

FEELDS PLAN DOCUMENT

FARM EMPLOYER EDUCATION AND LEGAL DEFENSE SERVICE

“**Plan**,” as that term is used herein, is the FARM EMPLOYER EDUCATION AND LEGAL DEFENSE SERVICE (FEELDS), a member service provided by the Oregon Farm Bureau Federation. The Plan has two basic components comprised of legal defense for covered claims and consultation services to help Participants with risk management associated with employment issues.

“**Participant**,” as that term is used herein, is an Oregon Farm Bureau member that meets the qualifications to participate in the Plan and is a full, complete and active Plan Participant as more fully described herein.

1. GENERAL TERMS. In consideration of payment of the participation fee in the amount of \$1020.00 per year (hereinafter referred to as the “participation fee”) or \$599 for Limited Program Benefits, due on or before the 1st day of each new membership year, Participant shall be entitled to defense of covered claims as provided in paragraph 6.

2. QUALIFICATIONS FOR PARTICIPATION. To qualify as a Participant and to obtain coverage under the Plan one must:

- A. Be a voting member of a county Farm Bureau that is a member of the Oregon Farm Bureau Federation;
- B. Be an owner of a standard form farm, ranch or forestry liability insurance policy with coverage in full force;
- C. Be current with payment to the Plan
- D. Have a litigation and claim history that is acceptable to the Plan,
- E. Have no less than one farm visit by a FEELDS Consultant per membership year;

And

F. Be either:

- (1) An individual person who is actively engaged in the production of agricultural products (including horticultural crops and forest products) and who receives a substantial portion of the individual’s income from farming, ranching or forestry within the state of Oregon; or
- (2) An entity (a form of business other than an individual) that is actively engaged in the production of agricultural products (including horticultural crops and forestry products) and which derives income principally from the conduct of farming, ranching or forestry in Oregon. The following entities are excluded from participating in the Plan:
 - (a) Associations, cooperatives or governmental entities;
 - (b) Publicly traded entities or entities with one or more owners which are publicly traded entities; and

- (c) Entities whose ownership, whether direct or indirect, actual or beneficial, is held in whole or in part by one or more other entities, any one of whose revenue is not principally derived from the conduct of farming, ranching or forestry within the state of Oregon.

The Plan will determine, in its sole discretion, whether an applicant qualifies as a Participant, and participation in the Plan does not commence until such determination is made. Participation in the Plan may be terminated by the Plan at any time if the Plan determines, in its sole discretion, a person does not qualify. Factors which the Plan will consider when assessing whether an applicant qualifies as a Participant include, but are not limited to, the qualifications listed above. The Plan may at any time, in its sole discretion, waive any or all of the above qualifications.

- 3. **PARTICIPANTS.** Participants are individuals or entities that are Participants or that are the owners of a Participant. Participants include the spouse of a Participant.
- 4. **COVERED ACTIVITIES.** Covered activities are activities in Oregon engaged in by a Participant, which are necessary and directly related to the Participant's business of farming, ranching or forestry in Oregon and are reasonably expected to occur in Oregon. Covered activities do not include acting as a farm labor contractor.
- 5. **CLAIM NOTIFICATION AND COVERAGE DETERMINATION.** Participant must notify the Plan in writing when a claim is made for which Participant will seek coverage under the Plan. Said notice must be given within 30 days of the date Participant receives notice of the claim or has reason to believe a claim has been made. Upon receipt of such notification, the Plan will decide as to Plan coverage. Coverage will not begin until such a determination has been made.
- 6. **PLAN COVERAGE. THIS PLAN IS NOT AN INSURANCE POLICY.** It does not provide indemnity or coverage for any liability, judgment or settlement, or award (including attorney fees awarded to the other party or parties) which may be the outcome of the resolution of any covered claim. The Plan shall pay for and a Participant shall receive a defense of any covered claims as follows:
 - A. The Plan shall pay 100% of the cost of the defense of covered claims up to \$10,000; and
 - B. Then 75% of the cost of the defense of covered claims up to \$15,000; and
 - C. Then 50% of the cost of the defense of covered claims up to \$20,000; and
 - D. Then 25% of the cost of the defense of covered claims up to \$25,000.

The Participant shall be responsible to pay any and all cost of the defense of covered claims in excess of \$25,000.

Defense of covered claims means legal services from the provider attorney for the defense of claims which:

- A. Meet the definition of covered claims;
- B. Are not excluded by the Plan;
- C. Result from covered activities;
- D. Are made during a term of participation and coverage;
- E. Are presented to the Plan within the claim notification period; and

- F. Arise in and are litigated in a state or federal court located in Oregon, or arise in and are mediated or arbitrated in Oregon, or arise in and are negotiated in Oregon.

Defense of covered claims does not include cost of litigation, mediation or arbitration which are comprised of filing fees, appearance fees, witness fees, expert witness fees, court reporter fees, research fees, copying cost, postage, fees for translation, cost of depositions or other costs generally associated with the conduct of litigation, mediation or arbitration, all of which shall be the responsibility of the Participation. Defense of claims does include all time rendered by the provider attorney, secretarial time, paralegal time and other services generally referred to as covered by “attorney fees.”

7. COVERED CLAIMS. The following claims are covered claims under this Plan:

A. Claims made by agricultural workers against Participants regarding:

- (1) Fair labor standards;
- (2) Farm labor contractors;
- (3) Farm labor housing;
- (4) Field worker protection;
- (5) Civil rights;
- (6) State wage and hour laws;
- (7) State farm labor contractor laws; and
- (8) State unlawful employment practices.

B. Claims made by the state or federal governments against Participants under paragraph A.1 through 8 above and:

- (1) State or federal workplace safety laws; or
- (2) State pesticide control

8. EXCLUDED CLAIMS. THIS PLAN IS NOT AN INSURANCE POLICY. It does not provide coverage for payment of any claims or for any judgment, settlement or award (including attorney fees awarded to the other party or parties), which may be the outcome of the resolution of any covered claim. The following claims are not covered claims under the Plan and are specifically excluded from coverage:

- A.** Any claims which existed or conditions which were reasonably anticipated or foreseeable prior to the Participant’s initial or subsequent coverage period under the Plan. In particular, claims which are evidenced by pending litigation, threats of litigation or other proceedings, or by demand letters evidencing a dispute of which a Participant was aware or which a Participant received prior to the initial or subsequent coverage period.
- B.** Any claims, for which insurance is generally available under a farm, ranch or forestry policy with generally available or employment related practices riders or endorsements subject to any negotiation for dual representation.
- C.** Any claims resulting from acts or omissions which would otherwise give rise to coverage if such acts or omissions were performed in the commission of any crime.
- D.** Any knowing violations of any law, rule, ordinance or regulation by a Participant.
- E.** Any claims to which the Plan is itself a party.
- F.** Any cause of action brought by another Participant against a Participant of the Plan.
- G.** Any claims requiring the provider attorney to withdraw as a result of a defense or legal position asserted by the Participant.

- H. Matters, which arise or are mediated, arbitrated or litigated in states other than Oregon
 - I. Any claims under Workers' Compensation Laws or the State or National Labor Relations Act or claims relating to organized labor; labor organizing activities; unemployment compensation and insurance; Social Security; land use; zoning; breach of contract (expressed or implied); torts; or relating to extraction, aggregate or mining operations.
 - J. Any class action lawsuit or claims that involve the threat of a class action.
9. **PARTIAL CLAIMS.** If only a portion of the total claims asserted against a Participant are covered claims, the Plan Participant shall, at Participant's own expense, retain independent counsel for the purpose of representing the Participant on any claims not covered by this Plan.
10. **PROVIDER ATTORNEY.** The provider attorney is defined as a law firm designated by the Plan to provide the benefits described in this Plan document.
11. **PROVIDER ATTORNEY'S PROFESSIONAL JUDGMENT.** The Plan will in no way influence or attempt to affect the rendering of professional services or the independent judgment of the provider attorney. It is within the sole discretion of the provider attorney to determine whether claims or defenses pertaining to any matter covered by this Plan present a frivolous, unreasonable or otherwise unmeritorious claim or defense, and the provider attorney reserves the right to make independent professional judgments regarding the presentation of the same.
12. **ATTORNEY-CLIENT ENGAGEMENT LETTER.** All benefits provided under this Plan shall be subject to the terms of an attorney-client engagement letter to be signed by the Participant prior to the time services are provided. Participant shall sign such letter. The letter will notify the Participant that the Plan will cover hourly rates for professional services as provided in paragraph 6. The Participant will be responsible for all other costs and expenses such as hourly rates for professional services not covered by the Plan, filing fees, translation fees, deposition charges, copying costs, postage, and any other costs.

The engagement letter between the provider attorney and the Participant shall provide that the attorney may withdraw from representation of the Participant in accordance with the Oregon Rules of Professional Conduct for lawyers should the Participant default in payment of participation fees, or any other obligation under the Plan, or any obligation contained within the engagement letter between the Participant and the provider attorney.

13. **CONFLICT OF INTEREST.** In the event of a conflict of interest causing legal representation of the Participant by the provider attorney to be improper, unethical or impractical under the circumstances, which arises by virtue of the provider attorney's representation of non-Plan member clients, the Plan shall engage at its own expense the services of an alternate attorney who will render appropriate services as provided by the terms of this Plan. Where a potential conflict exists but is eligible for waiver under Oregon Rules of Professional Conduct for lawyers, the Participant agrees to not unreasonably withhold consent, in writing, the potential conflict of interest, following complete disclosure by the provider attorney.
14. **ALTERNATE COUNSEL.** In the event the agreement between the Plan and the provider attorney should terminate for any reason, the Participant shall not unreasonably withhold consent to the transfer of any files of Participant and representation of Participant on any matter to a new firm or attorney to be chosen by the Plan.

- 15. CHANGE IN PARTICIPATION FEE.** The Plan reserves the right to change the established participation fee for this Plan. Should the participation fee be changed, the Participant will be given 30 days written notice at the Participant's address as that address is maintained on the books of the Plan.
- 16. SUBROGATION.** If the Plan provides coverage to any Participant under the terms of this Plan, and the Participant for whom legal services is provided by the provider attorney has a right to recover attorney's fees, costs or disbursements of any type from the party asserting the claim, the Plan shall be subrogated to that right; provided, however, that any costs paid by the Participant or reimbursed to the provider attorney pursuant to the engagement letter between the Participant and the provider attorney shall first be reimbursed from any such award.
- 17. CONSULTATION SERVICES.** The information and consultation services by staff other than the provider attorney are provided with the understanding that the Plan is not engaging in legal, accounting, medical or other professional services. The Plan believes the information provided to be correct, but assumes no liability for consequential or other damages attendant to the use of the information provided to Participants.
- 18. AMENDMENTS TO THIS PLAN DOCUMENT.** No amendment to this Plan shall be valid unless approved by an authorized representative of the Plan and unless such change or amendment is approved in writing, endorsed on or attached to the Plan document. Absent written approval of the Plan administrator, no employee, officer or Board member of the Oregon Farm Bureau Federation, or officer or Board member or employee of any member county Farm Bureau, or any agent or sales associate has authority to change the terms of the Plan or to waive any of its provisions. The Plan may change the terms of the Plan on 30 days written notice to Plan Participants.
- 19. TERM OF PARTICIPATION AND TERMINATION OF PARTICIPATION.** The length of each term of participation and coverage under the Plan shall be one calendar year. Coverage and participation under the Plan shall renew for one succeeding calendar year unless or until canceled or terminated as provided in this Plan document. The first annual term of participation and coverage under the Plan shall be considered to have begun when applicant has: (1) completed all actions and provided all information required by the Plan; (2) paid the applicable fee, or made arrangements acceptable to the Plan for payment of the fee in the future; and (3) completed the agreement and received notice that participation has been accepted by the Plan. The notice of acceptance by the Plan shall designate the calendar year that constitutes the initial term of participation and coverage for a Participant.

Coverage and participation in the Plan may be terminated by either the Plan or the Participant at any time, with or without cause. Either the Plan or the Participant may terminate coverage and participation in the Plan by 30 days written notice to the other mailed to the last known address. Failure by a Participant to pay a participation fee or the underlying Farm Bureau membership fee on or before the due date shall effect a termination of coverage and participation in the Plan. Refusal by the Plan to accept a participation fee shall effect a termination of coverage and participation in the Plan. Should participation in the Plan be terminated for any reason, the coverage period under the Plan shall end on the last day of the calendar year for which the last payment was made and accepted. Any fee is considered earned in full when paid and accepted and will not be refunded should coverage and participation in the Plan be terminated for any reason.

The Plan reserves the right to terminate coverage and participation in the event participation and enrollment from Oregon Farm Bureau members either does not reach or at any time falls below a level the Plan, in its sole discretion, determines must be reached and/or maintained in order for the Plan to continue.

20. CANCELLATION. Coverage shall end immediately and renewal may be denied by the Plan in the event of cancellation of participation and coverage by the Plan. The Plan may cancel participation and coverage at any time for: (1) misrepresentation of any fact in conjunction with the application for participation or in the course of submission or defense of a covered claim; or (ii) breach of a Participant's obligations under the terms of this Plan (including nonpayment of fees); or (iii) failure to sign or breach of any engagement letter between the Participant and the provider attorney; or (iv) where the Participant is no longer a voting member of a county Farm Bureau member of the Oregon Farm Bureau Federation; or (v) any conduct of the Participant in the course of the defense of a covered claim which requires the provider attorney to withdraw pursuant to the Oregon Code of Professional Responsibility.

21. APPLICABLE LAW. The Application to Participate in the Plan and Agreement as governed by the provisions set forth in this document shall be governed by the laws of the state of Oregon.

22. SETTLEMENT OF DISPUTES. In the event of any disputes concerning whether benefits should be available pursuant to this Plan, the dispute shall be reviewed by an appeal panel appointed by the Plan. Should the parties be unable to resolve the dispute thereafter, the parties agree to submit the dispute to arbitration pursuant to the rules of Arbitration Service of Portland, Inc., or as otherwise mutually agreed. Any arbitration concerning the availability of coverage under this Plan, or any other dispute, which may arise under this Plan, shall be held in Portland, Oregon, or as otherwise mutually agreed.