

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE FOR PHYSICAL INJURY TO CROPS AND ANIMALS DUE TO CERTAIN CROP DUSTING OPERATIONS PERFORMED BY LICENSED INDEPENDENT CONTRACTOR BY AIRCRAFT (LIMITED CROP DUSTING COVERAGE)

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

SCHEDULE*	
(A) Cost	Rate Per \$1,000 Of Cost
(B) The Earned Premium for this coverage <input type="checkbox"/> is <input type="checkbox"/> is not subject to the audit provisions of Paragraph F.	

*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

Limited Crop Dusting Coverage is added to the Farm Liability Coverage Form as Coverage **N**, as described and limited below.

A. Insuring Agreement

1. We will pay those sums that the "insured" becomes legally obligated to pay as damages for physical injury to crops or animals, if:
 - a. The injury is caused by or results from a substance released from an aircraft while used in crop dusting, seeding, spraying or fertilizing operations performed for you by an independent contractor; and
 - b. The operations are consistent with normal and usual agricultural practice.

This coverage applies only to physical injury that occurs during the policy period. The physical injury must be caused by an "occurrence".

The term physical injury does not include any indirect or consequential damages such as loss, at any time, of market for crops or animals, or of use of soil or animals.

2. We will have the right and duty to defend the "insured" against any "suit" seeking damages for covered physical injury. However, we will have no duty to defend the "insured" against any "suit" seeking damages for physical injury to which this insurance does not apply. We may at our discretion investigate any "occurrence" and settle any claim or "suit" that may result. But:

- a. The amount we will pay for damages is limited as described below in Paragraph **C.**, Aggregate Limit Of Insurance; and
- b. Our right and duty to defend end when we have used up the applicable Aggregate Limit of Insurance in the payment of judgments or settlements under Limited Crop Dusting Coverage.

As used in this endorsement the term "suit" means a civil proceeding in which damages because of physical injury to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the "insured" must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the "insured" submits with our consent.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Subitem **a.** of Item 1. Supplementary Payments of the Additional Coverages in the Farm Liability Coverage Form.

B. Exclusions

Limited Crop Dusting Coverage does not apply to:

1. Physical injury to crops or animals arising out of operations which:
 - a. Are performed by an unlicensed or improperly licensed contractor; or
 - b. Are performed at a time or place prohibited by a federal, state or local authority; or
 - c. Involve the use of a substance prohibited by a federal, state or local authority.

2. "Occurrences" in which the aircraft is:
 - a. Operated by;
 - b. Owned by; or
 - c. Rented, leased or loaned to;
 you, any other "insured" or an employee of any "insured".

3. Physical injury to crops or animals expected or intended from the standpoint of the "insured".

4. Physical injury to crops or animals caused by crash of the aircraft or by fire or spillage or leakage of fuel following a crash.

5. Any loss, cost or expense:
 - a. Arising out of any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - b. Arising out of any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages that the "insured" would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

6. Physical injury to crops or animals for which the "insured" is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:
 - a. Assumed in a contract or agreement that is an "insured contract", provided the physical injury occurs subsequent to the execution of the contract or agreement; or
 - b. That the "insured" would have in the absence of the contract or agreement.

With respect to Limited Crop Dusting Coverage, Paragraph e. of the "insured contract" definition in the Farm Liability Coverage Form is deleted and replaced by the following:

- e. That part of a contract or agreement pertaining to your "farming" operations (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay a third person or organization for physical injury to crops or animals. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

However, Paragraph e. above does not include that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing.

7. Physical injury to crops or animals you own, rent or borrow.

C. Aggregate Limit Of Insurance For Limited Crop Dusting Coverage: \$25,000

1. Our total liability for Coverage N – Limited Crop Dusting Coverage is the Aggregate Limit of Insurance stated above, unless a different Aggregate Limit of Insurance is stated for Coverage N in the Declarations.
2. The stated Aggregate Limit of Insurance applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Aggregate Limit of Insurance.
3. Therefore, the stated Aggregate Limit of Insurance is the most we will pay for the applicable period of time as described in Paragraph 2. above, **regardless of the number of:**
 - a. "Occurrences";
 - b. "Insureds";
 - c. Claims made or "suits" brought; or
 - d. Persons or organizations making claims or bringing "suits".

- D. Section III – Farm Liability Conditions of the Farm Liability Coverage Form applies to Limited Crop Dusting Coverage.

- E. Words and phrases that appear in quotation marks in this endorsement have meaning as defined in Section IV – Definitions of the Farm Liability Coverage Form, unless otherwise defined in this endorsement.

F. Audit

1. The premium for this coverage is based on your cost. As used here, your cost means the charges you pay during the term of the policy for both the substances and the application of the substances, and includes all applicable taxes.
2. The advance premium for this coverage, as determined by the cost and rate indicated in the Schedule, is an estimated premium only. After each anniversary and upon termination of the

policy, you must notify us of your cost during the policy period. We will compute the earned premium using our rules, rates, rating plans, premiums and minimum premiums that apply to this coverage. The due date for audit premiums is the date shown as the due date on the bill. If the earned premium we compute is more than the advance premium, you must pay us the difference. If the earned or minimum premium is less than the advance premium, we will refund the difference.

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