

Equipment Breakdown Binding Authority Addendum – Farm

Binding authority is hereby granted to the Company for Farm Equipment Breakdown for Coverages F, G and H, subject to the following criteria, terms and conditions.

A. Occupancy

Any location bound on the Company's Farm Coverage form identified in paragraph F. Forms, below

B. Maximum Insurable Values

The maximum "Single Total Insurable Value" is \$3,000,000.

"Single Total Insurable Value" means the combined total of F, G and H values for a single location.

C. Limits / Sublimits

For the following maximum Limits / Sublimits:

COVERAGE	LIMIT
Equipment Breakdown Limit	\$3,000,000
Farm Income, Extra Expense, or Farm Rents	Included in Equipment Breakdown Limit
Data Restoration	\$25,000
Drying Out	\$25,000
Expediting Expenses	\$100,000
Portable Equipment – Off Premises	Included in Equipment Breakdown Limit
Pollutants	\$100,000
Spoilage	\$100,000
"Transportable Electrical Equipment"	\$25,000
Utility Service Interruption	Included with Farm Income and Spoilage Limits

D. Deductibles

With the following minimum Deductibles:

Direct Damage	\$ 500
Farm Income/Extra Expense	\$ Included in Direct Damage

E. Pricing

Equipment Breakdown Premium for Coverages F, G and H, shall be calculated as follows.

- Divide the sum of "Single Total Insurable Values" for all locations by \$100; times
- The Equipment Breakdown Rate of \$0.014.

This is the final Equipment Breakdown Premium for Coverages F, G and H.

F. Forms

- Farm Protector Package MMIC 100 12/10
- Farm Equipment Breakdown Coverage MM EBF0721

G. Referral

The following types of exposures must be referred to the Reinsurer for individual underwriting review pursuant to ARTICLE I – Business Covered, paragraph A.1.b.:

The following types of exposures must be referred to the Reinsurer for individual underwriting review:

- Any account that does not meet the criteria in A. through F. above;
- Any account that has a location involved in the production of electric power, unless the power generating equipment at such location is less than or equal to 500kW in capacity or used solely for emergency back-up purposes.
- Any account that has had Equipment Breakdown loss experience that exceeds:
 - \$25,000 for any one paid loss net of deductible in the past 3 years; or
 - 3 paid losses exceeding deductibles in the past 3 years; or
- Any account with Equipment Breakdown coverage bound past its policy effective date, unless the Company has documentation in its underwriting files attesting that no known losses or circumstances that might give rise to a claim exist.