

# COMMERCIAL POLICY JACKET

## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. CANCELLATION

1. The Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advice written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
  - b. 60 days before the effective date of cancellation if we cancel for any other reason
3. We will mail or deliver our notice to the Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is canceled, we will send the Named Insured any premium refund due. If we cancel, the refund will be pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. INSPECTIONS AND SURVEYS

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organizations to provide for the health or safety of workers or the public. And we do not warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards. This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

### E. PREMIUMS

We agree to insure you based on your promise to pay all premiums when they are due. If you pay the premium when due, this policy provides coverages in the amounts shown in the Declarations, subject to all other policy provisions. No insurance is afforded under this policy if payment of premium is not received by us by the due date. If any premium payment is made by check or electronic funds transfer and, for any reason, the check or electronic fund transfer is not honored by the bank on which it is written, no insurance is provided for any of the policy period covered by that payment.

#### **F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY**

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

#### **G. LIBERALIZATION**

If we adopt any revision that would broaden the coverage under a Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to the Coverage Part.

#### **H. CONCEALMENT, MISREPRESENTATION OR FRAUD**

This policy is void if you or any other insured has intentionally concealed or misrepresented any material fact or circumstance relating to this insurance.

#### **I. POLICY INCEPTION AND TERM**

This policy's inception date shall be from 12:01 a.m. on the effective date to 12:01 a.m. on the expiration date, Central Standard Time, shown on the Declarations Page. Coverage shall apply for 12 calendar months per term as the required renewal premium is paid on or before expiration of the current term and accepted by the Company.

To the extent that coverage in this policy replaces coverage in other policies terminating noon standard time on the inception date of this policy shall not become effective until such other coverage has terminated.

#### **J. RENEWAL**

We agree, unless we mail to you a written notice of cancellation, notice of expiration, or a notice of our intention not to renew, to renew the policy for the next policy period upon your payment of the renewal premium. We will not provide you with prior notice of cancellation, notice of expiration or notice of our intention not to renew the policy for failure to pay the renewal premium. It is agreed that the renewal premium will be based upon the rates in effect, the coverages carried, the applicable limits of liability, deductible and other elements that affect the premium that apply at the time of renewal.

A notice of our intention to not renew will be mailed to your last known address at least 60 days before the end of the current policy period. We will use regular mail. The mailing of the notice shall be sufficient proof that notice was given.

#### **K. MEMBERSHIP**

Payment of the Farm Bureau membership dues, which is not premium, entitles you to obtain coverage through Farm Bureau Town & Country Insurance Company of Missouri so long as:

1. This company continues to write such coverages;
2. The risk to be insured meets the eligibility requirements of the company;
3. The insured remains a risk desirable to the company; and
4. Applicable membership dues are paid.

## **COMMERCIAL PROPERTY CONDITIONS**

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

### **A. CONTROL OF PROPERTY**

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of conditions does not exist.

### **B. INSURANCE UNDER TWO OR MORE COVERAGE'S**

If two or more of this policy's coverage's apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

### **C. LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 10 years after the date on which the direct physical loss or damage occurred.

### **D. NO BENEFIT TO BAILEE**

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

### **E. OTHER INSURANCE**

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

### **F. POLICY PERIOD, COVERAGE TERRITORY**

Under this Coverage Part:

1. We cover loss or damage commencing:
  - a. During the policy period shown in the Declarations; and
  - b. Within the coverage territory.
2. The coverage territory is
  - a. The United States of America (including its territories and possessions);
  - b. Puerto Rico; and
  - c. Canada

### **G. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secured our right and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.

2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
  - a. Someone insured by this insurance;
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you; or
  - c. Your tenant.This will not restrict your insurance.

#### **H. PERMITS AND USE**

Except as otherwise provided permission is granted:

1. to make alterations and repairs;
2. in the event of loss hereunder to make reasonable repairs, temporary or permanent, provided such repairs are confined solely to the protection of the property from further damage, and provided further that the insured shall keep an accurate record of such repair expenditures. The cost of any such repairs directly attributable to damage by any peril insured against shall be included in determining the amount of loss hereunder. Nothing herein contained is intended to modify the policy requirements applicable in case loss occurs, and in particular the requirement that, in case loss occurs, the insured shall protect the property from further damage.

#### **I. LOSS CLAUSE**

Any loss hereunder shall not reduce the amount of this insurance.

### **COMMERCIAL GENERAL LIABILITY CONDITIONS**

#### **A. MEDICAL REPORTS; PROOF AND PAYMENT OF CLAIM**

As soon as practicable the injured person or someone on his behalf shall give to us written proof of claim, under oath if required, and shall give to us written proof of claim, under oath if required, and shall, after each request from the Company, execute authorization to enable us to obtain medical reports and copies of records. The injured person shall submit to physical examination by physicians selected by us when and as often as we may reasonably require. We may pay the injured person or any person or organization rendering the services and the payment shall reduce the amount payable hereunder for such injury. Payment hereunder shall not constitute an admission of liability of any person or, except hereunder, of the company.

#### **B. NUCLEAR EXCLUSION**

The insurance does not apply:

1. Under any Liability Coverage, to "bodily injury" or "property damage:"
  - a. With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organizations required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agent thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

2. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear material" by any person or organization.
3. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material," if:
  - a. The "nuclear material" (1) is at any "nuclear facility" owned by or operated by or on behalf of, any "insured" or (2) has been discharged or dispersed therefrom;
  - b. The "nuclear material" is contained in "spent fuel" or "waste; at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an "insured;" or
  - c. The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property there at.

#### C. PUNITIVE OR EXEMPLARY DAMAGES EXCLUSION

Regardless of any other provision of this policy, this policy does not apply to punitive or exemplary damages.

#### D. DEFINITIONS

As used in this policy:

1. **"HAZARDOUS PROPERTIES"** include radioactive, toxic, or explosive properties;
2. **"NUCLEAR FACILITY"** means:
  - (a) Any "nuclear reactor;"
  - (b) Any equipment or device designed or used for
    - (1) separating the isotopes of uranium or plutonium,
    - (2) processing or utilizing "spent fuel," or
    - (3) handling, processing or packaging "waste;"
  - (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or ,more than 250 grams of uranium 235;
  - (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste" and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;
3. **"NUCLEAR MATERIAL"** means "source material," "Special nuclear material" or "by-product material;"
4. **"NUCLEAR REACTOR"** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;
5. **"PROPERTY DAMAGE"** includes all forms of radioactive contamination of property.
6. **"SOURCE MATERIAL," "SPECIAL NUCLEAR MATERIAL," AND BY-PRODUCT MATERIAL"** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
7. **"SPENT FUEL"** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor;"
8. **"Waste"** means any waste material (a) containing "by-product material" other than tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

**E. MALPRACTICE AND PROFESSIONAL SERVICES EXCLUSION**

This insurance does not apply to “bodily injury” or “property damage” due to the rendering of or failure to render any professional service.

**F. EXCLUSION - YEAR 2000 COMPUTER RELATED AND OTHER ELECTRONIC PROBLEMS**

The following modifies the insurance provided under the Commercial General Liability Coverage Part.

The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability and Paragraph 2., Exclusions of Section I - Coverage B - Personal and Advertising Injury Liability:

2. This insurance does not apply to:

1. **BODILY INJURY, PROPERTY DAMAGE, PERSONAL INJURY or ADVERTISING INJURY;**

OR

2. **BODILY INJURY or PROPERTY DAMAGE** included in the Products-Completed Operations hazard; arising directly or indirectly out of:

a. Any actual or alleged failure, malfunction or inadequacy of:

(1) Any of the following, whether belonging to any insured or to others:

- (a) Computer hardware, including microprocessors;
- (b) Computer application software;
- (c) Computer operating systems and related software;
- (d) Computer networks;
- (e) Microprocessors (computer chips) not part of any computer system; or
- (f) Any other computerized or electronic equipment or components; or

(2) Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph 2.a.(1) of this endorsement.

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

b. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph 2.a. of this endorsement.

**EXCLUSION – EXPOSURE TO ASBESTOS, LEAD OR GOODS OR PRODUCTS CONTAINING ASBESTOS OR LEAD**

The following modifies the insurance provided under the Commercial General Liability Coverage Part.

The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury and Property Damage Liability and Paragraph 2., Exclusions of Section I – Coverage B – Personal and Advertising Injury Liability:

This insurance does not apply to:

**BODILY INJURY, PROPERTY DAMAGE, PERSONAL INJURY or ADVERTISING INJURY;**

OR

**BODILY INJURY or PROPERTY DAMAGE** included in the Products-Completed

Operations hazard; arising directly or indirectly out of:

- a. Inhaling, ingesting, or prolonged physical exposure to asbestos, lead, or goods or products contain asbestos or lead; or
- b. The use of asbestos in constructing or manufacturing any good, product, or structure; or
- c. The removal of asbestos from any good, product, or structure; or
- d. The manufacture, transportation, storage, or disposal of asbestos or goods or products containing asbestos.

Also, we will not pay for the investigation or defense of any loss, injury, or damage or any cost, fine, or penalty or for any expense or claim or suit related to any of (a-d) above.

## MISSOURI CHANGES

The following modifies insurance coverage's provided in the applicable forms and endorsement listed below.

COMMERCIAL PROPERTY COVERAGE PART  
FARM PROPERTY COVERAGE FORM  
FARM LIVESTOCK COVERAGE FORM  
FARM MOBILE AGRICULTURAL  
MACHINERY AND EQUIPMENT COVERAGE FORM

- A.** When this is attached to the STANDARD PROPERTY POLICY CP 00 99 the terms Coverage Form and Coverage Part are replaced by the term Policy.
- B.** If partial loss ("loss") or damage to Covered Property is caused by or result from fire, the LOSS PAYMENT Loss Condition is replaced by the following:
- a. In the event of partial loss ("loss") or damage covered by this Coverage Form, at your option, we will either:
    - (1) Pay you an amount of money equal to the damage done; or
    - (2) Repair the damage, so that the property is in as good a condition as before the loss. But we will not pay more than the Limit of Insurance.
  - b. We will not pay you more than you financial interest in the Coverage Property.
  - c. We may adjust losses ("losses") with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owner's property. We will not pay the owners more than their financial interest in the Covered Property.
  - d. We may elect to defend you against suits arising from claims of owners of property.
  - e. We will pay for covered loss ("loss") or damage within 30 days after we receive the sworn statement of loss ("loss"), if:
    - (1) You have complied with all the terms of this Coverage Part;
    - (2) and
      - (a) We have reached agreement with you on the amount of loss ("loss"); or
      - (b) An appraisal award has been made.

**C. The APPRAISAL Loss Condition is replaced by the following:**

If we and you disagree on the actual cash value or the amount of loss, then, on the written demand of either, each shall select a competent and disinterested appraiser and notify the other of the appraiser selected within twenty days of such demand. The appraisers shall first select a competent and disinterested umpire; and failing for fifteen days to agree upon such umpire, then, on request of you or we, such umpire shall be selected by a judge of a court of record in the state and county (or city if the city is not within a county) in which the property covered is located. The appraisers shall then appraise the loss, stating separately actual cash value and loss to each item; and, failing to agree, shall submit their differences, only, to the umpire. The umpire shall make the award within thirty days after the umpire receives the appraisers' submissions of their differences. An award in writing, so itemized, of

any two when filed with us shall determine the amount of actual cash value and loss. Each appraiser shall be paid by the party selecting such appraiser and the expenses of appraisal and umpire shall be paid by the parties equally. If there is an appraisal, we still retain our right to deny the claim.

**D. The LEGAL ACTION AGAINST US Condition is replaced by the following:**

**LEGAL ACTION AGAINST US**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 10 years after the date on which the direct physical loss ("loss") or damage occurred.

**E. Paragraph D. above does not apply to the:**

1. Legal Action Against Us Loss Condition in the LEGAL LIABILITY COVERAGE FORM; or
2. Legal Action Against Us Condition applicable to Coverage C and D in the MORTGAGE HOLDERS ERRORS AND OMISSION COVERAGE FORM.

IN WITNESS WHEREOF, the FARM BUREAU TOWN & COUNTRY INSURANCE COMPANY OF MISSOURI, has caused this policy to be signed by its President and Secretary.



PRESIDENT



SECRETARY