity) of **"anyone we protect,"** employees or agents, or others to whom property was entrusted (except carriers for hire).

## DEDUCTIBLE

**"We"** will pay for loss minus the deductible shown on the **"Declarations."** Each loss will be adjusted separately.

## RIGHTS AND DUTIES - CONDITIONS - SECTION I

*The following are added to the policy:*

### COINSURANCE

**"We"** will pay that proportion of any loss that the amount of insurance bears to the amount produced by multiplying 80% by the actual cash value of the insured property at the time of loss.

### INSPECTION

**"We"** have the right, but are not obligated, to inspect **"your"** property. This inspection may be made by **"us"** or may be made on **"our"** behalf. An inspection or its resulting advice or report does not warrant **"your"** property is safe, healthful or in compliance with laws, rules or regulations. Inspections or reports are for **"our"** benefit only.

### INSURANCE UNDER MORE THAN ONE COVERAGE

If more than one coverage applies to the same loss, **"we"** will pay no more than the actual amount of the loss.

### LOSS PAYABLE CLAUSE

Loss will be payable to loss payees named on the **"Declarations,"** to the extent of their interest and in the order of precedence.

### Our Duties

**"We"** will:

1. protect the loss payee's interest in the insured property. This protection will not be invalidated by any act of neglect of **"anyone we protect,"** any breach of warranty, increase in hazard, change in ownership, or subsequent legal encumbrance if the loss payee has no knowledge of these conditions; and
2. give the loss payee 30 days notice before cancellation or refusal to renew this policy.

### Loss Payee's Duties

The loss payee will:

1. furnish proof of loss within 60 days if **"you"** fail to do so;
2. pay upon demand any premium due if **"you"** fail to do so;
3. notify **"us"** of any change of ownership or occupancy, or any increase in hazard of which the loss payee has knowledge;
4. give **"us"** the right of recovery against any party liable for loss; and

5. after a loss, permit **"us"** to satisfy the debt requirements and receive full transfer of the debt.

### **LOSS SETTLEMENT – Farm Equipment Coverage**

Loss to personal property will be settled on an actual cash value basis. The actual cash value will be determined at the time of loss. Payment will not exceed the smallest of the following:

1. the actual cash value of the damaged property at the time of loss;
2. the actual amount spent to repair or replace the damaged property; or
3. the applicable amount of insurance shown on the **"Declarations."**

The total amount of insurance for unscheduled miscellaneous equipment may not exceed \$5,000. Coverage for any one unscheduled item is limited to \$1,000.

### **LOSS TO PARTS**

If there is a loss to a part of an item that consists of several parts, **"we"** will pay only for the loss to that part. A loss to a part is not considered to be a loss to the whole item.

### **NEWLY ACQUIRED PROPERTY**

**"We"** will cover newly acquired property which is similar to the property insured by this policy, provided it is acquired during the policy period and reported to **"us"** within 30 days of when it was acquired. The additional premium is due from the date of acquisition.

**"We"** will cover newly acquired property for its actual cash value up to 25% of the total amount of insurance on the insured property.

This coverage will end when any of the following first occurs:

1. this policy expires;
2. 30 days after **"you"** obtain the newly acquired property;
3. **"you"** report the newly acquired property to **"us."**

### **PROPERTY OF OTHERS**

If **"we"** are called upon to pay a loss for property of others, **"we"** reserve the right to adjust the loss with the owner. If **"we"** pay the owner, such payments will satisfy **"your"** claims against **"us"** for the owner's property.

At **"our"** option, without cost to **"you," "we"** may choose to defend **"you"** in suits which result from a covered loss to the property of others.

### **WHAT TO DO WHEN A LOSS HAPPENS**

In addition to the items outlined in the ErieSecure Policy, at **"our"** request, **"you"** must furnish a complete inventory of undamaged property stating its original cost. If a loss is both less than \$10,000 and 5% of the amount of insurance, no inventory and appraisal of the undamaged property shall be required.

### **OTHER PROVISIONS**

All other provisions of the policy apply.