

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINERY PROPERTY ENDORSEMENT

This endorsement modifies insurance provided under the following:

- FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM
- FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM
- FARM PROPERTY - OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS
- CAUSES OF LOSS FORM – FARM PROPERTY
- BUSINESS INCOME COVERAGE FORM (AND EXTRA EXPENSE)
- BUSINESS INCOME COVERAGE FORM (WITHOUT EXTRA EXPENSE)
- EXTRA EXPENSE COVERAGE FORM

SCHEDULE

Coverage

Limit of Insurance

Wine Contamination, aggregate in any one policy year:

\$ 25,000, unless a higher amount is shown:
\$

Wine Leakage, aggregate in any one policy year:

\$ 25,000, unless a higher amount is shown:
\$

A. CHANGES TO THE FARM PROPERTY – BARNs, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM

1. The following coverage is added to Section II – Coverage Extensions:

Trees, Plants and Shrubs

You may extend the insurance provided by this Coverage Form, including debris removal expense, to apply to direct physical loss of or damage to your outdoor trees, plants and shrubs at the described premises. This coverage extension does not apply to trees or vines used in the production of orchard or vineyard products.

This Coverage Extension applies only to loss or damage caused by or resulting from any of the following causes of loss:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or civil commotion;
- e. Aircraft;
- f. Vehicles not owned or operated by you or your employees;

g. Vandalism; or

h. Theft;

but only to the extent they are Covered Causes of Loss.

The most we will pay for all loss or damage in any one occurrence under this Coverage Extension, regardless of the number of trees, plants and shrubs lost or damaged in that occurrence, is \$25,000. But we will not pay more than \$1000 for loss or damage to any one tree, plant and shrub. This is additional insurance.

- B. The following is added to the VALUATION Loss Conditions of the FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM

Wine Market Value

1. We will determine the value of "bottled winery products", in the event of loss or damage as follows:
 - a. Cellared, rare or vintage wines, if irreplaceable in the market, will be valued on the date of loss at the average market listing, had no loss or damage occurred, as determined by three well established

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and reputable wine merchants selected by us;

- b. Wine in the state of process, including in bottles, tanks or barrels, will be valued at the lesser of:

(a) The:

- (i) Three year average wholesale market price of the wine, less unincurred costs (i.e.: bottling, storage, labels, printing, labor), for that same varietal or vintage or from the same vineyard; or

- (ii) If the three year average wholesale market price described in paragraph (i) above is not available, the three year industry wide average wholesale market price, less unincurred costs, for the same varietal or vintage;

or

- (b) The cost to replace the wine with wine of like kind, quality and state of fermentation, if replaceable;

- c. Wine that is ready for sale, other than cellared, rare or vintage wine that is irreplaceable in the market, will be valued at the price the wine could have been sold for, as case goods, as of the time and place of loss or damage had no loss or damage occurred.

- 2. We will determine the value of "bulk wine", in the event of loss or damage, at the lesser of :

- a. The price the wine could have been sold for as of the time and place of loss or damage had no loss or damage occurred; or

- b. The market price of "bulk wine" of like kind and quality as of the time of loss or damage.

- 3. All values exclude:

- a. Unpaid U.S. Government Internal Revenue taxes for which you are liable; and

- b. Discounts and expenses you otherwise would have had.

But values include State, County and Local taxes for which you are liable.

- C. The following is added to the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions:

1. Section B. Farm Property Conditions LOSS CONDITIONS 10. Transfer Of Rights of Recovery Against Others To Us:

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover prepaid taxes or duties that are included in our payment, those rights are transferred to us.

2. Section C. Definitions:

- a. "Bottled Winery Products" means wine and other winery products:

- (1) In the bottle or otherwise packaged ready for sale or distribution; or

- (2) Not bottled or otherwise packaged ready for sale or distribution, but:

- (a) Irreplaceable in kind and quality; and

- (b) In the ordinary course of your business, would be bottled or otherwise packaged for sale or distribution and in your hands as producer or processor.

- b. "Bulk Wine" means wine, in your hands as a producer or processor:

- (1) Replaceable and not in a bottle or otherwise packaged ready for sale or distribution; and

- (2) Other than "bottled winery products".

D. CHANGES TO THE CAUSES OF LOSS FORM – FARM PROPERTY, FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM, BUSINESS INCOME COVERAGE FORM (AND EXTRA EXPENSE), BUSINESS INCOME COVERAGE FORM (WITHOUT EXTRA EXPENSE), EXTRA EXPENSE COVERAGE FORM

1. Wine Contamination Changes

The insurance, if any, provided under the Farm Property Coverage Part for:

- Direct physical loss or damage to wine products; and

- Loss or Business Income and/or Extra Expense that is a consequence of direct physical loss or damage to wine products;

is amended by the following:

- a. We will not pay for loss or damage caused by or resulting from contamination of wine products, whether finished or in-process, unless the contamination is itself caused by or the results from:

- (1) Any of the "specified cause of loss"; or
- (2) Contact of the wine products with residual cleaning solvents within the tanks, vessels or barrels, including their component parts and connections, used to process or store the wine products.

- b. The most we will pay for the total of all loss or damage under this Coverage Part that is caused by or results from contamination of wine products arising out of all occurrences in any one policy year is the Aggregate Limit of Insurance Limit of Insurance shown in the Schedule of this endorsement for Wine Contamination. This limit:

- (1) Applies regardless of the number of locations, coverages or Coverage Forms involved; and
- (2) Is part of, and does not increase the Limits of Insurance provided under this Coverage Part.

2. Wine Leakage Changes

The insurance, if any, provided under the Farm Property Coverage Part for:

- Direct physical loss or damage to wine products; and
- Loss or Business Income and/or Extra Expense that is a consequence of direct physical loss or damage to wine products;

is amended by the following:

- a. We will not pay for loss or damage caused by or resulting from leakage of finished or in-process wine products from

any tanks, vessels or barrels used to process or store the wine products, or from any component parts of or connections to or from the tanks, vessels or barrels, unless the wine leakage is itself caused by or results from:

- (1) Any Covered Causes of Loss; or
- (2) The implosion or inward collapse of the tank, vessel or barrel due to the failure of a pressure relief device on the tank, vessel or barrel; or
- (3) Errors or omissions in the workmanship of you or your employee(s).

- b. Under CAUSES OF LOSS FORM – FARM PROPERTY:

- (1) Section D. Covered Causes of Loss – Special exclusions D.2.c (2) through (4) do not apply to wine leakage at an "insured location" caused directly by the errors or omissions of an employee, such as accidentally leaving a valve open.

- (2) The following exclusion is added:

We will not pay for any loss or damage caused by or resulting from wine leakage that can reasonably be considered normal and customary to the trade.

All other exclusions continue to apply.

- c. The most we will pay for the total of all loss or damage under this Coverage Part that is caused by or results from leakage of wine products arising out of all occurrences in any one policy year is the Aggregate Limit of Insurance shown in the Schedule of this endorsement for Wine Leakage. This limit:

- (1) Applies regardless of the number of locations, coverages or Coverage Forms involved; and
- (2) Is part of, and does not increase the Limits of Insurance provided under this Coverage Part.