

# INDIANA FARMERS MUTUAL INSURANCE COMPANY

## FARMOWNERS PROGRAM

### FOREWORD

The Indiana Farmers Mutual Farmowners program is designed to provide the very best in insurance protection for your farm clients at a reasonable, competitive price. In order for this program to work successfully, certain rules and guidelines must be followed. Indiana Farmers Mutual is dedicated to continuing those underwriting practices which have made our company a strong and secure organization. By selling the Indiana Farmers Mutual policy, you are providing your farm client with insurance coverage from a very stable and financially strong insurance company!

As always, our policyholders will be best served by those agents who apply sound underwriting judgment when writing insurance. Since we really insure people, not things, the moral and financial characteristics of the insured are of primary importance. Items to consider are indebtedness, family stability, successful farming experience, and pride of ownership. More specific acceptability criteria are outlined in the "Eligibility" guidelines of this manual section.

You, the agent, are in the best position to determine how good (or questionable) the risk may be on these points. We solicit your support as the "front line" underwriter, and ask that you not bind or submit risks to us that are of a questionable nature or do not meet the underwriting rules and guidelines set forth in this section of the manual.

Your thorough understanding of the policies and their underwriting requirements is essential for good customer relations. In order to provide the professional service your farm clients expect and deserve, we earnestly recommend that each of you make a complete and comprehensive study of this manual section and the appropriate policy coverage forms and endorsements.

Please remember that, for the policy to do its job at the time of loss, it must be written correctly at the time of sale!

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COMPARE OUR COVERAGE WITH OTHERS!

INDIANA FARMERS

offers

Broad Farmowners Policies

Our Farmowner policies have these pluses --

I. FARM DWELLINGS

- Choice of basic, broad or special form coverage
- Special building and contents coverage form (FO 00 05)
- "Homeowner" type coverage forms include additional living expense and loss of rents coverage
- Up to \$1,500 coverage for outdoor antennas
- Up to \$1,500 coverage for private power and light poles
- Up to \$500 coverage for spoilage of refrigerated food
- Up to \$5,000 coverage for "motorized vehicles" used to service the insured premises
- Up to \$1,500 for grave markers
- Up to \$1,500 for well pumps

***NOTE: Internal sub-limits in the FO 00 05 are higher than the amounts shown above.***

**PLUS** much OPTIONAL coverage including:

- ALL STAR endorsement (package of 8 coverage enhancements)
  - Earthquake coverage
- Back-up of sewer and drains (limits up to \$20,000 available)
  - Replacement cost coverage for household personal property
  - Scheduled personal property coverage for jewelry, furs, silverware, fine arts, etc.
  - Computers (hardware and software)

II. FARM PROPERTY COVERAGE FORM INCLUDES:

- Farm machinery covered on premises and off premises (no mileage limitation)
  - Livestock covered on premises or off premises
  - Grain under government loan covered while on insured premises
  - Up to \$10,000 coverage for pollutant clean-up on insured premises (higher limits optional)
  - Up to \$1,500 coverage for insured property in custody of a common or contract carrier
  - Up to \$500 coverage for outdoor signs related to the farming operations
  - Up to \$500 coverage for glass breakage in cabs (no deductible)
  - Up to \$2,500 coverage for farm operations records
  - Up to \$5,000 coverage for rented or borrowed farm equipment (higher limits optional)
  - "Rock in Combine" coverage (subject to \$1,000 deductible)
  - Roadbed collision coverage (subject to \$1,000 deductible)
  - Perils include: Weight of Ice, Snow or Sleet; Falling Objects; Electrocutation of Livestock; and Loading and Unloading Accidents

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**PLUS** many Optional coverages including:

- Earthquake (may be written on only selected buildings - does not have to apply to all buildings)
- Special form coverage on eligible farm buildings
- Replacement Cost coverage on eligible farm buildings
- Open perils coverage for self-propelled farm machinery (on scheduled basis)
- Property in transit (\$5,000 limit)
- Peak Season coverage
- Suffocation of livestock
- 4-H and FFA animals
- Farm extra expense coverage
- Loss of Farm Income coverage

III. FARM LIABILITY COVERAGES INCLUDE:

- Up to \$500 coverage for Damage to Property of Others [GL-2 only]
- Watercraft with outboard motors up to 50 horsepower [GL-2 only]
- Custom Farm Work up to \$5,000 annual receipts (excluding application of herbicides and pesticides)
- Limited Farm Pollution (sudden and accidental) up to \$25,000 limit (higher limits optional) [GL-2 only]
- Farm chemical limited liability
- Contingent Workers Compensation coverage (except when commercial liability coverage form GL-610 is used).
- Coverage for additional insureds who do not reside on farm premises included at NO CHARGE

**PLUS** many OPTIONAL coverages including:

- Personal injury coverage (included in Farm ALL STAR endorsement)
- Dwellings rented to others
- Home Day Care coverage (up to 5 persons)
- Off-premises coverage for recreational vehicles
- Watercraft
- Employers' liability for farm employees
- Incidental business pursuits
- Family medical payments

Many other options are available - refer to the Manual.



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**FARMOWNERS PROGRAM**

LIST OF FORMS AND ENDORSEMENTS

<u>Form Number (Edition)</u>	<u>Title</u>
<b><u>APPLICATIONS AND RATING WORKSHEET</u></b>	
11-127 (3-02)	Application (Farm)
11-176 (9-00)	Short Form Farm Application
11-163A (10-95)	Blanket Inventory [Farm Personal Property]
11-131 (4-95)	Dwelling Underwriting Information (for additional and secondary dwellings, and rental dwellings insured under Coverage E)
11-185 (7-99)	Farmowners Rating Worksheet
11-117 (1-02)	Request for Farm Policy Changes
11-167 (11-03)	Farm – Application for IRPM
11-167T (5/06)	Farm – Turkey Growers – Application for IRPM
11-150 (3-99)	Scheduled Farm Personal Property – Coverage F
92-021 (7-92)	Swimming Pool Questionnaire

**COVERAGE FORMS, DECLARATIONS, SCHEDULES and MANDATORY ENDORSEMENTS**

FO-20 08 07 IF	Additional Policy Conditions and Property Coverage Terms
FO 0723 06 00 IF	Amendatory Endorsement (Indiana) [used with GL-610]
FO 0775 11 01 IF	Amendatory Endorsement (Indiana) [used with GL-2]
11-056 2-06	Biological, Chemical, Radiological and Terrorism Exclusion
GL-610 1.99 IF	Commercial Liability Coverage (Farm Premises and Operations)
11-208 (5-02)	Cover Sheet with Mutual Policy Conditions
FO-21 1.0 IF	Declarations - Personal
FO-22 1.0 IF	Declarations - Commercial
FO-1 1.06 IF	Dwelling Coverage - Basic Form
FO-2 1.06 IF	Dwelling Coverage - Broad Form
FO-3 1.06 IF	Dwelling Coverage - Special Form
FO-4 1.06 IF	Dwelling Coverage - Renters Form
FO 00 05 1.06 IF	Dwelling Coverage – Special Building & Contents Form
FO-6 1.01 IF	Farm Coverage
FO 0670 05 03 IF	Limited Fungi, Wet or Dry Rot, or Bacteria Coverage [used with GL-2]
FO 0671 05 03 IF	Limited Fungi, Wet or Dry Rot, or Bacteria Coverage [used with GL-610]
GL 0810 03 05	Migrant and Seasonal Agricultural Worker Protection Act Exclusion
FO-309 1.0 IF	Other Locations
GL-2 1.01 IF	Personal Liability Coverage (Farm)
11-235 1.0 IF	Privacy Notice
FO-303 1.02 IF	Schedule of Barns, Buildings, Structures & Additional Farm Dwellings - Cov. E
FO-300 1.0 IF	Schedule of Farm Personal Property - Coverage F

**OPTIONAL PROPERTY ENDORSEMENTS**

FO-15 1.0	Actual Cash Value
11-025 (10 05)	Actual Cash Value Loss Settlement – Windstorm or Hail Losses to Roof Surfacing
11-187 (4-95)	Added Animals Perils - Sheep
FO-41 1.0 IF	Additional Insureds
FO-75 1.0	Amendment of Vacancy or Unoccupancy

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<u>Form Number (Edition)</u>	<u>Title</u>
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FO-69            1.0	Business Property - Business Occupancy on the Insured Premises
FO-170          1.0	Computers
FO-65            1.0	Coverage C - Higher Limit of Liability on Certain Property
11-219          (7-99)	Coverage for Additional Perils – Dwellings Insured Under Coverage E
FO-125          1.0	Dwelling Under Construction – Theft
FO-54            1.0 IF	Earthquake (Dwellings)
FO-354          1.0 IF	Earthquake - Coverages E, F, and G
11-090          (4-95)	Exclusion of Specified Items - Cov. G - Unscheduled Farm Personal Property
FO 01 45        02 00	Expanded Replacement Cost Terms
11-028          (8-04)	Extra Expense Endorsement (Farm Operations)
11-204          (7-06)	Farm ALL STAR Endorsement
11-205          (10-05)	Farm Extender Endorsement
FO 04 00        02 00 IF	Farm Income Coverage
FO-360          1.2 IF	Farm Machinery - Special Coverage
11-186          (4-95)	Hobby Farmowners Endorsement
FO-346          1.1 IF	4-H and FFA Animals
FO 0794        09 02 IF	Identity Fraud Expense Coverage
FO-30            1.0 IF	Incidental Property Coverages (Dwellings) - Higher Limits
FO-330          1.0 IF	Incidental Property Coverages - Higher Limits (Form FO-6)
FO-158          3.0 IF	Mine Subsidence Coverage
FO-256          1.0	Modified Replacement Cost Terms
11-133          (4-95)	Mortgagee Copy of Policy Conditions
FO-257          1.0	Ordinance or Law – Farm Barns, Buildings and Structures
FO-352          1.0	Peak Season Inventory - Farm Personal Property
FO-123          1.0 IF	Pollutant Clean Up and Removal (Increased Limits)
FO-216          1.0	Premises Alarm or Fire Protection System
FO-361          1.0	Property in Transit - Coverages F and G
FO-48            1.0	Related Private Structures
FO-255          1.0	Repair Cost Terms
FO-363          1.0	Repair or Rebuilding Requirement
FO-364          1.0	Replacement Cost Provisions for Well Pumps
FO-341          1.0	Replacement Cost Terms - Farm Barns, Buildings and Structures
FO-55            1.0 IF	Replacement Value – (Household Personal Property)
FO-304          1.0 IF	Restriction of Individual Policies
FO-68            1.0	Scheduled Glass
FO-61            1.0 IF	Scheduled Personal Property
FO-27            1.0	Secured Party's Interest - Additional Coverage
FO-362          1.0	Special Form Coverage - Farm Barns, Buildings and Structures
FO-307          1.0 IF	Sprinkler Leakage
FO-349          1.0 IF	Suffocation of Livestock
FO-345          1.0	Theft of Building Materials - Farm Barns, Buildings and Structures
FO-347          1.0	Windstorm or Hail - Dairy and Farm Products in the Open

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Form Number (Edition)Title

OPTIONAL LIABILITY ENDORSEMENTS

GL-108	1.0	Additional Insureds [used with GL-610]
GL-70	2.0 IF	Additional Insured - Persons or Organizations [used with GL-2]
GL-71	2.0 IF	Additional Insured - Partners, Corporate Officers or Co-owners [used with GL-2]
GL-72	2.0	Additional Insureds - Residents of Household [used with GL-2]
GL-73	2.0	Additional Residences or Farms - Rented to Others
GL-74	2.0	Business Activities [used with GL-2]
GL-84	2.0	Care Provided for Others [used with GL-2]
GL-75	2.0	Custom Farm Work
GL-612	1.0	Deletion of Certain Exclusions [used with GL-610]
GL-76	2.0	Employer's Liability - Farm Employees [used with GL-2]
GL-615	1.0	Exclusion of Products/Completed Work Coverage [used with GL-610]
11-206	(4-95)	Family Medical Payments
GL-872	3.0	Farm Employers Liability Coverage [used with GL-610]
GL-78	2.0 IF	Fruit or Vegetable Picking - By Public
11-193	(10-96)	Horse Boarding Operations
GL-90	1.0	Incidental Business Pursuits
11-220	(8-05)	Liability Enhancement Endorsement [used with GL-610]
GL-916	1.0	Limited Liability Company (Farm Premises and Operations) [used with GL-610]
GL-80	2.0	Office, Professional, Private School or Studio Occupancy [used with GL-2]
GL-904	2.0	Personal and Advertising Injury Liability Coverage [used with GL-610]
GL-81	2.0	Personal Injury [used with GL-2]
GL-9	1.0	Personal Liability Coverage [used with GL-610]
GL-95	1.0	Products Aggregate Limit
GL-83	2.0 IF	Snowmobile/Recreational Motor Vehicle
GL-40	1.0	Structures Rented to Others
GL-82	2.0	Watercraft

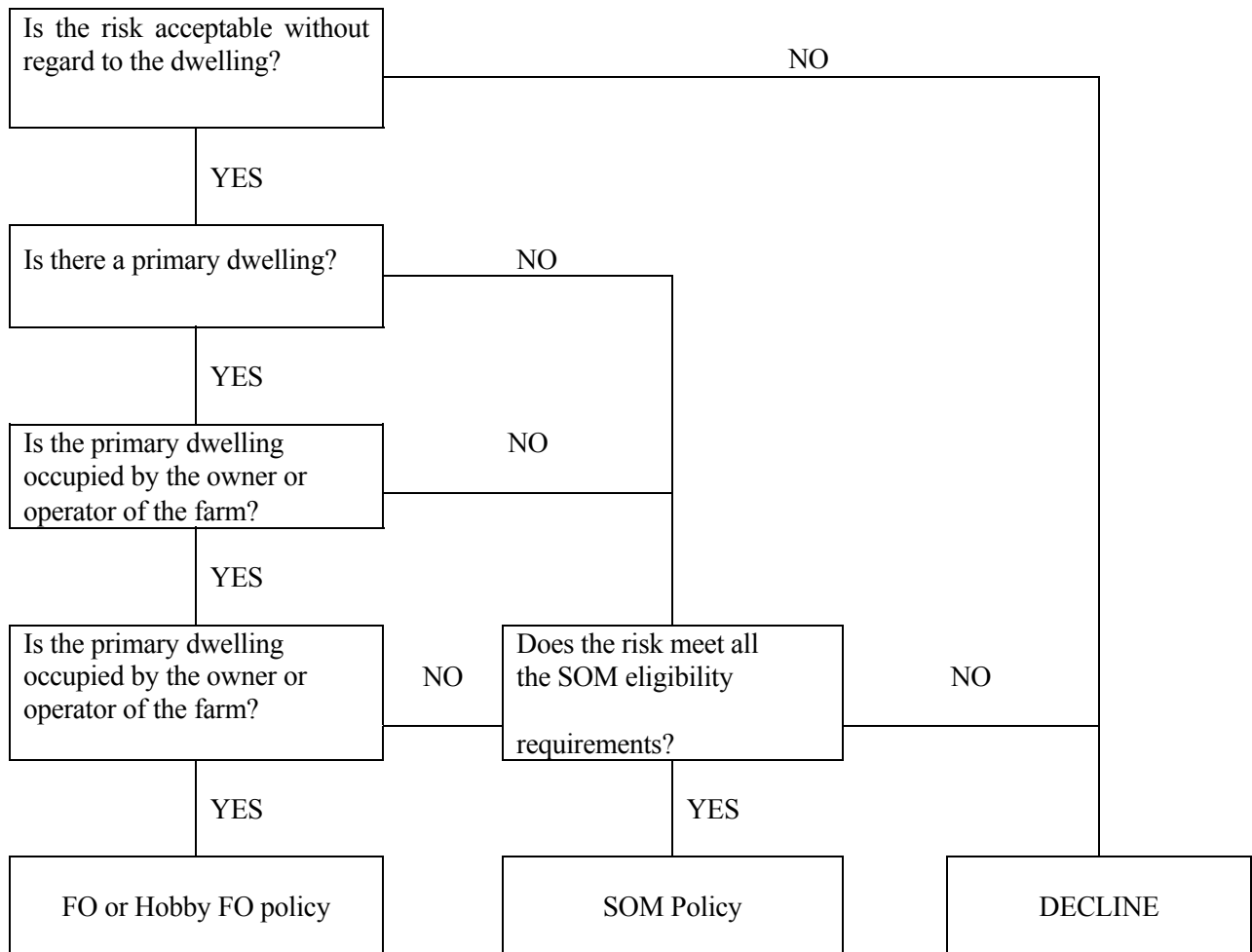
**FARMOWNERS PROGRAM**

**GENERAL INFORMATION**

A. FARMOWNER POLICY vs SELECT-O-MATIC POLICY

The flow chart below is designed to help you determine whether a risk should be written in the Farmowners program or the Select-O-Matic program.

If you need additional help in selecting the proper program for a specific risk, please contact your farm underwriter or Field Marketing Manager.



INDIANA FARMERS MUTUAL INSURANCE COMPANY  
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<b>GENERAL INFORMATION</b>
----------------------------

**B. DWELLING CONSTRUCTION DEFINITIONS**

1. Site Built Home

Also referred to as "stick built". This is a structure built "from scratch" using material (i.e. lumber, block, concrete, windows, trusses, shingles, electric/plumbing fixtures, etc.) at the site where the home is to be located. It is typically built on a slab or a concrete block or poured concrete perimeter foundation.

2. Factory Built Home

A dwelling unit fabricated in an off-site manufacturing facility, which is then transported to the building site for installation or assembly (on a prepared foundation). There are various types of factory built homes - such as mobile-manufactured, modular, panelized, prefabricated, etc.

3. Panelized Home

A factory built home in which assembled wall, floor, ceiling and/or roof panels, usually complete with windows, doors, plumbing and wiring are delivered to the building site for assembly.

4. Prefabricated (Pre-Fab) Home

A factory built home in which most lumber and finish materials are cut to exact design in the plant and are delivered to the building site for assembly.

Mobile-manufactured vs. Modular Homes	
Perhaps the best way to define these two types of factory built homes is by using the following comparison chart	
MOBILE	MODULAR
Built to HUD (federal building code) standards.	Built to BOCA (local and state building codes) standards.
Red HUD plate on lower exterior corner of each section.	No exterior plate.
Built on steel I-beam/outrigger platform.	Built on conventional wood floor joist frame.
Less roof pitch and often a small peak over front door.	Conventional roof pitch.
Axles and wheels attached to steel platform. Towed to site.	Units placed on trucks and transported to site.
Normally slid onto piers strategically located along the steel I-beams.	Sections lifted by crane and placed on conventional perimeter foundation.
Unit "tied down" to piers placed along the I-beam at various points.	Fastened (i.e. nailed, bolted) to sill plate (which is secured to foundation wall).
Perimeter walls are NOT weight bearing.	Perimeter walls ARE weight bearing.

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C. FARM OWNERSHIP ENTITIES

One of the major tasks in insuring a farm in today's world is determining what is being insured and who owns it! Policies may be written to cover single or multiple entities. It is very important that you and the underwriter both have a complete understanding of the entity or entities that are being insured. This takes time and effort. However, it will help you to properly understand the customer's needs and be better able to serve those needs.

**When insuring a risk with multiple entities, separate policies may be required to provide all the necessary coverages and/or limits needed for adequate protection of everyone's interests.** A thorough knowledge of the various farm programs available, and the specific needs of your customer will guide you in deciding if more than one policy is needed.

The following brief summary is intended to provide some guidelines for handling both the single and multiple entities. Please refer to the definition of "insured" in the DEFINITIONS section of each coverage form for additional information.

**1. SINGLE ENTITIES**

When insuring a single entity, the following brief descriptions indicate who is insured in that type of entity.

A. INDIVIDUAL

Includes the person listed as the Named Insured in the Declarations and that person's spouse if the spouse is a resident of the household. Relatives of the Named Insured, and other persons in the care of the Named Insured or a resident relative, are also insureds if they reside in the Named Insured's household.

B. PARTNERSHIP

Includes the legal partnership and the partners while acting within the scope of their duties in the named partnership. The partnership should be shown as the Named Insured in the policy.

C. CORPORATION

Includes the legal entity shown as the Named Insured in the Declarations, and the corporate officers while acting within the scope of their duties as a corporate officer. Corporate officers do not need to be shown as additional insureds unless coverage is being provided for their individual operations or interests which are outside those of the corporation.

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D. ESTATES OR TRUSTS

Includes the estate or trust shown as the Named Insured in the Declarations, and personal representatives or trustees while acting within the scope of their duties as such. Personal representatives or trustees do not need to be shown as additional insureds unless coverage is being provided for their individual operations or interests which are outside those of the estate or trust.

**2. MULTIPLE ENTITIES**

Many of the farming operations which we are asked to insure involve multiple entities. It is impossible to cover in this brief summary all the different combinations that might be encountered; however, the following guidelines should be helpful in handling many of the more common situations; Please contact your underwriter if you have questions about the proper way to insure a specific risk.

A. OWNER AND TENANT

**The owner and the farm tenant must be insured on separate policies.** The owner's policy is issued with an FO-2 or FO-3 coverage form to provide the property coverage on the primary dwelling. The farm tenant's policy is usually issued with an FO-4 coverage form (Renters form) to cover the tenant's household personal property. Either policy, or both policies, will have an FO-6 coverage form to provide coverage for the farm buildings and/or farm personal property belonging to the respective individuals.

B. FAMILY FARMS

Many farm operations which we insure involve related persons who have joined together and farm for their mutual benefit. Generally each individual owns real, personal and farm personal property. They may also jointly own real and farm personal property. The farms are usually farmed jointly with a specified distribution of profits. We suggest that the insurance for this type operation be set up as follows:

- 1) Show the primary owner of the real property as the Named Insured in the Declarations.
- 2) Attach endorsement FO-41 listing each individual who has an ownership interest in the real or farm personal property as an additional insured, indicating that person's interest in the insured property.
- 3) Attach endorsement GL-70 listing each person who has liability exposures connected with the farming operations as an additional insured.
- 4) If needed, attach endorsement GL-71, or issue a separate farm liability or personal liability policy, to provide liability coverage for the personal activities outside the farming operations for family members who are not residents of the Named Insured's household.

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**C. PARTNERSHIPS OR CO-OWNERS**

When insuring partnerships or co-owners, there are often additional interests to be covered. Many times one or more of the individuals involved will need property and/or personal liability coverage. It is suggested that they be set up as follows:

- 1) List the partner or co-owner who resides in the primary dwelling as the Named Insured in the Declarations;
- 2) Attach endorsement FO-41 to show the partnership as an Additional Insured for its ownership interest in any real or farm personal property used in the farming operations. Any partners or co-owners who have an ownership interest outside the partnership in real or farm personal property used in the farming operation will also need to be included on the FO-41 endorsement.
- 3) Attach endorsement GL-70 showing the partnership and all partners or co-owners other than the Named Insured as additional insureds in order to provide them with liability coverage for farming operations.
- 4) If needed, attach endorsement GL-71 (Additional Insured [liability]), or issue a separate farm liability or personal liability policy, to provide liability coverage for the personal activities outside the farming operations for partners or co-owners who are not residents of the Named Insured's household.

**D. FAMILY FARM CORPORATIONS**

- 1) The corporate officer (stockholder) who resides in the primary dwelling is usually shown as the Named Insured in the Declarations.
- 2) Attach endorsement FO-41 to show the corporation as an additional insured for its ownership interest in any real or farm personal property used in the farming operations. Any stockholders who have an ownership interest outside the corporation in real or farm personal property used in the farming operation will also need to be included on the FO-41 endorsement.
- 3) Attach endorsement GL-70 showing the corporation, and all corporate officers and stockholders other than the Named Insured, as additional insureds in order to provide them with liability coverage for the farming operations.
- 4) If needed, attach endorsement GL-71 (Additional Insured [liability]), or issue a separate farm liability or personal liability policy, to provide liability coverage for the personal activities outside the farming operations for corporate officers and stockholders who are not residents of the Named Insured's household.
- 5) If liability coverage is written on the GL-610 (Commercial Liability Coverage form), endorsement GL-9 may be used to provide personal liability coverage for corporate officers and stockholders who do not have personal liability coverage elsewhere.



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### GENERAL INFORMATION

#### E. ESTATES and TRUSTS

When insuring an estate or trust, there will often be other entities requiring some type of property and/or liability coverage. Many times there is a spouse and/or other relative residing on the farm, or having an interest over and above the estate or trust. We usually write insurance for these types of entities as follows:

- 1) The individual(s) who reside in the primary dwelling are usually shown as the Named Insured in the Declarations.
- 2) Attach endorsement FO-41 to show the estate or trust as an additional insured for its ownership interest in any real or farm personal property used in the farming operations. Any individuals other than the Named Insured who have an ownership interest outside the estate or trust in real or farm personal property used in the farming operation will also need to be included on the FO-41 endorsement.
- 3) Attach endorsement GL-70 showing the estate or trust as an additional insured for liability related to the farming operations. Other individuals who are involved in the farming operations can also be shown on the GL-70.

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**RULE 1. ELIGIBILITY**

**1.1 Eligibility Requirements - General**

A policy that includes coverage for the principal farm residence and farm personal liability exposures may be issued to the owner of the farm when the following requirements are met:

- a) Number of Families - the principal farm residence must contain facilities for housing no more than four families and no more than two roomers or boarders per family.
- b) Residential Use - except for those incidental business occupancies that are permitted by this manual, the principal farm residence must be used exclusively for residential purposes. When a permitted incidental business occupancy exists, it must be declared and the appropriate premium charge must be made.
- c) Occupancy - the principal farm residence must be either:
  - 1) occupied by the farmowner;
  - 2) occupied by a farm tenant if the farm is operated under the farmowner's direct management or under the terms of a management contract;
  - 3) occupied by a co-owner of the farm if that co-owner has an equal or controlling financial interest in the farming venture and is primarily responsible for the farm operations. Refer to the company if a partnership or corporation is shown as the named insured on the declarations; or
  - 4) when all other eligibility requirements have been met, a tenant farmowners policy may be issued to a tenant who occupies the principal farm residence and is engaged in the farming operation.

**1.2 Eligibility Requirements - Primary Farm Dwelling (Cov. A, B, C & D)**

**Type 1**

- 1) insured for at least \$40,000 (see rule 2.4 A for additional limitations);
- 2) insured for its Replacement Cost (or ACV if endorsement FO-15 is attached);
- 3) above average construction and condition - showing evidence of proper maintenance, good housekeeping and pride of ownership;
- 4) continuous mortared masonry or concrete foundation under all exterior walls (except porches);
- 5) central heating system, consisting of either:
  - a. a thermostatically controlled, permanently installed forced air furnace, hot water or steam plant resting on an incombustible base. It must be vented to a masonry lined chimney built from the ground up, or to another approved vent system installed per manufacturers specifications;
  - b. electric heat, defined as a permanent system, 240 volt, installed in compliance with local building code requirements; or
  - c. wall, floor or ceiling furnaces, permanently installed and thermostatically controlled, and supplied by rigid gas or oil fuel lines. It must be vented to a masonry lined chimney built from the ground up, or to another approved vent system installed per manufacturers specifications.

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- 6) modern interior plumbing system;
- 7) modern electrical wiring, properly installed by a competent electrician in compliance with local building code requirements and in good condition;
- 8) completely covered with an approved roof in excellent condition (no roll roofing);
- 9) fire department service within 10 miles and dwelling must be accessible by the fire department;
- 10) phone on the premises; and
- 11) dwelling must be at least 100 feet away from any large or major structures EXCEPT another dwelling or a private garage.

**Type 2**

- 1) insured for at least \$30,000 (\$40,000 for FO-3 coverage form).
- 2) dwelling must be in good repair, and so certified by the agent after careful inspection.
- 3) foundation under all exterior walls must be of continuous construction.
- 4) dwellings must meet the central heating requirements shown for Type 1 or must have gas or oil fired space heaters or stoves which are thermostatically controlled.
- 5) dwelling must have modern electrical system in excellent repair.
- 6) any auxiliary wood burning stoves must be installed to code specifications.
- 7) no exposed urethane or styrene insulation.
- 8) mobile-manufactured homes may be eligible for this classification (see page FO-7)

**Type 3**

All other insurable dwellings not eligible for Type 1 or Type 2 classification which are insured for at least \$30,000.

**Mobile Home**

- 1) minimum amount of insurance \$25,000.
- 2) no more than 15 years of age.
- 3) approved tie-down system.
- 4) no wood burning stove, kerosene heater or other similar types of supplemental heating sources.

**Residence in a farm building or structure**

If the primary residence is contained in a building or structure that is normally considered to be a farm barn or outbuilding (e.g. a pole barn or metal frame building), it will be insured as follows:

- a. The FO-4 (Dwelling Coverage – Renters Form) will be used to cover the insured's household personal property; and
- b. The building will be insured on coverage form FO-6 (Farm Coverage) under Coverage E – Farm Barns, Buildings and Structures.

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**1.3 Required Coverages**

The farmowner policy must provide both property and liability coverages. Monoline property or liability coverages are available in other company programs.

**1.4 Ineligible Risks**

A farmowner policy may NOT be written for a (n):

- a) applicant who does not want coverage on the primary dwelling (EXCEPT Tenant coverage form FO-4);
- b) farm on which the primary dwelling is not used exclusively for residential purposes (except for permitted incidental occupancies);
- c) farm on which the primary dwelling is occupied by more than four families, or there are more than two roomers or boarders per family;
- d) risk that shows signs of poor housekeeping and lacks pride of ownership, such as littered yards, run down buildings and fences in need of repair;
- e) applicant who has a reputation for letting livestock stray because of poor fencing, improper watering, feeding or lack of attention;
- f) applicant who is principally engaged in custom farming operations;
- g) commercial dealer in livestock, such as a purchaser of livestock for shipping;
- h) farm whose principal business is raising and using horses for racing purposes (including quarter horses);
- i) farm on which a riding academy is conducted or saddle animals are rented;
- j) farm used or rented for recreational purposes and events open to the public.

**1.5 Binding Authority**

If coverage is bound, you must submit evidence of all liability accepted not later than the second business day following the inception of coverage. This can be effected by a fully completed application signed by the applicant or a properly executed coverage binder.

In time-sensitive situations you may wish to call your farm underwriter to secure verbal binding approval for a specific risk. The underwriter will maintain written documentation of all such phone approvals.

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A. Risks Not to be Bound

The eligibility of the following type risks must be determined by the company BEFORE coverage may be bound. Please contact your underwriter for specific binding approval, or submit an unbound application for underwriting approval.

- 1) farms on which business pursuits other than farming are conducted;
- 2) farms on which horses are raised, boarded, or maintained;
- 3) vacant or unoccupied farms;
- 4) farms that are operated to supply agricultural commodities for manufacturing or processing by the insured for sale to others;
- 5) farms involving the retail sale of farm products, or farms that permit the picking of fruits and vegetables by the public;
- 6) farms that have any type of commercial business operations, such as sawmill or lumbering operations, greenhouse or nursery operations, or sales and/or processing of feed, seed, fertilizer or other farm supplies;
- 7) farms that have unusual hazards on the premises, such as mines, quarries, gravel pits, vicious or exotic animals, rifle ranges, landing strips, etc.;
- 8) farms that have a swimming pool and/or trampoline on the premises;
- 9) farms that have dogs with vicious tendencies (e.g. Akita, Chow, Doberman, German Shepherd, Pitt Bull, Rottweiler, any breed with wolf-related blood lines, and any mix of these breeds);
- 10) farms that employ seasonal workers (this does NOT mean local residents employed on an occasional and irregular basis for hay baling, etc.);
- 11) any risk that has had two (2) or more losses within the past three (3) years;
- 12) any risk that has been cancelled or non-renewed by another insurer; and
- 13) incorporated farms (other than family farm corporations).

*If there is any question about the acceptability of a prospective risk, please call your underwriter for approval BEFORE binding coverage. We reserve the right to decline any risk which, in the judgment of the underwriter, presents an undue exposure or a high probability of loss.*

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B. Binding Limits

Coverage may be bound by the agent for applicants who meet the eligibility requirements specified in this rule, provided the risk does NOT exceed the following limits:

- 1) primary dwelling - not greater than \$200,000;
- 2) all outbuildings combined - not greater than \$500,000;
- 3) any one outbuilding (including confinement buildings) - not greater than \$150,000;
- 4) farm personal property (scheduled & unscheduled combined) - not greater than \$500,000;
- 5) not more than 2,500 acres;
- 6) liability limit does not exceed \$1,000,000; and
- 7) medical payments limit does not exceed \$10,000.

C. Brokerage Business

Indiana Farmers believes strongly in the value of agency underwriting; therefore we feel it is essential that the agent have a direct relationship with the policyholder. For these reasons, the Company does NOT accept brokered business.

**1.6 Applications**

All applications for farmowner policies must be submitted on the Indiana Farmers "Farm Application" (form #11-127), or the application form associated with the automated rating system. Copies of application form #11-127 may be obtained from the Home Office using our Agent Requisition form or the Indiana Farmers Mutual web site.

To facilitate prompt policy issuance, please be sure the application has been completed in its entirety. A diagram or plat is also required, and must show all buildings on the farm (whether insured or not) with the location, size of building and distance (in feet) between all buildings.

Photographs must be submitted with each application to avoid delays in policy issuance. Two photos are required for each major building (taken from opposite corners), and one photo is required for each additional building or structure. All photos must be dated to show when they were taken - which cannot be more than 90 days prior to the date application is submitted. Photos should also be labeled so that insured buildings can be properly identified.

**RULE 2. PROGRAM DESCRIPTION**

The following is a general description of the coverage provided by the farmowner policy forms. Please refer to the coverage forms for complete details regarding coverages and policy provisions.

**2.1 Dwelling Coverages - Property**

A. Policy Forms

The following forms are used to provide the dwelling coverages for the principal farm residence:

- FO-1 Dwelling Coverage - Basic Form
- FO-2 Dwelling Coverage - Broad Form
- FO-3 Dwelling Coverage - Special Form
- FO-4 Dwelling Coverage - Renters Form
- FO 00 05 Dwelling Coverage – Special Building and Contents Form

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B. Principal Coverages

Forms FO-1, FO-2, FO-3 and FO 00 05 provide the principal coverages described below. Form FO-4 includes only Coverage C and Coverage D.

1. Coverage A - Residence. Coverage A covers the residence on the insured premises, including additions and built-in components.
2. Coverage B - Related Private Structures. Coverage B covers unattached structures related to the residence, other than structures designed or used for farming or other business purposes. Coverage also applies to fences, driveways, sidewalks and other permanently installed outdoor fixtures that are within 250 feet of the residence covered under Cov. A.
3. Coverage C - Personal Property. Coverage C covers personal property, other than farm personal property, owned by or in the care of the insured.
4. Coverage D - Additional Living Costs and Loss of Rent. Coverage D covers increased living costs and loss of rent or fair rental value that occur when an insured loss makes the insured premises unfit for use.

C. Loss Settlement Provisions

An 80% insurance-to-value requirement triggers replacement cost loss settlement provisions for covered dwellings (Cov. A) and related private structures (Cov. B). Other covered property losses are settled on an actual cash value (ACV) basis, except for dwelling coverage form FO 00 05 which includes replacement cost loss settlement terms for household personal property (Cov. C).

D. Perils Insured Against

Forms FO-1 and FO-2 insure property covered under Coverages A, B, and C and the related costs covered under Coverage D against risks of direct physical loss by the perils indicated below.

PERILS COVERED	Form FO-1	Form FO-2
Fire or Lightning	X	X
Windstorm or Hail	X	X
Explosion	X	X
Riot or Civil Commotion	X	X
Aircraft	X	X
Vehicles	X	X
Smoke	X	X
Sinkhole Collapse	X	X
Volcanic Action	X	X
Vandalism	X	X
Theft	X	X
Falling Objects		X
Weight or Ice, Snow or Sleet		X
Sudden & Accidental Tearing Apart, Burning or Bulging		X
Accidental Discharge of Liquids or Steam		X
Freezing		X
Sudden & Accidental Damage from Electrical Currents		X

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Forms FO-3 and FO 00 05 insure property covered under Coverages A and B and the related costs covered under Coverage D against all risks of direct physical loss, with certain exceptions. Property covered under Cov. C is insured against risks of direct physical loss by the perils shown for Form FO-2, except for dwelling coverage form FO 00 05 which provides "open perils" coverage for personal property insured under Coverage C.

Form FO-4 insures property covered under Coverage C, the insured's interest in building improvements and betterments, and the related costs covered under Coverage D against risks of direct physical loss by the perils shown for Form FO-2.

**2.2 Farm Coverages - Property**

A. Policy Form and Principal Coverages. Form FO-6 provides the principal coverages described below:

1. Coverage E - Farm Barns, Buildings, and Structures. Coverage E covers additional farm dwellings (including mobile homes), barns, portable buildings and structures, other farm buildings and structures, and tenant's improvements in farm buildings for which a limit is shown on the Declarations page or a schedule.

The limit shown on the Declarations or schedule for each covered item includes attached sheds and fixtures. However, silos are covered only when specifically listed on the Declarations or schedule.

2. Coverage F - Scheduled Farm Personal Property. Coverage F covers items or classes of farm personal property for which a limit is shown on the Declarations or a schedule.
3. Coverage G - Unscheduled Farm Personal Property. Coverage G covers farm personal property on a "blanket" basis. The Coverage G limit must be shown on the Declarations page.

B. Loss Settlement Provisions

1. Coverage E - Scheduled buildings and structures are covered on an actual cash value basis.
2. Coverage F - The coverage provided under Coverage F applies on an actual cash value basis. The following classes of scheduled property are also subject to a pro rata distribution clause:

Farm Products and Supplies	Livestock
Grain	Machinery Not Described
Hay in Barns	Poultry
Hay in the Open	

3. Coverage G - The coverage provided under Coverage G applies on an actual cash value basis, subject to an 80% coinsurance requirement.



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C. Perils Insured Against

Form FO-6 insures covered property against risks of direct physical loss caused by the following perils:

Fire or Lightning	Sinkhole Collapse
Windstorm or Hail	Volcanic Action
Explosion	Falling Objects
Riot or Civil Commotion	Weight of ice, snow or sleet
Aircraft	Earthquake (livestock only)
Vehicles	Flood (livestock only)
Smoke	Collision
Vandalism	Electrocution (livestock only)
Theft	Loading/Unloading Accidents (livestock only)

**2.3 Liability Coverage**

A. Personal Liability Coverage (Farm). Form GL-2 covers liability exposures that arise out of the insured premises and the personal activities of the insured. It includes the principal coverages described below:

1. Coverage L - Liability. Coverage L pays on behalf of the insured for damages due to bodily injury or property damage caused by an occurrence that involves the insured premises and related operations or the insured's personal activities.
2. Coverage M - Medical Payments to Others. Coverage M pays medical expenses incurred by persons who are not insureds if bodily injury occurs in connection with the insured premises or the insured's activities.

B. Commercial Liability Coverage (Farm Premises and Operations). Form GL-610 covers the commercial liability exposures that arise out of farming activities on the insured premises and related operations. It includes the principal coverages described below.

1. Coverage L - Bodily Injury Liability, Property Damage Liability. Coverage L pays on behalf of the insured for damages due to bodily injury or property damage caused by an occurrence that involves the insured premises or related operations.
2. Coverage M - Medical Payments. Coverage M pays medical expenses incurred by persons who are not insureds if bodily injury occurs in connection with the insured premises or related operations.
3. Coverage O - Fire Legal Liability. Coverage O pays for property damage liability to buildings, including attached fixtures, which are rented or loaned to an insured if the damage is caused by fire and the insured is legally liable for the fire damage.

Personal Liability - Endorsement GL-9 may be added to the GL-610 coverage form to extend coverage for the personal liability exposures of specified individuals.

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**2.4 Basic Minimum Limits**

The following minimum limits apply to the coverages provided by the farmowner policy.

**A. Dwelling Coverage – Property**

The limits for Coverages A, B, C, and D will be shown on the Declarations.

**Dwelling limits (Coverage A) must be in multiples of \$1,000.**

Dwelling Coverage Form	Dwelling Classification	Number of Families	Principal Coverage			
			Cov. A	Cov. B	Cov. C	Cov. D
FO-1 And FO-2	Type 2 or 3	1-2	\$30,000 *	10% of Cov. A	50% of Cov. A	20% of Cov. A
	Type 2 or 3	3-4	\$30,000	10% of Cov. A	30% of Cov. A	10% of Cov. A
	Mobile Home	1	\$25,000	10% of Cov. A	50% of Cov. A	20% of Cov. A
FO-3	Type 1 or 2	1-2	\$40,000 *	10% of Cov. A	50% of Cov. A	20% of Cov. A
	Type 1 or 2	3-4	\$40,000	10% of Cov. A	30% of Cov. A	10% of Cov. A
	Mobile Home	1	\$25,000	10% of Cov. A	50% of Cov. A	20% of Cov. A
FO-4	All	1	n/a	n/a	\$15,000	40% of Cov. C
FO 00 05	Type 1	1-2	\$60,000	10% of Cov. A	70% of Cov. A	20% of Cov. A
FO 00 05	Type 1	3-4	\$60,000	10% of Cov. A	50% of Cov. A	10% of Cov. A

\* \$20,000 minimum Cov. A limit for additional owner-occupied dwellings located on the insured premises.

**B. Farm Property**

**1. Coverage E – Farm Barns, Buildings and Structures**

Minimum limit - \$1,000 per building or structure. Certain types of buildings and structures have a higher minimum limit requirement – please refer to Rule #7. The amount of insurance must be a multiple of \$500.

**2. Coverage F – Scheduled Farm Personal Property**

Minimum limit - \$500 per scheduled item or class of property. Tools and many other small items with a value of no more than \$2,500 per item may be insured as “Machinery Not Described” rather than listing each item separately. The amount of insurance should be in multiples of \$100.

**3. Coverage G – Unscheduled Farm Personal Property (“blanket”)**

Minimum limit = \$15,000 and the amount of insurance must be a multiple of \$5,000.

**C. Farm Personal Liability Coverage (Form GL-2)**

A combined single limit applies to the sum of all BI and PD losses payable for each occurrence under the farm personal liability coverage provided by the farmowner policy. The range of limits that may be written are:

Principal Coverages	Minimum Limits	Maximum Limits
Coverage L	\$100,000 CSL per occurrence	\$1,000,000 CSL per occurrence
Coverage M	\$1,000 per person	\$25,000 per person

Refer to Rate pages for optional limits and rating information. The limits for Coverages L and M will be shown on the Declarations.

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D. Commercial Liability Coverage (Form GL-610)

A combined single limit applies to the sum of all losses payable for each occurrence under the commercial liability coverage provided by the farmowner policy.

Principal Coverages	Minimum Limits	Maximum Limits
Coverage L	\$100,000 CSL per occurrence	\$1,000,000 CSL per occurrence
Coverage M *	\$1,000 per person	\$25,000 per person
Coverage O *	\$50,000 per occurrence	Refer to Home Office

\* Medical Payments (Cov. M) and Fire Legal Liability (Cov. O) coverages are both subject to "Each Occurrence" and "General Aggregate" limits.

Refer to Rate pages for optional limits and rating information. The limits for Coverages L, M, and O will be shown on the Declarations.

**2.5 Aggregate Limits - Commercial Liability Coverage**

The commercial liability coverage provided by Form GL-610 is subject to the General Aggregate Limit and the Products/Completed Work Hazard Aggregate Limit described below.

A. General Aggregate

The General Aggregate Limit is the most that will be paid during a 12-month policy period for all damages under Coverage L, except damages due to bodily injury or property damage included in the products/completed work hazard, all medical expenses under Coverage M, and all damages under Coverage O.

The General Aggregate Limit is equal to twice the Each Occurrence limit. Higher General Aggregate limits are available. Use the rating information shown in the Rate pages of this section. The General Aggregate limit will be shown on the Declarations.

B. Products/Completed Work Hazard Aggregate

The Products/Completed Work Hazard Work Aggregate limit is the most that will be paid during a 12-month policy period for damages due to bodily injury or property damage included in the products/completed work hazard.

The Products/Completed Work Hazard Aggregate limit is equal to twice the Each Occurrence limit.

Higher Products/Completed Work Hazard Aggregate limits are available. Use the rating information shown in the Rate pages of this section. The Products/Completed Work Hazard Aggregate limit will be shown on the Declarations.

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**RULE 3. POLICYWRITING INSTRUCTIONS**

**3.1 Modular Policy Format**

A farmowner package policy (property and liability coverage) consists of the Declarations, appropriate Schedules, and the following modular sections as needed:

<u>Coverage Part</u>	<u>Form Number</u>
Dwelling Coverage	FO-1, FO-2, FO-3 FO-4 or FO 00 05
Farm Coverage	FO-6
Additional Conditions and Property Coverage Terms	FO-20
Personal Liability or Commercial Liability Coverage	GL-2 or GL-610
Optional Endorsements	Refer to Forms and Endorsements Listing

**3.2 Endorsements**

Information called for as entries on endorsements can be shown on the Declarations page or a supplemental schedule instead.

**3.3 Policy Term - Payment Terms**

A. Policy Term

All farmowner policies are issued with an annual policy term.

B. Continuous Policies

All farmowner policies are issued as automatic renewal policies, i.e. coverage will continue without interruption as long as the required installment premium payment is received in the Home Office on or before the DUE DATE shown on the Billing Notice.

C. Payment Options

Farmowner policies may be written as either Agency-Bill or Direct-Bill. The premiums for Agency-Bill policies may be paid in annual, semi-annual or quarterly installments. The premiums for Direct-Bill policies may be paid in annual, semi-annual, quarterly or monthly installments. The initial premium for a Direct-Bill policy may be charged to the agent's account.

**Please refer to the GENERAL RULES section for detailed information about the various payment options.**

D. Rounding of Premium

All rates shown on the Rate pages are annual rates. The premiums for each coverage part will be rounded to the nearest whole dollar, and the annual premium will be a whole dollar amount. Premium installments for other than an annual payment plan may be other than whole dollar amounts.

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**3.4 Renewals**

Prior to the annual anniversary date of the policy, a new DEC will be sent along with the Billing Notice unless the company has decided that the policy cannot be renewed. The premium for the renewal policy will be computed using rates in effect on the inception date of the renewal policy. If the policy is not going to be renewed, copies of the Non-Renewal Notice will be sent to both the policyholder and the agency at least 45 days prior to the expiration of the current policy term, and no Billing Notice will be sent.

Each year we will send you a "Request for Policy Update Information" letter for each Farmowners policy approximately 90 days prior to the renewal date. This should be completed and returned to the underwriter promptly so that any needed changes can be processed before the installment Billing Notice is mailed to the insured.

If the policy includes "blanket" coverage (Coverage G – Unscheduled Farm Personal Property), every third year we will ask for an updated Farm Personal Property Inventory (form 11-163A) signed by the Named Insured to verify that the Coverage G limit is adequate to meet the 80% coinsurance requirement.

Every sixth year, we will ask that you submit current photos of all major buildings, or advise you that our inspector will visit the risk to update our files.

**3.5 Changes or Cancellations**

It shall not be permissible to cancel any of the mandatory coverages in the policy unless the entire policy is cancelled.

If insurance is increased, cancelled or reduced, the additional or return premium shall be computed on a pro rata basis, subject to the minimum premium requirement.

Amended Declarations will be issued for any change that takes place during the term of the policy.

Flat cancellations will not be allowed, except:

- a. When our coverage is replaced in another company on the effective date of our binder or policy and their name and policy number is furnished with the request to terminate.
- b. When premium of a direct bill policy has been automatically charged or credited as a result of a policy change occurring within the billing period (20 days).

The request for flat cancellation must be received in our office within 30 days of the effective date of the binder or policy, or within 30 days after the policy was mailed from the Home Office, whichever is later.

**3.6 Waiver of Premium**

If a change on a policy results in an additional or a return premium of \$5.00 or less, such additional or return premium will not be refunded or charged unless requested by the insured.

If a policy is cancelled, a return premium of \$5.00 or less will not be refunded unless such refund is requested by the insured.

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**3.7 Additional Interests**

The farmowner policy can be endorsed to cover the interests of co-owners, corporate officers, farm partners, farm corporations, executors, administrators, trustees, or beneficiaries in the farm premises and operations or the interests of other residents of the insured premises.

Use the rating information shown in the Rate pages to determine additional premium charges where applicable.

**A. Property Interests**

The property coverage provided by the farmowner policy can be endorsed at no additional premium charge to cover the insurable interests of others in the covered property.

Attach Endorsement FO-41. The location of the premises, the names of the additional insureds, and the extent of their interests will be shown on the endorsement.

**B. Farm Personal Liability Interests**

When the farmowner policy includes farm personal liability coverage, liability coverage for additional interests can be provided as follows:

**1. Not Occupying a Residence of the Farm Premises**

The policy can be endorsed at **NO ADDITIONAL PREMIUM CHARGE** to cover the premises-related liability exposures of additional insureds who do not occupy a residence on the farm.

Attach Endorsement GL-70. The location of the premises, the names of the additional insureds, and the extent of their interests will be shown on the endorsement.

**2. Occupying a Separate Residence on the Farm Premises**

The policy can be endorsed to cover both the personal liability exposures of co-owners, corporate officers or partners who reside in a separate residence on the farm, as well as their interest in the farm premises and operations. The additional personal liability premium charge applies for each additional co-owner, corporate officer or partner.

Attach Endorsement GL-71. The location of the premises, the names of the additional insureds, and the extent of their interests will be shown on the endorsement.

**3. Other Residents of the Named Insured's Household**

The policy can be endorsed to provide personal liability coverage for other residents of the named insured's household who are not related to the named insured and who would not otherwise be covered as an insured under the policy.

Attach Endorsement GL-72. The names of the additional insureds will be shown on the endorsement.

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C. Commercial Liability Interests

When the farmowner policy includes commercial liability coverage, the policy can be endorsed at no additional premium charge to cover the premises-related liability exposures of co-owners, controlling interests, mortgagees, assignees, and receivers.

Attach Endorsement GL-108. Names of the additional insureds and the location of the premises will be shown on the endorsement.

**3.8 Transfer or Assignment**

Provided permission has been granted by the Company, the policy may be endorsed to effect:

- a. transfer to another location within the same state; or
- b. assignment from one insured to another in the event of transfer of title of the property.

**3.9 Restriction of Coverage**

If a policy would not be issued because of unusual exposures, the applicant may request a restriction of coverage at no reduction in premium. The request, signed by the applicant, must be referred to your underwriter.

Attach Endorsement FO-304 and describe the restrictions that apply.

**3.10 Extension of Coverage A - No Private Structures - Forms FO-1, FO-2, FO-3 and FO 00 05**

The Coverage B limit may be added to the Coverage A limit if the combined replacement value of all detached related private structures on the "insured premises" otherwise eligible for coverage under Coverage B, excluding fences, driveways, sidewalks and in ground pools, is less than \$1,000.

**3.11 Specially Rated Risks**

For the purpose of this rule, specially rated risks are defined as those risks which are specifically rated because of special construction, occupancy, location or exposure features, and those risks which are subject to additional charges because of special hazards. Please contact your farm underwriter for details.

**3.12 Insurance To Value**

In order to minimize disagreements regarding loss settlements, it is imperative that adequate amounts of insurance be written on all covered farm property. Value is measured on the basis of age, degree of maintenance, utility of use and service to the farm operation.

A. Dwellings

All dwellings covered under coverage forms FO-1, FO-2, FO-3 or FO 0005 should be insured for full replacement cost unless endorsement FO-15 (Actual Cash Value Coverage) is attached. If endorsement FO 01 45 (Expanded Replacement Cost Terms for Dwellings) is attached to the policy, the dwelling must be insured for 100% of its replacement cost, and the Actual Cash Value endorsement (FO-15) can not be used.

A fully completed RCT (Residential Component Technology) worksheet (or similar type documentation) must be submitted with each dwelling to verify that the amount of insurance requested is adequate.

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B. Automatic Increase in Coverage A Limits

To assist in maintaining proper “insurance to value”, the Coverage A limit will be automatically increased on each annual renewal of a Farmowners policy. The amount of increase will be computed by applying a pre-determined percentage to the Coverage A limit of the expiring policy term. The new Coverage A limit will be rounded to the nearest \$1,000 after application of the percentage factor. The percentage factors vary by zip code, and are based on a construction cost index provided by the vendor of our building valuation program.

C. Barns and Outbuildings

All barns, outbuildings and other farm structures should be insured for their full actual cash value (ACV) unless insured on a replacement cost basis (see rule 9.4). Valuation guidelines for farm barns, outbuildings and structures may be found in the “General Rules” section of the AGENTS MANUAL.

Per rule 9.7, endorsement FO-363 (Repair or Rebuilding Requirement) will apply to any farm building or structure on which the amount of insurance is significantly less than its ACV.

**3.13 Limited Fungi, Wet or Dry Rot, or Bacteria Coverage**

All Farmowner policies will be endorsed to limit coverage for loss, injury or damage caused by fungi, wet or dry rot, or bacteria as described below. These are mandatory endorsements, and there is no premium charge. Please refer to the actual endorsements for the complete coverage terms.

If the policy provides liability coverage under form GL-2, endorsement FO 0670 will be attached. If the policy provides liability coverage under form GL-610, endorsement FO 0671 will be attached.

A. Property Coverages

An aggregate limit of \$15,000 applies to the total of all loss covered under the Principal Property Coverages and under the Incidental Property Coverages, except Emergency Removal and, if provided by the policy, Collapse, caused by fungi, wet or dry rot, or bacteria.

The aggregate limit also applies to any:

- cost or expense to clean up fungi, wet or dry rot, or bacteria;
- cost or expense to remove and replace those parts of covered property necessary to gain access to fungi, wet or dry rot, or bacteria;
- cost or expense to test for fungi, wet or dry rot, or bacteria; however, such cost or expense is covered only when there is reason to believe that fungi, wet or dry rot, or bacteria is present.

Coverage applies only when the fungi, wet or dry rot, or bacteria result from a peril insured against that applies to the covered property and that occurs during the policy period. Coverage for the fungi, wet or dry rot or bacteria that result from fire or lightning is not subject to the aggregate limit.

When the policy includes Farm Income Coverage, coverage is provided for loss of earnings and extra expense and/or loss of rental income caused by fungi, wet or dry rot, or bacteria. However, coverage is limited to loss that occurs during a cumulative period of time that does not exceed thirty (30) days.



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B. Liability Coverages

When endorsement FO 0670 is attached and the policy provides liability coverage, an annual aggregate sub-limit of \$50,000 applies to all sums payable under Coverage L for bodily injury and property damage that arise from fungi, wet or dry rot, or bacteria.

When endorsement FO 0671 is attached and the policy provides liability coverage, an annual aggregate limit of \$50,000 applies to all sums payable under Coverages L and M for bodily injury and property damage that arise from fungi, wet or dry rot, or bacterial. Under endorsement FO 0671, the annual aggregate limit applicable to fungi, wet or dry rot, or bacteria is also subject to both the General Aggregate Limit and the Products/Completed Work Hazard Aggregate Limit.

However, regardless of which endorsement is attached:

- bodily injury that results from fungi cultivated or harvested for human consumption;
- bodily injury that results from food-borne or beverage-borne bacteria that cause illness commonly known as food poisoning;
- bodily injury to a farm employee to the extent that the policy provides coverage for bodily injury to farm employee; and
- bodily injury or property damage that results from a slip, fall or loss of footing attributable to a surface made slippery by the presence of fungi, wet or dry rot, or bacteria;

are not subject to the annual aggregate limit (or sub-limit) applicable to fungi, wet or dry rot, or bacteria. Subject to all other policy terms, and to the extent that the insured is legally liable, coverage for such injury and damage is covered up to the full limit that applies.

When the policy provides coverage for damages arising out of advertising injury and/or personal injury, no coverage is provided for such injury that results from fungi, wet or dry rot, or bacteria.

**RULE 4. DEDUCTIBLES**

A deductible amount is subtracted from all covered property losses, except the Incidental Property Coverages provided for emergency removal, Fire Department service charge, and if applicable, refrigerated food spoilage, extra expense, signs, glass breakage in cabs, and farm operations record expense. The deductible amount is subtracted only once per occurrence regardless of the number of covered items affected.

A Farmowners policy may have up to three (3) different deductibles – each applying to different types of property as follows:

Coverages A, B, C & D	(primary dwelling coverages)
Coverage E	(farm barns and outbuildings)
Coverages F & G	(farm personal property)

All property rates (except earthquake and mine subsidence coverage) shown in the Rate pages are based on a \$250 property deductible. Optional property deductible amounts are available at the credits shown in the Rate pages. Deductible amounts of less than \$250 are not available for any Farmowner policy.

Please refer to the earthquake and mine subsidence rules for specific details about the special deductibles for those coverages.

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**RULE 5. PREMIUM MODIFICATIONS - DWELLINGS**

**5.1 New Home Credits**

Primary farm dwellings not more than fifteen (15) years old are eligible for new home credits as shown in the table below. **Mobile homes are NOT eligible for “New Home Credits”.**

Apply the factor from the table below to the base premium after applying any credits for optional deductibles.

For Homes Completed and Occupied:	Apply Credit of:
During the 5 Years Preceding the Current Calendar Year	15%
During the 6-10 Years Preceding the Current Calendar Year	10%
During the 11-15 Years Preceding the Current Calendar Year	5%
More than 15 Years Preceding the Current Calendar Year	0%

**5.2 Protective Devices**

Use the protective device factors shown in the Rate pages to adjust the premium for the installation of the following approved and properly maintained alarm and/or sprinkler systems. Attach Endorsement FO-216.

Type of Fire Protection System	Amount of Credit
Central Station Fire Alarm	5%
Fire Department Alarm	3%
Local Alarms - including smoke and/or gas detection	2%
Automatic Sprinkler System	3%

Type of Theft Protection System	Amount of Credit
Central Station Theft Alarm	5%
Police Department Theft Alarm	3%
Local Theft Alarm	2%

**NOTE: If there is more than one type of alarm system, the amount of credit applied will not exceed 5% for fire protection alarm credits, and not more than 5% for theft protection alarm credits. The maximum amount of credits given for all types of alarm systems can not be greater than 10%.**

**5.3 Deletion of Coverage C - Forms FO-1, FO-2, and FO-3**

Coverage C - Household Personal Property can be deleted when the policy is issued to cover the farmowner who does not occupy the principal farm residence. Use the factor shown in the Rate pages to adjust the premium.

An entry will be made on the Declarations page to show that Coverage C does not apply.

**5.4 Actual Cash Value Coverage - Forms FO-1, FO-2, and FO-3**

At the option of the company, the loss settlement provisions that apply to buildings insured under Coverages A and B can be converted from replacement cost coverage to actual cash value coverage.

Attach Endorsement FO-15, and use the factor shown in the Rate pages to adjust the premium.

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**5.5 Deletion of Farm Personal Liability Coverage**

- A. Use the credit shown in the Rate pages to adjust the premium for the deletion of farm personal liability coverage when farm personal liability coverage is omitted and replaced by commercial liability coverage.
- B. The credit for the deletion of farm personal liability coverage also applies to the premium developed for an additional or secondary farm location if coverage for an additional residence premises occupied by the insured has been added to the policy that covers the primary location.

**5.6 Vacancy Permit**

The penalty that applies to buildings and their contents at a vacant or unoccupied location can be waived for a specified period of time. Use the factor shown in the Rate pages to adjust the premium.

Attach Endorsement FO-75. A description of the vacant or unoccupied location, and the permitted time period for such vacancy or unoccupancy, will be shown on the endorsement.

**5.7 Wood Stoves - Supplementary Heat Sources**

Dwellings which contain a wood (or other solid fuel) burning stove, fireplace insert, kerosene heater or other supplementary heat source may be insured on a Farmowners policy provided the unit:

- a. is not the primary heat source;
- b. is approved by Underwriters Laboratory or other recognized testing laboratory;
- c. is installed according to the manufacturer's instructions, or other acceptable standards;
- d. is located the proper distance from all combustibles; and
- e. (if applicable) is connected to a lined masonry chimney or an approved metal flue, and there are no other heating units connected to the same flue.

Dwellings containing homemade wood burning stoves or "barrel" stoves are not acceptable. A farm dwelling or mobile home insured under Coverage E may not be classified and rated as "Type 1 (Superior)" if it contains any type of wood stove or other solid fuel burning appliance.

All wood burning units are subject to inspection and approval by our Underwriting Services Department.

**SURCHARGE: \$25 PER DWELLING**

*NOTE: The surcharge applies ONLY to dwellings covered under Coverage A. Do not apply the surcharge to dwellings and mobile homes covered under Coverage E.*

**5.8 Actual Cash Value Loss Settlement for Roof Covering**

If a primary farm dwelling has a roof covering that is in poor condition due to age and normal wear, we do not wish to provide Replacement Cost coverage for the roof covering due to the increased potential for damage caused by wind and/or hail.

If the dwelling in this situation meets all the other eligibility requirements for a FO policy, the policy may be endorsed to provide Actual Cash Value loss settlement terms on the roof covering for losses due to the peril of windstorm or hail.

Attach endorsement 11-025 and adjust the dwelling premium using the factor shown in the Rate Pages.

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**RULE 6. PROPERTY COVERAGE OPTIONS - DWELLING**

The optional property coverages described in this rule can be added when Form FO-1, FO-2, FO-3, FO-4 or FO 00 05 is used to provide coverage for the principal farm residence. Use the rating information shown in the Rate pages to determine the additional premium charge.

**6.1 Earthquake**

Coverage for direct physical loss caused by earthquake can be added for property covered under Coverages A, B, and C. The limit for this coverage must be the same as the Coverage A limit. If the limits that apply to property covered under Coverages B or C have been increased or if the Coverage D limit has been increased, increase the earthquake premium accordingly.

Earthquake coverage is subject to a separate deductible provision. The deductible amount will be 5% of the amount of insurance that applies to the covered item, subject to a \$250 minimum. The deductible applies separately to Coverages A, B, and C.

Attach Endorsement FO-54. Coverage for masonry veneer is included at no additional premium charge.

**NOTE:** *The effective date for earthquake coverage must be at least 30 days after the last known quake or tremor in Indiana or surrounding states (as determined by the Company).*

**6.2 Expanded Replacement Cost Terms (endorsement FO 0145)**

The replacement cost terms that apply to Coverage A can be expanded to pay up to 120% of the Coverage A limit when a covered loss exceeds the limit shown on the Declarations and the insured elects to repair or replace the insured residence. **This endorsement does not increase the limits of insurance provided under Coverages B, C and D.**

Attach endorsement FO 0145 and charge the additional premium shown in the Rate Pages.

- Requirements for the use of the FO 0145 endorsement include:
- The dwelling must be classified and rated as a Type 1 dwelling, and must be insured under an FO-3 or FO 0005 Dwelling Coverage form.
- The Coverage A limit of insurance must be equal to 100% of the dwelling replacement cost, and the insured must permit us to adjust the Coverage A limit at each annual renewal to reflect any increased construction costs and inflation.
- The insured must notify us (within 45 days of completion) of any additions, alterations or remodeling that increase the replacement cost of the dwelling by \$5,000 or more.
- The year of construction must be 1950 or later. Dwellings constructed before 1950 may be considered IF they have been completely renovated (electrical, plumbing, heating, roof, etc.) within the past 10 years. Please call your farm underwriter for prior approval in these situations.
- The FO 0145 can be added to existing policies ONLY on the annual renewal date. If added to the renewal of an existing policy, a current RCT (Residential Component Technology) worksheet (or similar type documentation) must be submitted.

**NOTE:** *Endorsement FO 0145 can NOT be used if the FO-15 (Actual Cash Value) endorsement is attached to the policy.*

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6.3 **Related Private Structures - Increased Limits for Specific Structures**

A specified additional amount of insurance can be provided for related private structures that are covered under Coverage B. The additional amount of insurance that applies to each structure will be shown on the endorsement. This does not increase the Coverage B limit shown on the Declarations.

Attach Endorsement FO-48 and describe the covered structures.

6.4 **Personal Property (Household)**

A. Increased Limit

The Coverage C limit may be increased in increments of \$1,000, and the Coverage C limit will be shown in the Declarations.

B. Reduced Limit

For one or two family dwellings, the Coverage C limit may be reduced to not less than 40% of the Coverage A limit and the Coverage C limit will be shown in the Declarations. This option is not permitted when Endorsement FO-69 is used to provide a separate limit for the property of a business conducted on the premises.

6.5 **Replacement Value - Household Personal Property**

The loss settlement provisions that apply to personal property and various miscellaneous items can be converted from actual cash value coverage to replacement cost coverage. Addition of this endorsement automatically increases the Coverage C limits to:

- a) 70% of Coverage A limit for 1 or 2 family dwellings.
- b) 50% of Coverage A limit for 3 or 4 family dwellings.

Attach Endorsement FO-55.

- NOTES:**
- a. *When the FO-55 is added, the Coverage C limits may NOT be reduced as described in rule 6.4 B above.*
  - b. *Do not add the FO-55 endorsement to a policy with the FO 00 05 dwelling coverage form – that form already includes replacement cost loss settlement terms for Coverage C items.*

6.6 **Limitations on Certain Property**

The internal limits under Coverage C that apply to the following classes of property can be increased for an additional premium charge.

COVERAGE	AMOUNT INCLUDED
Money, bank notes, bullion, precious metals, etc.	\$250
Securities, stamps, philatelic property, letters of credit, etc.	\$1,500
Jewelry, watches, precious stones, gems and furs	\$2,500
Silverware, goldware, pewterware, etc.	\$2,500
Guns and items related to guns	\$2,500
“Motorized vehicles” used to service the “insured premises”	\$5,000
“Business” property (other than farm personal property)	\$2,500

Attach Endorsement FO-65. Entries will be made on the endorsement to show the amount of each increase and the total limits that apply.

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**6.7 Additional Living Costs and Loss of Rent**

The Coverage D limit may be increased in increments of \$1,000.

The Coverage D limit will be shown on the Declarations page.

**6.8 Farm ALL STAR Endorsement**

This endorsement provides a "package" of supplemental property and liability coverages including:

- up to \$200 to remove debris from trees, shrubs or plants located within 250 feet of the insured dwelling when the debris is the result of windstorm, hail, or weight of ice, snow or sleet;
- replacement cost coverage for well pumps;
- additional peril of landslide for Cov. A, B, C and D (with certain exceptions);
- up to \$5,000 for direct physical loss caused by water that backs up through sewers or drains, or overflows from a sump;
- up to \$500 for replacement of locks on exterior doors and garage door transmitters if keys or transmitters are lost or stolen;
- up to \$1,000 for open perils coverage on household personal property;
- personal injury liability coverage; and
- watercraft liability for outboard motors without any horsepower limitation;

Attach endorsement 11-204 and charge the additional premium shown in the Rate Pages.

**6.9 Water Damage – Sewers, Drains and Sumps**

As indicated in Rule #6.8 above, the Farm ALL STAR endorsement includes a \$5,000 of limit for direct physical loss caused by water that backs up through sewers or drains, or overflows from a sump pump. For an additional premium charge, the limit for this coverage may be increased (in multiples of \$5,000) up to a maximum limit of \$20,000. The limit will be shown on the Farm ALL STAR endorsement.

**6.10 Incidental Coverages - Increased Limits**

The limits that apply to the following Incidental Coverages can be increased.

COVERAGE	AMOUNT INCLUDED
Fire Department Service Charge	\$500
Credit Card, Forgery and Counterfeit Money	\$1,500
Outdoor Antennas	\$1,500
Well Pumps	\$1,500
Private Power and Light Poles	\$1,500
Refrigerated Food Spoilage	\$500
Tenant's Improvements	10% of Cov. C limit

Attach Endorsement FO-30. Entries will be made on the endorsement to show the amount of each increase and the total limits that apply.

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**6.11 Scheduled Personal Property (Inland Marine)**

Coverage for scheduled personal property can be provided against all risks of direct physical loss, with certain exceptions.

Common types of scheduled personal property include:

- |   |                       |
|---|-----------------------|
| a. jewelry                                | f. golfers' equipment |
| b. furs                                   | g. fine arts          |
| c. cameras                                | h. stamp collections  |
| d. musical instruments                    | i. coin collections   |
| e. silverware, goldware, pewterware, etc. | j. bicycles           |

Please provide a complete description of items to be insured (including make, model, serial number, current value, etc.). Written appraisals will be required for certain items such as jewelry, furs, and fine arts.

Attach Endorsement FO-61. Rates for some of these items are shown in the Rate pages, or in the Inland Marine section of your Agents Manual. Please contact your farm underwriter for rates not shown in the manual.

Inland Marine endorsements may be attached to a Farmowners policy to cover certain types of personal property not included in the list above. Please refer to the Inland Marine section of the AGENTS MANUAL for a description of the classes of property that can be insured, underwriting rules, coverage forms and rates.

***NOTE: IRPM credits may not be applied to the premiums for endorsement FO-61 or other Inland Marine endorsements.***

**6.12 Computers**

Coverage for computer data processing equipment and software can be provided for all risks of direct physical loss, with certain exceptions.

Attach endorsement FO-170 and describe the covered property.

**6.13 Business Property - Business Occupancy on the Premises**

A separate internal limit can apply to the property used in conjunction with a business occupancy on the insured premises.

Attach Endorsement FO-69 and describe the business. An entry will be made on the endorsement to show the limit that applies. The internal limit that applies to business property will not apply to the property covered by Endorsement FO-69.

**6.14 Dwelling Under Construction - Theft**

Coverage can be provided for theft or attempted theft in or to a residence being built or a newly constructed residence before it is occupied. Coverage also applies to theft of materials and supplies used in the construction of the residence.

Attach Endorsement FO-125. The effective date of the coverage and the limit that applies will be shown on the endorsement. The premium for this endorsement is considered fully earned at the time the coverage is added to the policy.

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**6.15 Replacement Value - Well Pumps**

The loss settlement provisions that apply to well pumps can be converted from actual cash value to replacement cost coverage for an additional premium charge.

Attach Endorsement FO-364. **If the Farm ALL STAR Endorsement is attached to the policy, do not attach FO-364 as this coverage is included in the Farm ALL STAR Endorsement.**

**6.16 Sprinkler Leakage**

When a premium credit has been allowed for the installation of an approved and properly maintained sprinkler system, coverage can be added for direct physical loss to property covered under Coverages, A, B or C resulting from the accidental leakage of the sprinkler system.

Attach Endorsement FO-307 and describe the covered property. The limits that apply will be shown on the endorsement.

**6.17 Scheduled Glass**

Coverage for scheduled glass that is part of a building covered under Coverages A or B can be provided against all risks of physical loss, with certain exceptions. Contact your farm underwriter for rating information.

Attach Endorsement FO-68 and describe the covered glass. Entries will be made on the endorsement to show the limits that apply.

**6.18 Identity Theft Coverage**

Up to \$10,000 of coverage can be provided for expenses incurred by an insured as the direct result of identity fraud. Identity fraud occurs when an individual's personal identifying information is used without his/her permission to purchase goods or services, obtain credit, borrow money, or otherwise violate federal, state or local laws.

Coverage is provided for expenses resulting from identity fraud that occurs at any time prior to the end of the policy period and is discovered by the insured during the policy period or the during the one year period that follows. In the event that the insured obtains replacement identity fraud expense coverage, the one year extended discovery period terminates as of the date the replacement coverage takes effect.

Attach endorsement FO 0794 and charge the additional premium as shown in the Rate Pages.

**No IRPM credits/debits will be applied to the premium for this optional coverage.**



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**RULE 7. BARNS AND OUTBUILDINGS CLASSIFICATION (Coverage E)**

Farm barns, outbuildings and other structures should be insured for 100% of the ACV unless endorsement FO-341 (Replacement Cost Provision) or endorsement FO-363 (Repair or Rebuilding Requirement) applies to that building or structure.

To determine the value of farm buildings include all attached sheds, foundations and permanent fixtures. Permanent fixtures include electric wiring; plumbing; pumps and their related equipment; stationary heating, lighting and ventilating equipment; barn cleaners; bulk milk tanks; milk pipelines; stanchions; permanently installed silo unloaders; and any other permanently installed fixtures or equipment that constitutes a part of the building.

If a bulk milk tank is portable, or if it belongs to a tenant farmer and is installed in a farm building to someone other than the insured, it must be scheduled and insured specifically using the farm personal property rates shown on the Rate pages.

Silos and grain bins, whether attached to a building or not, are not covered unless insured specifically and listed as a separate item. Crop dryers must be scheduled and insured specifically unless they are attached to a grain bin.

Farm barns, outbuildings and other structures will be classified and rated in one of the three rate classes described below - depending upon the type of construction, physical condition and use.

***NOTE: Minimum Amount of Insurance: \$1,000 per building or structure, and the amount of insurance must be in multiples of \$500.***

***A FARM BUILDING OR STRUCTURE SHOULD NOT BE INSURED FOR MAINTENANCE VALUE ONLY – PLEASE SEE RULE #9.8.***

**7.1 Type 1 (Superior)**

This class is for a sturdy building or structure which is well maintained and displays pride of ownership. A good building with no electricity, or if it does have, has proper wiring; plus no hay storage, and minimal exposure to wind damage, deserves a favorable rating. Serious consideration of all requirements listed below is mandatory as the building must stand close inspection and valuation at the company's option.

**A. Minimum Requirements:**

1. \$5,000 minimum value and well utilized (\$3,000 for metal grain bins).
2. Excellent condition with no roof sways, building lean, nor visible wind and wear damage when viewing building or roof.
3. No open sheds.
4. No hay storage. No tobacco drying buildings.
5. Properly installed and maintained electrical wiring system for the use of the building. (Strict capacity, overload protection and grounding standards observed here.)
6. Excellent housekeeping with the building indicating a functional value to the insured.

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B. Other:

7. All steel buildings such as Quonsets (may have one open end), or pole buildings which have poles pressure treated with preservative and set a minimum of four feet below ground level.
8. Metal grain storage bins (with or without attached dryers) and grain handling structures such as grain legs and tanks qualify if they are secured to a concrete floor and insured properly (with \$3,000 minimum). If a dryer is attached to a grain bin, the heat surcharge must be added to the base rate.
9. Total confinement livestock buildings (those with a controlled environment), when excellent maintenance, condition and housekeeping is evident. These units must pass company inspection and be insured to value.

7.2 **Type 2 (Above Average)**

Many buildings qualify for this class as they are very insurable buildings but vary somewhat from the "Type 1" requirements. Characteristics that commonly require a farm building to be classified as a Type 2 building include: open sheds; hay storage; insured value less than actual cash value; age; condition (lack of proper maintenance); or not fully utilized for its intended purpose.

A. Minimum Requirements:

1. \$3,000 minimum value (\$1,000 for metal grain bins), with the building having some utility value to the insured.
2. Normal wear and tear is anticipated if building or roof condition doesn't appear to accelerate wind loss potential.
3. Properly installed and well maintained electrical wiring system anticipated. (Neglected maintenance, random or careless wiring installations are not acceptable.)

B. Specific types of buildings that will be classified as Type 2 include:

4. Total confinements which are well utilized but lack the excellent maintenance, condition, or housekeeping required in "Type 1" class qualify here. These units must pass company inspection.
5. Crop dryers and crop drying buildings or structures.
6. Tobacco barns and sheds with no stripping operations in the insured building (or in any building or structure attached to the insured building).
7. Hoop buildings will be classified and rated as Type 2 (with open shed).

7.3 **Type 3 (Average)**

This classification is for those insurable buildings or structures that do not qualify for either of the other two classes.

A greenhouse on the farm premises will be classified and rated as a Type 3 building. However, no coverage will be provided for the covering of the greenhouse (i.e. glass, plastic, vinyl, etc.)

7.4 **Silos**

**Type 1** - Minimum Amount \$5,000. All silos except frame or frame iron clad.

**Type 2** - Minimum Amount \$1,000. All silos not qualifying for Type 1 except frame or frame iron clad.

**Type 3** - Frame, including frame iron clad.

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**7.5 Definitions Applicable to Farm Dwellings (Coverage E)**

**Type 1**

- a. Minimum amount of insurance = \$20,000.
- b. Dwelling must be in excellent repair.
- c. Foundation under all exterior walls must be of continuous construction.
- d. Dwelling must have a central heating plant vented to an approved chimney built from the ground up or a venting system approved by a recognized testing authority. A properly installed electric heating system will also suffice. No space heaters or stoves.
- e. Dwelling must have modern electrical system in excellent repair.
- f. No exposed urethane or styrene insulation.
- g. No auxiliary wood burning stoves.

**Type 2**

- a. Minimum amount of insurance = \$15,000.
- b. Dwelling must be in good repair.
- c. Foundation under all exterior walls must be of continuous construction.
- d. Dwellings must meet the central heating requirement shown for Type 1 or must have gas or oil fired space heaters or stoves which are thermostatically controlled. Dwelling must have modern electrical system in excellent repair.
- e. Any auxiliary wood burning stoves must be installed to code specifications.
- f. No exposed urethane or styrene insulation.

**Type 3**

All other insurable dwellings not eligible for Type 1 or Type 2 classification.

**7.6 Mobile Homes**

**Type 1**

- a. Minimum amount of insurance \$10,000
- b. No more than 15 years of age.
- c. Approved tie-down system.
- d. No wood burning stove, kerosene heater or other similar type of supplemental heat source.

**Type 2**

All other insurable mobile homes not eligible for Type 1 classification. A mobile home with a wood burning stove is not acceptable (a factory-installed fireplace is acceptable).

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**7.7 Heated Barns and Outbuildings (Coverage E)**

Heated barns and outbuildings have a greater loss potential than unheated buildings; therefore, a heating surcharge will be applied for certain types of heating devices.

There is no surcharge for a building heated by a permanently installed warm air furnace, hot water or steam heating plant set on an incombustible base and vented to a standard chimney (masonry or UL-approved metal vent pipe), or some other type of permanent heating system approved for agricultural occupancy by a recognized testing laboratory.

Any building with a heating appliance not specified above (e.g. wood stoves, heat lamps, open flame heaters, portable heaters, salamanders, etc.) must be referred to the Home Office for approval before binding coverage.

All farm barns and outbuildings will be classified and rated according to rule #7. Each of these buildings which is heated with devices other than those described above will then have a "heat surcharge" (as shown on the rate pages) added to the base rate.

The "heat surcharge" will also be applied to grain bins which have built-in or attached drying equipment and crop dryers.

The "heat surcharge" does not apply to farm dwellings or mobile homes insured under Cov. E.

**7.8 Buildings Under Construction**

Buildings under construction on the insured farm premises (including dwellings) may be insured on the farmowners policy as soon as the building materials are on the premises. The amount of insurance on any such building must be equal to the amount to be written on the completed buildings, and this coverage can only be written if the policy covers other farm property.

**7.9 Lone Buildings**

Isolated buildings are not usually acceptable for insurance, and coverage may not be bound on such risks. These types of risks may be submitted to the Home Office for consideration as an accommodation. Information must include the use of the building, location (relative to other insured buildings), when and how often it is visited and how near it is to the closest occupied dwelling.

**7.10 Exposed Insulation**

Use the factor shown in the Rate pages to adjust the premium when the insulation in a covered building is exposed.

**7.11 Portable Buildings and Structures**

Portable farm buildings and structures must be insured under Cov. E because there is a specific exclusion for these items under Cov. G (Unscheduled Farm Personal Property). A single amount of insurance can be shown for all similar portable buildings or structures, (e.g. \$1,000 for 20 portable hog houses) - it is not necessary to schedule each item separately.

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**RULE 8. TOTAL CONFINEMENT LIVESTOCK OPERATIONS**

The potential for a major loss is significant for these operations. They must be underwritten carefully. Inspections are mandatory for all new business with a follow-up inspection at least every three years.

A. General Requirements

1. Only modern buildings that have been constructed by reputable contractors specializing in this type of construction are acceptable.
2. Heating devices approved by a recognized testing laboratory with approved venting and automatic shutoffs, including electric heating devices, detached hot water or steam plants, forced warm air from a central gas or oil burning furnace permanently vented to a masonry chimney are generally insurable.
3. In general, no policy should be bound which insures a total confinement operation without first discussing the risk with your underwriter. Specifically, total confinement poultry risks may be submitted subject to acceptance only after inspection by the company.
4. Evidence of cobwebs, dust and debris inside and uncut grass outside the building should be practically nil.

B. Electrical Requirements

1. The main service panel should be located outside of the raising area and mounted on fire resistive material.
2. All wiring in the confinement area should be surface mounted and be visible at all times or in PVC conduit. Only type U.F. cable or equivalent should be used.
3. Junction, convenience, switch, and lighting fixture boxes should be non-metallic.
4. Incandescent or fluorescent lighting fixtures should be dust and moisture resistant.
5. Exhaust fans must have a separate circuit, individually fused and connected to the power outage alarm.

C. Classification and Rating

Livestock confinement buildings (other than poultry risks) may be classified and rated the same as other barns and outbuildings (rule #7) provided the building meets all the classification requirements.

Total confinement poultry operations may not be bound, but may be submitted to your underwriter for consideration. This type risk will be accepted only after inspection by the company, with classification and rating to be determined by the Home Office.

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**RULE 9. PROPERTY COVERAGE OPTIONS - FARM**

The optional property coverages described in this rule can be added when FO-6 is used to provide coverage for farm buildings and/or farm personal property. Refer to each rule to determine how the option can be applied.

Use the rating information shown in the Rate pages to determine any applicable additional premium charges.

**9.1 Earthquake**

Coverage for direct physical loss caused by earthquake can be added for property covered under Coverages E, F, or G. The limit for this coverage must be the same as the policy limit for the covered property.

Earthquake coverage is subject to a separate deductible provision. The deductible amount will be 5% of the amount of insurance that applies to the covered item, subject to a \$250 minimum. The deductible applies separately to Coverages E, F, and G.

Attach Endorsement FO-354. Coverage for masonry veneer is included at no additional premium charge.

**9.2 Sprinkler Leakage**

When a premium credit has been allowed for the installation of an approved and properly maintained sprinkler system, coverage can be added for direct physical loss to property covered under Coverages E, F, or G resulting from the accidental leakage of the sprinkler system.

Attach Endorsement FO-307 and describe the covered property. Entries will be made on the endorsement to show the limits that apply.

**9.3 Private Structures**

**A. Rented to Others**

Coverage for private structures on the insured premises rented or held for rental to others as a residence for no more than two families can be provided by scheduling the structures under Coverage E. Use the Coverage E rating information for dwellings.

**B. With Incidental Occupancies**

Coverage for private structures on the insured premises with office, professional, private school, day care, or studio occupancies can be provided by scheduling the structures under Coverage E. Use the Coverage E rating information for barns.

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**9.4 Replacement Cost Provision - Farm Barns, Buildings and Structures**

The loss settlement provisions that apply to farm barns, buildings and structures covered under Coverage E can be converted from actual cash value coverage to replacement cost coverage on specified farm barns and outbuildings - including farm dwellings insured under Cov. E.

To be eligible for this optional coverage, the building must meet ALL the following requirements:

- a. Insured for 100% of its replacement cost.
- b. Eligible for the Type 1 or Type 2 rate classification.
- c. Not more than 25 years of age (grain dryers and livestock confinement buildings must be no more than 5 years of age).
- d. Fully utilized for its intended purpose.
- e. Be in excellent physical condition.
- f. Show evidence of excellent maintenance and housekeeping both inside and out.

Attach Endorsement FO-341. The specific buildings to which this coverage applies will be listed on the endorsement. There is no additional premium charge for this endorsement.

*NOTE: This coverage is NOT available for mobile homes.*

**9.5 Special Form Coverage - Farm Barns, Buildings and Structures**

The named-perils coverage that applies to farm barns, buildings, and structures covered under Coverage E can be converted to cover all risks of direct physical loss, with certain exceptions, for specific structures. This optional coverage is available ONLY for those buildings or structures which are insured on a replacement cost basis (see rule 9.4 above). The premium adjustment factor for this optional coverage is shown in the Rate Pages.

Attach Endorsement FO-362 and describe the covered property.

**9.6 Coverage for Additional Perils (Cov. E dwellings only)**

Rental dwellings insured under Cov. E are covered for essentially the same perils as provided by the FO-1 dwelling coverage form. Coverage for four (4) additional perils can be added to provide coverage which is very similar to that provided by the FO-2 dwelling coverage form. The specific dwellings to which this coverage applies will be scheduled on the endorsement. The premium adjustment factor for this optional coverage is shown in the Rate pages.

Attach endorsement 11-219.

**9.7 Theft of Building Materials**

Coverage for loss resulting from theft of building materials and supplies can be added for structures covered under Coverage E. Use the factor shown in the Rate pages to adjust the premium.

Attach Endorsement FO-345 and describe the buildings under construction.

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**9.8 Repair or Rebuilding Requirement**

It has become rather common to find some farm buildings (particularly older buildings) that are no longer fully utilized in the farming operations. Insureds often are inclined to insure these buildings for an amount that is significantly less than their actual value.

In those situations, the company may require that the policy be endorsed so that any loss to these specified buildings will be settled for 50% of the adjusted loss prior to the actual repair or rebuilding of the damaged property. Additional payment will be made if the repair or rebuilding is completed within 12 months after the loss.

Attach Endorsement FO-363 and describe the covered property.

**9.9 Farm Machinery Coverage - Open Perils**

Coverage for self-propelled farm machinery can be provided for all risks of direct physical loss, with certain exceptions. An 80% coinsurance requirement applies to all covered property.

Attach Endorsement FO-360. All items of farm machinery to which this coverage applies must be scheduled on the endorsement showing a specific amount of insurance for each covered item.

*Note: Farm machinery insured under the FO-360 should NOT be included under Coverage F or Coverage G (blanket).*

**9.10 Rented or Borrowed Equipment**

Under "Incidental Property Coverages" in coverage form FO-6, up to \$5,000 of insurance is provided for direct physical loss to farm machinery and equipment which is rented or borrowed from others.

If additional amounts of insurance are needed, the coverage will be provided under Coverage F using the rate shown in the RATE PAGES for "Specifically Described Machinery". A specific limit of insurance for "Rented or Borrowed Equipment" will be shown in the Declarations.

**9.11 Property in Transit**

Coverage for farm personal property in transit can be provided for all risks of direct physical loss, subject to certain exceptions. Coverage for such loss is limited to \$5,000.

Attach Endorsement FO-361.

**9.12 Peak Season Inventory - Farm Personal Property**

**A. Coverage**

Coverage for farm personal property covered under Coverage F or Coverage G can be increased for specific periods of time when the insured has larger inventories than usual, e.g. large amount of grain at harvest time.

The minimum amount of additional insurance that can be written on the Peak Season endorsement is \$5,000, and any larger additional amounts of insurance must be in multiples of \$5,000. The time period(s) for which the additional amount(s) of insurance applies must be in multiples of 30 days.

Attach Endorsement FO-352 and describe the covered property. A schedule on the endorsement will show the amount of increase and the applicable time period. The additional premium charge will be prorated for the increased amount of coverage and the applicable time period.



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B. Rating

(1) Coverage F

Determine the “rate per \$1,000” for the type of farm personal property being insured under the Peak Season endorsement. Multiply that rate times the Peak Season limit and pro-rate for the applicable time period.

(2) Coverage G (blanket)

- (a) Determine the annual premium for the Coverage G limit.
- (b) Divide the Coverage G annual premium by the Cov. G limit to determine the net “rate per \$1,000” of insurance.
- (c) Multiply the rate (step b. above) times the Peak Season limit
- (d) Pro-rate the premium from step (c) for the applicable time period.

9.13 **Windstorm or Hail - Farm Products in the Open**

Coverage for farm products covered under Coverage F can be extended to include loss to property in the open caused by windstorm or hail. A minimum \$250 deductible applies.

Attach Endorsement FO-347 and describe the covered property.

9.14 **Additional Perils - Livestock**

A. Livestock Other Than Sheep

The Farm Extender Endorsement (11-205) extends the coverage for livestock OTHER THAN SHEEP to include loss resulting from death caused by accidental shooting, drowning, attack by dogs or wild animals, collapse of a building, freezing or smothering in a snowstorm or ice storm or falling through ice.

B. Sheep

The additional livestock perils listed above can be provided for sheep for an additional premium charge using the rate shown in the Rate pages.

Attach Endorsement 11-187.

9.15 **Suffocation of Livestock**

Coverage for certain types of livestock covered under Cov. F can be extended to cover loss resulting from death of the described livestock caused by the mechanical breakdown or the interruption of power to the equipment controlling the temperature, atmosphere, or movement of air within the confinement building containing the covered livestock.

To be eligible for this supplementary coverage, the confinement building in which the covered livestock is contained must have auxiliary power generating equipment sufficient to operate the equipment which controls the temperature, atmosphere or movement of air within the building and which meets the following requirements:

- a. is maintained in good working condition; and
- b. functions automatically upon the interruption of power furnished by the normal source, or a person is in attendance on the premises at all times to manually turn on the auxiliary power supply in the event of a power failure; and
- b. the auxiliary power generating equipment is tested at least once per month and a log is kept of the date tested and the person who tested it.

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The amount of insurance for this supplementary coverage must be the same as the policy limit for the covered livestock under Cov. F.

A separate deductible applies to this supplementary coverage. That deductible is 10% of the amount of each loss - subject to a minimum deductible amount of \$1,000.

Attach endorsement FO-349 and describe the type of livestock covered and the building in which the covered livestock is contained.

**9.16 4-H and FFA Animals**

Coverage for loss resulting from the death of animals raised or kept as 4-H or FFA projects can be provided for all risks of direct physical loss, with certain exceptions. No deductible applies to losses covered by this endorsement.

Attach Endorsement FO-346 and describe the covered animals. Entries will be made on the endorsement to show the original cost and the limit that applies to each animal.

**9.17 Pollutant Clean-up and Removal - Higher Aggregate Limit**

The annual aggregate limit that applies to pollutant clean up and removal expense can be supplemented with an additional aggregate limit of \$15,000, i.e. a total annual aggregate limit of \$25,000.

Attach Endorsement FO-123.

**9.18 Farm Extra Expense**

Coverage can be added for the expenses incurred in order to resume or continue normal farming operations that were interrupted as the result of direct physical loss by a peril insured against to property covered under Coverages E, F, or G.

Attach Endorsement 11-028.

**9.19 Incidental Coverages - Increased Limits**

The limits that apply to the following Incidental Coverages can be increased.

COVERAGE	AMOUNT INCLUDED
Farm Operations Records	\$2,500
Fire Department Service Charge	\$500
Glass Breakage in Cabs	\$500
Property in the Care of a Common or Contract Carrier	\$1,500
Signs	\$500

Attach Endorsement FO-330. Entries will be made on the endorsement to show the amount of each increase and the total limits that apply.

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**9.20 Farm Extender Endorsement (11-205)**

This endorsement provides a “package” of supplemental coverages that apply to farm property including:

- a. loss or damage caused by contact of a vehicle owned or operated by an insured with a covered building or structure (subject to a \$1,000 deductible);
- b. specified additional perils for livestock other than sheep;
- c. up to \$1,000 for damage to property of others caused by livestock owned or in the care of an insured; and
- d. up to \$1,000 (subject to a \$250 deductible) for damage to farm fences caused by a vehicle if the owner and/or operator of that vehicle can not be identified.

Attach endorsement 11-205 and charge the additional premium shown in the Rate Pages.

**9.21 Farm Income Coverage (endorsement FO 04 00)**

**A. Coverage Options**

Coverage Option 1 (Farm Earnings and Extra Expense) applies to loss of farm earnings that occurs when the described farming operations are interrupted as a result of damage to property covered under Coverage E, F, G or the FO-360 endorsement. The damage to the covered property must be caused by a peril insured against. The limit that applies to the loss of farm earnings includes coverage for related extra expenses.

Coverage Option 2 (Farm Rents) applies to loss of farm rents that occurs as a result of direct physical loss to a farm barn, building or structure insured under Coverage E that is rented to others. The damage to the covered property must be caused by a peril insured against. There is no monthly limitation under Coverage Option 2, but there is a 120-day maximum period of indemnity.

**B. Schedule of Operations**

Endorsement FO 0400 contains a “Schedule of Operations” showing:

- the Coverage Option that applies (see part A. above);
- a description of the covered farming operations;
- a description of the covered farm property that is used in the covered farming operation;
- the applicable limit of insurance for each covered farming operation;
- the applicable coinsurance percentage (Coverage Option 1 only); and
- the Period Of Loss Extension (Coverage Option 1 only).

A separate set of entries is required in the “Schedule of Operations” for each covered farming operation.

**C. Rating**

The rating information needed for endorsement FO 04 00 is shown in the Rate Pages. There is a separate base rate (per \$1,000 of insurance) for each of the coverage options referred to in paragraph A. above.

The base rate for Coverage Option 1 (Farm Earnings) contemplates an 80% coinsurance requirement. This coinsurance percentage can be modified as described in paragraph D. below. The base rate for Coverage Option 1 (Farm Earnings) also provides a 30-day “Period of Loss Extension”. This “Period of Loss Extension” can be extended in 30-day increments as described in paragraph E. below.

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D. Coinsurance Requirements

In the event of a loss under Option 1 (Farm Earnings), a coinsurance provision is applied to the limit of insurance for the described operation(s). The coinsurance percentage will be shown on the Schedule of Operations (FO 04 10). The base rate shown in the Rate Pages provides an 80% coinsurance requirement. The coinsurance percentage can be modified by applying the appropriate rate factor. With underwriting approval, the coinsurance requirement can be waived by applying the appropriate additional premium factor.

E. Period of Loss Extension

Coverage for loss of farm income is provided during the restoration period, which starts on the date of the loss to the described property and ends when the property should be rebuilt, repaired or replaced. Under ADDITIONAL COVERAGES, an automatic "Period of Loss Extension" provision extends the coverage provided under Coverage Option 1 (Farm Earnings) for loss of farm income due to a covered loss for up to 30 days after the date that the damaged property has been rebuilt, repaired or replaced. For an additional premium charge, the "Period of Loss Extension" can be extended in 30-day increments.

9.22 **Inland Marine Coverage**

Inland Marine coverage for certain types of personal property may be added to the farmowners policy, or the coverage may be provided by a separate Inland Marine policy. The coverages available and the rates will be the same for both programs.

Examples of types of property which might be insured with Inland Marine coverage include:

CB & FM radios	Livestock	Snowmobiles
Farm machinery	Recreational Vehicles	Watercraft

Rates for some of these classes of personal property are shown in the RATE pages of the farmowners section. Rates for other classes of personal property are shown in the Inland Marine section of your AGENTS MANUAL. Rates for certain "non-filed" Inland Marine classes are not published. Please contact your farm underwriter if you need a rate that is not shown in the AGENTS MANUAL.

**NOTE: ATVs and Dirt Bikes may be insured under Coverage F (Scheduled Farm Personal Property) if they are used ONLY for normal farming operations, and they are:**

- *not licensed for use on public roads; or*
- *subject to registration with the Bureau of Motor Vehicles*

9.23 **Ordinance or Law Coverage – Farm Barns, Buildings and Structures**

Coverage for the increased costs that result from the enforcement of a code, ordinance or law that regulates the construction, repair or demolition of a building or structure following a covered loss may be added for farm buildings and structures insured under Coverage E.

Attach endorsement FO-257 and describe the covered building or structure. The premium adjustment factor for this optional coverage is shown in the Rate Pages.

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**RULE 10. LIABILITY COVERAGE OPTIONS**

The optional liability coverages described in this rule can be added when Form GL-2 is used to provide farm personal liability coverage or when Form GL-610 is used to provide commercial liability coverage. Many of these optional liability coverages can also be added when the commercial liability coverage provided by Form GL-610 has been extended to include coverage for the personal liability exposures of individuals through the use of Endorsement GL-9. The description of each option indicates how it should be applied. **Rating information for these optional coverages is shown in the Rate pages.**

**10.1 Additional Farm Premises Rented to Others**

Coverage for liability arising out of additional farm premises rented or held for rental to others can be added to policies that include farm personal or commercial liability coverage. The additional premium charge shown in the Rate pages applies to each additional farm premises that is rented to others. Attach Endorsement GL-73 and describe the rented premises.

***NOTE: If an additional farm location is rented to others for farming operations, and that location includes a dwelling that is rented to someone other than the person(s) operating the farm, there will be separate premium charges applied for the rented farm ground and for the rental dwelling***

**10.2 Additional Residences Rented to Others**

Coverage for liability arising out of one to four family dwellings owned by the insured and rented or held for rental to others can be added to policies that include farm personal or commercial liability coverage. The additional premium charge shown in the RATE pages is applied to each family rental unit. Attach Endorsement GL-73 and describe the rented premises.

***NOTE: See "NOTE" under Rule #10.1 above regarding rental dwellings on a farm location rented to others.***

**10.3 Structures Rented to Others**

Coverage for liability arising out of structures on the insured premises which are rented or held for rental to others can be added to policies that include farm personal or commercial liability coverage. The additional premium charge shown in the Rate pages applies to each structure rented to others.

Attach Endorsement GL-40 and describe the rented structures.

**10.4 Care Provided for Others (Home Day Care)**

Coverage for liability arising out of the care provided for others as a business conducted on the premises can be added to policies that include personal or farm personal liability coverage. Eligible operations are limited to those that involve the care of no more than five persons. The limit for this coverage applies on an annual aggregate basis.

Attach Endorsement GL-84 and describe the covered business. Entries will be made on the endorsement to show the limit that applies and the number of persons receiving care.

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**10.5 Business Activities - Business Not Owned by the Insured**

Coverage for liability arising out of an insured's business activities, other than activities related to a business of which the insured is the sole owner or a partner, can be added to policies that include personal or farm personal liability coverage.

Eligible business activities are classified as shown below. Make the appropriate premium charge for each covered person.

Classifications:

- a. Clerical Office Employees – engaged wholly in office work and having no other duty in or about the employer's premises.
- b. Salespersons, Collectors or Messengers – no installation, demonstration, or service operations.
- c. Salespersons, Collectors, or Messengers – including installation, demonstration or service operations.
- d. Teachers – athletic, laboratory, manual training, physical training or swimming instruction, excluding liability for corporal punishment of pupils.
- e. Teachers – not otherwise classified, excluding liability for corporal punishment of pupils.
- f. Teachers – liability for corporal punishment of pupils. The additional premium for this classification must be added to the premium for classifications d. or e.

Refer to the company for occupations not classified. Attach Endorsement GL-74. Entries will be made on the endorsement to show the names of the covered persons, the covered business activities and, if applicable, that coverage for corporal punishment is included.

**10.6 Office, Professional, Private School or Studio Occupancy**

Coverage for liability arising out of an incidental office, professional, private school, or studio occupancy in the principal farm residence, a private structure on the premises, or an additional residence premises can be added to policies that include personal or farm personal liability coverage, when:

- a. the premises are occupied principally for residential and/or farming purposes; and
- b. there is no other business conducted on the premises.

Attach Endorsement GL-80 and describe the business and its location.

**10.7 Owned Snowmobiles and Other Recreational Vehicles - Off Premises**

Coverage for liability arising out of the off-premises, recreational use of snowmobiles, all-terrain vehicles or other non-licensed recreational vehicles owned by an insured who resides in the named insured's household can be added to policies that include personal or farm personal liability coverage. A separate charge applies for each covered snowmobile or other recreational vehicle.

Attach Endorsement GL-83 and describe each covered snowmobile or other recreational vehicle.

**Endorsement GL-83 will be added any time there is a known recreational vehicle exposure.**

**10.8 Trampoline Surcharge**

Indiana Farmers Mutual prefers to not provide liability coverage for risks with a trampoline; however, we will consider the trampoline exposure if there is sufficient supporting business.

**There will be an additional premium charge of \$75 per policy for the trampoline exposure.**

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10.9 **Watercraft**

Coverage for liability arising out of the use of certain types of watercraft can be added to policies that include personal or farm personal liability coverage. For rating purposes, combine the horsepower of all outboard motors used together with any single watercraft owned by the insured. Classify sailboats that are 26 to 40 feet (inclusive) in length and equipped with auxiliary power as inboard motor boats

Coverage Form GL-2 (Personal Liability Coverage - Farm) includes (under "INCIDENTAL COVERAGES") liability coverage for watercraft with outboard motors not larger than 50 horsepower. The Farm ALL STAR endorsement (11-204) extends liability coverage to watercraft with outboard motors of any size.

Attach Endorsement GL-82 and describe each covered watercraft.

10.10 **Personal Injury - Personal and Farm Personal Liability**

Personal injury means damages for which the insured is liable for offenses such as false arrest, libel, slander and invasion of privacy of another. Personal and farm personal liability coverage can be extended to include coverage for personal injury by attaching the Farm ALL STAR endorsement (11-204) – please refer to rule #6.8.

10.11 **Custom Farming**

Coverage for liability arising out of custom farm work that either:

- a. exceeds \$5,000 in annual receipts; and/or
- b. involves the application of pesticides or herbicides

can be added to policies that include farm personal or commercial liability coverage.

Attach Endorsement GL-75 and describe the custom farming activities. Entries will be made on the endorsement to show the estimated receipts, advance premium amount, and whether coverage for the application of pesticides or herbicides is included or excluded.

**NOTE:** *Any risk which has annual receipts greater than \$25,000 from custom farming operations must be referred to the farm underwriter before binding coverage.*

10.12 **Incidental Business Pursuits**

Coverage for liability arising out of an incidental business conducted on or from the insured premises by the insured can be added to policies that include personal or farm personal liability coverage.

Attach Endorsement GL-90 and describe the covered business. Entries will be made on the endorsement to show the names of the insureds, estimated receipts, and whether coverage for liability arising out of products and completed work is included or excluded.

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**10.13 Fruit or Vegetable "Pick Your Own" Operations**

Coverage for liability arising out of fruit or vegetable picking operations on the premises that are open to the public can be added to policies that include coverage for farm personal or commercial liability coverage.

Attach Endorsement GL-78 and describe the covered operations. Entries will be made on the endorsement to show estimated receipts and whether coverage for off-ground picking is included or excluded.

**10.14 Employer's Liability - Farm Employees**

Liability and medical payments coverage for injuries sustained by farm employees during the course of their employment may be added to policies that include farm personal or commercial liability coverage. Employees subject to the Workers' Compensation Act are not eligible.

Attach Endorsement GL-76 to policies that include farm personal liability coverage (form GL-2).

Attach Endorsement GL-872 to policies that include commercial liability coverage (form GL-610).

**10.15 Contingent Workers' Compensation Coverage**

This coverage provides protection for the insured who unknowingly employs someone who comes under the Indiana Workers' Compensation Act, and is obligated to pay benefits to such person if injured on the job. In such a case, the Company agrees to issue to the insured a standard Indiana Workers' Compensation policy covering such accident. The insured must pay the regular Company premium for such policy at that time.

This coverage is included WITHOUT AN ADDITIONAL PREMIUM CHARGE in the GL-2 coverage form.

*NOTE: Two important factors of this coverage are:*

- 1. it does not apply to any custom farming operations. If the insured is to be protected for custom farming operations, he must purchase a Workers' Compensation policy; and*
- 2. the coverage is not intended to replace Workers' Compensation, but only to cover the existence of an unknown hazard.*

**10.16 Farm Chemical Limited Liability**

The farm liability coverage forms include coverage for the insured's liability arising out of the release of farm chemicals from an insured premise (e.g. crop overspray) provided:

- a. the injury or damage is caused by chemicals, liquids or gases which the insured has used in the "normal and usual" farming operations;
- b. the chemicals, liquids or gases have not been discharged, dispersed or released from an airplane; and
- c. the farming operations are not in violation of an ordinance or law.

This coverage is subject to an ANNUAL aggregate limit of \$100,000.



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**10.17 Limited Farm Pollution Liability (Increased Limits)**

The Farm Personal Liability coverage form (GL-2) provides Limited Farm Pollution liability coverage under INCIDENTAL COVERAGES with a \$25,000 limit. Coverage is for "sudden and accidental" releases or discharge of pollutants arising out of farming operations.

Higher limits of \$50,000, \$75,000 or \$100,000 are available for an additional premium as shown in the Rate pages. This coverage is subject to an annual aggregate limit of \$100,000.

**10.18 Family Medical Payments**

The insured and members of his family residing on the premises, between the ages of 6 and 70 years of age, may be insured for all medical expenses caused by accident, including total payment of the amount stated in the Declarations if death results. The coverage provides protection no matter where the accident happens. Each person so insured must be named in the Declarations or in the Schedule on the endorsement.

It is the practice of this Company to continue this coverage for a person after he has reached his 70th birthday if past claims experience is satisfactory, and if the person is still in reasonably good physical condition. NO new business will be accepted for any applicant over 70.

Attach endorsement 11-206.

**10.19 Personal Liability Coverage – Commercial Liability Coverage Form**

The commercial liability coverage provided by Form GL-610 can be extended to include coverage for the personal liability exposures of specified individuals. If more than one individual (or husband and wife) is listed on the GL-9 endorsement, the additional premium charge shown in the RATE pages will be applied to each specified individual insured (or husband and wife).

Attach Endorsement GL-9 and identify the individual named insureds.

**10.20 Liability Enhancement Endorsement**

The liability coverage for any ownership entity other than an individual (or husband and wife) must be provided under the GL-610 (Commercial Liability Coverage form). The GL-610 does not include several of the "Incidental Coverages" provided in the GL-2 farm liability coverage form.

At the underwriters discretion, endorsement 11-220 may be attached to the GL-610 liability coverage form to provide "Incidental Coverages" similar to those found in the GL-2. This endorsement may be used only on a policy issued to a family-farm partnership or family-farm corporation, and only if that partnership or corporation is not involved in business activities other than farming.

There is no premium charge for endorsement 11-220 unless a limit greater than \$25,000 is provided for Limited Farm Pollution Liability Coverage.

**10.21 Personal and Advertising Injury - Commercial Liability**

Coverage P - Personal and Advertising Injury Liability can be added to policies that include commercial liability coverage (coverage form GL-610). Coverage applies to offenses of personal injury and advertising injury that arise out of the conduct of the insured's business.

Attach Endorsement GL-904.

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10.22 **Exclusion of the Products/Completed Work Hazard - Commercial Liability Coverage**

At the option of the company, coverage for liability arising out of the Products/Completed Work Hazard can be omitted from policies that include commercial liability coverage. Use the rating information provided by the company.

Attach Endorsement GL-615. An entry will be made on the Declarations to show that the Products/Completed Work Hazard Aggregate Limit is not applicable.

10.23 **Deletion of Certain Exclusions - Commercial Liability Coverage**

At the option of the company, the following provisions under "Exclusions that Apply to Bodily Injury and/or Property Damage" in Form GL-610 can be amended to include coverage for activities that would otherwise be excluded:

- a. Exclusion 5 - this exclusion applies to bodily injury or property damage that arises out of the ownership, use, maintenance, rental, or holding for rental of any part of the insured premises for purposes other than farming.
- b. Exclusion 13 - this exclusion applies to bodily injury or property damage that arises out of the ownership, use or maintenance of farm tools, farm tractors and trailers, and draft animals under contract to others for a charge; draft animals used for route delivery; saddle animals while they are rented to others; and animals in or in the practice or preparation for any prearranged racing, speed, pulling, pushing or stunt activities.

Refer to company to determine what activities are eligible for coverage and for rating information.

Attach Endorsement GL-612.

10.24 **Horse Boarding Operations**

Coverage for liability arising out of horse boarding operations on the premises that:

- a. have no more than 10 horses boarded at one time (10 stall limitation)
- b. have no single horse boarded with a value greater than \$25,000
- c. do not conduct horse shows on the premises
- d. have no race horses, including racing quarter horses
- e. have no barrel racers or jumpers/hunters

can be added to policies that include farm personal or commercial liability coverage for an additional premium as listed below.

Limits CSL for BI/PD	Premium Charge (for 5 horses or less)	Medical Payments (per \$1,000)	Premium Charge (for 6-10 horses)
\$100,000	\$170.35	\$25.20	\$340.70
300,000	229.60	25.20	459.20
500,000	251.80	25.20	503.60
1,000,000	311.10	25.20	622.20

\*\*\*Rate as no less than 5 horses or 10 horses. Any that are rated differently will be adjusted by the company's underwriting department to either a 5 or a 10 upon submission.

Attach Endorsement 11-193 and describe the type of operation, the location and the number of horses being boarded. **The company will require mandatory signage** be clearly posted on the property as well as signed boarding agreements and liability waivers.

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**RULE 11. ADDITIONAL AND SECONDARY LOCATIONS**

The following options apply to policies that include farm personal liability coverage.

**11.1 Secondary Farm Locations**

Property coverage for a secondary farm location in the same state that meets the eligibility requirements set forth by this manual can be provided by endorsement to the Farmowners policy that covers the primary location.

Use the rating information in the Rate pages to determine the premium for the secondary location and apply the credit for the deletion of farm personal liability coverage. Use the rating information shown in the Rate pages to make a liability charge for the additional farm premises and, if applicable, the additional residence premises occupied by the insured.

Attach Endorsement FO-309.

As an alternative to using Endorsement FO-309, a separate policy can be issued to cover a secondary farm location that meets the eligibility requirements set forth by this manual.

Farm personal liability coverage can be deleted from the policy that covers the secondary location if coverage for the additional farm premises and, if applicable, the additional residence premises occupied by the insured, is added to the policy that covers the primary location.

**11.2 Additional Farm Dwellings on the Premises**

**A. Owner-Occupied**

**1. Property Coverage**

Endorsement FO-309 can be attached to provide property coverage for an additional dwelling on the premises that meets the eligibility requirements set forth by this manual. Use the primary dwelling rate tables to determine the premium for the additional dwelling.

**2. Liability Coverage**

A credit (as shown in the Rate Pages) will be subtracted from the FO-309 dwelling premium for the deletion of farm personal liability coverage. A separate liability charge will then be added as follows depending on who occupies the additional residence.

- a. If the secondary dwelling is occupied by another family member who is a co-owner of the farm, attach endorsement GL-71 (Additional Insured – Occupying Separate Residence) and charge the additional premium as shown in the Rate Pages. In this situation the occupants of the FO-309 dwelling need liability coverage for their personal activities unless they have personal liability coverage under another policy. The GL-71 endorsement provides liability coverage for the personal activities of the persons listed on the endorsement, as well as their activities related to the farming operations.
- b. If the secondary dwelling is occupied by the named insured who also occupies the primary dwelling, (e.g. a seasonal dwelling), no separate endorsement is needed. There will be an additional premium charge as shown in the Rate Pages for an “Additional Residence Premises Occupied by the Insured”. This is a smaller premium charge because the occupants of the secondary dwelling have already been charged a liability premium for their personal activities as part of the primary dwelling premium.

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- c. If the secondary dwelling is occupied by a relative (e.g. parent, child, sister, brother) who does not co-own real estate, they must have their own personal liability coverage for their personal activities. Attach endorsement GL-73 (Additional Residence – Rented To Others) and charge the additional premium as shown in the Rate Pages. This additional premium charge applies even if the occupant pays no actual rent – the liability exposure is the same regardless of whether or not the insured collects rental income. In these situations it is a good practice to verify that the occupant does have personal liability coverage elsewhere (e.g. a HO policy or personal liability policy).

**B. Not Owner-Occupied****1. Property Coverage**

Coverage may be provided under Coverage E for rental farm dwellings and household personal property contained in those dwellings. The insured items will be shown on the Farm Property Schedule attached to the Declarations. Use the rating information shown in the Rate Pages under “Coverage E: Farm Barns, Outbuildings and Structures”.

**2. Liability Coverage**

Attach endorsement GL-73 (Additional Residence – Rented To Others) and charge the additional premium as shown in the Rate Pages. It is a good practice to remind your insured that the occupant should have his/her own personal liability coverage elsewhere (e.g. a tenant homeowner policy or personal liability policy).

**11.3 Non-Farm Locations**

A separate Homeowners or Mobile Homeowners policy can be issued to cover an eligible secondary residential location that is not used in connection with the farming operations. Liability coverage can be omitted from the Homeowners or Mobile Homeowners policy if coverage for an additional residence premises occupied by the insured is added to the Farmowners policy.

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**RULE 12. INDIVIDUAL RISK PREMIUM MODIFICATIONS (IRPM)**

The individual risk premium modifications (IRPMs) shown below may be applied to recognize special characteristics of the risk that are not fully reflected in the rates. IRPM credits must be justified by the risk having certain characteristics that make it a "better than average" risk.

The total annual policy premium must be at least \$500 before IRPM credits or debits may be applied.

The maximum total credits (or debits) permitted is 25%. (No IRPM credits are allowed on Hobby Farmowner policies).

If IRPM credits are allowed, a completed "Request for IRPM Credit" form #11-167 must be submitted along with the application. **All IRPM credits must be approved by the underwriter.**

**IRPM credits and/or debits can only be changed at the annual renewal date – no mid-term changes will be made.**

The IRPM credit or debit is applied to the TOTAL ANNUAL policy premium EXCEPT the premiums for Coal Mine Subsidence and Inland Marine coverages.

RISK VARIATIONS	Range of Modifications CREDIT or DEBIT
1. Supporting business	- 5% to + 5%
2. Care and condition of premises and equipment	- 5% to + 5%
3. Cooperation of owners or operators with insurer's recommendations with respect to structural features, control of hazards, and maintenance of protective equipment	- 5% to + 5%
4. Damage susceptibility	- 5% to + 5%
5. Dispersion or concentration	- 5% to + 5%
6. Location: accessibility, congestion, and exposures	- 5% to + 5%
7. Miscellaneous protective features or hazards	- 5% to + 5%
8. Roof condition and other windstorm exposures	- 5% to + 5%
9. Storage practices and hazardous operations	- 5% to + 5%
10. Superior or inferior structural features	- 5% to + 5%
11. Past losses relative to number of exposure units and subsequent preventive measures	- 5% to + 5%

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**RULE 13. HOBBY FARMOWNERS POLICY**

This is a special program designed for those clients who have a small farm, but farming operations are not the primary source of their income.

Attach Endorsement 11-186.

**13.1 Underwriting Requirements**

The Hobby Farm must comply with all applicable Farmowners underwriting requirements. The following additional requirements also apply to the Hobby Farmowner program:

- a. The Named Insured must be an individual(s), and must have a credit score of 10, 20, 30 or 40;
- b. The dwelling must be owner-occupied as the insured's principal residence, and used exclusively for private residential purposes;
- c. The dwelling must meet the eligibility requirements for a Type 1 classification, and be insured for at least \$60,000;
- d. The market value of the dwelling must be at least 80% of the full replacement cost;
- e. The dwelling must be insured for at least 90% of the replacement cost; and
- f. The dwelling must NOT be more than 35 years old (UNLESS the electrical, heating and plumbing systems and roof have been replaced within the past 10 years).

**13.2 Unacceptable Risks**

- a. **Any risk that is eligible to be written on an Indiana Farmers Homeowners policy;**
- b. Any risk with two or more losses in the past three years;
- c. Any dwelling that does not have central heat;
- d. Any dwelling located in an area exposed to an unusual hazard, such as forest fires, flood, landslide or cave-in;
- e. Any risk having more than 5 horses (these must be for pleasure use only - boarding of horses or raising horses for racing or other business purposes is not permitted);
- f. Mobile homes;
- g. Premises in excess of 80 acres;
- h. Gross farm income exceeds more than 50% of the insured's total income, or more than \$10,000 per year; or
- i. Outbuildings valued in excess of \$50,000 (per building).

**13.3 Farm Personal Property**

The Hobby Farmowner policy may include coverage for farm personal property, but not more than \$30,000, and this must be insured on a scheduled basis.

**13.4 Rates**

Apply a 25% discount to the total premium EXCEPT for Inland Marine and Coal Mine Subsidence coverages.

**13.5 IRPM Credits**

IRPM credits and/or debits will not be allowed on Hobby Farmowners policies.

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RULE 14. COAL MINE SUBSIDENCE

14.1 Description of Coverage

The Indiana Mine Subsidence Act requires that Mine Subsidence insurance be available for certain structures in Indiana. Farmowners policies may be endorsed to provide coverage on structures for loss caused by coal mine subsidence as defined in this rule.

Mine subsidence means the collapse of inactive underground coal mines abandoned before August 3, 1977, resulting in damage to a structure. The term does not include loss caused by earthquake, landslide, volcanic eruption or collapse of storm or sewer drains.

Structure is defined as any dwelling, building, or fixture permanently affixed to real property. It does not include land, trees, crops or other plants, or a dwelling, building, or fixture that is owned by a public or governmental entity.

14.2 Limits – Special Deductible

The amount of insurance applicable to Mine Subsidence coverage will be the lesser of: (1) the limit shown on the Declarations for the covered building or structure; or (2) \$200,000.

A deductible of 2% of the limit of insurance applies to each loss, subject to a minimum of \$250 and a maximum of \$500 per occurrence.

14.3 Rules

- a. Eligibility: If requested by the insured prior to policy issuance or renewal, Mine Subsidence coverage must be provided for direct loss to structures located in specified counties in Indiana. Mine Subsidence coverage may not be written on a structure evidencing unrepaired mine subsidence damage until necessary repairs have been made.
- b. Notice Requirement: Coverage for loss caused by mine subsidence must be offered to each prospective insured and each new policyholder if the policy provides property coverages on real property risks located in the following counties:

Clay	Greene	Montgomery	Pike	Vanderburgh
Crawford	Knox	Orange	Posey	Vermillion
Daviess	Lawrence	Owen	Putnam	Vigo
Dubois	Martin	Parke	Spencer	Warren
Fountain	Monroe	Perry	Sullivan	Warrick
Gibson				

14.4 Rates

See the Rate Pages for the applicable Mine Subsidence premium “per structure”. There are separate rate tables for “dwellings” and for “non-dwelling structures”.

The premium for Mine Subsidence coverage will be shown separately on the Declarations.

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**ANNUAL RATES**

**I. LIABILITY PREMIUM DETERMINATION INFORMATION**

The primary dwelling rates shown in this manual INCLUDE liability coverage for the primary farm dwelling (residence) and farm personal liability exposures.

A. The "INITIAL FARM EXPOSURE" includes:

1. the initial farm premises; and
2. all additional farm premises which are operated by the insured for farming operations in conjunction with the initial farm premises provided the additional premises does not contain buildings which are owned and/or maintained by the insured.

B. Additional premium(s) as shown in these RATE pages will be charged for each of the following exposures if they exist:

1. Total farm acreage for the "initial farm exposure" (as defined above) that is in excess of 160 acres.
2. Each additional (separate) farm location owned and/or operated by the insured that contains farm buildings maintained by the insured, including all farm land used in conjunction with that separate location. This includes any farm location owned by the insured and rented to others.

If an additional farm location is rented to someone else for farming operations, and that location includes a dwelling that is rented to someone other than the person(s) operating the farm, there will be separate premium charges applied for the rented farm ground and the rental dwelling.

3. Each additional dwelling (other than the primary farm dwelling) located on the "initial farm premises" will be rated as an "additional residence premises" (may be either "occupied by insured" or "rented to others").
4. Each additional or secondary residence premises where the named insured or spouse maintain a residence or farm.
5. Each farm dwelling that is a three or four family dwelling (i.e. contains 3 or 4 separate living units).
6. Incidental office, professional, private school or studio occupancies maintained by the named insured(s) on the insured premises.
7. Domestic employees of the named insured not covered, or not required to be covered by Workers Compensation insurance. **AN ADDITIONAL PREMIUM CHARGE IS REQUIRED FOR EACH DOMESTIC EMPLOYEE IN EXCESS OF TWO.**

**II. CALCULATION OF PREMIUM**

A. Dwelling and Farm Personal Liability Coverages

1. Determine the basic policy premium based on the amount of Coverage A or Coverage C, as applicable.
2. Adjust the premium determined in Step 1 to reflect the elimination of or revised limits for Coverages B or C.



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3. If Form GL-610 is used to provide commercial farm liability coverage, or if there is more than one primary dwelling insured on the policy, subtract the appropriate credit from the result of Step 2.
4. Multiply the result of Step 3 by the deductible factor.
5. Multiply the result of Step 4 by any premium modification factors that apply.
6. Multiply the result of Step 5 by the factors for any other mandatory or optional coverage that apply.
7. Add the result of Step 6 to the premiums or charges for any other mandatory or optional coverages that apply. Round the sum to the nearest whole dollar.

**B. Farm Coverages**

If the deductible option, premium modifications, or coverage options vary by item or class of property, calculate the premium for each item or class separately.

1. Multiply the blanket limit and/or the amount of insurance for each scheduled item by the appropriate rate.
2. Multiply the result of Step 1 by the deductible factor.
3. Multiply the result of Step 2 by any premium modification factors that apply.
4. Multiply the result of Step 3 by the factors for any other mandatory or optional coverages that apply.
5. Add the result of Step 4 to the premiums or charges for any other mandatory or optional coverages that apply.

**C. Commercial Liability Coverage - Form GL-610**

1. Determine the commercial liability premium based on the Coverage L limit and the initial farm acreage.
2. If the general aggregate limit or the Products/Completed Work Hazard aggregate limit is increased, multiply the result of Step 1 by the appropriate factor.
3. Add the result of Step 2 to the premiums or charges for any other mandatory or optional coverages that apply.

**D. Supplemental Insurance Contracts**

Determine the premium for other applicable coverages written by endorsement to this policy that are not otherwise provided for in this manual. Classify and rate such coverages in accordance with the company manual for other lines of insurance.

**E. Total Farmowners Policy Premium**

The total farmowners policy premium is determined by adding the amounts calculated in parts A, B, C and D above.

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**TERRITORIAL DEFINITIONS**

<u>County</u>	<u>Territory</u>	<u>County</u>	<u>Territory</u>
Adams	146	Madison	143
Allen (except Ft. Wayne)	139	Marion (except Indianapolis)	131
City of Ft. Wayne	138	Indianapolis	130
Bartholomew	145	Marshall	146
Benton	146	Martin	145
Blackford	146	Miami	146
Boone	140	Monroe	145
Brown	145	Montgomery	146
Carroll	146	Morgan	140
Cass	146	Newton	146
Clark	142	Noble	146
Clay	145	Ohio	145
Clinton	146	Orange	145
Crawford	145	Owen	145
Daviess	145	Parke	146
Dearborn	145	Perry	145
Decatur	145	Pike	145
DeKalb	146	Porter	135
Delaware	143	Posey	145
Dubois	145	Pulaski	146
Elkhart	141	Putnam	146
Fayette	146	Randolph	146
Floyd	142	Ripley	145
Fountain	146	Rush	146
Franklin	145	St. Joseph (except South Bend)	136
Fulton	146	City of South Bend	137
Gibson	145	Scott	145
Grant	146	Shelby	140
Greene	145	Spencer	145
Hamilton	140	Starke	146
Hancock	140	Steuben	146
Harrison	145	Sullivan	145
Hendricks	140	Switzerland	145
Henry	146	Tippecanoe	146
Howard	146	Tipton	146
Huntington	146	Union	146
Jackson	145	Vanderburgh	144
Jasper	146	Vermillion	145
Jay	146	Vigo	145
Jefferson	145	Wabash	146
Jennings	145	Warren	146
Johnson	140	Warrick	144
Knox	145	Washington	145
Kosciusko	146	Wayne	146
Lagrange	146	Wells	146
Lake (except Gary & Hammond)	134	White	146
City of Gary	132	Whitley	146
City of Hammond	133		
LaPorte	141		
Lawrence	145		

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**PREMIUM GROUPS CHART**

Type of Dwelling (See page FO-2)	Dwelling Coverage Forms	Construction Type	Territory	Premium Group
Site Built or Modular	FO-1	Masonry	135-146	1
	FO-2		130-134	3
	FO-3	Frame	135-146	2
	FO 00 05		130-134	4
Mobile Home	FO-1 FO-2 FO-3 FO-4	All	All	Separate Rate Table
Tenants Form	FO-4	All except Mobile Home	All	Separate Rate Table

**CONSTRUCTION DEFINITIONS:**

MASONRY - exterior walls of masonry or masonry veneered construction.

FRAME - exterior walls of frame, metal-sheathed or stuccoed frame construction; or of metal or metal lath and plaster on combustible supports.

MIXED - a building shall be classified as FRAME when 1/3 (33 1/3%) or more of the exterior wall area (including gables) is of frame construction.

<b>OPTIONAL DEDUCTIBLE FACTORS</b> (applicable to all property coverages except those that are not subject to a deductible)	
DEDUCTIBLE AMOUNT	FACTOR
\$250 (base)	1.00
500	0.90
1,000	0.82
2,500	0.77
5,000	0.74
10,000	0.71

**FARMOWNERS PROGRAM**

## ANNUAL RATES

\$250 Deductible

**DWELLINGS - TYPE 1**

Cov. A Amount	Premium Group 1 (Masonry)				Premium Group 2 (Frame)			
	FO-1	FO-2	FO-3	FO 00 05	FO-1	FO-2	FO-3	FO 00 05
*20,000	\$333	\$350	\$364	\$437	\$366	\$384	\$401	\$482
*25,000	347	363	379	455	381	399	418	501
30,000	360	378	394	473	396	415	434	521
35,000	373	391	409	491	410	430	450	540
40,000	387	404	424	508	425	446	467	560
45,000	400	419	439	526	440	461	483	580
50,000	412	433	453	544	453	477	499	599
55,000	425	447	468	562	468	492	516	619
60,000	439	461	483	580	483	508	532	638
65,000	458	480	504	604	505	530	556	667
70,000	477	501	524	629	526	553	579	695
75,000	496	521	545	654	547	575	603	724
80,000	521	548	573	688	575	604	634	761
85,000	547	575	601	722	603	634	665	798
90,000	572	601	630	756	631	664	696	836
95,000	597	628	658	789	659	693	727	873
100,000	622	655	686	823	687	723	758	910
110,000	668	702	736	884	739	778	815	978
120,000	720	757	794	953	796	837	880	1056
130,000	766	806	846	1015	847	892	936	1124
140,000	822	865	910	1092	911	958	1007	1209
150,000	880	926	972	1166	975	1027	1078	1294
160,000	938	987	1036	1243	1038	1093	1148	1378
170,000	996	1047	1099	1319	1102	1161	1219	1463
180,000	1052	1108	1163	1396	1166	1228	1290	1548
190,000	1110	1169	1227	1472	1231	1296	1361	1634
200,000	1167	1228	1290	1548	1295	1363	1433	1719
210,000	1224	1289	1354	1625	1358	1431	1504	1804
220,000	1281	1350	1418	1701	1378	1498	1575	1890
230,000	1339	1410	1481	1778	1486	1566	1646	1975
240,000	1396	1471	1545	1854	1550	1633	1717	2060
250,000	1453	1532	1609	1931	1613	1701	1787	2144
260,000	1511	1593	1673	2007	1677	1767	1858	2229
270,000	1567	1652	1736	2083	1741	1835	1929	2315
280,000	1625	1713	1800	2160	1804	1902	2000	2400
290,000	1683	1773	1864	2236	1870	1970	2071	2485
300,000	1739	1834	1927	2313	1933	2037	2142	2571
Each Addl. 10,000 Add	57.32	60.50	63.69	76.42	63.85	67.39	70.95	85.13

\* Only "additional farm dwellings" may be insured for less than \$30,000 (see rule 2.4.A.).

**FARMOWNERS PROGRAM**

ANNUAL RATES

\$250 Deductible

**DWELLINGS - TYPE 1**

Cov. A Amount	Premium Group 3 (Masonry)				Premium Group 4 (Frame)			
	FO-1	FO-2	FO-3	FO 00 05	FO-1	FO-2	FO-3	FO 00 05
*20,000	\$379	\$397	\$416	\$500	\$416	\$437	\$458	\$549
*25,000	394	413	433	519	434	455	477	572
30,000	409	430	449	539	450	473	495	594
35,000	425	446	467	560	468	490	514	617
40,000	440	462	483	580	484	510	533	640
45,000	455	479	501	601	502	527	553	663
50,000	471	495	517	620	519	545	570	684
55,000	486	510	535	642	536	563	590	708
60,000	501	526	551	661	553	581	609	731
65,000	523	550	576	692	578	606	636	763
70,000	545	573	601	722	603	633	664	796
75,000	567	597	625	750	627	659	692	830
80,000	597	628	658	789	659	693	727	873
85,000	627	658	690	828	692	727	763	916
90,000	655	689	723	868	724	763	800	960
95,000	684	720	756	907	757	797	836	1003
100,000	714	751	788	946	790	831	873	1047
110,000	767	807	847	1017	849	893	938	1125
120,000	827	870	914	1097	916	964	1012	1214
130,000	880	926	973	1168	975	1027	1078	1294
140,000	947	997	1046	1255	1049	1105	1160	1392
150,000	1013	1067	1120	1344	1123	1182	1243	1492
160,000	1080	1136	1194	1433	1197	1261	1324	1589
170,000	1147	1207	1268	1522	1271	1339	1407	1689
180,000	1213	1277	1342	1611	1345	1418	1489	1787
190,000	1278	1348	1416	1699	1419	1496	1572	1886
200,000	1345	1418	1490	1788	1493	1573	1653	1984
210,000	1412	1487	1563	1875	1567	1652	1736	2083
220,000	1478	1558	1637	1964	1641	1730	1819	2183
230,000	1545	1628	1711	2053	1715	1809	1901	2281
240,000	1612	1698	1785	2142	1790	1886	1984	2380
250,000	1678	1769	1859	2231	1864	1964	2065	2478
260,000	1745	1838	1933	2320	1938	2043	2148	2578
270,000	1810	1910	2007	2409	2012	2121	2230	2675
280,000	1877	1979	2080	2496	2086	2198	2313	2775
290,000	1944	2049	2154	2585	2160	2277	2394	2873
300,000	2010	2120	2228	2674	2234	2355	2477	2972
Each Addl. 10,000 Add	66.49	70.18	73.86	88.64	74.07	78.18	82.29	98.75

\* Only "additional farm dwellings" may be insured for less than \$30,000 (see rule 2.4.A.).

INDIANA FARMERS MUTUAL INSURANCE COMPANY

Terr. 135-146

**FARMOWNERS PROGRAM**

ANNUAL RATES

\$250 Deductible

**DWELLINGS - TYPE 2**

Cov. A Amount	Premium Group 1 (Masonry)			Premium Group 2 (Frame)		
	FO-1	FO-2	FO-3	FO-1	FO-2	FO-3
*20,000	\$417	\$437	\$456	\$457	\$480	\$502
*25,000	433	454	474	476	498	522
30,000	450	472	493	494	519	543
35,000	467	489	511	513	537	563
40,000	483	506	530	531	557	583
45,000	500	524	548	550	576	604
50,000	515	541	567	567	596	624
55,000	531	559	585	585	615	644
60,000	548	576	604	604	635	665
65,000	572	600	630	631	663	694
70,000	596	626	656	657	691	724
75,000	620	652	681	683	718	754
80,000	652	685	717	718	756	793
85,000	683	718	752	754	793	831
90,000	715	752	787	789	830	870
95,000	746	785	822	824	867	909
100,000	778	818	857	859	904	948
110,000	835	878	920	924	972	1018
120,000	900	946	993	994	1046	1100
130,000	957	1007	1057	1059	1115	1170
140,000	1028	1081	1137	1139	1198	1259
150,000	1100	1157	1215	1218	1283	1348
160,000	1172	1233	1294	1298	1367	1435
170,000	1244	1309	1374	1378	1452	1524
180,000	1315	1385	1454	1457	1535	1613
190,000	1387	1461	1533	1539	1620	1702
200,000	1459	1535	1613	1618	1704	1791
210,000	1530	1611	1693	1698	1789	1880
220,000	1602	1687	1772	1722	1872	1968
230,000	1674	1763	1852	1857	1957	2057
240,000	1744	1839	1931	1937	2041	2146
250,000	1817	1915	2011	2017	2126	2233
260,000	1889	1991	2091	2096	2209	2322
270,000	1959	2065	2170	2176	2294	2411
280,000	2031	2141	2250	2255	2378	2500
290,000	2104	2217	2330	2337	2463	2589
300,000	2174	2293	2409	2417	2546	2678
Each Addl. 10,000 Add	71.65	75.63	79.61	79.81	84.24	88.68

\* Only "additional farm dwellings" may be insured for less than \$30,000 (see rule 2.4.A.).

**FARMOWNERS PROGRAM**

ANNUAL RATES

\$250 Deductible

**DWELLINGS - TYPE 2**

Cov. A Amount	Premium Group 3 (Masonry)			Premium Group 4 (Frame)		
	FO-1	FO-2	FO-3	FO-1	FO-2	FO-3
*20,000	\$474	\$496	\$520	\$520	\$546	\$572
*25,000	493	517	541	543	568	596
30,000	511	537	561	563	591	618
35,000	531	557	583	585	613	643
40,000	550	578	604	606	637	667
45,000	568	598	626	628	659	691
50,000	589	618	646	648	681	713
55,000	607	637	668	670	704	737
60,000	626	657	689	691	726	761
65,000	654	687	720	722	757	794
70,000	681	717	752	754	791	830
75,000	709	746	781	783	824	865
80,000	746	785	822	824	867	909
85,000	783	822	863	865	909	954
90,000	818	861	904	906	954	1000
95,000	856	900	944	946	996	1044
100,000	893	939	985	987	1039	1091
110,000	959	1009	1059	1061	1117	1172
120,000	1033	1087	1143	1144	1206	1265
130,000	1100	1157	1217	1218	1283	1348
140,000	1183	1246	1307	1311	1381	1450
150,000	1267	1333	1400	1404	1478	1554
160,000	1350	1420	1493	1496	1576	1655
170,000	1433	1509	1585	1589	1674	1759
180,000	1517	1596	1678	1681	1772	1861
190,000	1598	1685	1770	1774	1870	1965
200,000	1681	1772	1863	1867	1967	2067
210,000	1765	1859	1954	1959	2065	2170
220,000	1848	1948	2046	2052	2163	2274
230,000	1931	2035	2139	2144	2261	2376
240,000	2015	2122	2231	2237	2357	2480
250,000	2098	2211	2324	2330	2455	2581
260,000	2181	2298	2417	2422	2554	2685
270,000	2263	2387	2509	2515	2652	2787
280,000	2346	2474	2600	2607	2748	2891
290,000	2430	2561	2692	2700	2846	2992
300,000	2513	2650	2785	2792	2944	3096
Each Addl. 10,000 Add	83.11	87.72	92.33	92.59	97.72	102.87

\* Only "additional farm dwellings" may be insured for less than \$30,000 (see rule 2.4.A.).

**FARMOWNERS PROGRAM**

ANNUAL RATES

\$250 Deductible

**DWELLINGS - TYPE 3**

Cov. A Amount	Premium Group 1 (Masonry)		Premium Group 2 (Frame)	
	FO-1	FO-2	FO-1	FO-2
*20,000	FO-1	FO-2	FO-1	FO-2
*25,000	500	524	549	576
30,000	520	544	571	598
35,000	540	567	593	622
40,000	560	587	616	644
45,000	580	607	638	669
50,000	600	629	660	691
55,000	618	649	680	716
60,000	638	671	702	738
65,000	658	691	724	762
70,000	687	720	758	796
75,000	716	751	789	829
80,000	744	782	820	862
85,000	782	822	862	907
90,000	820	862	904	951
95,000	858	902	947	996
100,000	896	942	989	1040
110,000	933	982	1031	1084
120,000	1002	1053	1109	1167
130,000	1080	1136	1193	1256
140,000	1149	1209	1271	1338
150,000	1233	1298	1367	1438
160,000	1320	1389	1462	1540
170,000	1407	1480	1558	1640
180,000	1493	1571	1653	1742
190,000	1578	1662	1749	1842
200,000	1664	1753	1847	1944
210,000	1751	1842	1942	2044
220,000	1835	1933	2038	2147
230,000	1922	2024	2067	2247
240,000	2009	2115	2229	2349
250,000	2093	2207	2324	2449
260,000	2180	2298	2420	2551
270,000	2267	2389	2515	2651
280,000	2351	2478	2611	2753
290,000	2438	2569	2707	2853
300,000	2524	2660	2804	2955
Each Addl. 10,000 Add	2609	2751	2900	3055
	85.97	90.75	95.77	101.09

\* Only "additional farm dwellings" may be insured for less than \$30,000 (see rule 2.4.A.).



**FARMOWNERS PROGRAM**

ANNUAL RATES

\$250 Deductible

**DWELLINGS - TYPE 3**

Cov. A Amount	Premium Group 3 (Masonry)		Premium Group 4 (Frame)	
	FO-1	FO-2	FO-1	FO-2
*20,000	\$569	\$596	\$624	\$656
*25,000	591	620	651	682
30,000	613	644	676	709
35,000	638	669	702	736
40,000	660	693	727	764
45,000	682	718	753	791
50,000	707	742	778	818
55,000	729	764	804	844
60,000	751	789	829	871
65,000	784	824	867	909
70,000	818	860	904	949
75,000	851	896	940	989
80,000	896	942	989	1040
85,000	940	987	1038	1091
90,000	982	1033	1087	1144
95,000	1027	1080	1136	1196
100,000	1071	1127	1184	1247
110,000	1151	1211	1273	1340
120,000	1240	1304	1373	1447
130,000	1320	1389	1462	1540
140,000	1420	1496	1573	1658
150,000	1520	1600	1684	1773
160,000	1620	1704	1795	1891
170,000	1720	1811	1907	2009
180,000	1820	1915	2018	2127
190,000	1918	2022	2129	2244
200,000	2018	2127	2240	2360
210,000	2118	2231	2351	2478
220,000	2218	2338	2462	2595
230,000	2318	2442	2573	2713
240,000	2418	2547	2684	2829
250,000	2518	2653	2795	2947
260,000	2618	2758	2907	3064
270,000	2715	2864	3018	3182
280,000	2815	2969	3129	3298
290,000	2915	3073	3240	3415
300,000	3015	3180	3351	3533
Each Addl. 10,000 Add	99.73	105.26	111.11	117.26

\* Only "additional farm dwellings" may be insured for less than \$30,000 (see rule 2.4.A.).

INDIANA FARMERS MUTUAL INSURANCE COMPANY

**FARMOWNERS PROGRAM**

ANNUAL RATES

**MOBILE HOMES - TYPE 1**

\$250 Deductible

* Cov. A Amount	FO-1 Premium	FO-2 Premium	FO-3 Premium	* FO-4 Premium
15,000	\$350	\$366	\$382	\$216
16,000	361	379	396	222
17,000	373	391	400	230
18,000	385	404	422	236
19,000	397	416	437	243
20,000	409	430	450	249
21,000	422	443	464	256
22,000	434	455	477	262
23,000	446	468	490	270
24,000	458	480	504	276
25,000	470	493	517	283
26,000	481	505	530	289
27,000	493	519	544	296
28,000	505	530	557	302
29,000	517	544	570	310
30,000	530	557	584	316
35,000	590	619	650	350
40,000	650	683	717	382
45,000	707	744	781	415
50,000	764	804	843	446
55,000	821	864	907	479
60,000	878	924	970	510
65,000	936	985	1034	541
70,000	993	1044	1098	573
75,000	1050	1105	1160	604
80,000	1107	1166	1224	637
85,000	1164	1225	1287	668
90,000	1221	1286	1351	699
95,000	1278	1347	1415	732
100,000	1335	1406	1477	763
Each Addl. 5,000 Add	57.06	60.23	63.41	31.70

\* Amount of insurance is for Coverage C on Form FO-4.

NOTE: New Home credits are not applicable to mobile homes.

INDIANA FARMERS MUTUAL INSURANCE COMPANY

**FARMOWNERS PROGRAM**

ANNUAL RATES

\$250 Deductible

**TENANT'S FORM (FO-4)**

(ALL TYPES OTHER THAN MOBILE HOMES)

Cov. C Amount	Premium
15,000	\$156
16,000	161
17,000	164
18,000	166
19,000	170
20,000	173
21,000	179
22,000	185
23,000	189
24,000	193
25,000	196
26,000	200
27,000	204
28,000	207
29,000	212
30,000	216
35,000	239
40,000	262
45,000	287
50,000	308
55,000	329
60,000	350
65,000	371
70,000	393
75,000	414
80,000	435
85,000	456
90,000	477
95,000	498
100,000	519
Each Addl 5,000	21.11

INDIANA FARMERS MUTUAL INSURANCE COMPANY  
**FARMOWNERS PROGRAM**  
 ANNUAL RATES  
**Coverage G: UNSCHEDULED FARM PERSONAL PROPERTY (Blanket)**  
**(Minimum \$15,000)**

*NOTE: AMOUNT OF INSURANCE MUST BE A MULTIPLE OF \$5,000!*

Amount	Deductible			Amount	Deductible		
	\$250	\$500	\$1,000		\$250	\$500	\$1,000
15,000	\$104	\$94	\$85	220,000	\$964	\$868	\$790
20,000	133	\$120	\$109	230,000	1003	\$903	\$822
25,000	161	\$145	\$132	240,000	1041	\$937	\$854
30,000	189	\$170	\$155	250,000	1078	\$970	\$884
35,000	217	\$195	\$178	260,000	1117	\$1,005	\$916
40,000	243	\$219	\$199	270,000	1158	\$1,042	\$950
45,000	269	\$242	\$221	280,000	1198	\$1,078	\$982
50,000	291	\$262	\$239	290,000	1237	\$1,113	\$1,014
55,000	315	\$284	\$258	300,000	1277	\$1,149	\$1,047
60,000	335	\$302	\$275	310,000	1315	\$1,184	\$1,078
65,000	356	\$320	\$292	320,000	1354	\$1,219	\$1,110
70,000	375	\$338	\$308	330,000	1392	\$1,253	\$1,141
75,000	394	\$355	\$323	340,000	1430	\$1,287	\$1,173
80,000	410	\$369	\$336	350,000	1468	\$1,321	\$1,204
85,000	427	\$384	\$350	360,000	1505	\$1,355	\$1,234
90,000	440	\$396	\$361	370,000	1544	\$1,390	\$1,266
95,000	455	\$410	\$373	380,000	1581	\$1,423	\$1,296
100,000	467	\$420	\$383	390,000	1617	\$1,455	\$1,326
110,000	511	\$460	\$419	400,000	1654	\$1,489	\$1,356
120,000	553	\$498	\$453	410,000	1692	\$1,523	\$1,387
130,000	597	\$537	\$490	420,000	1729	\$1,556	\$1,418
140,000	640	\$576	\$525	430,000	1765	\$1,589	\$1,447
150,000	682	\$614	\$559	440,000	1799	\$1,619	\$1,475
160,000	723	\$651	\$593	450,000	1835	\$1,652	\$1,505
170,000	765	\$689	\$627	460,000	1871	\$1,684	\$1,534
180,000	806	\$725	\$661	470,000	1907	\$1,716	\$1,564
190,000	845	\$761	\$693	480,000	1941	\$1,747	\$1,592
200,000	886	\$797	\$727	490,000	1976	\$1,778	\$1,620
210,000	925	\$833	\$759	500,000	2010	\$1,809	\$1,648

*NOTE: "Blanket" coverage should be written as closely as possible to 100% of total inventory values.*

Deductible	\$250	\$500	\$1,000	\$2,500	\$5,000	\$10,000
Rate Factor	1.00	0.90	0.82	0.77	0.74	0.71

INDIANA FARMERS MUTUAL INSURANCE COMPANY

**FARMOWNERS PROGRAM**

ANNUAL RATES

**Coverage G: UNSCHEDULED FARM PERSONAL PROPERTY (Blanket)  
(Minimum \$15,000)**

*NOTE: AMOUNT OF INSURANCE MUST BE A MULTIPLE OF \$5,000!*

Amount	Deductible			Amount	Deductible		
	\$250	\$500	\$1,000		\$250	\$500	\$1,000
510,000	\$2,045	\$1,841	\$1,677	770,000	\$2,944	\$2,650	\$2,414
520,000	2080	\$1,872	\$1,706	780,000	2979	\$2,681	\$2,443
530,000	2114	\$1,903	\$1,733	790,000	3013	\$2,712	\$2,471
540,000	2149	\$1,934	\$1,762	800,000	3048	\$2,743	\$2,499
550,000	2184	\$1,966	\$1,791	810,000	3083	\$2,775	\$2,528
560,000	2218	\$1,996	\$1,819	820,000	3117	\$2,805	\$2,556
570,000	2253	\$2,028	\$1,847	830,000	3152	\$2,837	\$2,585
580,000	2287	\$2,058	\$1,875	840,000	3186	\$2,867	\$2,613
590,000	2322	\$2,090	\$1,904	850,000	3221	\$2,899	\$2,641
600,000	2356	\$2,120	\$1,932	860,000	3255	\$2,930	\$2,669
610,000	2391	\$2,152	\$1,961	870,000	3290	\$2,961	\$2,698
620,000	2426	\$2,183	\$1,989	880,000	3325	\$2,993	\$2,727
630,000	2460	\$2,214	\$2,017	890,000	3359	\$3,023	\$2,754
640,000	2495	\$2,246	\$2,046	900,000	3394	\$3,055	\$2,783
650,000	2529	\$2,276	\$2,074	910,000	3428	\$3,085	\$2,811
660,000	2564	\$2,308	\$2,102	920,000	3463	\$3,117	\$2,840
670,000	2598	\$2,338	\$2,130	930,000	3497	\$3,147	\$2,868
680,000	2633	\$2,370	\$2,159	940,000	3532	\$3,179	\$2,896
690,000	2668	\$2,401	\$2,188	950,000	3567	\$3,210	\$2,925
700,000	2702	\$2,432	\$2,216	960,000	3601	\$3,241	\$2,953
710,000	2737	\$2,463	\$2,244	970,000	3636	\$3,272	\$2,982
720,000	2771	\$2,494	\$2,272	980,000	3670	\$3,303	\$3,009
730,000	2806	\$2,525	\$2,301	990,000	3705	\$3,335	\$3,038
740,000	2841	\$2,557	\$2,330	1,000,000	3739	\$3,365	\$3,066
750,000	2875	\$2,588	\$2,358	Each Addl			\$0
760,000	2910	\$2,619	\$2,386	5,000	17.00	\$15	\$14

Deductible	\$250	\$500	\$1,000	\$2,500	\$5,000	\$10,000
Rate Factor	1.00	0.90	0.82	0.77	0.74	0.71

INDIANA FARMERS MUTUAL INSURANCE COMPANY

FARMOWNERS PROGRAM

ANNUAL RATES

LIABILITY COVERAGES - Modifications and Optional Coverages

NOTE: Dwelling premiums include the basic personal and farm liability coverages (up to 160 acres) at limits of:

- a. \$100,000 CSL for BI and PD (Cov. L); and
- b. \$1,000 per person for Med Pay (Cov. M)

Rule	End	Description	ADDITIONAL PREMIUM				
			BI & PD LIMITS (000s)				Med Pay per 1000
			100	300	500	1000	
5.7	n/a	Credit for Deletion of Liability Coverages	\$52.44	n/a	n/a	n/a	n/a
2.3	n/a	Farm Personal Liability (Form GL-2)	Included	\$16.29	\$25.19	\$41.48	\$5.19
		Initial Farm Exposure: 1-160 acres	89.98	117.31	130.15	157.48	5.19
		161-500 acres	57.78	93.33	111.11	148.14	5.19
		Over 500 acres	14.81	19.26	22.23	26.67	1.77
		3 Family	17.77	23.71	26.67	32.59	1.77
		4 Family					
		Domestic Employees-charge for each employee over two	4.44	5.91	6.66	7.41	1.77
3.7	GL-70	Addl Insureds: Not residing on premises	NO CHARGE				
	GL-71	Occupying Separate Residence	16.29	22.23	23.71	29.63	5.19
	GL-72	Other Residents	4.44	5.92	6.66	7.41	1.77
See P. FO-R-1	List on DEC	Each Addl Farm Premises - owned and/or operated by insured <i>If there are no buildings on the additional farm premises, add add the acreage to the "Initial Farm Exposure" and do not charge a specific additional premium.</i>	11.85	16.29	17.77	22.23	1.77
10.1	GL-73	Each Addl Farm Premises - rented to others	7.41	10.37	11.12	13.33	1.77
11.2	List on Dec	Addl Residence Premises-Occupied by Insured	4.44	5.92	6.66	7.41	1.77
10.2	GL-73	Addl Residence-Rented to Others (charge per family unit)	7.41	10.37	11.12	13.33	1.77
10.3	GL-40	Structures Rented to Others	7.41	10.37	11.12	13.33	1.77
10.5	GL-74	Business Activities - Business Not Owned by Insured					
		a. Clerical Office Employees	2.96	3.94	4.44	5.92	1.77
		b. Salespersons - No Installation	2.96	3.94	4.44	5.92	1.77
		c. Salespersons - With Installation	4.44	5.91	6.66	7.41	1.77
		d. Teachers - athletic, laboratory, manual training, physical training or swimming instruction	8.89	11.82	13.34	16.29	1.77
		e. Teachers - NOC	4.44	5.91	6.66	7.41	1.77
f. Corporal punishment (does not include med pay)	2.96	3.94	4.44	5.92	n/a		
10.11	GL-75	Custom Farming - without pesticides/herbicides	14.81	19.26	22.23	26.67	4.44 *
		(per \$1,000 of receipts) - with pesticides/herbicides	28.15	37.04	41.48	51.86	4.44 *
10.14	GL-76	Employer's Liability - Farm Employees					
		Full Time: 180 days or more per year per employee	26.67	35.55	40.00	48.88	1.77
		Part Time: 41-179 days per year per employee	11.85	16.29	17.77	22.23	1.77
		Part Time: 40 days or less per year per employee (rate per 100 man-days or fraction thereof)	8.89	11.85	13.33	16.29	1.77

\*NOTE: If the policy has Medical Payments limits greater than \$1,000, charge the Additional Med Pay premium only once, regardless of receipts;  
e.g. if applicable annual receipts = \$10,000 and policy has \$5,000 Med Pay limit, the addl. premium for Med Pay is \$3.93 x 4 = \$15.72.

INDIANA FARMERS MUTUAL INSURANCE COMPANY  
**FARMOWNERS PROGRAM**  
 ◇ ANNUAL RATES

Rule	End	Description	ADDITIONAL PREMIUM				
			BI & PD LIMITS (000s)				Med Pay per 1000
			100	300	500	1000	
10.13	GL-78	Fruit or Vegetable "Pick Your Own" Operations (per \$1,000 of receipts) - NO off the ground picking	\$7.41	\$10.37	\$11.85	\$13.33	\$4.44 *
		Off the ground picking	16.29	22.23	23.71	29.63	4.44 *
10.6	GL-80	Office, Professional, Private School or Studio Occupancy	7.41	10.37	11.12	13.33	1.77
10.10	GL-81	Personal Injury - Personal and Farm Personal Liability (does NOT include medical payments)	7.41	10.37	11.12	13.33	n/a
10.9	GL-82	Watercraft - Each Outboard Motor Over 50 H.P. Inboard or In/Outboard Motorboats and Sailboats <i>(charges do not apply to sailboats under 26 ft.)</i>	11.80	15.73	17.04	20.98	4.59
		Under 16 mph - less than 26 ft.	13.11	17.04	19.67	23.60	3.02
		26-40 ft.	35.40	47.20	52.44	64.24	6.56
		Over 40 ft.	68.17	90.46	100.9	124.55	12.19
		16 - 30 mph - Less than 26 ft.	27.53	36.71	40.64	49.82	4.59
		26-40 ft.	55.06	73.42	82.59	100.9	9.05
		Over 40 ft.	102.26	136.34	152.1	187.47	18.22
		Over 30 mph - Less than 26 ft.	68.17	90.46	100.9	124.55	12.19
		26-40 ft.	102.26	136.34	152.1	187.47	18.22
		Sailboats - No Auxiliary Power - 26-40 ft.	27.53	36.71	40.64	49.82	4.59
10.7	GL-83	Owned Snowmobiles and Other RVs - Off Premises	28.84	39.33	43.26	53.75	4.59
10.4	GL-84	Care Provided for Others - 1 to 5 persons	102.26	136.34	#####	187.47	4.59
10.12	GL-90	Incidental Business Pursuits For the following exposures: 1. Blacksmithing, welding and farm machinery repair shops - no farm implement dealers - no employees 2. Hay, grain, feed, fertilizer or seed dealers (If annual sales exceed \$500,000 refer to Comm. Underwriting) 3. Kennels - breeding, boarding or sales 4. Tailoring or dressmaking	66.66	88.89	97.77	122.96	2.96
		For the following exposures: 5. Fishing ponds or lakes - no boats rented 6. Hay rides or sleight rides (rate per event) 7. Hunting on premises 8. Retail stores 9. Road Maintenance - grading or mowing with farm equipment only 10. Snow removal with farm equipment only 11. Woodworking, crafts or upholstery	93.33	122.96	137.77	170.36	4.44

\*NOTE: If the policy has Medical Payments limits greater than \$1,000, charge the Additional Med Pay premium only once, regardless of receipts; e.g. if applicable annual receipts = \$10,000 and policy has \$5,000 Med Pay limit, the addl. premium for Med Pay is \$3.93 x 4 = \$15.72.

INDIANA FARMERS MUTUAL INSURANCE COMPANY  
**FARMOWNERS PROGRAM**  
 ◇  
**ANNUAL RATES**

Rule	End	Description	ADDITIONAL PREMIUM
10.17	n/a	Limited Farm Pollution Liability (Inc. Limits) \$ 50,000	\$40.00 (flat charge)
		\$ 75,000	66.67 (flat charge)
		\$100,000	93.33 (flat charge)
◇ 10.8	n/a	Trampoline Surcharge	75.00 (flat charge)
10.18	11-206	Family Medical Payments (\$1,000 limit)	53.34 (per person)



INDIANA FARMERS MUTUAL INSURANCE COMPANY

FARMOWNERS PROGRAM

◇

ANNUAL RATES

COMMERCIAL FARM LIABILITY (form GL-610)

Rule	End	Description	ADDITIONAL PREMIUM				
			BI & PD LIMITS (000s)				Med Pay per 1000
			100	300	500	1000	
5.7	n/a	Credit for Deletion of Personal Liability Coverages (if policy provides coverage for a primary farm dwelling, <u>DEDUCT</u> this amount from the basic dwelling premium)	\$52.44	n/a	n/a	n/a	n/a
2.3	GL-610	Commercial Liability - Initial Farm Exposure					
		Up to 160 acres	\$25.19	\$34.07	\$37.04	\$45.92	\$3.93
		161 - 500 acres	34.07	45.92	50.36	62.22	3.93
		Over 500 acres	44.44	59.26	66.67	81.48	3.93
See p. FO-R-1	List on DEC	Each Additional Farm Premises - owned and/or operated by named insured	11.85	16.29	17.77	22.23	1.77
10.1	GL-73	Each Addl Farm Premises - Rented to Others	7.41	10.37	11.12	13.33	1.77
10.2	GL-73	Additional Residence Premises - Rented to Others charge per family unit	7.41	10.37	11.12	13.33	1.77
10.3	GL-40	Structures Rented to Others	7.41	10.37	11.12	13.33	1.77
10.11	GL-75	Custom Farming - without pesticides/herbicides	14.81	19.26	22.23	26.67	4.44
		(per \$1,000 of receipts) with pesticides/herbicides	28.15	37.04	41.48	51.86	4.44
10.13	GL-78	Fruit or Vegetable "Pick your Own" Operations					
		(per \$1,000 of receipts) - No off the ground picking	7.41	10.37	11.85	13.33	4.44
		Off the ground picking	16.29	22.23	23.71	29.63	4.44
10.14	GL-872	Employer's Liability - Farm Employees					
		Full Time: 180 days or more per year per employee	26.67	35.55	40.00	48.88	1.77
		Part Time: 41-179 days per year per employee	11.85	16.29	17.77	22.23	1.77
		Part Time: 40 days or less per year per employee (rate per 100 man-days or fraction thereof)	8.89	11.85	13.33	16.29	1.77
10.7	GL-83	Owned Snowmobiles and Other RVs	28.84	39.33	43.26	53.75	4.59
10.19	GL-9	Personal Liability Endorsement (charge per individual [or husband & wife])	16.29	22.23	23.71	29.63	5.19
10.21	GL-904	Personal and Advertising Injury (does NOT include medical payments coverage)	7.41	10.37	11.12	13.33	n/a
10.22	GL-615	Exclusion of Products/Completed Work Hazard	Refer to HO for rating information				
10.23	GL-612	Deletion of Certain Exclusions	Refer to HO for rating information				
2.3	Shown on DEC	Commercial Liability - Higher Aggregate Limits	<u>Aggregate Multiple</u>		<u>FACTOR</u>		
			3 x Occ. Limit	1.010			
			4 x Occ. Limit	1.020			
			5 x Occ. Limit	1.030			
			10 x Occ. Limit	1.050			
		<i>NOTE: Unless otherwise specified, the General Aggregate and the Products Aggregate will be 2 times the Occurrence Limit.</i>					

\*NOTE: If the policy has Medical Payments limits greater than \$1,000, charge the Additional Med Pay premium only once, regardless of receipts;  
e.g. if applicable annual receipts = \$10,000 and policy has \$5,000 Med Pay limit, the addl. premium for Med Pay is \$3.93 x 4 = \$15.72.

**PREMIUM GROUPS CHART**

Type of Dwelling (See page FO-2)	Dwelling Coverage Forms	Construction Type	Territory	Premium Group
Site Built or Modular	FO-1	Masonry	135-146	1
	FO-2		130-134	3
	FO-3	Frame	135-146	2
	FO 00 05		130-134	4
Mobile Home	FO-1 FO-2 FO-3 FO-4	All	All	Separate Rate Table
Tenants Form	FO-4	All except Mobile Home	All	Separate Rate Table

**CONSTRUCTION DEFINITIONS:**

MASONRY - exterior walls of masonry or masonry veneered construction.

FRAME - exterior walls of frame, metal-sheathed or stuccoed frame construction; or of metal or metal lath and plaster on combustible supports.

MIXED - a building shall be classified as FRAME when 1/3 (33 1/3%) or more of the exterior wall area (including gables) is of frame construction.

<b>OPTIONAL DEDUCTIBLE FACTORS</b> (applicable to all property coverages except those that are not subject to a deductible)	
DEDUCTIBLE AMOUNT	FACTOR
\$250 (base)	1.00
500	0.90
1,000	0.82
2,500	0.77
5,000	0.74
10,000	0.71

ANNUAL RATES  
DWELLING PREMIUM MODIFICATIONS

RULE	END. #	DESCRIPTION	FACTOR
5.1	n/a	New Home Credit 0 - 5 years 6 - 10 years 11 - 15 years <b>NOTE: Mobile homes are not Eligible for New Home credits.</b>	-15% -10% -5%
5.2	FO-216	Protective Devices - Central Station Burglary Alarm Systems Central Station Fire Alarm Systems Fire Department Alarm Systems Police Department Alarm Systems Local Alarm Systems Sprinkler Systems	-5% -5% -3% -3% -2% -3%
5.3	n/a	Deletion of Coverage C - Forms FO-1, FO-2, FO-3 and FO 0005	-20%
5.4	FO-15	Actual Cash Value - Forms FO-1, FO-2 and FO-3	+30%
5.6	FO-75	Vacancy Permit - Up to 30 days vacant 31 up to 60 days vacant 61 up to 90 days vacant Each addl. 30 day period of vacancy, add	+10% +20% +30% +10%
5.7	n/a	Wood Stove Surcharge (applies to Cov. A dwellings only)	\$50 per dwelling
5.8	11-025	ACV Loss Settlement – Wind or Hail Losses to Roof Covering	- 1%
6.1	FO-54	Earthquake Coverage - (5% deductible applies) Forms FO-1, FO-2, FO-3 and FO 0005 Form FO-4 Increased Limits of Cov. B and Cov. D Increased Limits of Cov. C  NOTE: The effective date for earthquake coverage must be <u>at least 30 days</u> after the last know quake or tremor in Indiana or the surrounding states as determined by the Company. Do not apply a deductible factor when rating earthquake coverage – the earthquake endorsement has its own deductible provisions.	\$0.30 0.22 0.30 0.22
6.2	FO0145	Expanded Replacement Cost Terms (Cov. A – dwelling)	\$2.96 per dwelling
6.3	FO-48	Private Structures - Increased Limits (Cov. B)	\$2.96
6.4	n/a	Household Personal Property (Cov. C) - Increased Limits Reduced Limits <b>NOTE: The Coverage C limit may not be reduced when FO-55 is attached to the policy.</b>	Charge: \$1.48 Credit: \$ 1.48

ANNUAL RATES  
**OPTIONAL PROPERTY COVERAGES - DWELLINGS**  
(Rates are per \$1,000 of insurance unless otherwise indicated)

Rule #	End. #	Description	RATES
6.5	FO-55	Replacement Cost Coverage - Household Personal Property (Cov. C) Forms FO-1, FO-2 and FO-3 Form FO-4  Notes: (1) Addition of this endorsement <b>AUTOMATICALLY</b> increases the Coverage C limits to: a) 70% of Cov. A for 1 or 2 family dwellings b) 50% of Cov. A for 3 or 4 family dwellings  (2) Apply rate factor to dwelling premium <b>AFTER</b> any adjustments for optional deductible, increased or decreased limits for Cov. C, and any other applicable premium modifications.  <b>NOTE: Do not add FO-55 to dwelling coverage form FO 00 05.</b>	+15% +35%
6.6	FO-65	Increased Limits on Specified Property Money Securities Jewelry, Watches and Furs Silverware, Goldware and Pewterware Guns and Gun Accessories Motorized Vehicles Business Property	\$44.44 \$29.63 \$14.81 \$4.29 \$14.81 \$4.44 \$14.81
6.7	n/a	Increased Limits - Cov. D (Addl. Living Expenses and Loss of Rents)	\$2.96
6.8 6.9	11-204	Farm ALL STAR Endorsement (includes \$5,000 limit for Back-Up of Sewers and Drains)  With higher limits for "Back-Up of Sewers and Drains" coverage:      Limit: \$10,000 \$15,000 \$20,000 \$50,000 \$75,000 \$100,000	\$34 per policy  \$62 per policy \$90 per policy \$119 per policy \$237 per policy \$316 per policy \$379 per policy
6.10	FO-30	Increased Limits – Incidental Coverages Fire Department Service Charge Outdoor Antennas Well Pumps Private Power and Light Poles Refrigerated Food Spoilage Tenant's Improvements Credit Card, Forgery & Counterfeit Money Aggregate Limit:                      \$2,500 \$5,000 \$7,500 \$10,000	\$14.81 \$14.81 \$14.81 \$14.81 \$14.81 \$4.44 \$1.57 (flat charge) \$2.23 (flat charge) \$3.02 (flat charge) \$3.80 (flat charge)
6.13	FO-69	Business Property – Business Occupancy on the Premises	\$14.81
6.14	FO-125	Dwelling Under Construction – Theft	\$5.19







ANNUAL RATES  
OPTIONAL COVERAGES

INLAND MARINE RATES (rate per \$100 of insurance)							
Rule #	End. #	CLASS	DEDUCTIBLE				
			\$0	\$100	\$250	\$500	\$1,000
9.22	Various	Animals – Pets and Saddle Horses	\$2.00	\$1.70	\$1.50	\$1.30	\$1.10
		ATVs Special Form	3.50	2.98	2.63	2.28	1.93
		Boats Outboard and Sailboats	2.25	1.91	1.69	1.46	1.24
		Inboard and Inboard/Outboard	3.00	2.55	2.25	1.95	1.65
		Farm Machinery Blanket	.95	.76	.69	.65	.52
		Scheduled	.63	.50	.46	.43	.35
		Irrigation Equipment Named Perils	.85	.72	.64	.55	.47
		Special Form	1.00	.85	.75	.65	.55
		Livestock Scheduled	.42	.40	.38	.36	.23
		Blanket	.59	.56	.54	.51	.32
		Addl. Perils for Sheep (add to above rate)	.80	.76	.73	.69	.44
		Radios CB	3.50	2.98	2.63	2.28	1.93
		FM	2.50	2.13	1.88	1.63	1.38

Rule #	End. #	Description (rate per \$1000 of insurance)	Rate	
9.21	FO 04 00	FARM INCOME COVERAGE	\$5.00	
		Option 1: Farm Earnings	\$5.00	
		Option 2: Farm Rents	\$5.00	
		<b>COINSURANCE FACTORS (applies to Option 1 only)</b>		
		<u>COINSURANCE PERCENTAGE</u>		<u>RATE FACTOR</u>
		100%		.90
		90%		.95
		80%		1.00
		70%		1.05
		60%		1.10
		50%		1.15
		None (waived)		1.50
		<b>PERIOD OF LOSS EXTENSION FACTORS (applies to Option 1 only)</b>		
<u>NUMBER OF DAYS</u>		<u>RATE FACTOR</u>		
60 days		1.07		
90 days		1.14		
120 days		1.21		
150 days		1.29		
180 days		1.36		
270 days		1.41		
360 days		1.46		



ANNUAL RATES  
PROPERTY COVERAGES - Modifications and Optional Coverages

Rule 14 - **COAL MINE SUBSIDENCE**

When coverage is provided for loss caused by coal mine subsidence, the additional premium per structure shall be as follows:

<b>* DWELLINGS</b>	
Amount of Insurance	Annual Premium
\$0 - \$25,000	\$24
25,001 to 40,000	30
40,001 to 60,000	36
60,001 to 75,000	42
75,001 to 100,000	60
100,001 to 125,000	80
125,001 to 150,000	99
150,001 to 175,000	120
175,001 to 200,000	139

<b>** NON-DWELLING STRUCTURES</b>	
Amount of Insurance	Annual Premium
\$0 - \$25,000	\$42
25,001 to 35,000	48
35,001 to 45,000	54
45,001 to 55,000	60
55,001 to 65,000	66
65,001 to 75,000	72
75,001 to 85,000	75
85,001 to 100,000	90
100,001 to 125,000	115
125,001 to 150,000	139
150,001 to 175,000	159
175,001 to 200,000	179

- NOTES:
- \* "Dwelling" structure includes a farm residence and other farm structures.
  - \*\* "Non-Dwelling" structure is defined for rating purposes as a building that is not used principally for residential purposes, or which houses more than four (4) family units.

The premiums shown are NOT subject to interpolation or modification under the provisions of any rating or other manual rule.

**Attach Endorsement FO-158.**