

**PLEASE READ THIS ENDORSEMENT CAREFULLY, AS IT MODIFIES THE POLICY.**

## INCOME LOSS AND EXTRA EXPENSE COVERAGE

With regard only to the coverage provided by this endorsement, the following terms are added to “your” policy.

SCHEDULE	
COVERAGE	LIMIT OF INSURANCE
<b>1. Income Loss and Extra Expense Coverage</b> <i>(not applicable to “mobile farm equipment”)</i>	\$
<b>2. Extra Expense – “Mobile Farm Equipment”</b>	\$

*(The information required above may be shown in the Declarations.)*

### A. COVERAGE

The following coverages are added:

#### 1. Income Loss and Extra Expense

a. “We will pay for:

- 1) The actual “income loss” “you” sustain during the “period of restoration” if such loss necessitates interruption of “your” “farm operation”. The interruption must be the result of direct physical loss of, or damage to, “property” caused by an insured peril.

If the “insured” chooses to discontinue, or fails to make a bona fide effort to continue, the “farm operation” within 30 days after the loss, the most “we” will pay is 25% of the Limit of Insurance.

- 2) The actual and necessary expenses “you” incur during the “period of restoration” to resume or continue normal “farm operations” interrupted as the result of direct physical loss by an insured peril.

The amount of Extra Expense will be determined based on all expenses that exceed the normal “farm operation” expenses that would have been incurred by the “farm operation” during the “period of restoration” if no direct physical loss or damage had occurred. “We” will deduct from the total of such expenses the salvage value that remains of any “property” bought for temporary use during the “period of restoration” once the “farm operation” is resumed.

The most “we” will pay for “income loss” and/or extra expense in any one occurrence is 25% of the Limit of Insurance shown in the Schedule for each consecutive thirty-day (30) period, not to exceed the limit of insurance. “We” will pay for the shortest time needed to repair or replace the damaged “property”. This period of time shall not be shortened by the expiration of the policy. The choice of any alternative methods of continuing the normal farming operations shall be made at “our” discretion.

b. “We” do not pay for:

- 1) Extra expense incurred for rental or lease of “mobile farm equipment” to replace covered “mobile farm equipment” which is out of service due to damage caused by a covered peril; or
- 2) Any increase in loss due to “your” failure to use reasonable efforts to resume all or part of the “farm operations”. This includes making use of other locations and “property” to reduce “your” loss.

#### 2. Extra Expense – “Mobile Farm Equipment”

“We” will pay the actual and necessary expenses incurred to continue “your” normal “farm operations” following damage by a peril insured against to “mobile farm equipment” covered by this policy.

The most “we” will pay for loss in any one occurrence is the applicable Limit of Insurance shown in the Schedule. “We” will pay for the shortest time needed to repair or replace the damaged “property”. This period of time shall not be shortened by the expiration of the policy.

## **B. CONDITIONS**

### **1. Your Duties After A Loss**

With respect only to the coverage provided by this endorsement, the following additional duties apply:

- a. "You" must make every effort to reduce loss by:
  - 1) Making complete or partial use of the "property" described herein whether damaged or not; and
  - 2) By making use of other available "property" or facilities.

Such reduction shall be taken into consideration in arriving at the amount of loss under this endorsement.

## **C. DEFINITIONS**

The following definitions are added:

1. "Farm Operation" means "your" farm activities, including rental of farm buildings.
2. "Income loss" means the sum of:
  - a. "Your" net income (net profit or loss before income taxes) that would have been incurred by the described "farm operation", had no loss occurred; and
  - b. Continuing normal operating expenses, including payroll.
3. "Mobile farm equipment" means farm machinery designed for use off public roads in agricultural operations such as, but not limited to, tractors, planters, combines.
4. "Period of restoration" means the time it should reasonably take to resume the "farm operation". This period of time:
  - a. Begins immediately after the time of direct physical loss or damage to the "property"; and
  - b. Ends on the earliest of the following dates:
    - 1) The date when the "property" should be repaired, rebuilt, or replaced with reasonable speed and similar quality;
    - 2) The date when "farm operations" are resumed; or
    - 3) Twelve consecutive months from the date of direct physical loss or damage to the "property"."Period of restoration" does not include any increased period due to the enforcement of any ordinance or law that:
    - 1) Regulates the construction, use, or repair or requires the tearing down of any "property"; or
    - 2) Requires any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to or assess the effects of "pollutants".
5. "Property" means covered building(s), including machinery, supplies, or equipment therein, used in "your" "farm operation". "Property" does not mean "mobile farm equipment".

Any exclusion stated in the policy relating to "income loss" and/or extra expense which are contrary to the coverage provided by this endorsement, do not apply. All other exclusions, terms, and conditions of this policy apply.