



Insurance Issues in the Agricultural Sector

Oregon State Bar — AG Law Section CLE

Presented by Seth Row

CLE Credit Category: (General Category 1 – RL 9.2)

Duration: 60 minutes

Format: Live group seminar with Interactive Q&A



Key Concepts

Named Insured

Additional Insured

Loss payee

Crop insurance/yield-based insurance/revenue-based insurance

First-party/third-party

“All risks”

Occurrence vs. Claims-Made

Endorsements

Exclusions

Subrogation

Deductible vs. SIR



Pollution Legal Liability (PLL)

Context

- Oregon farms face liability risk from chemical runoff, fuel storage, and waste lagoons

Standard CGL Policies

- “Pollutants”

PLL Policies

- Claims-made
- Different triggers
- First-party (cleanup costs) & third-party (bodily injury/pd)

Tips

- Ensure PLL coverage is site-specific; mind the retroactive dates; negotiate broad “triggers”



Vendor Coverage and Contractual Indemnity

Additional Insured Coverage

- Primary and non-contributory
- Make sure promises = reality

Contractual Indemnity

- Must be clearly worded to cover third-party claims
- Cannot indemnify for one's own negligence unless explicitly stated

Warehouse Risks

Employer Liability Law (ELL) Insurance

- Oregon's ELL imposes broader liability on "indirect" employers
- Allows recovery outside of workers' compensation bar
- Part of SAIF coverage – sub-limited
- ELL Coverage is important for Ag operations using labor contractors or seasonal workers



Premises Liability in Ag Operations

- Duty of Care by Visitor Status
- Common Risks
- Mitigation



Product Protections

- Product liability
- Product recall
- Product tampering



Protecting Products in Shipment

Transit Risks

- Theft, spoilage, damage during transport

Insurance Options

- Inland Marine
- Stock Throughput
- Cargo Insurance

Tips

- Clarify Incoterms (FOB, CIF) to allocate risk
- Pay attention to blanket v. specified location coverage



Climate Change & Insurance

- Climate exclusions creeping in
- Underwriting likely to change
- Wildfire risks impacting availability, premiums, “protective safeguards”
- Cuts to government data gathering (e.g. NOAA) pushing intelligence gathering into the private sector = proprietary



Insurance Considerations in M&A

- Traditional disclosures inadequate
- E.g. claims-made policies and current litigation
- Tail coverage for all claims-made coverages
- “Blanket” or “portfolio” problems



Thanks!

Seth Row

Stoel Rives LLP

Seth.row@stoel.com

(503) 294-9401