

# LOUDOUN MUTUAL

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## **RULE 1 - ELIGIBILITY**

### **1.1 Owner Occupied**

A policy may be issued to an owner-occupant of a farm provided the principal farm dwelling or mobile home is used only for private residential purposes, except as permitted in Rule 1.3, and occupied by no more than four families and no more than two boarders or roomers per family.

Use FO-1, 2, 3 or 5

### **1.2 Tenant Occupied**

A policy may be issued to the tenant (non-owner) of a farm dwelling or mobile home if the residence occupied by the insured is used only for residential purposes, except as permitted in **Rule 1.3**, and the tenant is engaged in the farming operation.

Use FO-4

### **1.3 Incidental Business Occupancies**

An insured may engage in certain business activities, other than farming, on the insured premises without affecting the eligibility status, provided that the residence is occupied principally for private residential purposes.

\* Refer to **Rule 9.17** Incidental Business Pursuits

### **1.4 Other Occupancies**

At the option of the company, a policy may be issued to:

- an occupant of a farm residence under a life estate arrangement; or
- an occupant of a farm residence who is purchasing the residence under a long-term contract. The seller, who retains title until the contract is satisfied, must not act as mortgagee.

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The residence must be used only for private residential purposes, except as permitted in **Rule 1.3**, and must be occupied by no more than four families and no more than two boarders or roomers per family.

\* Refer to **Rule 9.19** for [LM-442F](#)

Coverage for the owner's/seller's interest in the dwelling and related private structures may be provided by endorsement [FO-41](#). The liability exposure may be covered using the appropriate GL endorsement (see **Rule 3.6**).

Use FO 1, 2, 3 or 5

## 1.5 Dwellings Under Construction

A policy may be issued to cover the interest of the intended owner-occupant of a dwelling under construction. The dwelling must be intended to be used only for private residential purposes, except as permitted in **Rule 1.3**, and occupied by no more than four families and no more than two boarders or roomers per family. The expected time for completion must not exceed twelve months from the effective date of the policy.

## 1.6 Ineligible Risks

The following are ineligible under this program:

- Risks where the applicant has declared bankruptcy or foreclosure within the last 3 years.
- Risks where a Pit-Bull (American Staffordshire Terrier) or a Pit-Bull mix resides on premises.
- Risks within 5 miles of the Atlantic Ocean (10 miles for MasterGuard).
- Risks under construction where the owner is acting as the general contractor.
- Risks with fuses that will not be completely replaced with circuit breakers within the first 30 days of policy issuance.
- Farms whose principal purpose is to supply commodities

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for manufacturing or processing by the insured for sale to others - such as creameries and dairies - but not dairy farms.

- Farms whose principal purpose is to operate freezing or dehydrating plants and poultry factories.
- Farms with equine exposure that include trail rides, youth (12 or under) riding instruction or racehorses are unacceptable. Please refer to **Rule 9.4** for detailed equine information.
- Farms with incidental non-farm operations such as the raising and using of exotic animals, bees and/or honey, vermiculture/vermicompost/worms, aquaponics or fish hatchery, or timber harvesting. Please contact underwriting prior to quoting if you would like to review your exposure for consideration.
- Incorporated farms, other than farm family corporations, meaning that all ownership of the corporation is among family members; unless liability is written under Form [GL-610](#).
- Vacant or unoccupied farms.
- Risks operating subscription farming, community supported agriculture (CSA's) or herd-share programs are ineligible.

## 1.7 Photographs and Diagrams

Photographs of all insured and non-insured buildings are required. A diagram or plat is also required showing and properly identifying all buildings on the farm, whether insured or not. The diagram should show the size and type of each building and the distance in feet between all buildings. Each building should be labeled to correspond with the schedule of buildings shown on the application and declarations. All buildings not to be insured should be marked with an 'X' on the diagram and labeled as not insured on the photographs.

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## **RULE 2 - PROGRAM DESCRIPTION**

The following is a general description of the coverages provided by the farmowner policy forms. The policy forms state the complete conditions.

### **2.1 Policy Forms**

The following forms are used to provide farmowner coverage:

- [FO-1](#) - Dwelling Basic Form
- [FO-2](#) - Dwelling Broad Form
- [FO-3](#) - Dwelling Special Form
- [FO-4](#) - Contents Broad Form
- [FO-5](#) - Special Building and Contents Form

### **2.2 Principal Property Coverages (Mandatory)**

FO-1, FO-2, FO-3 and FO-5 provide all of the principal coverages described below. FO-4 includes only Coverages C & D.

#### **Coverage A - Residence**

Coverage A covers the residence on the insured premises, including additions and built-in components.

#### **Coverage B - Related Private Structures**

Coverage B covers unattached structures on the insured premises that are 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 Coverage A.

#### **Coverage C - Personal Property**

Coverage C covers personal property, other than farm personal property, owned by or in the care of an insured. Coverage for an insured's personal property usually at a residence other than the insured premises is limited to 10% of the Coverage C limit.

#### **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.

**2.3 Loss Settlement Provisions**  
**Coverages A and B**

An 80% insurance-to-value requirement triggers replacement cost loss settlement provisions for buildings covered under Coverages A and B. 100% insurance to value for Coverages A and B is required for Preferred and MasterGuard tiers. Mobile home losses are settled on a replacement cost basis and total losses are settled for their Coverage A limit shown on the declarations page.

**Coverage C**

Loss to property covered under Coverage C is settled on an actual cash value basis.

**2.4 Perils Insured Against**

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

<b>Perils Covered</b>	<b>Form 1</b>	<b>Form 2</b>
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 of Ice, Snow or Sleet		X
Sudden and Accidental Tearing Apart,		X
Burning or Bulging		X
Accidental discharge of Liquids or Steam		X
Freezing		X
Sudden and Accidental Damage		X
From Electrical Currents		

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Form [FO-3](#) insures 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 Coverage C is insured against risks of direct physical loss by the perils shown for Form FO-2.

Form [FO-4](#) insures property covered under Coverage C, the insured's interest in dwelling 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.

Form [FO-5](#) insures property covered under Coverages A, B and C and the related costs covered under Coverage D against all risks of direct physical loss, with certain exceptions.

## 2.5 Farm Coverages - Property

Form [FO-6](#) provides the principal coverages described below:

### **Coverage E - Farm Barns, Buildings and Structures**

Coverage E covers additional farm dwellings, barns, other farm buildings and structures, portable buildings and structures and tenant's improvements in farm buildings for which a limit is shown on the declarations or schedule.

The limit shown for each item includes attached sheds and fixtures except for silos. **Silos are covered only when separately and specifically listed on the schedule.** Losses under Coverage E are settled on an actual cash value basis.

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### Barns, Buildings & Structures (Other than Dwellings & Silos)

Rates (per thousand)	Type 1	Type 2	Type 3
Frame	\$4.89	\$5.86	\$6.72
Masonry	\$2.93	\$3.30	\$3.66
Metal	\$2.93	\$3.30	\$3.66

**\*Apply the appropriate Territory Factor (found on page 30) to the Coverage E rate and any deductible factor, if applicable.**

**Type 1** - Building must be in excellent (like new) physical condition, on a continuous masonry foundation or on a cement pad and insured for a minimum of \$25,000. All buildings must be fully utilized in the farming operation.

**Type 2** - Building must be in good physical condition, on a continuous masonry foundation or on a cement pad and insured for a minimum of \$10,000. Bank Barns and Machine Shops are usually in this category. All buildings must be fully utilized in the farming operation.

**Type 3** - All other buildings and insured for a minimum of \$1,000. Hay barns, tobacco barns, greenhouses, solar arrays, and portable buildings are usually in this category.

**Poultry Houses** - Contact your farm underwriter for poultry house classification.

### Silos

Rates (per thousand)	Type 1	Type 2	Type 3
Frame	\$15.26	\$18.32	\$21.37
Masonry	\$ 2.44	\$ 4.27	\$11.60
Metal	\$ 2.44	\$ 4.27	\$11.60

**Type 1** - Insured for at least \$25,000; all metal or reinforced concrete, bottom unloading

**Type 2** - Insured for at least \$10,000; all masonry or Type 1 not otherwise qualifying

**Type 3** - All other

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## Farm Dwellings

Rates (per thousand)	Type 1	Type 2	Type 3
<b>Protected</b>			
<b>Frame</b>	\$ 2.52	\$ 3.83	\$ 5.16
<b>Masonry</b>	\$ 2.10	\$ 3.12	\$ 4.13
<b>Mobile Home</b>	\$ 2.52	\$ 3.83	\$12.21
<b>Semi-Protected</b>			
<b>Frame</b>	\$ 3.43	\$ 5.36	\$ 7.29
<b>Masonry</b>	\$ 2.43	\$ 3.67	\$ 4.93
<b>Mobile Home</b>	\$ 3.43	\$ 5.36	\$12.21
<b>Unprotected</b>			
<b>Frame</b>	\$ 4.16	\$ 6.58	\$ 9.01
<b>Masonry</b>	\$ 2.80	\$ 4.28	\$ 5.81
<b>Mobile Home</b>	\$ 4.16	\$ 6.58	\$12.21

**Type 1** - Frame and Masonry dwellings less than 30 years old, central heating system, in like new condition and insured for at least \$50,000. Double wide mobile homes less than 10 years old, on a continuous masonry foundation and insured for at least \$40,000.

**Type 2** - Frame and Masonry dwellings less than 50 years old, central heating system, in average to good condition and insured for at least \$25,000. Double wide mobile homes less than 20 years old, tied down and underpinned and insured for at least \$10,000. Single wide mobile homes less than 10 years old, on a continuous masonry foundation and insured for at least \$10,000.

**Type 3** - All other frame and masonry dwellings and mobile homes.



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**Coverage F - Scheduled Farm Personal Property** Coverage F covers classes or items of farm personal property for which a limit is shown on the declarations page or schedule. These items include:

	<b>Rate (per thousand)</b>
• <b>Described Machinery</b> (other than below)	\$2.93
<b>Cotton Pickers, Harvester Combines</b>	\$7.04
• <b>Machinery Not Described(\$2,500 item limit)</b>	\$4.27

Machinery may also be insured on an "open perils" basis using [FO-360](#). Machinery may be written on a blanket or scheduled basis except for Cotton Pickers and Harvester Combines. Tack may be written on a blanket basis only.

The following rates apply per thousand.

Scheduled(Other than below)	\$3.99
Cotton Pickers, Harvester Combines	\$8.79
Blanket	\$6.11

• <b>Livestock (Scheduled or Class Basis)</b>	\$4.27
Added Animal Perils - non sheep ( <a href="#">FO-356</a> )	\$1.83
Added Animal Perils - sheep ( <a href="#">FO-356</a> )	\$8.55
Winter Perils ( <a href="#">FO-324</a> )	\$ .73
• <b>Rented or Borrowed Equipment</b>	\$4.27
• <b>Household Contents in Dwellings</b>	use Dwelling Rate
• <b>Barn, Building or Structure Contents</b>	use Building Rate
• <b>Hay on the Farm</b>	\$6.11
• <b>Grain</b>	\$6.11
• <b>Farm Products and Supplies</b>	\$6.11
• <b>Computers used in the farm operations</b>	\$12.21

Coverage F losses are settled on an actual cash value basis. An 80% coinsurance clause applies. **No deductible** applies to livestock losses.

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## **Coverage G - Unscheduled Farm Personal Property**

Coverage G covers farm personal property on a blanket basis or Coverage G may be limited to contents of a specific building. The Coverage G limit must be shown on the declarations page. Losses are settled on an actual cash value basis. An 80% coinsurance clause applies.

	<b>Rate (per thousand)</b>
• Blanket	\$7.33

**2.6 Perils Insured Against**

Form [FO-6](#) insures covered property against risks of direct physical loss caused by the following perils:

Fire or Lightning	Volcanic Action
Windstorm or Hail	Earthquake (Livestock Only)
Explosion	Flood (Livestock Only)
Riot or Civil Commotion	Collision (Described machinery, Livestock and "Other Covered Property")
Aircraft	Electrocution (Livestock Only)
Vehicles	Loading or Unloading
Smoke	Accidents (Livestock Only)
Vandalism	
Theft	
Sinkhole Collapse	

**2.7 Principal Liability Coverages**

Form [GL-2](#) covers liability exposures that arise out of the insured premises and the personal activities of the insured.

**Coverage L - Personal Liability**

Coverage L pays on behalf of the insured for damages due to bodily injury or property damage caused by an occurrence related to the insured premises or the insured's personal activities.

**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 personal activities.

Policies can be written with property coverage only at Company discretion. See **Rule 10**.

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Instructions for Calculating Personal Liability Premium:  
Using the Exposure Classifications shown below, determine the premium as follows:

In addition to initial farm premises Classification A, determine which, if any, of Classifications B through D apply. If any do apply, add the appropriate charge to the premium for the initial farm premises.

Exposure Classifications:

- A Initial Farm Premises
- B Each Additional Farm Premises with or without Buildings  
- Operated by the insured or rented to others
- C Total Acreage - 160 to 499 inclusive (Applies to farms operated by insured only)
- D Total Acreage - 500 and over (Applies to farms operated by insured only)

\*Initial farm premises means the primary farm location including adjoining farm acreage whether owned or rented by the insured.

<u>Limits</u>		<u>Classifications</u>			
<u>Cov. L</u>	<u>Cov. M</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
	1,000	incl	14	28	82
100,000	3,000	6	16	28	82
	5,000	12	18	28	82
300,000	1,000	7	18	37	109
	3,000	13	20	37	109
	5,000	19	22	37	109
500,000	1,000	11	20	42	122
	3,000	17	22	42	122
	5,000	23	24	42	122
1,000,000	1,000	14	25	52	153
	3,000	20	27	52	153
	5,000	26	29	52	153

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## **Commercial Liability Coverage [GL-610](#)**

Farms that are incorporated, or risks with winery or vineyard operations needing [LM-100](#) coverage, are written with Commercial Liability Coverage (Farm Premises and Operations), GL-610. Form GL-610 covers bodily injury or property damage arising out of the insured premises or operations necessary or incidental to the insured premises. Unendorsed, this does not include any personal liability for individuals.

Personal liability can be added for individuals by endorsing the [GL-9](#). Coverage is provided for Coverage L- Bodily Injury and Property Damage Liability arising out of the "insured's" (individual listed on GL-9 only) personal or non-business activities along with Coverage M. Name the individual(s) on the GL-9 and charge a \$50 flat rate to the premium calculation. See rating below.

A farm umbrella can be provided to these individuals if the [GL-9](#) personal liability endorsement is applied. The farm umbrella cannot extend over any commercial auto exposures. Only personal and farm related vehicles titled in the same name as the named insured on the underlying policy will be covered.

Instructions for Calculating Commercial Liability Premium:  
Using the Exposure Classifications shown below, determine the premium as follows:

In addition to initial farm premises Classification A, determine which, if any, of Classifications B through D apply. If any do apply, add the appropriate charge to the premium for the initial farm premises.

### Exposure Classifications:

- A Initial Farm Premises
- B Each Additional Farm Premises with or without Buildings  
- Operated by the insured or rented to others
- C Total Acreage - 160 to 499 inclusive (Applies to farms operated by insured only)

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D Total Acreage - 500 and over (Applies to farms operated by insured only)

\*Initial farm premises means the primary farm location including adjoining farm acreage whether owned or rented by the insured.

Limits		Classifications			
Cov. L	Cov. M	A	B	C	D
	1,000	incl	14	28	82
100,000	3,000	6	16	28	82
	5,000	12	18	28	82
	1,000	7	18	37	109
300,000	3,000	13	20	37	109
	5,000	19	22	37	109
	1,000	11	20	42	122
500,000	3,000	17	22	42	122
	5,000	23	24	42	122
	1,000	14	25	52	153
1,000,000	3,000	20	27	52	153
	5,000	26	29	52	153

## 2.8 Solid Fuel Burning Devices

Risks with woodstoves, pellet stoves, coal burning stoves, or other solid fuel burning devices must be approved by the company prior to binding. Homemade stoves are not allowed, and any device must be UL approved. Stoves that are installed in garages (attached or detached), outbuildings, or farm structures must be removed, and the thimble permanently sealed to provide coverage to the building. Outdoor furnaces must be 50 feet or greater from any structure.

A mobile home may have an auxiliary SFBD, if it is installed in a stick-built addition to the structure.

If a dwelling has no central heat source and only utilizes solid fuel burning devices for heat, the risk will only qualify for Form 1 coverage or FO-6 (Basic Perils) with FO-323 (Weight of Ice, Snow, or Sleet).

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Any risks utilizing a solid fuel burning device need to have a completed woodstove questionnaire and photos submitted to underwriting.

## 2.9 Basic Limits

The following basic limits apply to the coverages provided by the farmowner policy:

<b>Property Coverages</b>	<b>FO 1, 2, 3 &amp; 5</b>	<b>FO 4</b>
Residence	\$50,000.00 dwelling or \$10,000 mobile home \$400,000 MasterGuard/\$700,000 for Alexandria, Arlington, Fairfax and Loudoun Counties	
Private Structures	10% of limit on residence	
Personal Property	50% of limit on residence	\$6,000
Additional Living Costs & Loss of Rent	20%* of limit on residence	40% of limit on personal property

\* 10% for dwellings occupied by three or four families, 50% if the LM-20 (Farm Guardian) and the LM-199 (MasterGuard) are attached.

<b>Liability Coverages</b>	<b>All Forms</b>
Coverage L	\$100,000 Each Occurrence (\$500,000 for FO-5)
Coverage M	\$1,000 Per Person/\$25,000.00 Per Accident (\$5,000 Per Person minimum for FO-5)

Show the limits for all applicable principal coverages on the declarations page.

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## **RULE 3 - POLICYWRITING INSTRUCTIONS**

### **3.1 Inception Time**

The policy must be issued to take effect at 12:01 A.M. on the inception date.

Show the inception time on the declarations.

### **3.2 Policy Term**

#### **Annual**

Rating information for annual policies is shown in this manual. Policies may not be written for terms of less than one year except as specified in the rules shown below.

#### **Less Than One Year**

A policy may be written for a term of less than one year to maintain common anniversary dates with other policies. All renewals will be issued for a term of one year.

#### **Renewal Plan**

The policy may be continued for successive terms, subject to the rating information, forms, and endorsements in effect on the renewal date, by payment of the required premium. However, it is required that a renewal questionnaire (including photos and diagrams) be completed every 5 years.

### **3.3 Minimum Premium**

A minimum annual premium of \$500 will apply to all policies.

### **3.4 Endorsements**

When applicable, information called for as entries on an endorsement can instead be shown on the declarations or on a supplemental schedule.



### 3.5 Additional Insured - Property

A farmowner policy can be endorsed to cover the interests of co-owners, farm partners, farm family corporations, executors, administrators, trustees, or beneficiaries in the insured premises or the interest of other residents of the insured premises.

#### **Property Interests**

A policy can be endorsed at no additional premium charge to cover the insurable interest of others in the covered property.

Attach endorsement [FO-41](#) and make entries to show the location of the premises, the names and addresses of the additional insureds, and the extent of their interests.

### 3.6 Additional Insured - Liability

A farmowner policy written with [GL-2](#) Personal Liability Coverage (Farm) can be endorsed to provide liability coverage for additional interests:

**Not Occupying a Residence** - The definition of "insured" can be extended to individuals or other entities with interest in the farm premises or operations. Apply form [GL-70](#) listing the name, mailing address and their specific interest in covered property or operations. Coverage only applies with respect to the specific interest listed.

**Occupying a Separate Residence on the Farm Premises** - A policy can be endorsed to cover both the personal liability exposures of co-owners or partners who reside in a separate residence on the farm, as well as their interest in the farm premises and operations.

Rate: \$25 flat charge per additional insured

Attach endorsement [GL-71](#) and make entries to show the location of the premises and the names of the additional insureds.

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

Rate: \$10 flat charge per policy.

Attach endorsement [GL-72](#) and make entries to show the names of additional insureds.

### **3.6.1 Commercial Liability Interests**

A farmowner policy written with [GL-610](#) Commercial Liability Coverage (Farm Premises and Operations) can be endorsed to amend the definition of "insured" to include individuals or other entities with interest in the farm premises or operations. Apply endorsement [GL-108](#), listing the name, mailing address and their specific interest in covered property or operations. Coverage only applies with respect to the specific interest listed.

### **3.7 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 of premium. The request, signed by the applicant, must be referred to the company.

Attach endorsement [FO-304](#) or add an Additional Policy Condition to the declarations page.

### **3.8 Cancellation or Changes in Limits or Coverages**

Policies must be cancelled in accordance with the terms of all applicable cancellation provisions.

Mandatory coverages may not be cancelled unless the entire policy is cancelled.

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If a policy is cancelled or the limits are reduced, the amount of any return premium due is calculated on a pro rata basis, subject to any minimum premium requirement.

### **3.9 Waiver of Premium**

An additional or return premium due, in the amount of \$5.00 or less, when a policy is endorsed after its inception, may be waived; however, return premiums must be refunded at the request of the insured.

### **3.10 Premium Rounding**

The annual premium is calculated as the sum of all previously rated coverages and must be rounded to the nearest whole dollar.

### **3.11 Interpolation**

Rating information for a limit that is between two limits shown in this manual can be developed by interpolation.

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## **Rule 4 - PREMIUM DETERMINATION**

The basic policy rating information shown in this manual contemplates the property and liability coverages described in Rule 2.

Unless liability coverage is deleted, coverage for the following liability exposures is required if they exist:

- three or four family dwellings;
- all farm employees of an insured not covered or not required to be covered by Workers' Compensation Insurance;
- all additional or secondary residence/farm premises where an insured maintains a residence or farm, other than business properties; and
- incidental office, professional, private school, or studio occupancies by an insured on residential premises of an insured.

Use the rating information shown in this manual.

**NOTE: We provide coverage under five programs: THE STANDARD PROGRAM, THE PREFERRED PROGRAM, THE MASTERGUARD PROGRAM, THE MOBILE HOME PROGRAM and THE DOUBLE WIDE MOBILE HOME PROGRAM. See the underwriting guidelines for these programs in the following pages of this manual.**

### **UNDERWRITING FOR PREFERRED RATING PROGRAM**

1. The dwelling and all related private structures to be insured under Coverage B must be well maintained and in very good to excellent condition. The farm properties must be in average or better condition.
2. The minimum Coverage A - Dwelling amount of insurance is \$150,000.

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3. The Coverage A limit for the dwelling shall not be less than 100% of the estimated replacement cost.  
A replacement cost estimator or an appraisal indicating the replacement value must be submitted with the application.
4. The dwelling must not be more than 60 years old. A dwelling once insured in this program shall not subsequently become ineligible based on age alone. With underwriter approval, an older home that has been completely renovated (including installation of central heating system, total electrical and plumbing updates, and replacement of shingled roof: all within the last 10 years) may be considered for Preferred Rating.
5. Any risk with more than 2 losses or a single loss in excess of \$10,000 in the past 3 years must be submitted to the company for approval.
6. Must have a modern central heating system.
7. Solid Fuel Burning Device - The dwelling may use a solid fuel burning device if used exclusively as an auxiliary or emergency heat source. The stove installation must meet all minimum clearance requirements set by company. Submit a [questionnaire](#) along with a photo of the stove with the application.
8. Written under [FO-3](#).
9. Must be single family occupancy only.
10. Secondary dwellings are eligible, pending underwriter approval. [Attach Secondary/Seasonal Questionnaire](#).
11. Log homes are eligible for Preferred Rating.
12. Any risk where the applicant(s) has suffered a bankruptcy within the last 3 years is not eligible under this program.

**Rating:** If the risk qualifies for this program, the base premium will be reduced by 10%.

**Note:** Property meeting the above criteria but located in a remote or isolated area or that is not readily accessible to fire-fighting equipment is not eligible for this program.

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Single wide or Double wide mobile homes written under the farmowner program are not eligible for this program.

## UNDERWRITING FOR MASTERGUARD RATING PROGRAM

1. The dwelling and all related private structures to be insured under Coverage B must be well maintained and in excellent condition.
2. The minimum Coverage A amount of insurance is \$400,000. (\$700,000 for Alexandria City, Arlington, Fairfax, & Loudoun Counties)
3. The Coverage A limit shall not be less than 100% of the estimated replacement cost. A photograph and replacement cost estimator or an appraisal indicating the replacement value must be submitted with the application.
4. The dwelling must not be more than **40** years old. A dwelling once insured in this program shall not subsequently become ineligible based on age alone. Over 40 years old, call your underwriter for approval.
5. Any risk with a loss in the past 3 years is not eligible for this program. An exception may be approved for a risk with a single weather-related loss not exceeding \$10,000.
6. Must have a modern central heating system. Solid Fuel Burning Devices are eligible, subject to company approval.
7. Written under Form 5 only.
8. Log Homes are eligible.
9. Secondary dwellings are eligible, subject to company approval.
10. The risk must have an adequate number of smoke detectors on each floor.

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11. Any risk canceled, non-renewed, or declined by this or any other company within the past three years is not eligible for coverage under this program. This does not apply to non-renewals due to the withdrawal of a company from Virginia or a specific agency.
12. Any risk where the applicant(s) has suffered a bankruptcy within the last three years is not eligible under this program.
13. The applicant must have an excellent credit history with a **"Bind - All Tier Eligible"** rating in our on-line quoting system.
14. Dwelling must be located a minimum of 10 miles from the Atlantic Ocean.

Coverage must be written on a [FO-5](#) with the following minimums:

- \$1,000 deductible
- \$500,000 Coverage L
- \$5,000 Coverage M
- Endorsement [LM-199](#)

Rating:

- LM-199 - reduce base premium by 35%.

The applicable endorsement is included within the base premium for this program. All other rating factors and premium charges apply.

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## Special Packages of Optional Coverages

The [FO-2](#) or [FO-3](#) farmowner policy may be endorsed with a special package of optional coverages as outlined below. The [FO-5](#) farmowner policy includes the Farm MasterGuard coverages outlined below. Eligibility: Farm Guardian ([LM-20](#)) may be added to any FO 2 or FO 3 farmowner policy. The Farm MasterGuard ([LM-199](#)) will be automatically included on all FO 5 policies.

Farmowner Package Endorsements	Farm Guardian (FO 2 or 3); LM-20	Farm MasterGuard (FO 5); LM-199
		Cov A -over \$400,000 (700K for No. Va) Dwelling - under 40 yrs old
Dwelling	Covg A	Covg A + 30%
Personal Property	75% @ RC	75% @ RC
Addl Living Expense	50%	50%
Ordinance & Law	25%	Coverage A limit
Money, Gold, etc	\$250	\$500
Securities, Stamps, etc	\$1,500	\$2,500
Tree Removal	N/A	\$1,000
Lock Replacement	N/A	\$500
Credit Card, Forgery, etc	\$2,500	\$5,000
Sewer Backup	Covg A+B+C+D	Covg A+B+C+D
Earthquake	N/A	Covg A, B, D (2% ded)
Extra Mortgage Expense		\$250 per month for 3 years
Computer Coverage		\$2,500 hardware; \$250 software
Jewelry, theft of	\$2,500	\$2,500 / \$5,000
Guns, theft of	\$2,500	\$2,500 / \$5,000
Damage to Property of Others	\$1,000	\$1,000
Personal Injury	Included	Included
Rented or Borrowed Equipment	\$50,000	\$50,000
Coverage G - Unscheduled Farm Personal Property	\$5,000	\$5,000
Farm Earnings & Extra Exp	\$50,000	\$50,000
Well Pumps	\$10,000	\$10,000
Fencing/Corrals and Portable Fencing/Corrals	\$25,000	\$25,000
RC on Scheduled Farm Equipment (5 years or newer)	Included	Included

**Rating:** Farm Guardian - 15% of base premium, \$50 minimum. Attach endorsement [LM - 20](#).



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## UNDERWRITING FOR THE MOBILE HOME PROGRAM

### 1. Policy Forms, Minimum Coverages, Maximum Age of Mobile Home (pending underwriter approval)

FO-1 - \$10,000 minimum - Maximum Age - any  
FO-2 - \$10,000 minimum - Maximum Age - any  
FO-3 - \$10,000 minimum - Maximum Age - any  
FO-4 - \$ 6,000 minimum - Maximum Age - any

### 2. Replacement Cost Coverage - Mobile Home

Replacement Cost Coverage is automatically provided. Endorsement [LM-999F](#) will attach to all single wide and double wide mobile homes at no charge. Replacement cost for Coverage A, stated amount coverage for Coverage A and debris removal at 5% or \$5000, whichever is greater, are included in this endorsement.

### 3. Tie Downs and Skirting

Tie downs are mandatory. The tie downs must meet all requirements of the local building ordinances. In the absence of any local ordinances, tie downs must meet specifications and requirements to be established by the company. Since tie downs are mandatory to qualify for the program, there is no tie down credit.

The mobile home must be fully skirted or set on a masonry foundation.

### 4. Heating Systems

The mobile home must have a thermostat central heating system with outside fuel supply feeding the system or thermostat controlled central electric heating system. No wood or other solid fuel stoves allowed. Factory installed fireplaces with a UL label are acceptable.

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## **5. Qualifications for Double Wides to be Written as Frame Dwellings - must be on a continuous masonry foundation:**

FO-3

Minimum value - \$50,000; Maximum age - any pending UW approval

FO-4

Minimum value - \$6,000; Maximum Age - any pending UW approval

### **PROTECTION CLASSIFICATION INFORMATION**

#### **Protected**

Dwellings located within six road miles of the responding fire department, and within 1,000 feet of a public pressurized hydrant, can be rated as Protected.

#### **Partially Protected**

Dwellings located within six road miles travel of the responding fire department, but without a public pressurized hydrant within 1,000 feet, can be rated as Partially Protected.

#### **Unprotected**

Dwellings located outside of six road miles of the responding fire department, and without a public pressurized hydrant within 1,000 feet, can be rated as Unprotected. Homes with access that is restricted to firefighting equipment, remote, or otherwise isolated would fall under this classification as well.

### Suburban Rating Program

Residences located in Partially Protected areas may be eligible for rating under a protected suburban classification. To be **eligible, the residence must qualify for rating under the Preferred or MasterGuard Plans** and meet **all** the following criteria:

1. Located within six road miles of a responding fire department.
2. The responding fire department must be capable of transporting a minimum of 2500 gallons of water.
3. The residence must be accessible year-round to fire-fighting equipment including the driveway to the residence.
4. The residence must be visible from a main public road.

If the residence meets all the criteria, it may be rated as Suburban.

Any dwelling located in a remote or isolated area or that is not readily accessible to fire-fighting equipment does **not** qualify for this program. Any dwelling rated Unprotected does **not** qualify.

## CONSTRUCTION DEFINITIONS

### **Frame**

Exterior wall consisting of wood or other combustible construction, including wood-iron clad, stucco on wood or plaster on combustible supports, aluminum or vinyl siding over frame.

### **Masonry**

Exterior walls constructed of masonry materials, such as adobe, brick, concrete, gypsum block, Hardie Board/Plank, Masonite, hollow concrete block, stone, tile, or other similar materials. Masonry veneer exterior walls veneered with brick or stone would also meet this classification.

### **Mixed Construction (Masonry/Frame)**

A building with mixed construction shall be classified based on the proportion of its exterior wall construction. If the frame exterior walls are 1/3 of the total exterior wall area or greater, the building will be classified as Frame; otherwise utilize Masonry classification.

### **Log Homes**

Dwellings constructed with Full Scribe, Post and Beam, Timber Frame or other hybrid configurations using logs.

### **Mobile Homes**

Double wide mobile homes on a continuous masonry foundation, insured for at least \$50,000 can be considered as Frame dwellings with underwriter approval. See Mobile Home Program for specific eligibility guidelines.

### **Modular Homes**

Modular homes are to be treated as stick-built homes and utilize frame construction rating. Verification that the structure is a true modular home must be made as these oftentimes look identical to double wide mobile homes. Modular homes will not have HUD tags located in the left-hand corners on each long side of the structure, nor steel I-Beam support for axles underneath. Caution should be made as siding on double wide mobile homes can be replaced and the tags removed.

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## 4.1 Calculation of Premium

**\*Precedence for any rating differences is given to our online rating software available at LoudounMutual.com.**

1. Determine the appropriate protection class.
2. Determine the basic premium from the appropriate premium group.
3. Apply factor to the base rates for location of dwelling by zone.
4. Add for any increase or subtract for any decrease in Coverage C at the appropriate rate per hundred.

**NOTE:** Under Farm Guardian and Farm MasterGuard Coverage C is 75% of Coverage A.

5. If eligible for rating under the Preferred program, allow the appropriate credit.
6. Allow credit for a higher deductible (if applicable).
7. Allow new home credit (if applicable).
8. Allow the alarm credit (if applicable).
9. Add any charge for optional residence related coverages.
10. Figure for Farm Guardian or Replacement Costs on Contents, if desired, whichever is applicable.
11. Add premium for FO-6 Scheduled Farm Property (apply zone factor and allow for deductible credits)
12. Add the charge for any limits increase or additional exposure in Section L or M Coverages.
13. Add the charge for any optional liability endorsements.
14. Apply any IRPM factor. \*Must be approved by underwriting.

**NOTE:** Credits are to be applied sequentially and not cumulatively.

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RATING ZONES							
The following factors are applied to Farmowner base rates depending on location of property by zones:							
Zone 1:	1.225	Zone 7:	1.085	Zone 13:	1.250	Zone 19:	1.085
Zone 2:	1.020	Zone 8:	1.100	Zone 14:	1.100	Zone 20:	1.085
Zone 3:	1.000	Zone 9:	1.250	Zone 15:	1.125	Zone 21:	1.200
Zone 4:	1.000	Zone 10:	1.540	Zone 16:	1.100	Zone 22:	1.225
Zone 5:	1.085	Zone 11:	1.750	Zone 17:	1.085	Zone 23:	1.020
Zone 6:	1.200	Zone 12:	0.910	Zone 18:	1.085	Zone 24:	1.000
COUNTY	Zone	COUNTY	Zone	COUNTY	Zone	CITY	Zone
ACCOMACK	11	GILES	19	PITTSYLVANIA	14	CHESAPEAKE	11
ALBEMARLE	24	GLOUCESTER	10	POWHATAN	7	COLONIAL HEIGHTS	9
ALLEGHANY	5	GOOCHLAND	7	PRINCE EDWARD	13	COVINGTON	5
AMELIA	7	GRAYSON	18	PRINCE GEORGE	7	DANVILLE	14
AMHERST	5	GREENE	3	PRINCE WILLIAM	22	EMPORIA	10
APPOMATTOX	5	GREENSVILLE	10	PULASKI	20	FAIRFAX	16
ARLINGTON	16	HALIFAX	7	RAPPAHANNOCK	3	FALLS CHURCH	16
AUGUSTA	4	HANOVER	8	RICHMOND	7	FRANKLIN	10
BATH	4	HENRICO	9	ROANOKE	20	FREDERICKSBURG	8
BEDFORD	5	HENRY	19	ROCKBRIDGE	4	GALAX	18
BLAND	19	HIGHLAND	4	ROCKINGHAM	12	HAMPTON	10
BOTETOURT	5	ISLE OF WIGHT	10	RUSSELL	6	HARRISONBURG	12
BRUNSWICK	15	JAMES CITY	10	SCOTT	21	HOPEWELL	9
BUCHANAN	6	KING AND QUEEN	7	SHENANDOAH	4	LEXINGTON	4
BUCKINGHAM	5	KING GEORGE	8	SMYTH	21	LYNCHBURG	5
CAMPBELL	5	KING WILLIAM	7	SOUTHAMPTON	10	MANASSAS	22
CAROLINE	8	LANCASTER	10	SPOTSYLVANIA	8	MANASSAS PARK	22
CARROLL	18	LEE	21	STAFFORD	8	MARTINSVILLE	19
CHARLES CITY	7	LOUDOUN	1	SURRY	10	NEWPORT NEWS	10
CHARLOTTE	7	LOUISA	7	SUSSEX	10	NORFOLK	11
CHESTERFIELD	9	LUNENBURG	7	TAZEWELL	6	NORTON	6
CLARKE	2	MADISON	3	WARREN	23	PETERSBURG	9
CRAIG	19	MATHEWS	10	WASHINGTON	21	POQUOSON	10
CULPEPER	3	MECKLENBURG	15	WESTMORELAND	10	PORTSMOUTH	11
CUMBERLAND	13	MIDDLESEX	10	WISE	6	RADFORD	20
DICKENSON	6	MONTGOMERY	20	WYTHE	20	RICHMOND	9
DINWIDDIE	7	NELSON	5	YORK	10	ROANOKE	20
ESSEX	7	NEW KENT	7			SALEM	20
FAIRFAX	16	NORTHAMPTON	11	INDEPENDENT CITY		STAUNTON	4
FAUQUIER	3	NORTHUMBERLAND	10	ALEXANDRIA	16	SUFFOLK	11
FLOYD	19	NOTTOWAY	7	BEDFORD	5	VIRGINIA BEACH	11
FLUVANNA	7	ORANGE	17	BRISTOL	21	WAYNESBORO	4
FRANKLIN	10	PAGE	23	BUENA VISTA	4	WILLIAMSBURG	10
FREDERICK	2	PATRICK	18	CHARLOTTESVILLE	24	WINCHESTER	2

**4.2 Modified Replacement Cost - All Forms Except FO-4  
(Not applicable to mobile homes)**

The standard farmowner policy provides loss settlement on a replacement cost basis if the Coverage A limit of liability represents at least 80% of replacement value. This percentage amount may be modified to 50%, 60% or 70% of replacement value without affecting the loss settlement provisions. If this option is selected, the Coverage A limit of liability representing 50%, 60% or 70% of replacement value is to be shown in the policy declarations.

Multiply the base premium for the Coverage A limit of liability by the appropriate factor from the table below:

<u>% of Replacement Value</u>	<u>Factor</u>
50%	1.35
60%	1.20
70%	1.10

Use Endorsement [FO-256](#) Special Loss Settlement

NOTE: When this option is selected, the Dwelling Replacement Cost Estimator must be submitted with the application.

**4.3 Changes in Limits or Addition of Coverage**

Policy limits may be increased, or coverages added during the policy term. Compute the additional premium due on a pro rata basis using the same forms, endorsements, rules and rating information in effect when the current policy premiums were calculated.

**4.4 Actual Cash Value - All Forms Except FO-4  
(Not applicable to mobile homes)**

At the option of the company, the loss settlement provisions that apply to Coverage A and B can be converted from replacement cost coverage to actual cash value coverage. The Coverage A limit should be established on an actual cash value basis.

Use endorsement [FO-15](#) Actual Cash Value.

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**RULE 5 - DEDUCTIBLES**

A deductible amount is subtracted from all covered property losses, except those losses covered by Coverage D and the following Incidental Property Coverages: Emergency Removal; Fire Department Service Charge; and, if applicable, Refrigerated Food Spoilage, Extra Expense, Signs, Glass Breakage in Cabs, and Farm Operations Expense.

The deductible amount is subtracted only once per occurrence at each location, regardless of the number of covered items affected.

**5.1 Flat Deductibles - All Perils**

All policies will be issued with a \$500 flat deductible, except the FO-5 which has a \$1000 minimum deductible. The following flat deductible options are available:

Deductible Amount	Credit
\$1,000	15%
\$1,500	22.5%
\$2,500	25%
\$5,000	30%
\$10,000	35%
\$25,000	45%
\$50,000	50%

These credits are to be applied to the basic policy premium and the FO 6 premium (other than the premium for livestock).

**5.2 Higher Windstorm or Hail Deductibles-FO-1,FO-2,FO-3, and FO-5**

The policy can be issued with a deductible applicable to loss caused by windstorm or hail that is higher than the deductible that applies to all other perils. The available options are:

Policy Deductible	<u>Credit for Higher Windstorm or Hail Deductible</u>		
	<u>\$1,000.</u>	<u>\$2,000.</u>	<u>\$5,000.</u>
\$ 500	2%	4%	6%
1,000		3%	5%
1,500		3%	5%
2,500			3%

Once the policy deductible is \$5000, or higher, no windstorm/hail credit is available.

**\*Mandatory \$5000 W/H Deductible in Territories 10 and 11.**



**RULE 6 - PREMIUM MODIFICATIONS RESIDENCE RELATED**

**6.1 Protective Devices - All Forms**

Approved and properly maintained installations of burglar alarms, fire alarms and automatic sprinklers in the dwelling may be recognized for a premium credit. The premium subject to this credit shall be the BASIC SECTION I PREMIUM including any premium adjustment for Coverage C limits. The credits below do not apply to mobile homes written as mobile homes; rather, a flat \$5 credit applies for smoke alarms or other alarm systems.

- Central Station reporting fire and burglar alarms 10%
- Central Station reporting fire alarm 5%
- Central Station or police station reporting burglar alarm 5%
- Local fire or smoke alarm detectors on every floor 2%
- Local burglar alarm 2%
- Dead-bolt locks on all exterior doors 2%
- Automatic sprinklers in all areas including attics, bathrooms, closets, attached structures 13%
- Automatic sprinklers in all areas except attics, bathrooms, closets, attached structures 8%

Attach endorsement [FO-216](#) and indicate the type(s) of installation for which credit is allowed. If a risk qualifies for more than one credit, the credits may be added together to a maximum of **15%**. However, written documentation must be submitted confirming installation and maintenance of all central station systems before credit will be allowed. **DO NOT** allow local smoke or burglar alarm credits for secondary dwellings.

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## 6.2 New Home Credits

The basic premium for dwellings may be adjusted by using the following credits:

New Home Credit	
Age of Home	Credit
0	15%
1	15%
2	14%
3	13%
4	12%
5	11%
6	10%
7	9%

New Home Credit	
Age of Home	Credit
8	8%
9	7%
10	6%
11	5%
12	4%
13	3%
14	2%
15	1%
16	0%

Year built subtracted from inception year equals age for purpose of these credits. Mobile homes written as frame dwellings under the program are eligible for new home credits. However, mobile homes written as mobile homes receive the following credit:

0 - 1 year	10%
2 years	8%
3 years	6%
4 years	4%
5 years	2%
6 or more years	No credit

NOTE: For the purpose of this rule, premium subject to credit shall be BASIC SECTION I PREMIUM including any premium adjustments for Coverage C limits.

## 6.3 Replacement Value - 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. When this option is selected, the personal property limit may not be reduced below the limit specified in **Rule 2.9**.

Rating: FO 1, FO 2, or FO 3 - 10% of basic premium.  
FO 4 - 35% of basic premium.

Attach endorsement [FO-55](#). Replacement value for personal property is automatically included in the Farm Guardian, [LM-20](#), and the Farm MasterGuard, [LM-199](#).

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## 6.4 Automatic Adjustment of Limits - FO 1, FO 2, FO 3 and FO 5

The limits that apply to Coverages A, B, C, and D can be automatically increased on an annual basis by applying the appropriate percentage factors as follows to the BASIC SECTION I PREMIUM:

<u>Amount of Annual Increase</u>	<u>Percentage of Premium</u>
4%	2%
6%	3%
8%	4%
10%	5%

Attach endorsement [FO-184](#) and make an entry to show the amount of increase that applies.

## 6.5 Ordinance or Law Coverage

### **Without Coverage for Increased Costs to Respond to Pollutants**

Increased Cost - Ordinance or Law is included up to 25% of the "limit" that applies to damaged property and associated increased costs resulting from the enforcement of a code, ordinance, or law which regulates the use, construction, repair or demolition of property or the removal of its debris, under FO-1, FO-2, and FO-3. The FO-5 provides up to the coverage limit for such losses.

This percentage can be increased for Coverage A and/or B in increments of 50%, 75%, and 100%. This does not increase the limit of insurance but increases the percentage of the limit applicable to increased costs from enforcement of an ordinance, code, or law. Forms FO-1, FO-2 and FO-3 provide 5% in addition to the Coverage A limit in the event of a total loss, form FO-5 provides 10%.

This coverage does not include costs to extract "pollutants" from land or water; or remove, restore, or replace polluted land or water.

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Rating:

50% - .45 per \$1

75% - .65 per \$1

100%- .85 per \$1

Attach endorsement [FO-70](#).

## 6.6 Discounts

### **Loyal Policyholder Discount**

If a farmowner policy has been in force 5 years or longer, the policy is automatically given a 5% credit. The dollar amount of the credit shows on the declarations page.

### **Multi-Policy Discount**

If a farmowner and an umbrella policy are issued to the same policyholder, a 10% discount will apply to the farmowner policy. Or, if a farmowner policy and an automobile policy are issued with an approved affiliated automobile insurance company, a 10% discount will apply to the farmowner policy. These discounts may not be combined.

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## RULE 7 - OPTIONAL PROPERTY COVERAGES - Residence

### 7.1 Earthquake

Coverage for direct physical loss caused by earthquake can be added. A special deductible provision applies to loss caused by earthquake. The deductible limit applying per occurrence will be 2% of the coverage amount or \$250, whichever is greater.

FO 1, FO 2 and FO 3 - Apply the rating information shown below to the Coverage A limit shown on the declarations. If the limit that applies to property covered under Coverage C has been increased apply the applicable earthquake rating information to the increased amount(s).

FO 4 - Apply the rating information shown below to the Coverage C limit shown on the declarations.

#### EARTHQUAKE RATING INFORMATION PER \$1,000 OF INSURANCE

	<b>Coverage A</b>
FO 1, FO 2, and FO 3	.50
	<b>Coverage C</b>
FO 4 including higher limits of tenant's improvements and Coverage A	.50

Minimum Premium: \$20 per policy

Attach endorsement [FO-54](#)

#### 7.1.1 Limited Earthquake Coverage - Coverage A and B

Coverage can be endorsed to the policy providing up to \$50,000 for damage done to property covered under Coverages A and B, resulting from an earthquake. This coverage carries a \$2,500 deductible.

Rate: The [LM-554](#) carries a flat charge of \$35.00 and can only be applied once to a Coverage A residence (with its respective Coverage B). If a policy is written with multiple Coverage A residences, the LM-554 would need to be applied specifically to each Coverage A if the coverage is desired on the additional residences.

## **7.2 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 construction of the residence.

Attach endorsement [FO-125](#) and make an entry to show the limit that applies.

Rate: \$6.00 per thousand of insurance  
Maximum limit of coverage - \$50,000

## **7.3 Private Structures - FO 1, FO 2, FO 3, and FO 5**

### **7.3.1 Increased Limit**

An additional amount of insurance can be provided for specific private structures covered under Coverage B.

Rate: \$2 per \$1,000 of insurance

Attach endorsement [FO-48](#) and make entries to describe the covered structures and show the additional amount of coverage that applies to each structure.

### **7.3.2 Rented to Others**

Coverage can be provided for private structures on the described premises rented or held for rental to others, used for residential purposes and occupied by no more than two families. See Coverage E and use appropriate rates.

### **7.3.3 With Incidental Occupancies**

Coverage for private structures on the described premises with an office, professional, private school or studio occupancy can be provided. See Coverage E and use appropriate rates.

### **7.3.4 Care Provided for Others**

Coverage for private structures on the described premises used in conjunction with providing care for others can be added if liability coverage for the care of others also applies. See Coverage E and use appropriate rates.

### **7.3.5 Solar (Photovoltaic) Panels and Arrays**

Coverage can be applied to solar (photovoltaic) panels and arrays on the described premises, attached or detached to a structure. Solar panels are considered part of the building when attached to a structure (Coverage A, B, or E) and coverage should be included in the building limit. Detached arrays that service the main dwelling can be insured under Coverage B and an additional limit applied by adding the [FO-48](#).

Detached Solar Arrays insured under Coverage E are rated by the construction composition of their primary support structure, Type 3 rating tier, with deductible factors applying accordingly. They may be eligible for Weight of Ice, Snow or Sleet [FO-323](#), Special Form Coverage [FO-362](#), or Replacement Cost Terms [FO-341](#), subject to company approval.

Risks participating in net-metering operations are subject to company approval.

### **7.4 Personal Property**

#### **Increased Limit – FO 1, FO 2, FO 3, and FO 5**

The Coverage C limit can be increased.

Rate: \$2 per \$1,000 of insurance

Show the Coverage C limit on the declarations.

#### **Reduced Limit – FO 1, FO 2, and FO 3**

Coverage C limit can be reduced to not less than 40% of the Coverage A limit. This option is not permitted when endorsement [FO-55](#) or [LM-20](#) is attached.

Rate: \$1 credit per \$1,000 of insurance

Show the Coverage C limit on the declarations.

### 7.5 Money and Securities

The special limits under Coverage C that apply to loss to money, securities and related items can be increased.

Rate: Money - \$6 per \$100 of insurance  
Securities - \$4 per \$100 of insurance

Attach endorsement [FO-65](#) and make entries to show the amount of each increase and the total limits that apply.

### 7.6 Unscheduled Jewelry, Watches and Furs

The special limit under Coverage C that applies to loss to unscheduled jewelry, watches and furs can be increased.

Rate: \$9 per \$500 of insurance

Attach endorsement [FO-65](#) and make an entry to show the amount of the increase and the total limit that applies.

### 7.7 Guns

The special limit under Coverage C that applies to loss to guns can be increased.

Rate: \$2 per \$100 of insurance

Attach endorsement [FO-65](#) and make an entry to show the amount of the increase and the total limit that applies.

### 7.8 Motorized Vehicles

The special limit under Coverage C for loss to motorized vehicles used to service the insured premises and not licensed for use on public roads can be increased.

Rate: \$3 per \$1,000 of insurance.

Attach endorsement [FO-65](#) and make an entry to show the amount of the increase and the total limit that applies.



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## 7.9 Business Property

The special limit under Coverage C for loss to business property can be increased.

Rate: \$1 per \$100 of insurance

Attach endorsement [FO-65](#) and make an entry to show the amount of the increase and the total limit that applies.

## 7.10 Computers

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

Rate: \$2 per \$100 of insurance  
Minimum Premium - \$20  
Maximum limit per policy - \$10,000

Attach endorsement [FO-170](#) and make entries to describe the covered property and show the limits that apply.

## 7.11 Refrigerated Food Spoilage

Forms automatically provide \$500 coverage with **no deductible** applying. The limit that applies to the incidental coverage for refrigerated food spoilage can be increased to a maximum of \$2,000.

Rate: \$5 per \$500 of insurance

Attach endorsement [FO-30](#) and make an entry to show the amount of the increase and the total limit that applies.

## 7.12 Additional Living Costs and Loss of Rent

The Coverage D limit can be increased.

Rate: \$2 per \$1,000 of insurance

Show the Coverage D limit on the declarations.

**NOTE:** Automatic increase to 50% if LM-20 and LM-199 are attached, both at no additional cost.

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## 7.13 Credit Cards and Depositors Forgery

The limit that applies to the incidental coverage for loss by forgery or alteration of credit cards, checks or drafts, or acceptance of counterfeit paper currency can be increased as shown below:

AMOUNT OF INCREASE	TOTAL LIMIT	RATING INFORMATION PER POLICY
\$1,000	\$2,500	\$3
3,500	5,000	4
6,000	7,500	5
8,500	10,000	6

Attach endorsement [FO-30](#) and make an entry to show the amount of the increase and the total limit that applies.

## 7.14 Tenant's Improvements - Form 4 only

### Increased Limit

The limit that applies to the incidental coverage for tenant's improvements (10% of the Coverage C limit) can be increased.

Rate: \$3 per \$1,000 of insurance

Attach endorsement [FO-30](#) and make an entry to show the amount of the increase and the total limit that applies.

## 7.15 Outdoor Antennas

The limit that applies to Outdoor Antennas can be increased.

Rate: \$1 per \$100 of insurance

Attach endorsement [FO-30](#) and make an entry to show the amount of the increase and the total limit that applies.

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## 7.16 Well Pumps

The limit that applies to well pumps can be increased.

All FO policies include a **\$10,000** limit for well pumps.

Rate: \$1 per \$100 of insurance

Attach endorsement [FO-30](#) and make an entry to show the amount of the increase and the total limit that applies.

## 7.17 Private Power and Light Poles

The limit that applies to Private Power and Light Poles can be increased.

Rate: \$1 per \$100 of insurance

Attach endorsement [FO-30](#) and make an entry to show the amount of the increase and the total limit that applies.

## 7.18 Scheduled Personal Property

Coverage for scheduled personal property can be provided on an Open Perils basis against direct physical loss by applying the [FO-61](#). Certain exclusions will be applied by the form.

Scheduled coverages will need a unique description for each item and its specific limit. Any one piece with a limit of \$10,000 or greater will need a current appraisal for documentation. Appraisals should be no older than 10 years and must be submitted with the application.

Jewelry may be written on a scheduled or blanket basis. Blanket coverage applies a \$5,000 per item sub-limit and carries a \$500 deductible. Scheduled coverage also has a delineation between items kept out of vault and items kept in vault. In vault rating is available only to jewelry items stored in a safe deposit box or other secured vault at a separate location (e.g., Bank Vault or Safe Deposit Box at a financial institution) and would not be available for items stored in a home safe.

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Fine arts may be written with or without breakage coverage. Scheduled Personal Property - Fine Arts (No Breakage), FO-61 is to be used when breakage is not desired. Use a \$0.15 rate per hundred for premium calculation excluding breakage. Scheduled Personal Property - Fine Arts (With Breakage), FO-61 is to be used if coverage for breakage is desired. Use a \$0.30 rate per hundred for premium calculation including breakage.

Cameras or Musical Instruments scheduled under the FO-61 are considered to be personal use only. Commercial use of cameras or musical instruments is subject to company review and approval.

Rates per \$100 of coverage limit, subject to a \$13 minimum premium, for the FO-61 is shown in the table below:

Jewelry - Out of Vault	.90
Jewelry - In Vault	.255
Furs	.297
Cameras	1.57
Musical Instruments	.47
Silverware	.425
Golfer's Equipment	.85
Fine Arts - Without Breakage	.15
Fine Arts - With Breakage	.30
Postage Stamps	.38
Coins	1.62
Guns	1.50

Apply endorsement [FO-61](#) to the declarations.

## 7.19 Scheduled Watercraft

Coverage may be provided against all risks of physical loss with certain exceptions on scheduled outboard motorboats, outboard motors, outboard motorboat equipment, inboard and inboard/outboard boats, and boat carrier, with a separate amount of insurance applying to each item.

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A \$50 deductible applies.

**\*Jet Skis and Jet Drive Boats are ineligible for coverage.**

Rate: \$1.50 per hundred subject to a \$20 minimum premium.

Attach endorsement [IM-4417](#) Watercraft.

## **7.20 Water Damage – Sewers, Drains and Sumps**

Coverage for direct physical loss caused by water that backs up through sewers or drains or overflows from a sump can be added for property covered under Coverages A, B, and C.

Rate: Flat premium charge of \$25.

Attach endorsement [FO-208](#).

\*Coverage A Residences written under FO-2, FO-3, or FO-5 with LM-20 or LM-199 applied have up to the coverage limit for water damage due to backup of sewers, drains or sumps.

## **7.21 Expanded Replacement Cost – Forms FO-2 and FO-3 (Not applicable to mobile homes)**

At the option of the company, 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 residence. The Coverage A limit shown on the declarations must equal at least 100% of the residence's replacement cost at policy inception or at the time the expanded replacement cost terms are added to the policy.

### **Underwriting Guidelines**

1. FO-2 and FO 3 only
2. Located in Protected or Partially Protected areas
3. Dwelling must not be more than 60 years of age at time replacement cost coverage is written.
4. Amount of coverage at time of writing must be 100% of the estimated replacement cost.

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5. The physical condition and level of maintenance must be very good to excellent. Property must be very attractive and highly desirable showing pride of ownership.

Rate: \$5 flat charge per policy.

Attach endorsement [LM-22](#).

## 7.22 Identity Recovery Coverage

This coverage is automatically included in all farmowner policies unless declined by the insured. This coverage reimburses the insured up to \$15,000 (subject to a \$250 deductible) for expenses the insured incurs due to the theft of the insured's identity. This endorsement also provides Identity Theft Management Service.

Rate: \$17 per policy

Attach endorsement [LM-IRC](#) (ed.1/06)

## 7.23 Equipment Breakdown and Service Line Coverage

Coverage may be added to all FO 1, FO 2, FO 3, FO 4 and FO 5 forms **EXCEPT** for mobile homeowner risks. The FO 4 contents only policy does not include service line coverage. The insured's important home systems are covered for mechanical or electrical breakdown. Covered equipment includes property covered under Coverage A - Residence, Coverage B - Related Private Structures and Coverage C - Personal Property that generate, transmit or utilize energy.

Scheduled farm equipment is also covered for equipment breakdown up to the limit for which the equipment is insured, or up to the \$10,000 per item limit.

Lost farm income (up to \$10,000) as well as extra expenses (\$50,000 sublimit for expediting expenses) incurred to keep farm operations running, such as renting spare equipment during the period of repair or replacement, is also covered.

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Spoilage coverage (\$250,000 sublimit for farm operations and \$3,000 sublimit for farm residence) is provided for perishable goods, such as vaccines, lost as a result of an equipment breakdown.

Endorsement also includes physical damage to a covered service line, such as: water, well and sewer, ground-loop (geothermal), power, communications and data, drainage, or an outdoor heat source, which result in a leak, break, tear, rupture or collapse. Common causes are excavation, intrusion, electrical arcing, root invasion, deterioration and freezing.

## **Limits:**

### **Home Systems Protection**

The per occurrence limit is **\$50,000** and the per occurrence deductible is **\$500**.

### **Scheduled Farm Equipment**

Equipment Breakdown is covered up to the scheduled limit for the equipment, up to a maximum limit of \$10,000 per item, with a \$500 per occurrence deductible.

### **Service Line Coverage**

The per occurrence limit is **\$10,000** and the per occurrence deductible is **\$500** for any service line failure.

Rate: **\$128** per policy

Attach endorsement [LM-EBEE-SL](#).

## **Rule 7.24 Matching of Undamaged Roofing Materials**

The endorsement provides coverage for that undamaged portion of the roof on your dwelling or other structure when coverage is not afforded by the claim. Coverage is provided for 5% of the Coverage A limit for roofing material and is subject to an additional \$1,000 deductible.

### **Ineligible Risks:**

- Any dwelling or outbuilding containing slate or cedar shakes, copper materials, or asphalt shingles over 20 years old.

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- Any roof damaged or repaired in the past 10 years.

Rate: \$.05 per thousand of coverage subject to a \$25 minimum premium.

Attach endorsement [LM-46](#).

## **Rule 7.25 Matching of Undamaged Siding Materials**

The endorsement provides coverage for that undamaged portion of the siding on your dwelling or other structure when coverage is not afforded by the claim. Coverage is provided for 5% of the Coverage A limit for siding material and is subject to an additional \$1,000 deductible.

A dwelling or private structure containing Stucco, EFIS, or Asbestos siding materials is ineligible for coverage.

Rate: \$.05 per thousand of coverage subject to a \$25 minimum premium.

Attach endorsement [LM-47](#).

## **Rule 7.26 Inland Flood Coverage – Coverages A, B, C, and D only (not available for Coverage E structures)**

The endorsement provides coverage for the dwelling, other structures (like a shed or detached garage) and personal property, including personal property in a basement. It also provides coverage for debris removal and additional living expenses.

An inland flood occurs when inland waters, such as streams or rivers, overflow and partially or completely inundate normally dry land; unusual rapid rain accumulation, runoff, or snowmelt that does not drain away or soak into the ground; when water carries mud and becomes a mudflow.

Eligibility includes single and multiple family dwellings in FEMA Flood Zones except those beginning with A and V prefixes. The Inland Flood Coverage does NOT satisfy federally regulated mortgage lender requirements.



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Rates:

(Zone is dependent upon the location's proximity to a flood zone)

Coverage Options	1-2	3-4	5-6	7	8	9	10
\$10,000	\$25	\$36	\$60	\$150	\$300	\$425	\$550
\$25,000	\$32	\$51	\$100	\$270	\$563	\$805	\$1,050
\$50,000	\$39	\$71	\$142	\$410	\$875	\$1,275	\$1,650

Attach endorsement [LM-27](#). \$500 deductible applies.

## **RULE 8 - OPTIONAL FARM PROPERTY COVERAGES**

The optional property coverages described under this rule can be added when form [FO-6](#) is used to provide coverage for farm dwellings, farm barns, buildings, farm personal property, livestock, machinery, and/or other incidental coverages. Refer to each rule to determine how the option can be applied.

### **8.1 Limited Perils - Farm Property FO 6**

The coverage provided for selected farm dwellings, farm barns, buildings and structures and personal property under coverages E, F, and G may be limited to risks of direct physical loss caused by specific perils. All policies must include Fire & Lightning coverage. Typically, this would be used on buildings not suitable for windstorm coverage due to condition of the roof, but acceptable for Fire & Lightning only.

To delete coverage for perils of:

Windstorm or Hail - reduce rate by 25%  
All other perils - reduce rate by 10%

Use Endorsement [FO-340](#) and describe the property subject to the limited perils coverage. Make entries to show which perils apply.

### **8.2 Weight of Ice, Snow or Sleet**

Coverage for direct physical loss caused by the weight of ice, snow, or sleet can be added for specific farm dwellings, farm barns, buildings and structures covered under Coverage E or contents of such buildings covered under Coverage F. The limit for this coverage must be the same as the policy limit for the covered property.

Coverage may **not** be written on portable buildings, buildings with flat roofs or poultry houses with a roof pitch of less than 4/12, a width of over 50 feet or with steel trusses more than 8 feet apart.

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Rate per \$1,000: \$.80

Use endorsement [FO-323](#) and describe the specific covered property.

### 8.3 Special Form Coverage - Farm Barns, Buildings and Structures (Includes Dwellings)

The named perils coverage that applies to farm dwellings, 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.

To be eligible for this coverage, the property must:

1. be less than 30 years old;
2. be in excellent or like new condition;
3. be fully utilized in the farming operation;
4. have a roof pitch of at least 4/12;
5. be fully enclosed.

Rate: Multiply rate x 1.15

Use endorsement [FO-362](#) and describe the specific covered property.

### 8.4 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. A special **5%** deductible applies.

Rates per \$1,000:

Frame	\$.40
All Others	\$.54
Farm personal property	\$.30

Coverage for masonry veneer is optional. If masonry veneer is excluded, use the Frame rate.

Use endorsement [FO-354](#).

#### 8.4.1 Limited Earthquake

**\*Available for Farm Dwellings Only.**

Up to \$50,000 coverage for direct physical loss caused by earthquake to Farm Dwellings covered under Coverage E. A \$2500 deductible applies to this coverage. If the Limited Earthquake Coverage endorsement is added in addition to the Earthquake Coverage endorsement, the only deductible applying to Coverage E is a \$2500 deductible.

Rate: The [LM-554F](#) carries a flat charge of \$35.00. Each Coverage E Farm Dwelling will need the LM-554F specifically endorsed to the structure for coverage to apply.

#### 8.5 Replacement Cost Coverage - Farm Barns, Buildings & Structures (includes Dwellings)

The loss settlement provisions that apply to farm dwellings, farm barns, buildings and structures covered under Coverage E can be converted from actual cash value coverage to replacement cost coverage. Property must be insured to 100% of its replacement cost.

To be eligible for this coverage, the property must:

1. be less than 20 years old;
2. in excellent or like new condition;
3. be fully utilized in the farming operation;
4. insured for 100 % of its replacement cost based on a minimum per square foot amount of:
  - a. \$15 for machine shops
  - b. \$20 for 1 story barns
  - c. \$30 for 2 story barns
  - d. \$30 for milking parlors
  - e. \$10 for poultry houses

For silos, refer to the company or a local dealer for replacement cost values.

For dwellings or mobile homes, refer to other applicable company guidelines.

Use endorsement [FO-341](#) and describe the covered property.

### **8.6 Repair Cost Terms – Farm Barns, Buildings and Structures**

The loss settlement provisions that apply to farm barns, buildings and structures insured under Coverage E can be converted from actual cash value coverage to repair cost coverage. Repair cost coverage is provided without deduction for depreciation, using current and readily accessible construction practices and materials.

Rate per \$1,000: \$ .50

Use endorsement [LM-44](#) and show on the Declarations.

### **8.7 Tobacco Plants – Greenhouse Coverage**

Coverage can be applied to immature tobacco plants located in a permanently constructed **greenhouse**. Apply the [LM-66](#) to amend Coverage F – Scheduled Farm Personal Property to include immature tobacco plants as covered property.

This coverage will terminate once the immature tobacco plants are removed from the greenhouse for field implantation.

Rating per \$1,000: \$7.50 (subject to deductible factor)

### **8.8 Retail/Wholesale Nursery Stock Coverage**

Coverage can be applied to retail/wholesale nursery stock being stored in farm barns, buildings, and structures. Apply the [LM-67](#) to amend Coverage F – Scheduled Farm Personal Property to include retail/wholesale nursery stock.

This coverage will terminate once the nursery stock is removed from the farm barn, building, or structure.

Rating per \$1,000: \$7.50 (subject to deductible factor)

### **8.9 Theft of Building Materials**

Coverage for loss resulting from theft of building materials and supplies can be added for structures covered under Coverage E.

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Rate: Increase the rate by 25%

Use endorsement [FO-345](#) and describe the covered property.

## **8.10 Ordinance or Law - Farm Barns, Buildings and Structures**

Coverage can be added to allow a percentage of the direct physical loss to property insured under Coverage E to apply to the enforcement of a code, ordinance or law which regulates the use, construction, repair or demolition of property or the removal of its debris when loss to covered property is caused by a covered peril.

The limit of coverage is not increased but allows for a percentage of the limit (25%, 50%, 75% or 100%) to be applied for the increased costs associated with an ordinance, code, or law.

This coverage does not include costs to extract "pollutants" from land or water; or remove, restore, or replace polluted land or water.

\*Coverage subject to company approval, rated by underwriting. Attach endorsement [FO-257](#).

## **Livestock**

Named perils coverage can be applied to livestock (cattle, sheep, swine, goats, horses, mules, donkeys, and hybrids thereof). Alpacas and llamas can be considered. Coverage can be specifically scheduled per animal, or coverage applied to a specific class of livestock (Cows, Calves, Bulls, etc.) on a per head basis (e.g., 80 cows at \$1,000 a head).

The FO-6 applies coverage to the declarations, along with the livestock schedule. Additional named perils can be applied with additional premium by using Added Animal Perils [FO-356](#) and/or Winter Perils [FO-324](#).

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## **Deductible and Co-Insurance:**

No deductible applies to livestock losses; however, co-insurance does apply. At the time of loss, 80% of the total head of cattle (class specific to a per head entry of calves, ewes, bulls, or llamas, the same would apply) would need to be insured or a co-insurance penalty will apply.

Peak season endorsements are unavailable, so coverage should be set conservatively at the largest number of livestock animals on premises at a given time.

For example, if the farmer has 100 head of cattle max at any time during the year and needs a limit of \$1,000 per head, it is possible to schedule 80 head of cattle at \$1,000, for a total of \$80,000 in livestock coverage. Unless the farmer acquires more livestock than expected and does not increase the number of head, the farmer will be within the co-insurance requirement at any point during the policy term. \$80,000 would be the maximum pay out in the event of a total loss (lightning strike to entire herd), but this is an effective way to realize premium savings with retention.

If the farmer is leasing acreage for another farmer to graze cattle, a written lease agreement must be drafted (regardless if rent or compensation is made) that contractually transfers responsibility for fence maintenance to that tenant farmer. Confirmation of their current liability coverage listing the farmer as additional insured on their policy with respects to their landlord interest is required.

Rating:

Livestock rating is split between two classes: Sheep and Non-Sheep. Sheep are significantly more susceptible to loss than other animals and are subsequently more costly to insure.

Base rating with [FO-6](#) perils only:

### **Sheep and Non-Sheep**

Rating per \$1,000: \$4.27

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## **Added Animal Perils**

Four additional named perils may be purchased for scheduled livestock:

1. Accidental shooting - not by an insured;
2. Accidental Drowning - Animal over 30 days of age;
3. Attack by dogs or wild animals;
4. Collapse of a building.

## **Non-Sheep**

Rate per \$1,000: \$1.83

## **Sheep**

Rate per \$1,000: \$8.55

Attach endorsement [FO-356](#).

## **Winter Perils**

Winter perils may be purchased for scheduled livestock. Loss resulting from the death of livestock caused or made necessary by freezing/smothering in a snowstorm/ice storm or falling through ice. Restrictions do apply and limit coverage if the loss occurs inside a building, under haystacks, or more than 72 hours after the end of a storm.

Rate per \$1,000: \$.73

Attach endorsement [FO-324](#).



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## **Limited Perils**

If a risk needs to have the perils limited for any reason, two options can be utilized on the declarations:

Limited Perils - Wind and Hail Excluded, or

Limited Perils - All Perils Excluded except for Fire and Lightning.

These amend the perils applied by form [FO-6](#).

Rating: Refer to Underwriting

### **8.11 Rented or Borrowed Equipment**

Coverage for direct physical loss to farm machinery and equipment that is rented or borrowed from others can be provided by the policy.

Rate per \$1,000: \$3.96

Make an entry in the [FO-6](#) schedule to show the limit of coverage.

### **8.12 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 is limited to \$5,000.

Rate per policy: \$14.00

Use endorsement [FO-361](#)

### **8.13 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. The maximum value that can be insured is \$2,000 per animal.

Rate per \$1,000: \$10

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Use endorsement [FO-346](#) and describe the covered animals. Make entries to show the original cost and the limit that applies to each animal.

## 8.14 Incidental Coverages - Increased Limits

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

<b>Incidental Coverage</b>	Rate (per thousand)
Fire Dept. Service Charge	\$1.00
Prop. in Care of Common or Contract Carrier	\$1.00
Signs	\$3.00
Glass Breakage in Cabs	\$1.00
Farm Operations Records	\$1.00

Use endorsement [FO-330](#) and make entries to show the amount of each increase and the total limits that apply.

## 8.15 Farm Extra Expense

Coverage can be added for the expense incurred to resume or continue normal farming operations that were interrupted as the result of the direct physical loss by a peril insured against to property insured under Coverage E, F or G. Subject to FO-6 conditions.

Rate per \$1,000: \$2

Show the limit on the Declarations.

## 8.16 Farm Extra Expense and Farm Earnings

Coverage can be added for combined Farm Earnings and Extra Expense when business is interrupted because of direct physical loss by a peril insured against to property covered under Coverage E, F or G. The most paid is one third of the limit for each 30 consecutive days that coverage applies.

Rate per \$1,000: \$3

Use endorsement [LM-23](#) and show the limit on the Declarations. \*\$50,000 in Farm Earnings and Extra Expense is included in forms LM-20 (Farm Guardian) and LM-999 (Farm MasterGuard).

**8.17 Replacement Cost Terms Scheduled Farm Machinery and Equipment**

Coverage is automatically added under the Farm Guardian and Farm MasterGuard package endorsements for replacement cost for farm machinery and equipment scheduled under Coverage F. The loss to the covered machinery and equipment must occur during a policy period that begins when the covered item is 5 model years old or less. The model year age of the item will be determined by subtracting the model year of the item from the year of inception of the current policy period to which the coverage applies.

\* Coverage is included in form [LM-20](#) (Farm Guardian) and [LM-199](#) (Farm MasterGuard).

**RULE 9 - OPTIONAL LIABILITY COVERAGES**

All mandatory and optional liability coverages must be written at the same limit.

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

Coverage can be purchased to provide liability and medical payments coverage for bodily injury sustained by a farm employee, for which the insured is legally liable, during their employment in the insureds farming operations.

This does not include an employee while engaged in other business activities of the insured or a domestic employee.

In the event the insured pays someone to perform duties on the farm or aid in farm operations, even if only once a year, Farm Employers Liability should be applied. Unendorsed, both GL-2 and GL-610 liability forms exclude farm employees. However, bodily injury sustained by a person on the insured premises in a neighborly exchange of assistance without an insured obligation to pay any money would not fall under this exclusion. If compensation is given, it is recommended to apply Farm Employers Liability Coverage.

This coverage is not a replacement for a workers compensation policy and Virginia law requires an employer who regularly employs more than two part-time or full-time employees to carry workers compensation coverage.

If the farmowner policy includes [GL-2](#) liability, apply form [GL-76](#).

If the farmowner policy includes [GL-610](#) liability coverage, apply form [GL-872](#).

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Rating for **both** [GL-76](#) and [GL-872](#):

## Classifications

- A. Farm Employees - Part-time working less than 40 days per year
- B. Farm Employees - Part-time working over 40 days, but less than 180 days per year
- C. Farm Employees - Full-time working over 180 days per year

Limits		Classifications		
Cov. L	Cov. M	A	B	C
100,000	1,000	8	10	23
100,000	3,000	18	20	33
100,000	5,000	28	30	43
300,000	1,000	11	13	31
300,000	3,000	21	23	41
300,000	5,000	31	33	51
500,000	1,000	12	15	35
500,000	3,000	22	25	45
500,000	5,000	32	35	55
1,000,000	1,000	15	19	44
1,000,000	3,000	25	29	54
1,000,000	5,000	35	39	64

## 9.2 Custom Farming

Coverage for liability arising out of custom farm work that either exceeds \$5,000 annually or involves the application of pesticides or herbicides can be added to policies that include farm personal liability coverage. Coverage for the application of pesticides or herbicides can also be included.

Rating per \$100 of receipts - includes \$1,000 Cov. M medical payments: for \$3,000 medical payments, add \$6 per policy; for \$5,000 medical payments, add \$12 per policy.

	Coverage L Limits			
	100,000	300,000	500,000	1,000,000
Without Pesticides/ Herbicides	.80	1.10	1.20	1.60
With Pesticides/ Herbicides	1.52	2.08	2.28	3.04

Attach endorsement [GL-75](#) and make entries to describe the custom farming activities, show the estimated receipts, show the advance premium amount and indicate whether coverage for the application of pesticides or herbicides is included or excluded.

## 9.3 Fruit or Vegetable "Pick Your Own" Operations

Coverage for liability arising out of fruit or vegetable picking operations on the farm premises that are open to the public can be added to policies that include farm personal liability coverage. Coverage is not available for liability resulting from off-ground picking or the use of ladders.

Rating per \$100 of receipts - includes \$1,000 Cov. M medical payments: for \$3,000 medical payments, add \$6 per policy; for \$5,000 medical payments, add \$12 per policy.

Coverage L Limits			
100,000	300,000	500,000	1,000,000
.80	1.12	1.28	1.60

Attach endorsement [GL-78](#), make entries to describe the covered operations and show the estimated receipts.

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## 9.4 Equine Liability

Equine Liability should be written on any risk when the insured owns more than 2 horses, cares for any non-owned horses, or when the insured boards, trains, breeds or conducts riding lessons. Please contact underwriting if the risk has 10 or more equine animals (owned and non-owned). This endorsement may be used with either [GL-2](#) or [GL-610](#). Attach form [LM-70](#).

All premises should be posted with warning signs and rules. All boarders and riding students should sign a waiver relieving the insured of claims for Bodily Injury and Property Damage.

**Rating** - Add the basic charge below to all applicable charges for breeding, training, or riding instruction.

**Basic Equine Coverage** including boarding (with no breeding, training, or riding instruction)

**\$20** per owned or boarded horse, subject to a **\$60** minimum.  
\*Please contact underwriting if your risk has 10 or more equine animals.

### **Breeding**

**\$35** per horse used in breeding operation, maximum of 1 stallion and 5 mares. Coverage limited to insured premises only.

**Training** - conducted by an insured only

**\$60** per horse, limited to 5 horses, no race training

**Riding Instruction** - conducted by an insured only; limited to students 12 years old or older with no more than 2 horses furnished by the insured

\$30 per thousand of annual receipts - maximum allowable receipts are \$15,000. Minimum premium is \$350.

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## Equine Care, Custody and Control

Coverage may be written to provide property damage coverage for horses owned by others while in the care, custody, and control of an insured. 10 horse limitation. Attach form [LM-71](#).

## Rating

Limit per horse	Max Loss Per Year	No. of Horses	
		1 to 5	6 to 10
\$2,500	\$25,000	\$125	\$200
\$5,000	\$50,000	\$225	\$300
\$10,000	\$100,000	\$250	\$400

## 9.5 Farm Chemical Limited Liability

Coverage for liability arising out of the release of farm chemicals on the farm premises can be added to policies that include farm personal liability coverage. **Coverage for farm chemicals is limited to liability for physical injury to property of others.** The limit applies on an annual aggregate basis.

The rule requiring that all mandatory and optional liability coverages be written at the same limit does not apply to this coverage.

Rating on the next page:



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<u>Limits</u>		<u>Acreage</u>		
<u>Cov. L</u>	<u>Cov. M</u>	<u>Under 160</u>	<u>161-500</u>	<u>Over 500</u>
100,000	1,000	11	18	26
100,000	3,000	23	30	38
100,000	5,000	35	42	50
300,000	1,000	15	23	34
300,000	3,000	27	35	46
300,000	5,000	39	47	58
500,000	1,000	17	26	38
500,000	3,000	29	38	50
500,000	5,000	41	50	62
1,000,000	1,000	21	33	48
1,000,000	3,000	33	45	60
1,000,000	5,000	45	57	72

Attach endorsement [GL-614](#) and make an entry to show the annual aggregate limit.

## 9.6 Domestic Employees

Coverage for liability arising out of injuries sustained by domestic employees of an insured not covered or not required to be covered by Workers' Compensation Insurance is included under the liability section of the policy. A charge is required for each domestic employee in excess of two, except:

- employees working less than half of the customary full time; **or**
- employees to whom the policy's Coverage L exclusion for bodily injury to persons covered or required to be covered by workers' compensation insurance applies.

Rating information as follows (per employee):

<u>Coverage L</u> <u>Liability</u>	<u>Coverage M - Med Pay</u>		
	<u>\$1,000</u>	<u>\$3,000</u>	<u>\$5,000</u>
\$100,000	6	10	14
\$300,000	8	12	16
\$500,000	10	14	18
\$1,000,000	13	17	21

Make an entry on the declarations to show the number of domestic employees.

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## 9.7 Additional Residence Premises - Occupied by an Insured

Coverage for liability arising out of all additional or secondary residence premises where an insured maintains a residence, other than business or farm properties, is required.

Rating information as follows:

<u>Section L</u> <u>Liability</u>	<u>Coverage M - Med Pay</u>		
	<u>\$1,000.</u>	<u>\$3,000.</u>	<u>\$5,000.</u>
\$100,000	\$6	\$8	\$10
\$300,000	8	10	12
\$500,000	9	11	13
\$1,000,000	11	13	15

Make entries on the declarations to show the locations of all additional and secondary residence premises to which the liability coverages apply.

## 9.8 Additional Residence Premises - Rented to Others

Coverage for liability arising out of additional one to four family dwellings owned by the insured and rented or held for rental to others can be added, using the rating information below:

<u>Coverage L</u> <u>Liability</u>	<u>Cov. M - Medical Payments</u>					
	<u>One-Family</u>			<u>Two-Family</u>		
	<u>1,000</u>	<u>3,000</u>	<u>5,000</u>	<u>1,000</u>	<u>3,000</u>	<u>5,000</u>
\$100,000	10	12	14	16	18	20
\$300,000	13	15	17	21	23	25
\$500,000	15	17	19	24	26	28
\$1,000,000	19	21	23	30	32	34

<u>Coverage L</u> <u>Liability</u>	<u>Three-Family</u>			<u>Four-Family</u>		
	<u>1,000</u>	<u>3,000</u>	<u>5,000</u>	<u>1,000</u>	<u>3,000</u>	<u>5,000</u>
	\$100,000	28	30	32	30	32
\$300,000	37	39	41	40	42	44
\$500,000	42	44	46	45	47	49
\$1,000,000	52	54	56	56	58	60

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Attach endorsement [GL-73](#) and make entries to show the location(s) of the covered premises and to indicate the number of families at each premises.

### 9.9 Additional Farm Premises - Rented to Others

Coverage for liability arising out of additional farm premises owned by the insured and rented or held for rental to others can be added, using the rating information below:

Coverage L Liability	Cov. M - Medical Payments		
	1,000	3,000	5,000
\$100,000	16	18	20
\$300,000	20	22	24
\$500,000	22	24	26
\$1,000,000	28	30	32

Use endorsement [GL-73](#) and describe the rented premises.

### 9.10 Structures - Rented to Others

If coverage is provided under the property coverages for structures rented or held for rental to others, coverage for liability arising out of those structures can also be provided.

Coverage L Liability	Cov. M - Medical Payments		
	1,000	3,000	5,000
\$100,000	10	12	14
\$300,000	13	15	17
\$500,000	15	17	19
\$1,000,000	19	21	23

Attach endorsement [GL-40](#) and make entries to describe the covered structures.

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## 9.11 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 sole owner or a partner, can be added.

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

Classifications:

- A Clerical Employees
- B Salesperson - installation, demonstration, or services included
- C Salesperson - installation, demonstration, or services excluded
- D Teachers - labs, athletic, manual, or physical training
- E Teachers - not otherwise classified

Premium for this exposure is developed as follows:

Cov. L <u>Liability</u>	Cov. M <u>Med Pay</u>	Classifications				
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
\$100,000	1,000	4	6	4	11	5
\$100,000	3,000	6	8	6	13	7
\$100,000	5,000	8	10	8	15	9
\$300,000	1,000	6	8	6	15	7
\$300,000	3,000	8	10	8	17	9
\$300,000	5,000	10	12	10	19	11
\$500,000	1,000	8	10	8	16	9
\$500,000	3,000	10	12	10	18	11
\$500,000	5,000	12	14	12	20	13
\$1,000,000	1,000	10	13	10	20	11
\$1,000,000	3,000	12	15	12	22	13
\$1,000,000	5,000	14	17	14	24	15

Attach endorsement [GL-74](#), Business Pursuits Endorsement, and make entries to show the names of the covered persons and the covered business activities.

## 9.12 Office, Professional, Private School, or Studio Occupancy

Coverage for liability arising out of an incidental office, professional, private school, or studio occupancy in the residence, in a related private structure on the insured premises, or at an additional residence premises occupied by the insured can be added when:

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

Premium for this exposure is developed as follows:

Coverage L <u>Liability</u>	Coverage M - Medical Payments					
	<u>Residence Premises</u>			<u>Additional Premises</u>		
	<u>1,000</u>	<u>3,000</u>	<u>5,000</u>	<u>1,000</u>	<u>3,000</u>	<u>5,000</u>
100,000	19	29	39	18	24	30
300,000	25	35	45	24	30	36
500,000	28	38	48	27	33	39
1,000,000	35	45	55	34	40	46

Attach endorsement [GL-80](#) and make entries to describe the business and its location.

## 9.13 Watercraft

Coverage for liability arising out of the use of certain types of watercraft can be added.

For rating purposes, combine the horsepower of all outboard motors used together with any single watercraft owned by the insured.

For boats not described below or automatically covered in the basic policy forms, coverage is not permitted under the farmowner policy.

Coverage is written for watercraft powered by sail, or outboard, inboard, or inboard-outdrive motors only. **Jet skis, jet boats, or other jet drive watercraft are ineligible.**

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<u>Classification</u>	<u>Horsepower</u>	<u>Length of Watercraft</u>
A1	up to 50	Up to 15 feet
A2	up to 50	Over 15, up to 26 feet
B1	51 to 100	Up to 15 feet
B2	51 to 100	Over 15, up to 26 feet
C1	101 to 150	Up to 15 feet
C2	101 to 150	Over 15, up to 26 feet
D	151 to 200	Over 15, up to 26 feet

Watercraft that are less than 16 feet in length with horsepower over 150 are **not** eligible for coverage.

<u>Limits</u>		<u>Classifications</u>						
<u>Cov. L</u>	<u>Cov. M</u>	<u>A1</u>	<u>A2</u>	<u>B1</u>	<u>B2</u>	<u>C1</u>	<u>C2</u>	<u>D</u>
100,000	1,000	22	30	37	45	52	64	95
100,000	3,000	28	38	45	57	64	80	119
100,000	5,000	34	46	53	69	76	96	143
300,000	1,000	29	39	49	60	69	85	126
300,000	3,000	35	47	57	72	81	101	150
300,000	5,000	41	55	65	84	93	117	174
500,000	1,000	32	44	54	66	78	96	143
500,000	3,000	38	52	62	78	90	112	167
500,000	5,000	44	60	70	90	102	128	191
1,000,000	1,000	40	55	68	83	120	134	165
1,000,000	3,000	46	63	76	95	132	150	189
1,000,000	5,000	52	71	84	107	144	166	213

# LOUDOUN MUTUAL

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**Sailboats with or without auxiliary power 26 to 40 feet in length:**

Limits		Premium
Cov. L	Cov. M	
100,000	1,000	25
100,000	3,000	31
100,000	5,000	37
300,000	1,000	37
300,000	3,000	43
300,000	5,000	49
500,000	1,000	47
500,000	3,000	53
500,000	5,000	59
1,000,000	1,000	51
1,000,000	3,000	57
1,000,000	5,000	63

Attach endorsement [GL-82](#) and make entries to describe each covered watercraft.

**NOTE:** Outboard motors of up to 25 horsepower, inboard or inboard-outdrive motorboats with motor power up to 50 horsepower or sailboats less than 26 feet with or without auxiliary power are covered in the basic policy form.

**UNDERWRITING NOTE:** The driving record of all boat operators should be reviewed before providing liability coverage on watercraft. Driver's license number, date of birth and the names of all the operators needs to be provided. If the watercraft has over 200HP and is over 26 feet call your underwriter for approval.

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## 9.14 Personal Injury

Personal liability coverage can be extended to include coverage for personal injury. Personal injury means damages for which the insured is liable arising out of offenses such as false arrest, libel, slander, and invasion of privacy of another.

<u>Coverage L Limit</u>	<u>Premium</u>
100,000	\$13
300,000	\$17
500,000	\$21
1,000,000	\$27

Attach endorsement [GL-81](#). Use [GL-904](#) if [GL-610](#) written.

## 9.15 Care Provided for Others

Coverage for liability arising out of care provided by an insured for up to three persons on the insured premises as a business activity can be added. The rating information reflects an annual aggregate limit that is equal to the Coverage L limit.

Maximum Limits:   \$300,000 Liability plus  
   \$1,000 Medical Payments

**The following rates apply per person:**

<u>Liability Limit with \$1,000 Medical Payments</u>	<u>Premium</u>
100,000	59
300,000	72

Minimum premium per policy:   \$100

Attach endorsement [GL-84](#) and make entries to describe the location of the business and show the annual aggregate limit.



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## 9.16 Unlicensed Farm Truck Liability

Coverage L is included for Bodily Injury and Property Damage resulting from the ownership, maintenance, use loading or unloading of unlicensed farm trucks with a GVW of 35,000 pounds or less that are exempt from registration and are not covered by an automobile policy while being used in accordance with state code. All operators must have a valid license.

Endorsement [LM-25](#) is automatically added to all farmowner policies at no charge.

With prior company approval, Coverage L can be extended for vehicles with a GVW of more than 35,000 pounds by describing year, manufacturer, model, serial # and GVW. Rates per vehicle:

<u>Coverage L Limit</u>	<u>Premium</u>
100,000	50
300,000	66
500,000	74
1,000,000	92

Attach endorsement [LM-24](#).

## 9.17 Incidental Business Pursuits

Coverage for liability arising out of incidental business conducted on or from the insured premises by the insured may be added with company approval. Possible eligible types of businesses include:

- Road maintenance, snow removal or mowing by farm equipment only
- Woodworking, crafts, or upholstery
- Leasing of property for hunting
- Fishponds or lakes - no boat rental
- Meat Processing and Sales
- Retail Stores

Refer to the company for rating and acceptability.

Use endorsement [GL-90](#).

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## 9.18 Data Compromise Coverage

Coverage for liability arising out of a data breach is provided for breaches discovered during the policy period which have occurred after the first inception of coverage. First party coverage and third-party coverage are included. First party coverage includes expense payments related to responding to a personal data compromise including the notifications of affected individuals and costs to provide support services to affected individuals. Third party coverage protects the insured from lawsuits filed by affected individuals upset about the data breach when their private information is exposed.

Rating: \$45 for \$50,000 limit

Attach endorsement [LM-DC-FO](#).

## 9.19 Incidental Rental to Others

This coverage allows for incidental rental to others without time limitations for Coverage B and Coverage E farm dwellings. The exclusion for theft of personal property from a rented space is deleted. Coverage is also provided for Coverage C Property of Renters for \$5,000 and \$5,000 outdoor sign coverage. Refrigerated Food Spoilage is provided for incidental renters. Damage to Property of Others is increased to \$2,500.

**\*Preliminary rating follows, subject to underwriting approval.**

25% of the property premium charged for the building used in short term rental, in addition to the following rating structure which follows on the next page:

# LOUDOUN MUTUAL

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**Liability**

\$100,000	\$25 per Bedroom
\$300,000	\$40 per Bedroom
\$500,000	\$50 per Bedroom
\$1,000,000	\$75 per Bedroom

Total LM-442F premium = (25% of the property premium charged for the building used in short term rental) + (Number of Bedrooms\*Per Bedroom Charge)

Attach endorsement [LM-442F](#).

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INSURANCE COMPANY

## **RULE 10 - ADDITIONAL LOCATIONS**

Additional locations owned by or made available to our insured can be written on one farmowner policy. **All locations** farmed by our insured must be declared and scheduled for farm liability to apply.

It is a common practice to have the insured live away from their farm premises. List the primary dwelling as Coverage A (or C if FO-4) at Property 1 and list the subsequent locations as additional farm premises on the declarations. Protocol would be the same if the insured leased other land to a tenant farmer and had no farm operations of their own.

Multiple Coverage A's can be written on one policy; however, each Coverage A will need its own separate property entry. The locations may share the same property address; however, each Coverage A must be applied on its own separate location entry on the policy. An endorsement will need to be made for Additional Residence Premises - Occupied By Insured, [GL-2](#), and listed on the declarations. Refer to **Rule 9.7**.

If the primary residence is located outside of Virginia, liability may be extended to this residence. Structure coverage may not be written outside the Commonwealth of Virginia; however, liability can be extended out of state. Stacking of liability limits will occur if the insured has a homeowner or other policy providing personal liability and the Loudoun Mutual farmowner policy is using the GL-2 (or GL-9). This situation must be avoided. Liability must be removed from the other policy and extended from the Loudoun Mutual farmowner policy using the Additional Residence Premises - Occupied by Insured, GL-2. Refer to **Rule 9.7**. Commercial Liability Coverage ([GL-610](#)) can be applied to cover the farm premises and operations in the event that stacking is unavoidable. This will provide liability protection for the insured premises and their farm operations but would not provide personal liability.

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If any scheduled location is occupied by a residential tenant and/or tenant farmer, a [GL-73](#) entry will need to be added for each exposure. Refer to **Rules 9.8** and **9.9** for coverage description and protocol.

For risks with liability exposures deemed unacceptable, at company discretion, liability may be excluded and property only coverage written. Prior discussion with underwriting is necessary for these unique risks. The declaration page will indicate "No Liability Coverage" with the disclaimer "This policy does not include Coverage L - Liability or Coverage M - Medical Payment Coverage."

# LOUDOUN MUTUAL

I N S U R A N C E C O M P A N Y

**RULE 11 - OTHER**

**11.1 Farm Individual Risk Premium Modification**

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.

The maximum total credit or debit permitted by this rule is **25%**.

Apply the IRPM credit or debit after following all other rating procedures. **The IRPM credit is used only on larger farm accounts when the account PREMIUM exceeds \$500 after applying the credit.** Minimum policy premiums apply. All IRPMs must be approved by the company.

<b>Risk Characteristics</b>	<b>IRPM</b>	
	<b>Credit</b>	<b>Debit</b>
Care and condition of premises	10% to	10%
Care and condition of equipment	10% to	10%
Experience of insured and employees	10% to	10%
Loss history relative to exposure	10% to	10%
Safety measures	10% to	10%
Credit history of insured	10% to	10%
Accessibility of fire equipment	10% to	10%

The IRPM credit or debit applies for the policy term and must be applied at either the inception of the policy or subsequent renewal. If a related farm fire policy is cancelled or added during the term, the IRPM credit or debit will be adjusted at the subsequent renewal.

**Exception:** *If there is a pending application for a related farm fire policy, the IRPM credit or debit may be used, subject to company approval.*

**Rule 12: Winery/Vineyard Supplement to the Farmowner Program**

The farmowner program can be endorsed to provide liability and property coverage for the smaller, family owned, occupied, and operated farm winery and vineyard operations.

Small food sales such as cheese platters, soup, and chili are contemplated but not a full restaurant/catering exposure. Sales receipts may total up to \$500,000; however, larger risks may be submitted for special consideration.

Free music when open for tastings and the renting of premises for an occasional wedding with no organizing, planning, or providing of services by the named insured (max. 10 to 12 times a year) is acceptable.

The winery & vineyard coverage form, which includes wine contamination, leakage, and spoilage, liquor liability, coverage for growing vines, bottled and bulk wine, wine in transit, retail business property and signs, is form [LM-100](#).

Policy is normally written in the names of the resident owners, but can also add the entity as Named Insured, or the policy can be written in the entity's name. Liability is written on Form [GL-610](#) with personal liability extended for the resident owners by Form [GL-9](#). See guidelines for GL-9 under section **2.7 (page 11)**.

Outdoor Growing Grapevines and Bottled Wine Product in Transit limits can be considered for increase on a case-by-case basis.

Any equipment that is permanently attached to the building can be included in the building limit. Any portable type of equipment and barrels should be included under the scheduled machinery/equipment form [FO-360](#).

An increased Loss of Income limit would need to be requested as part of the quote submission. The [LM-20](#) Farm Guardian provides a \$50,000 limit.

# LOUDOUN MUTUAL

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Any farm with a winery exposure requires underwriting rating and approval. If available, please include the winery website address. To obtain a quote, submit a full farmowner application with the winery and vineyard supplemental application.

It is anticipated that wineries will attend tastings and festivals sponsored by others. Additional insured requests for these events need underwriting approval prior to issuing certificates and the policy must be endorsed accordingly.

Coverage does not apply for on premises events if a fee for admission is charged or other vendors are participating. A special events policy would need to be obtained.

Data Compromise coverage, \$50,000 limit, is available for wineries by attaching endorsement [LM-DC-FO](#) for an annual premium of \$85.00.

Attach endorsement [LM-100](#).

Rate: Refer to [Winery & Vineyard Supplemental Application](#) (also found on the next page).



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I N S U R A N C E C O M P A N Y

## Winery & Vineyard Supplemental Application



Applicant: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Agency:

Liability Coverage Limits	Total Winery Receipts	Rate per \$1000	Subtotal	Plus Base Charge	Premium
\$100,000		\$1.00		<i>add \$100</i>	
\$300,000		\$1.25		<i>add \$100</i>	
\$500,000		\$1.75		<i>add \$100</i>	
\$1,000,000		\$2.00		<i>add \$100</i>	

Wine Coverage	Limit	Rate per \$1,000		Premium
Bulk Wine		\$5.00	> > > > > > > > > > > > > >	
Bottled Wine		\$5.00	> > > > > > > > > > > > > >	

Increased Limit for Related Retail BPP (\$10,000 included)			Premium
Limit	Rate		
	<i>\$5 per thousand</i>	> > > > > > > > > > > > > > > >	

Increased Limit for Signs (\$2,500 included)			Premium
Limit	Rate		
	<i>\$5 per thousand</i>	> > > > > > > > > > > > > > >	

Special Events Coverages (Form GL-90)	Premium
Contact company for rates	> > > > > > > > > > > > > > >

<b>TOTAL WINERY PREMIUM</b>	> > > > >
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1. Years of Experience ? \_\_\_\_\_

1a. Website \_\_\_\_\_

2. Does the applicant bottle their own wine?  Yes  No *If No, please explain*

---

3. Does the applicant bottle, crush, or store wine *for others*?  Yes  No *If Yes, please explain*

---

4. Does the applicant store any wine off-premises?  Yes  No *If Yes, please explain*

---

5. List any Special Events *hosted by the applicant* each year (such as seasonal festivals, harvest parties, etc.). Please provide average attendance for each Special Event.

---

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6. List any Special Events where applicant *rents their premises to others* (such as weddings, corporate/club meetings, concerts, etc.) . Please provide average attendance for each Special Event.

---

---

6a. If applicant rents their premises to others for Special Events, do they require proof of insurance?  
 Yes  No

---

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7.  Yes  No Has applicant ever had a product recalled? \_\_\_\_\_

Yes  No Are tasting room servers certified in alcohol training programs? \_\_\_\_\_

Yes  No Has applicant ever been fined or cited for improperly serving alcohol? \_\_\_\_\_

Yes  No Do wine bottle labels adhere to Federal & State regulations? \_\_\_\_\_

**COMMENTS:** \_\_\_\_\_

**Agent's Signature** \_\_\_\_\_ **Applicant's Signature** \_\_\_\_\_

**Date** \_\_\_\_\_

**Date** \_\_\_\_\_

*It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.*