



HSB Farm Implement Coverage

Insurance that follows farmers into the field



Hartford Steam Boiler

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First in its Field

HSB'S Farm Equipment and Machinery Breakdown Coverage includes an option for mobile farm implements and the precision electronics that control them, among other enhancements.

Covering mobile farm implements and the electronics for precision farming is a ground-breaking innovation. HSB has followed the farmer into the field, with insurance that covers not only the physical breakdown of farm implements but also invisible-to-the-eye microelectronics damage and firmware failure within their controls.

This is an optional but highly recommended component of our program and is designed for mobile farm implements, such as seeders, spreaders, sprayers, tillers, and their controlling electronics. Until now, no policy has been available that covers both breakdowns to portable agricultural implements and undetectable damage to sensitive micro-circuits or firmware failure. Now, for the first time, you can affordably fill a major gap that has existed in farm owners insurance.



HSB Farm Implement Coverage At-a-Glance

- Covers owned or leased mobile farm implements while in use or stationary
- Coverage for electrical and mechanical breakdown or electrical breakdown only
- Includes microelectronics coverage for implement electronic controls, pays for undetectable physical damage to electronics and firmware corruption
- Limits available from \$25,000 and up
- Coverage follows the property form for farm income loss and extra expense when breakdown disrupts farming operations
- Covers computers, controllers or joysticks for the implement's use, even if located inside the cab
- Includes coverage for implement rental cost while damaged units are being repaired or replaced
- Deductible \$1,000 minimum, higher levels available
- Claims are settled at ACV; equipment excluded if over 20 years old
- Exclusions for resultant damage, foreign object ingestion, collision or upset, vehicles and drones



Growing Need for Breakdown Insurance

Financially speaking family farmers are being increasingly squeezed between higher costs for their inputs, such as equipment, seed and fertilizers, while prices for farm commodities, like corn, soybeans, poultry and hogs, have plunged and are expected to remain at substantially lower levels than just a few years ago. It hasn't helped farmers that large conglomerate buyers use their massive purchasing leverage to push down prices. The truth is farmers operate on thin margins and increasingly they can ill afford to pay for breakdown costs out of pocket.

Farmers have a lot of capital invested in their farm implements.

Consider these typical costs for different categories of farm implements:



With capital costs like these for farm implements alone, one wonders how farmers have been able to get by without breakdown insurance.

Help When Planting and Harvesting

Farm implement breakdowns are always costly to farmers but when they happen during the planting and harvest seasons the disruption to normal farm operations is even more expensive. A farmer may have a very short window of time during these

critical seasons. That's why HSB covers the rental of implements while replacements are being ordered or damaged equipment is being repaired when extra expense coverage is included in the underlying policy.



What Causes Farm Implement Breakdowns

Farm implements are the work horses of the farm. The field conditions they are used in are understandably harsher than those for stationary equipment protected in barns and outbuildings. Dirt, mud, crop chaff and the elements take their toll. The list of causes of farm implement breakdowns is as long as a corn row but includes the following:

- Inadequate training of hired help regarding operation of implement or its electronics
- Collection of dust, dirt and chaff on electrical connections can cause electrical arcing and short circuits
- Running of a machine at maximum power continuously
- Making low cost, temporary repairs versus investing in proper repairs that address the underlying problem
- Exposing equipment, especially sensitive electronics, to moisture
- Improper maintenance

Machines with a Mind of Their Own

Today's farm implements and precision farming technology contain sensitive microelectronics and proprietary computer systems that require specialized technicians to fix. All it takes is a little bit of dust or crop chaff to blow a circuit or sensor and shut down an implement vital to planting, growing or harvesting. What's more, firmware, embedded software that controls electronics, can become corrupted causing farm implements to stop functioning.

Farmers are handy but they'd need to be computer experts to fix their own equipment with the sophisticated systems and controls OEMs of precision agriculture equipment have installed. Yet it may take days to get an authorized dealer or manufacturer technician to make repairs or order the right part. And that kind of specialized service, particularly if they have to come from out of state, can get expensive.

Whose right is it to make repairs?

The challenge of repairing electronics is compounded by the trend of OEMs trying to protect the software code installed in smart farm technologies by adding "Technology Protection Measures" (TPMs) in purchase agreements. These requirements are intended to prevent competitors, hackers, or other persons from accessing their code, altering it, and selling it. However, they have the effect of prohibiting the farmer from accessing software code to make a repair, necessitating using authorized repair techs.



Covered Farm Implements

HSB covers a wide range of farm implements, so many that they are too numerous to name. Primary implement categories eligible for coverage include:

- Plows and cultivators
- Tillage equipment
- Seeders and planters
- Sprayers
- Fertilizer applicators
- Crop harvester heads
- Towed feed mixers

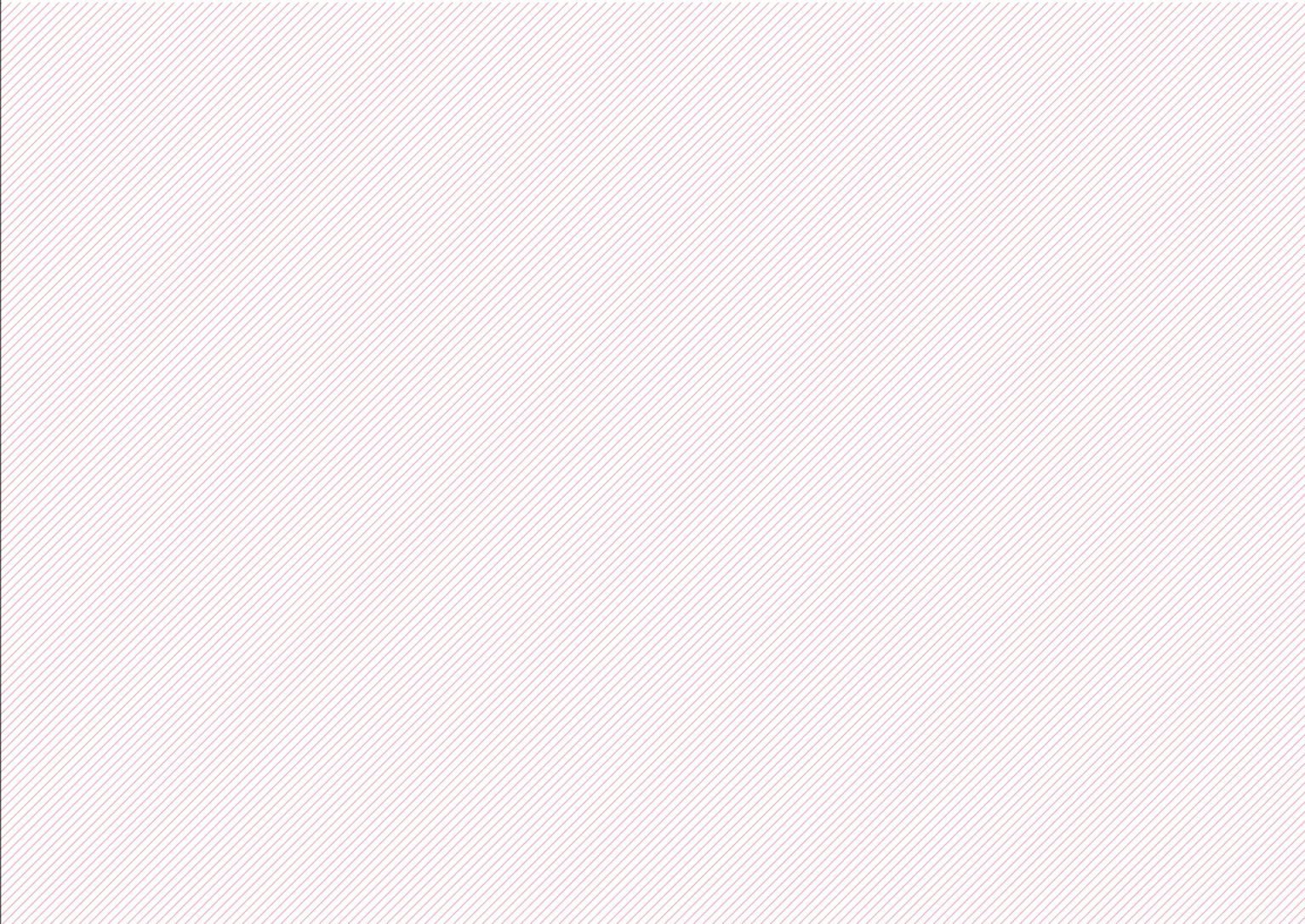
Coverage also applies to electronics used to control and monitor implements, such as:

- Electronic controls for mixing, metering or hydraulic assemblies
- Moisture and yield monitors
- Nutrient Management Systems
- Sprayer Section Controls

Be sure to include farm implement breakdown coverage

Farm implements are essential to farm operations and income. They have become more costly, complex and challenging to repair. Mechanical and electronic breakdown insurance for farm implements should be a standard element of a sound farm insurance program. Be sure to include this coverage as part of Farm Equipment and Mechanical Breakdown Coverage.





Hartford Steam Boiler

One State Street
P.O. Box 5024
Hartford, CT 06102-5024
Tel: (800) 472-1866
www.munichre.com/HSB

This is a summary of coverages. For all coverages, terms, conditions and exclusions, refer to the actual insurance policy.

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HSB-136 (New 5/15)

NOT IF, BUT HOW