

ERIE AND NIAGARA INSURANCE ASSOCIATION FARMOWNERS DISCLOSURE NOTICE

Your renewal policy includes important coverage changes. Please review this important notice and retain it with your insurance policy.

This Farmowners Disclosure Notice is not a contract of insurance. It is intended to provide information on some new and different forms which are now in use by this company on your Farmowners policy. The policy may not include all of the forms addressed by this Farmowners Disclosure Notice. It is recommended that you review your policy carefully to determine your rights, duties and obligations. This information is intended to assist you in the review of your prior and current policy. If there are any conflicts between this Farmowners Disclosure Notice and your policy, the provisions of the policy shall prevail.

This Farmowners program is intended to meet the needs of a diverse farm community. Farming has evolved and today can be the result of a hobby or a career. The Farmowners program is intended to address the needs of the gentleman farmer or the farmer who is in business to make a living whether it be as an individual, a corporation or some other type of legal entity. With more options for coverage combined with these new forms, the Farmowners program is intended to assist today's farmer in obtaining adequate insurance.

Policy Construction And Form Changes

Your policy is comprised of several different components which include the policy agreement, property coverage, liability coverage, conditions and endorsements. It includes the ENIA-ML-20F Ed. 2/18 General Policy Provisions Agreement (hereafter referred to as ML-20F) which contains not only the Agreement between you and the company, but in the General Policy Provisions it provides the provisions for the Property Coverages which include Coverage A through D; Incidental Property Coverages (A-C); Coverage E through G; and Incidental Property Coverages (E-G). Also contained in the ML-20F are the Exclusions That Apply To Property Coverages, How Much We Pay for Loss or Claim, Payment of Loss or Claim and What You Must Do in Case of Loss. In addition, your policy will contain at least one Causes of Loss form, a Liability Coverage Section that will contain the provisions for the Principal Liability and Medical Payments Coverages, Incidental Liability and Medical Payments Coverages and Exclusions. It will also contain a Policy Conditions form. Additional endorsements may be added to your policy.

No changes have been made to the ML-20F or Causes of Loss forms since your policy last renewed. The changes to your policy are contained in the Liability Coverage Section and the Policy Conditions, in addition to any specific changes made by endorsement that will not be detailed in this Farmowners Disclosure Notice.

Forms that have been removed from your policy are: ML-10F Ed. 6/99 Farmers Comprehensive Personal Liability Coverage which will be replaced with one of the following General Liability Coverage forms: LS-1 Ed. 9/02 Premises And Operations Liability Insurance; LS-5 Ed. 9/02 Business General Liability Insurance or LS-6 Ed. 9/02 Business General Liability Insurance-Extra Coverage. In addition, LS-400 Ed. 12/00 Amendatory Endorsement For Farm Operations has been added to your policy. If ML-425 was on your personal lines policy, the form will be replaced by ML-424 Ed. 6/99 Commercial Conditions Provisions. Note that ML-47 Ed. 6/99 Incidental Business Pursuits if it was on your policy, has been removed and the business pursuits coverage is found in the LS-5 or LS-6, respectively, depending on the level of coverage you selected. In addition to the General Liability Coverage now contained on your policy, your policy contains the ML-9A Ed. 6/99 Personal Liability Coverage Section to cover your personal liability.

LS-1, LS-5 and LS-6 (All Ed. 9/02)

Note that this Farmowners Program expands the options available for Commercial and Corporate Farm Operations, and now, General Liability Coverage is provided within the scope of the Farmowners Program.

One of the Liability forms LS-1, LS-5, or LS-6 will be attached to and made part of your policy to provide General Liability Coverage. These forms provide coverage only for your business liability. These forms all consist of an Agreement, Definitions, Principal Coverages, Supplementary Payments, Exclusions, What *You* Must do in Case of Loss, How Much We Pay for Loss or Claim, Payment of Loss or Claim, Policy Conditions and a Nuclear Exclusion.

General Liability Coverage will overall provide broader coverage of a commercial nature. With respect to the differences in the forms, the LS-1 is the least broad liability form, providing General Liability Coverage for the premises location. LS-5 is roughly equivalent to the standard General Liability Coverage available in the insurance industry providing coverage for bodily injury and property damage from premises operations and LS-6 is the broadest of these three forms providing coverage for bodily injury, property damage and personal injury arising out of premises operations. In some situations, these forms may also provide products and completed operations coverages. Not every form in the LS series will be attached to your policy even when you purchase General Liability Coverage. For more specific information on whether you have purchased this coverage and the details of it, consult your policy.

There is no direct comparison between the ML-10F Ed. 6/99 and any of the three commercial forms that may now be attached to your policy. In general, listed below are some of the differences between the ML-10F Ed. 6/99 Liability Coverage Section-Farm and each of the General Liability Coverage forms: LS-1, LS-5 and LS-6 (all Ed. 9/02) respectively.

ML-10F Ed. 6/99 to LS-1, LS-5 and LS-6 (all Ed. 9/02)

Common Definitions Changes and Additions

The definitions listed below are contained in each of the commercial liability forms: LS-1, LS-5 and LS-6, Ed. 9/02:

- You/Your-Is now contained in the commercial liability forms for the commercial liability coverage.
- Automobile-Is added as a new definition, but is superseded in LS-400 Ed. 12/00.
- Bodily Injury-Is added as a new definition, but is superseded in LS-400 Ed. 12/00.
- Business-Under the definition used in each of the commercial liability forms farming is now considered a business, as is the rental of property, unlike in the previous form used.
- Coverage Territory-Is added as a new definition.
- Covered Policy-Is added as a new definition.
- Employee-Is added as a new definition and is used instead of Farm Employee in the previous form.
- Farming-Is no longer defined.
- Elevator-Is added as a new definition.
- Impaired Property-Is added as a new definition.
- Insured-Is now contained in the commercial liability forms for the commercial liability coverage, but is superseded in LS-400 Ed. 12/00
- Insured Contract-Is added as a new definition.
- Mobile Equipment-Is added as a new definition.
- Named Insured-Is added as a new definition.
- Named Insured's Product-Is added as a new definition.
- Nonpayment of Premium-Is added as a new definition.

- Occurrence-Is added as a new definition.
- Pollution-Is added as a new definition.
- Products/Completed Operations Hazard-Is added as a new definition.
- Professional Service-Is added as a new definition.
- Property Damage-Is added as a new definition.
- Renewal or to Renew-Is added as a new definition.
- Required Policy Period-Is added as a new definition.
- Suit-Is added as a new definition.
- Terms-Is added as a new definition.
- Your Work-Is added as a new definition.

ML-10F Ed. 6/99 to LS-1 Ed. 9/02 Only

Definitions Changes and Additions

In addition to the common definition changes and additions between the ML-10F Ed. 6/99 and the LS-1, LS-5 and LS-6 Ed. 9/02 listed above, the following change is contained only in the LS-1 Ed. 9/02:

Insured Premises-Insured premises was previously defined to include the farm premises described on the Declarations, other land you use for farming purposes and new farm premises acquired during the policy period. In the LS-1 insured premises is defined as the premises designated in the Declarations, including the ways and means immediately adjoining it on land, premises transferred by the named insured, including the ways and means immediately adjoining it on land except premises constructed for sale by the named insured and premises and the ways immediately adjoining it on land in which the named insured acquires ownership or control and insures the premises under this policy within 30 days after acquisition. However, the definition of Farm Premises is now in the LS-400 Ed. 12/00 to mean the locations shown on the Declarations and when used to support farming operations, related private structures on the farm premises that are not rented, not held for rental and not used for any non-farming business purposes.

ML-10F Ed. 6/99 to LS-5 and LS-6 Ed. 9/02 Only

Definitions Changes and Additions

In addition to the common definition changes and additions between the ML-10F Ed. 6/99 and the LS-1 Ed. 9/02 listed above, the following changes are contained in the LS-5 and the LS-6, both Ed. 9/02:

- “X” Explosion-Is a new definition.
- “C” Collapse-Is a new definition.
- “U” Underground Property Damage-Is a new definition.

ML-10F Ed. 6/99 to LS-6 Ed. 9/02 Only

Definitions Changes and Additions

In addition to the common definition changes and additions between the ML-10F Ed. 6/99 and the forms listed above, the following changes are contained in the LS-6 Ed. 9/02:

- Advertising Injury-Is a new definition.
- Incidental Medical Malpractice Injury-Is a new definition.
- Medical Expense-Is a new definition.
- Personal Injury-Is a new definition.

ML-10F Ed. 6/99 to LS-1, LS-5 and LS-6 (all Ed. 9/02)

Common Coverage Changes

Coverage L-Personal Liability under the PRINCIPAL LIABILITY AND MEDICAL PAYMENT COVERAGES in the ML-10F Ed. 6/99 is replaced by Coverage L-Bodily Injury and/or Property Damage under PRINCIPAL COVERAGES in the LS-1, LS-5 and LS-6, all edition 9/02.

ML-10F Ed. 6/99 to LS-1 Ed. 9/02 Only

Coverage Changes

In addition to the common coverage changes set forth above for all of the LS commercial liability forms, the following changes are contained in your policy due to the replacement of the ML-10F Ed. 6/99 with the LS-1 Ed. 9/02:

Coverage M-Medical Payments To Others Coverage is replaced by the coverage provided in LS-2 Ed. 9/02 COVERAGE M-MEDICAL PAYMENTS which is attached to your policy.

The following INCIDENTAL LIABILITY AND MEDICAL PAYMENTS COVERAGES contained in the ML-10F Ed. 6/99 are removed from your policy because ML-10F Ed. 6/99 is no longer on your policy:

- Damage to Property of Others
- Contracts and Agreements Coverage
- Incidental Motorized Vehicle Coverage
- Watercraft
- Incidental Business Coverage
- Custom Farming

These coverages are not replaced in the LS-1 Ed. 9/02 now on your policy.

Claims and Defense Expense Coverage previously contained in the ML-10F Ed. 6/99 is replaced with Claims and Defense Expense Coverage under SUPPLEMENTARY PAYMENTS in the LS-1 Ed. 9/02 now on your policy.

First Aid Expense Coverage previously contained in the ML-10F Ed. 6/99 is replaced with First Aid Coverage under SUPPLEMENTARY PAYMENTS in the LS-1 Ed. 9/02 now on your policy.

ML-10F Ed. 6/99 to LS-5 Ed. 9/02 Only

Coverage Changes

In addition to the common coverage changes set forth above for all of the LS commercial liability forms, the following changes are contained in your policy due to the replacement of the ML-10F Ed. 6/99 with the LS-5 Ed. 9/02:

Coverage M-Medical Payments To Others Coverage is replaced by the coverage provided in LS-2 Ed. 9/02 COVERAGE M-MEDICAL PAYMENTS which is attached to your policy.

LS-5 Ed. 9/02 also contains COVERAGE N-PRODUCTS AND COMPLETED OPERATIONS.

The following coverages contained in the ML-10F Ed. 6/99 are removed from your policy because ML-10F Ed. 6/99 is no longer on your policy:

- Damage to Property of Others
- Contracts and Agreements Coverage
- Incidental Motorized Vehicle Coverage
- Watercraft
- Incidental Business Coverage
- Custom Farming

These coverages are not replaced in the LS-5 Ed. 9/02 now on your policy.

Claims and Defense Expense Coverage previously contained in the ML-10F Ed. 6/99 is replaced with Claims and Defense Expense Coverage under SUPPLEMENTARY PAYMENTS in the LS-5 Ed. 9/02 now on your policy.

First Aid Expense Coverage previously contained in the ML-10F Ed. 6/99 is replaced with First Aid Coverage under SUPPLEMENTARY PAYMENTS in the LS-5 Ed. 9/02 now on your policy.

ML-10F Ed. 6/99 to LS-6 Ed. 9/02 Only

Coverage Changes

In addition to the common coverage changes set forth above for all of the LS commercial liability forms, the following changes are contained in your policy due to the replacement of the ML-10F Ed. 6/99 with the LS-6 Ed. 9/02:

Coverage M-Medical Payments To Others Coverage is replaced in this new series by the coverage provided in LS-6 Ed. 9/02 COVERAGE M-Medical Payments.

LS-6 Ed. 9/02 also contains Coverage N-Products/Completed Operations.

LS-6 Ed. 9/02 also contains Coverage O-Fire Legal Coverage-Real Property.

LS-6 Ed. 9/02 also contains Coverage P-Personal Injury and Advertising Injury Coverage.

The following coverages contained in the ML-10F Ed. 6/99 are removed from your policy because ML-10F Ed. 6/99 is no longer on your policy:

- Damage to Property of Others
- Contracts and Agreements Coverage
- Incidental Motorized Vehicle Coverage
- Watercraft
- Incidental Business Coverage
- Custom Farming

These coverages are not replaced in the LS-6 Ed. 9/02 now on your policy.

Claims and Defense Expense Coverage previously contained in the ML-10F Ed. 6/99 is replaced with Claims and Defense Expense Coverage under SUPPLEMENTARY PAYMENTS in the LS-6 Ed. 9/02 now on your policy.

First Aid Expense Coverage previously contained in the ML-10F Ed. 6/99 is replaced with First Aid Coverage under SUPPLEMENTARY PAYMENTS in the LS-6 Ed. 9/02 now on your policy.

ML-10F Ed. 6/99 to LS-1, LS-5 and LS-6 Ed. 9/02

Exclusions

The ML-10F Ed. 6/99 which was previously on your policy contains Exclusions for loss from:

- War
- Aircraft
- Motorized vehicles or watercraft
- Motorized vehicles involved in racing etc.
- Professional services
- Insured's business
- Premises other than the insured premises
- Intentional acts
- Workers' compensation
- Nuclear
- Farm employee or derivative injury
- Pollution
- Magnetic omissions
- Motorized vehicle or watercraft, subject to policy exception
- Property damage to work performed
- Communicable disease
- Farm animals involved in racing, etc.
- Child abuse
- Sexual abuse
- Criminal activity

The LS-1, LS-5 and LS-6 Ed. 9/02, one of which is now on your policy contains Exclusions for loss from:

- Expected or intended injury
- Contract
- Automobile, aircraft or watercraft
- Mobile equipment
- Pollution
- War
- Liquor liability
- Workers' compensation
- Employer's liability
- Property damage to property
- Property damage to impaired property
- Property damage to the named insured's products
- Property damage to work
- Professional service
- Communicable disease, sexual abuse/harassment, criminal activity
- Product recall
- That which is discovered prior to the inception of this policy
- Punitive, exemplary damages

Note the LS-1 Ed. 9/02 also contains not only the Exclusions listed above but three additional exclusions, one for bodily injury and or property damage included in the products completed operations hazard, operations on or from the farm premises and structural alterations.

Note the LS-5 and LS-6 Ed. 9/02 also contain not only the Exclusions listed above but an exclusion for property damage included within the explosion, collapse, underground property definition.

LS-400 Ed. 12/00

Form LS-400 is an amendatory endorsement that will also be included in your policy. This form is required when the LS-1, LS-5 or LS-6 is used. Coverage under the farm program is provided for premises and operation liability resulting from farm operations at the locations described on the policy.

Definitions Changes and Additions in the LS-400 Ed. 12/00

The following definitions are contained in the LS-400 and are the applicable definitions for Farmowners liability coverage when the LS-1, LS-5 or LS-6 Ed. 9/02 is included in your policy:

- Automobile-Is a new definition.
- Bodily Injury-Is a new definition.
- Farm Premises-The definition contained in the LS-400 Ed. 12/00 is the applicable definition to use for the Farmowners coverage derived under the commercial liability forms.
- Insured-The definition contained in the LS-400 Ed. 12/00 is the applicable definition to use for the Farmowners coverage derived under the commercial liability forms.

Exclusions in the LS-400 Ed. 12/00

LS-400 Ed. 12/00 contains the following exclusions:

- Farm premises or operations used for non-farming purposes
- Lease, rental or relinquishment of farm equipment
- Farm animals in racing
- Herbicide, pesticide, fungicide etc.
- Alternate harvest procedure

- Leasing, loaning etc. of farm animals
- Transmission of communicable disease by farm animals
- Custom farming subject to some exceptions
- Loss or damage caused by seed that is sold or transferred
- Amusement related rides
- Discrimination
- Employment liability
- Controlled substances

Additional Form:

An additional form that may be added to your policy that enhances the General Liability Coverage is the LS-42A Ed. 5/05 Products/Completed Operations, which will be attached only when food or beverages are consumed on the premises.

ML-424 Ed. 6/99 – For Use with Commercial Farming Operations

Note: Due to the application of the ML-424 Ed. 6/99 Commercial Conditions Provisions instead of the previous form which if on your policy was the ML-425 Ed. 6/99 Personal Conditions Provisions, your required policy term is now 1 year instead of the previous 3 years when using the prior form. If your policy previously contained the ML-424 Ed. 6/99, there is no change to your policy term.

Form ML-424 is a pick-up of the commercial cancellation and conditions provisions with a few minor modifications to reflect the nature of the Farmowners exposure.

ML-9A Ed. 6/99

Note that Form ML-9A will be used to provide Personal Liability coverage on a commercial farm when either an LS-1, LS-5 or LS-6 is used to cover the commercial liability exposure. ML-9A Ed. 6/99 was not previously on your policy as the only liability coverage was contained in the ML-10F Ed. 6/99 which is now removed. The ML-10F provided a type of combination coverage for Farmowners liability for the Farmowners business exposure in addition to providing coverage for the personal liability exposure. ML-9A Ed. 6/99 provides only Personal Liability Coverage on a commercial farm.

In general, listed below are some of the key similarities and differences between the ML-10F Ed. 6/99 and the ML-9A Ed. 6/99 as they relate to the personal liability exposure on a commercial farm.

ML-10F Ed. 6/99 to ML-9A 6/99

Definitions Changes

ML-9A Ed. 6/99 has its own set of definitions applicable only to this form now attached to your policy. ML-9A Ed. 6/99 provides Coverage L-Personal Liability arising from your personal, non-business pursuits. The definitions contained in the ML-10F Ed. 6/99 related to commercial farming are removed from the ML-9A Ed. 6/99 now attached to your policy. The definitions removed are:

- Farm employee
- Farming
- Farm premises

The definitions contained in the ML-10F Ed. 6/99 that are modified in the ML-9A Ed. 6/99 are:

- Business
- Insured premises

The ML-9A Ed. 6/99 also contains definitions for:

- Domestic employee
- Insured

The definitions contained in the ML-9A Ed. 6/99 relate to the personal liability coverage provided for the personal liability exposure.

ML-10F Ed. 6/99 to ML-9A 6/99

Coverages

The ML-9A Ed. 6/99 contains both defense and indemnity for personal liability as compared to the ML-10F which provide combination coverage. ML-9A Ed. 6/99 also provides Coverage M-Medical Payments To Others for such personal, non-business pursuits, as well as INCIDENTAL LIABILITY AND MEDICAL PAYMENTS COVERAGE which are:

- Damage to Property of Others
- Contracts and Agreements Coverage
- Claims and Defense Expense Coverage
- First Aid Expense
- Incidental Motorized Vehicle Coverage
- Watercraft
- Incidental Business Coverage
- Custom Farming

The language of the coverages in the ML-9A Ed. 6/99 is substantially similar to the language of the ML-10F Ed. 6/99 formerly attached to your policy, however, the purpose of the coverage is different as detailed above.

ML-10F Ed. 6/99 to ML-9A 6/99

Exclusions

The exclusions contained in the ML-10F Ed. 6/99 formerly attached to your policy that applied to both Personal Liability and Medical Payments to Others were:

- War
- Aircraft
- Motorized vehicles or watercraft
- Motorized vehicles involved in racing, etc.
- Professional services
- Insured's business except under incidental coverages
- Resulting from premises owned, rented or controlled by an insured other than the insured premises
- Intentional acts by or at the direction of an insured
- Workers' compensation
- Nuclear
- Farm employee or derivative injury
- Pollution
- Electrical or magnetic emissions
- Motorized vehicle or watercraft, subject to policy exception
- Property damage to work
- Communicable disease by an insured or farm animal
- Farm animals in any racing, speed, pulling or pushing, demolition or stunting activity
- Child abuse
- Sexual abuse
- Criminal activity

The exclusions contained in the ML-9A Ed. 6/99 that apply to both Personal Liability and Medical Payments to Others coverage are the same exclusions as were contained in the ML-10F Ed. 6/99 except there is no exclusion for bodily injury to farm employees or derivative injuries, for property damage to work performed by or on behalf of the insured resulting from the work or resulting from the use of farm

animals in any racing, speed, pulling or pushing, demolition or stunting activity or contest or in the preparation or practice for such activity or contest.

The exclusions contained in the ML-10F Ed. 6/99 formerly attached to your policy that applied to only Personal Liability only were:

- Bodily injury to you and residents and relatives or anyone under 21 in your care
- Contract, except under INCIDENTAL LIABILITY AND MEDICAL PAYMENTS COVERAGES
- Damage to property owned by an insured
- Damage to property rented to, occupied by, used by or in the care of an insured
- Sickness, disease or death of a domestic employee
- Property damage resulting from any substance released or discharged from aircraft
- Property damage to products manufactured, sold, handled or distributed by an insured when property damage arises out of such products or part of the products
- Property damage to work performed by or for an insured
- Resulting from any obligation of an insured to indemnify another

The exclusions contained in the ML-9A Ed. 6/99 that applied to only Personal Liability coverage are:

- Bodily injury to you and residents and relatives or anyone under 21 in your care
- Contract, except under INCIDENTAL LIABILITY AND MEDICAL PAYMENTS COVERAGES
- Damage to property owned by an insured
- Damage to property rented to, occupied by, used by or in the care of an insured
- Sickness, disease or death of a domestic employee

The exclusions contained in the ML-10F Ed. 6/99 formerly attached to your policy that applied to Medical Payments to Others coverage only were:

- To an insured
- To any person on the premises while conducting business
- To any person including a domestic employee if benefits are provided by workers' compensation

The exclusions contained in the ML-9A Ed. 6/99 that applied to Medical Payments to Others coverage are the same exclusions as were contained in the ML-10F Ed. 6/99.

ML-78 Ed. 8/88 SUDDEN AND ACCIDENTAL POLLUTION ENDORSEMENT

An additional form that may be added to your policy that enhances the Personal Liability Coverage Section is the ML-78 Ed. 8/88 Sudden and Accidental Pollution Endorsement. This form modifies the exclusion applicable to pollution and provides coverage under an exception when the discharge, dispersal, release or escape is sudden and accidental.

Additional Information

There may be other additional forms on your policy and this Farmowners Disclosure Notice is not intended to be an exhaustive list. Any remaining forms have undergone similar substantive and cosmetic changes to update the forms in light of current court decisions, to clarify and simplify language, to reduce redundancies and ambiguities and to promote more comprehensible, user friendly forms and endorsements.

This Farmowners Disclosure Notice is intended to highlight and detail the typical changes that are present in the revised forms series. It should not be regarded as detailing every change nor is it an exhaustive listing, but it does provide a view of the general range of series changes. If you have any questions as to these changes on the completion of your review, please contact your agent or this company for further information.