HORTICULTURE AND VITICULTURE NEW ZEALAND

Crop Insurance

Policy wording
Important information

Please read the following information carefully.

About Your Policy

This is Your Horticulture and Viticulture Crop Insurance Policy wording. Along with Your Schedule of Insurance and any other documents that make up Your Policy, it contains the terms, conditions, limits and exclusions of the Policy, such as the type of cover provided and how to make a claim.

When You enter into a Policy with Us, We issue a Schedule of Insurance which sets out information relevant to You and may affect the terms of this document. We may also issue endorsements amending the cover.

Together the above documents form Your “Policy” with Us. You must read this Policy wording together with Your Schedule of Insurance and any endorsements to ensure You understand the cover offered and also to ascertain that it meets Your requirements.

Where We agree to enter into a Policy with You, We agree to provide insurance protection in accordance with the Policy and the coverage You have selected and We have agreed to provide in the Schedule of Insurance, provided You have paid or agree to pay the required premium including any amounts in relation to Government taxes, duties and other charges.

If You have any queries about this insurance, You should contact Your insurance broker.

Not a renewable Policy

Cover under the Policy is not renewable and ceases on the earlier of when the Period of Insurance specified in Your Schedule of Insurance ends, the Policy is cancelled or where the cover ends in accordance with the Policy terms and conditions. If You wish to effect similar insurance for the next growing season, it will be necessary for You to complete a new Application.

Primacy Underwriting Management Limited and Your insurer

Primacy Underwriting Management Limited is an underwriting agent. In transacting this Policy, Primacy has been given a binder authority by the insurer, which allows Primacy to enter into the Policy, to administer it and to handle and settle claims made under it as if it were the insurer, subject to the terms of the binder authority. In arranging and administering this Policy, Primacy is acting as the agent of the insurer and not as Your agent.

Your Policy is insured by the insurer Allianz Australia Insurance Limited ABN 15 000 122 850, (incorporated in Australia) trading as Allianz New Zealand, Level 11, Tower 1, 205 Queen Street, Auckland 1010. Allianz act through its agent, Primacy and in Your authority. In arranging and administering this Policy, Primacy has been given a binder authority by the insurer, which allows Primacy to enter into the agent. In transacting this Policy, Primacy is an underwriting agent. In transacting this Policy, Primacy has been given a binder authority by the insurer, which allows Primacy to enter into the Policy, to administer it and to handle and settle claims made under it as if it were the insurer, subject to the terms of the binder authority. In arranging and administering this Policy, Primacy is acting as the agent of the insurer and not as Your agent. Your Policy is insured by the insurer Allianz Australia Insurance Limited ABN 15 000 122 850, (incorporated in Australia) trading as Allianz New Zealand, Level 11, Tower 1, 205 Queen Street, Auckland 1010. Allianz act through its agent, Primacy and in Your authority. In arranging and administering this Policy, Primacy has been given a binder authority by the insurer, which allows Primacy to enter into the agent. In transacting this Policy, Primacy is an underwriting agent. In transacting this Policy, Primacy has been given a binder authority by the insurer, which allows Primacy to enter into the Policy, to administer it and to handle and settle claims made under it as if it were the insurer, subject to the terms of the binder authority. In arranging and administering this Policy, Primacy is acting as the agent of the insurer and not as Your agent.

Your Duty of Disclosure

Before You enter into a contract of insurance with Us, You have a duty, at law, to disclose to Us all material facts. This duty also applies when You vary, extend or reinstate Your Policy. The same duty applies to any person making statements or providing information on Your behalf.

A material fact is one that may influence a prudent insurer in deciding whether or not to accept the insurance and, if so, on what terms and conditions and for what premium.

Examples of information You may need to disclose include but are not limited to:

• anything that increases the risk of an insurance claim;
• subject to the Criminal Records (Clean Slate) Act 2004, any criminal conviction or offence;
• if another insurer has cancelled or refused to insure or renew insurance, has imposed special terms, or refused any claim;
• any insurance claim or loss made or suffered in the past five years.

These examples are a guide only. If there is any doubt as to whether a particular piece of information needs to be disclosed, this should be referred to Us.

Non-disclosure

If You fail to comply with Your duty of disclosure, it may result in:

• the Policy being void;
• the Policy being cancelled; or
• the amount We pay if You make a claim being reduced.

Privacy information

Pursuant to the Privacy Act 1993 the following information is provided for Your benefit:

• the Application collects personal information about You;
• the information is collected to evaluate the insurance being sought;
• the intended recipients of the information are Primacy Underwriting Management Limited and Allianz Australia Insurance Limited;
• the information is being collected and held by Allianz Australia Insurance Limited of Level 11, Tower 1, 205 Queen Street, Auckland 1010 and Primacy Underwriting Management Limited, PO Box 300-767, Albany, Auckland 0752;
• the collection of this information is required pursuant to the common law duty to disclose all the material facts relevant to the insurance sought and is mandatory;
• the failure to provide this information may result in Your application for insurance being declined, or the Policy being void from the beginning.

You have the right of access to, and correction of, this information subject to the provisions of the Privacy Act 1993.
Fair Insurance Code

Allianz Australia Insurance Limited supports the principles of the Fair Insurance Code. The purpose of this Code is to further raise the standards of practice and service across the insurance industry. To the extent that the Code applies to this product, a copy of the Fair Insurance Code is available from the Insurance Council of New Zealand website (www.icnz.org.nz).

If this insurance has been issued through an insurance intermediary

If Your Policy has been issued through Our agent, or a broker who is acting under an agency arrangement such as a binder with Us, then they are acting as Our agent and not as Your agent. If Your Policy has been arranged or issued by a broker, other than a broker acting under such an agency arrangement with Us, then the broker is acting as Your agent. Where Your Policy has been arranged through an intermediary a commission may be payable by Us to them for arranging it.

Contact details

Primacy Underwriting Management Limited
PO Box 300-767, Albany, Auckland 0752
Telephone: (09) 354 2923
Fax: +61 3 8624 8499
Email: horticulture@pum.co.nz
Website: www.pum.co.nz

1. Definitions

For the purpose of this Policy wording and any other documentation provided by Us, which attaches to and forms part of the Policy, the definitions provided in this Section will apply unless We expressly state otherwise.

Act of Terrorism:

An act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Aggregate Limit of Liability:

The maximum amount We will pay during the Period of Insurance, as specified in the Schedule of Insurance, for any one claim and all claims combined made under the Policy.

Application:

The form required to be completed and signed by You and sent to Us giving details of the Crop(s) to be insured along with any supplementary documentation attached with it. We rely on this in entering into Your Policy. Information to be included with the Application includes, but is not limited to, maps of Block(s) and should be provided with the Application.

Arson:

The act by anyone of intentionally and maliciously setting a Fire that results in Damage or destruction of Crop(s) insured under Your Policy.

Assessed Percentage Loss:

The weighted average percentage of all Crop(s), including unharvested and Harvested Crop(s) Damaged per Block assessed by the Loss Adjuster in accordance with the Grading Standards and Assessed Percentage Loss Scale.

Assessed Percentage Loss Scale:

Used to calculate the Assessed Percentage Loss to Your Crop(s) as follows:

(i) Marketable – Crop(s) classified as marketable will have an Assessed Percentage Loss of 0%;
(ii) Culls – Crop(s) classified as culls due to an Insured Event will have an Assessed Percentage Loss of 100%.

Block(s):

An area of land planted with Crop(s) of the same age and variety which, due to ownership, location and continuity of boundary can be identified at the Property as specified in the Schedule of Insurance.

Block Sum Insured:

The Block Sum Insured is calculated as follows:

\[
\text{Block Sum Insured} = \text{Area of Crop (ha)} \times \text{Insured Value.}
\]

Chemical Overspray:

Overspray as identified by the Loss Adjuster on a balance of probabilities to have originated from ground based chemical-spraying, not including spraying performed by You, on Your behalf or by a share farmer, within a one (1) kilometre radius of the affected Crop(s).

Crop(s):

The individual fruit, nuts, berries or vegetables grown at the Block(s) as specified in the Schedule of Insurance.

Damage/Damaged/Destroyed:

Physical damage to the insured Crop(s) due to an Insured Event to such an extent that it no longer falls in the grade of “marketable” according to the Grading Standards.

Deductible:

Where applicable, is the dollar amount of a loss You must first bear in the event of a claim as specified in this Policy wording.

Excess:

The amount and/or percentage specified in the Schedule of Insurance, which You must first bear in the event of a claim, in accordance with the Policy conditions.

Fire:

The rapid oxidation of a material in the chemical process of combustion releasing heat, light, flame and other by-products.

Flood:

The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

a) a lake (whether or not it has been altered or modified);
b) a river (whether or not it has been altered or modified);
c) a creek (whether or not it has been altered or modified);
d) another natural watercourse (whether or not it has been altered or modified);
e) a reservoir;
f) a canal; or
g) a dam.
Grading Standards:
The standards used to measure Damage to specified Crop(s) caused by the Insured Event(s) as set out in Section 9. Grading Standards (Specified Crop Types), for each Crop that the Loss Adjuster uses to determine the Assessed Percentage Loss as detailed in this Policy wording. The Grading Standards are applied at harvest after the Crop(s) have been thinned to normal levels and only the effect of those Insured Event(s) that are specified in Your Schedule of Insurance are taken into account. All other Crop types not specified will be assessed using standard assessment procedures.

Hail:
Frozen water falling from the sky.

Harvested Crop(s):
The Crop(s) removed from the bearing plants (including trees, vines, canes, etc.) or from the ground where the Crop(s) were grown prior to harvest.

Impact:
A collision to Crop(s) by any of the following:
• a road or rail vehicle; or
• an aircraft or anything dropped or falling from an aircraft, space debris or debris from a rocket or satellite.

Insured:
The person(s) or entity(ies) specified in the Schedule of Insurance as the Insured.

Insured Event:
The type of Insured Event covered under the Policy (see in Section 2.1).

Insured Value:
The value per hectare specified in the Schedule of Insurance.

Local Time:
The applicable time zone currently being observed where Your Property(ies) is/are located. When Your Property(ies) is/are located or spread over multiple regions then the time zone being observed at the largest Property specified in the Schedule of Insurance applies.

Loss Adjuster:
The person or entity appointed by Us to evaluate claims made under Your Policy.

Malicious Act(s):
A deliberate act by a person or persons, resulting in Damage to or destruction of Crop(s). Any deliberate act, including Arson, committed by one or more of the following persons is not considered to be a Malicious Act:
• You or any person who is acting with Your express or implied consent;
• Your tenants;
• Your employees;
• the invitees of You, Your employees or Your tenants, unless it is to avoid or reduce Damage that would otherwise happen.

Period of Insurance:
The period beginning forty eight (48) hours after 4pm Local Time on the day We agree to accept Your request for cover, unless otherwise agreed by Us and ending at 4pm Local Time on the expiry date specified in the Schedule of Insurance.

Policy:
The complete contract between You and Us, including the Schedule of Insurance, Policy wording and any endorsements or other written changes to the cover We issue You.

Potential Yield:
The average harvestable yield per hectare that the Crop(s) would have produced if the Insured Event(s) covered under the Policy had not occurred. The Potential Yield will take into consideration events and factors that impact or would have impacted the yield after an Insured Event.

Property(ies):
The location where the Crop(s) are situated, incorporating the latitude and longitude coordinates specified in the Schedule of Insurance. All Block(s), groves, orchards and/or vineyards owned or managed by You within five hundred (500) metres of each other at the nearest point of bearing plants will be considered part of the same Property.

Property Sum Insured:
The sum of the Block Sum Insured for each Property.

Schedule of Insurance:
The relevant document of that name We have provided to You which specifies important information such as Your Policy number and other important details of cover. It forms part of the Policy and must be read together with this document and any other documents forming the Policy. If We agree to alter Your Policy, We will issue a new Schedule of Insurance.

We / Us / Our:
The insurer Allianz Australia Insurance Limited ABN 15 000 122 850, (incorporated in Australia) trading as Allianz New Zealand, Level 11, Tower 1, 205 Queen Street, Auckland 1010 acting through its agent Primacy.

You / Your:
The Insured named in the Schedule of Insurance.

2. What We Insure

2.1 Insuring Clause
We will insure You against loss of Potential Yield or Damage to the current season’s Crop caused directly by the following Insured Event(s) that occur during the Period of Insurance:

a) Hail; and/or

b) Fire (incl. lightning). Fire includes Damage to the Crop(s) that is visible to the naked eye prior to harvest caused by the heat and other by-products emitted by a Fire within or immediately adjacent to the Property boundary. Smoke taint is not covered.

The Schedule of Insurance will specify which Insured Event(s) apply.
2.2 Automatic additional benefits
We will also provide You with the following additional benefits. In all cases the loss or Damage must occur during the Period of Insurance. Claims will be settled in accordance with Section 4 What We Will Pay.

2.2.1 Harvested Crop(s), and
2.2.2 Additional events (Chemical Overspray, Impact and Malicious Act(s)).

2.3 Harvested Crop(s)
We will insure You against:

a) loss or Damage to Harvested Crop(s) resulting from Impact, Malicious Act(s), Fire, lightning or explosion whilst stored at the Property;

b) accidental loss or accidental Damage to Harvested Crop(s) in transit between the place of harvest and the first delivery point being any marketing organisation, packing shed or other delivery point to facilitate the sale or storage of Your Harvested Crop(s), provided the loss occurs within three hundred (300) kilometres of the place of harvest and the first delivery point.

Cover under this additional benefit ceases thirty (30) days after the completion of harvest for each Block, or 4pm Local Time on the expiry date specified in the Schedule of Insurance, whichever is the earlier.

However, We will not pay for any loss or Damage of Harvested Crop(s) in the following circumstances:

a) when carried in any inadequately constructed vehicle or bin;

b) where it was caused by storm or water while the Harvested Crop(s) is stored in the open air;

c) when carried in any unroadworthy or overloaded vehicle;

d) as a result of failure of refrigeration equipment or other machinery breakdown,

e) where the loss occurs in transit and the driver:

(i) is under the influence of any drug or alcohol; or

(ii) as a result of the accident, is convicted of driving under the influence of any drug or alcohol; or

(iii) had a percentage of alcohol in their breath or blood in excess of the legal limit where the accident occurred for the driver in question; or

(iv) refused to submit to any test to determine the level of alcohol or drugs in the blood when reasonably requested by police;

(v) is unlicensed for the vehicle being used to move the Harvested Crop(s).

We will not refuse Your claim if You can satisfy Us You had no reason to suspect that the driver was affected by alcohol or any drug.

3. Optional benefit
3.1 Block Excess
This benefit only applies if specified in the Schedule of Insurance as applicable.

The Excess percentage specified in the Schedule of Insurance will be applied to the individual Block Sum Insured of all affected Block(s) and not the Property Sum Insured.

4. What We Will Pay
We will pay for loss of Potential Yield or Damage caused directly by:

a) Hail, if specified as covered in the Schedule of Insurance, and/or;

b) Fire, including lightning, if specified as covered in the Schedule of Insurance.

Claims will be settled in accordance with 5 Basis of Settlement. To the extent permitted by law, We will not pay for any loss until all premiums and Government taxes, duties and other charges have been paid.

5. Basis of Settlement
5.1 Unharvested Crop(s)
We will pay You an amount calculated as follows:

Step 1: For each Block the gross loss amount will be determined by multiplying the Assessed Percentage Loss by the Block Sum Insured.

Step 2: The applicable Excess will be deducted from the total gross loss amount to determine the claim payment.

5.2 Property Sum Insured Excess
If specified in the Schedule of Insurance that the Property Sum Insured Excess applies, the Excess amount is determined by multiplying the Excess percentage by the Property Sum Insured. See example below:

<table>
<thead>
<tr>
<th>Block</th>
<th>Block Sum Insured</th>
<th>Assessed Percentage Loss</th>
<th>Gross loss amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$40,000</td>
<td>10%</td>
<td>$4,000</td>
</tr>
<tr>
<td>1</td>
<td>$60,000</td>
<td>60%</td>
<td>$36,000</td>
</tr>
<tr>
<td>2</td>
<td>$20,000</td>
<td>0%</td>
<td>$0</td>
</tr>
<tr>
<td>3</td>
<td>$40,000</td>
<td>50%</td>
<td>$20,000</td>
</tr>
<tr>
<td></td>
<td>$160,000</td>
<td></td>
<td>$60,000</td>
</tr>
</tbody>
</table>

Property Sum Insured

Total gross claim $60,000

Excess 20% of Property Sum Insured ($160,000) $32,000

Claim payment $60,000 - $32,000 $28,000
5.3 Block Sum Insured Excess
If specified in the Schedule of Insurance that the Block Sum Insured Excess applies, the Excess amount is determined by multiplying the Excess percentage by the Block Sum Insured. See example below:

<table>
<thead>
<tr>
<th>Block Sum Insured</th>
<th>$100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessed Percentage Loss</td>
<td>40%</td>
</tr>
<tr>
<td>Total gross claim</td>
<td>$40,000</td>
</tr>
<tr>
<td>Excess</td>
<td>$20,000 (20% of the Block Sum Insured)</td>
</tr>
<tr>
<td>Claim payment</td>
<td>$20,000 ($40,000 - $20,000)</td>
</tr>
</tbody>
</table>

5.4 Constructive Total Loss (CTL)
Where the Loss Adjuster determines the Assessed Percentage Loss in any Block to be greater than 80%, the Block will be declared a constructive total loss and Your claim will be calculated based on an Assessed Percentage Loss of 100%.

5.5 Additional benefits

5.5.1 Harvested Crop(s)
We will pay the market value or up to $2,000 per tonne, whichever is the lesser, for Harvested Crop(s) Destroyed less a Deductible of $1,000 for each and every event giving rise to a loss. The market value is the value of the Harvested Crop(s) at the place of harvest and will be determined by the Loss Adjuster, but cannot exceed $2,000 per tonne.

5.5.2 Additional events
We will pay the amount determined by multiplying the Assessed Percentage Loss of Potential Yield as determined by the Loss Adjuster as a result of the additional events specified under 2.2.2 by the Block Sum Insured less a Deductible of $1,000 per affected Block. We will not pay more than $2,000 per hectare in total for each and every event giving rise to a loss.

Our limit of liability for any one Property for all claims for additional benefits is specified in the Schedule of Insurance.

5.6 Share farmer
When the Crop(s) are share farmed, payment will be made to the Insured specified in the Schedule of Insurance. That Insured’s receipt of Our payment will be an effective and valid discharge of Our liability under the Policy.

5.7 Loss Adjuster
We may appoint a Loss Adjuster to assess Your claim under Your Policy. You must co-operate fully with the Loss Adjuster including any requests to provide necessary documentation, including current and prior years’ records and access to the Property(ies). The Loss Adjuster may make recommendations concerning Your claim under Your Policy, but We reserve the right to make the final decision whether Your claim is covered by Your Policy and, if so, the amount You are entitled to be paid in settlement.

5.8 Goods and Services Tax

5.8.1 GST Notice
Your Policy has a GST provision in relation to premium payments and Our payment to You for claims. It may have an impact on how You determine the amount of insurance You need.

Please read the Policy wording carefully. Seek professional advice if You have any queries about GST and Your insurance.

5.8.2 Total Sum Insured
All monetary limits in the Policy may be increased for GST if:

a) We make a payment under the Policy to a GST registered person (including You) and this is deemed by the GST Act to be in consideration for a supply from that registered person, and

b) We have been notified in advance if making the payment that the recipient of it is GST registered.

We will pay an additional amount on account of the GST on that payment.

5.8.3 Claim settlements – Where We agree to pay
When We calculate the amount We will pay You, We will have regard to the items below:

- Where You are liable to pay an amount for GST in respect of an acquisition relevant to Your claim (such as services to repair a damaged item covered under the Policy) We will not pay for that GST amount if You are entitled to claim an input tax credit for that GST amount.
- If the Aggregate Limit of Liability is not sufficient to cover Your loss, We will only pay the GST amount that relates to Our settlement of Your claim.

5.8.4 Disclosure – Input tax credit entitlement
By entering into this Policy You warrant that You are registered for GST, unless You have explicitly advised on Your Application that You are not GST registered. You are required to tell Us if You cease to be GST registered at any time throughout the life of this Policy. If You fail to advise Us that You have ceased to be GST registered and We pay You GST on a payment under clause 5.8.2, You will be liable to repay Us that GST amount and any additional costs that We incur.

The Policy does not cover You for this GST liability, or for any fine, penalty or charge for which You may be liable.

6. Exclusions
We will not pay for any loss of any type caused by, arising from or in any way connected with:

a) deliberate or negligent acts carried out by You or with Your permission, except where You have carried out a deliberate act to avoid or reduce Damage that would otherwise happen;

b) wind, snow and/or rain or the melting of hailstones, whether or not accompanying a storm that produces Hail;

c) frost - freezing of crop surface water or freezing of internal plant cell moisture causing damage to insured Crop(s);

d) Flood;

e) lahar occurring independently of volcanic eruption. Lahar means the mixture of water, rock and other debris flowing down the slope of a volcano or adjacent valleys and waterways after being ejected or flowing from a crater lake;

f) any movement in value or price of the Crop(s) or Harvested Crop(s),...
g) loss of nutrient, quality or grade of Crop(s) or Harvested Crop(s) unless as the direct result of an Insured Event and as specified in the Grading Standards for the Crop(s);

h) the use of chemicals other than as allowed under the additional benefit of Chemical Overspray;

i) disease, including disease arising as a consequence of an Insured Event;

j) gradual deterioration, decay, contamination, animals, birds, pests (including uninsured plant species), termites, vermin, insects or larvae howsoever caused (regardless of whether the loss occurs because of an Insured Event covered by this Policy);

k) earthquake, volcanic eruption, soil erosion, subsidence or landslide, explosion, tsunami or subterranean Fire to Crop(s);

l) any consequential loss, unless otherwise specifically provided for in the Policy;

m) any reduction in the Potential Yield of Crop(s) caused by Damage to the buds, shoots, branches, trunks, limbs, leaves and/or loss of flowers due to Hail;

n) Damage that occurs in the current season, to buds that had the potential to produce Crop in future seasons;

o) a decision by You to not pick Your Crop(s), or a decision by a buyer to not purchase Your Crop(s) due to price, quality, marketing, economic or contractual reasons does not constitute a loss of yield under this contract;

p) loss of buds or cuttings that would have otherwise been used in future plantings;

q) Crop(s) grown for experimental purposes unless We agree in writing to cover this risk;

r) war or warlike activities, including but not limited to the use of military power, invasion, other hostile acts or a foreign power whether war be declared or not, civil war, insurrection, rebellion, revolution and usurped power;

s) expropriation, lawful seizure, resumption, confiscation, nationalisation or requisition, but this exclusion does not apply to physical damage that occurs because of the order if it prevents or attempts to prevent a loss that would be covered under the Policy;

t) the use, existence or escape of nuclear material, or ionising radiation from, or contamination by radioactivity from any nuclear fuel or nuclear waste resulting from the combustion of nuclear fuel, including any self-sustaining process of nuclear fission or fusion;

u) the actions of persons taking part in riots or civil commotions, or taking part in labour disturbances or persons of malicious intent acting on behalf of or in connection with any political organisation;

v) Damage by smoke even if accompanied by an Insured Event;

w) any Act of Terrorism. Notwithstanding any provision to the contrary contained in the Policy or any endorsement attached to it, the Policy excludes loss, physical damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This also excludes loss, physical damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism.

7. General Conditions

7.1 Other insurances

You must give notice to Us of any other insurance which covers any or all of the Crop(s) against loss or Damage also covered by any Section or aspect of the Policy. Where We have detailed another insurance Policy in the Schedule of Insurance, this Policy will apply as an excess Policy to that other insurance and We will not pay anything until that other insurance has been exhausted.

7.2 Time of settlement of claims

Claims will be settled as soon as possible after the Loss Adjuster has been able to accurately determine the extent of Your loss. This will be after the normal time for harvest of the Damaged Crop(s), any inspection of current and prior years’ records and after any further analysis that is required has been completed.

7.3 Assignment of interest

If You wish to transfer Your interest in the Crop(s) to another person or entity and advise Us in writing before that event, We will transfer Your interest in the Policy to that person or entity provided that:

• You are not then in breach of any of the provisions of the Policy;
• the person or entity agrees to be bound by all of the provisions of the Policy, and
• the person or entity is, at Our sole and absolute discretion, acceptable to Us as an Insured.

7.4 Cancellation

You may cancel Your Policy at any time by giving Us written notice at PO Box 300-767 Albany, Auckland 0752, but You will be charged the full premium and Government taxes, duties and other charges. We may cancel Your Policy by giving You thirty (30) days’ notice in writing to Your last known address.

Upon cancellation by Us, We will inform You in writing and a proportionate refund of premium (less any amounts in relation to Government taxes, charges and levies We are unable to recover) will be paid based on the unexpired Period of Insurance. You will not receive a refund of premium if You have already made a claim or if circumstances have arisen entitling You to make a claim. If You receive a refund and You later make a claim, the claim will be reduced by any such refunded premium.

7.5 Good management

Your Policy is issued to You on the understanding that You will take all reasonable steps necessary to employ best farming practices, including but not limited to:

a) planting within recognised planting windows, fertilizing, Crop(s) protection (including but not limited to controlling weeds, the application of water for the growing and preservation of the Crop(s),

b) using reasonable methods or techniques for protection, harvesting, storage and transit of the Crop(s),

both before and after any loss.

If We or the Loss Adjuster determines that Our interests have been prejudiced, or the Crop’s Potential Yield has been reduced or a claim amount has been increased as a result of poor management, then We may reduce Your claim or avoid any claim in full, to the extent permitted by law.
7.6 False claims
If a claim is in any respect fraudulent or if any fraudulent means or devices are used by You or anyone acting on Your behalf to obtain any benefit under the Policy or if any destruction or Damage is occasioned by Your wilful act or with Your connivance, We may refuse to pay the claim.

7.7 Subrogation
We have the right to recover any money paid by Us from any other person against whom You may be able to claim and We shall have full discretion in the conduct, defence or settlement of any claim in Your name. You must not hinder these rights and must give full information and cooperation that We may require.

7.8 Preventing Our right of recovery
Where another person is liable to compensate You for any loss, destruction or Damage which is covered by the Policy, but You have agreed not to seek recovery of any monies from that person, to the extent permitted by law, We will not cover You under this Policy for that loss, destruction or Damage.

7.9 Third party interests
Before You enter into Your Policy, You must inform Us of the interests of all third parties (e.g. financiers, lessors, etc.) who have an interest in the Crop(s) to be covered by the Policy. We will cover their interests only if You have informed Us of them and We have noted them in the Schedule of Insurance. We will only be liable to such third parties:
- to the extent of their interest in the insured property; and
- where Our Notional Liability exceeds the amount of Our liability to You in respect of the loss.

Notional Liability means the amount for which We would have been liable to You in respect of the particular claim if You had been the only person who had an interest in the insured property. We will never pay to such persons an amount exceeding the loss suffered by them.

7.10 Inspection of records
If requested by Us or Our appointed representative You must give Us all reasonable assistance including access to current and prior years’ records (including those held by third parties) so We may verify Your Crop(s) yield or to assist in calculating a claim that has been made under this insurance. We may use satellite imagery and any other technology or services to assist Us in the verification process of Your Crop(s) Potential Yield or harvested yield.

7.11 Inspection of Crop(s)
We may need to physically inspect Your Crop(s). We will provide You with no less than seven (7) days’ notice of Our intention to inspect the Crop(s). You must give Us or Our appointed representative all reasonable access and assistance.

7.12 Changes to the Insured Value
We will not accept any decrease to the Insured Value. We may accept an increase to the Insured Value, which You submit in writing and We consider being reasonable. We will not accept any increase to the Insured Value after or during any event which may lead to a claim.

Alterations to the Insured Value will commence forty eight (48) hours after 4pm Local Time, on the day We agree to accept Your written request.

7.13 Crop failure
In the event it is necessary to terminate the Crop(s) during the Period of Insurance and prior to 1 December succeeding the commencement date of the Policy due to the lack of water availability, You will be entitled to a proportionate refund of premium and charges for Hail and Fire cover based on the unexpired Period of Insurance, provided that no circumstances have arisen entitling You to make a claim. We reserve the right to inspect Crop(s) to confirm failure or termination.

7.14 You must insure Your whole Crop(s) – application of the average provision
You must insure Your whole Crop(s) unless You have declared a Block(s) as not to be covered in Your Application and We have agreed in writing that specific Block(s) are not to be covered. If the total area of Crop(s) of the type covered by the Policy is found to be greater than the area that is specified in the Schedule of Insurance by more than 5%, then You shall be considered as being Your own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

7.15 Premium payment
When You apply for this insurance, You will be advised of the total premium amount payable, when it needs to be paid and how it can be paid. This amount will be set out in the Schedule of Insurance.

We include an amount in the premium that covers Our actual or estimated obligations in relation to relevant Government taxes, charges and levies relating to the Policy. For estimated amounts, We may over or under recover in any particular year but We will not adjust Your premium because of this. You can ask Us for more details if You wish.

Claims under the Policy will not be paid or finalised until You have paid all outstanding premiums.

8. Making a Claim
8.1 Notifying a claim
On the occurrence of any loss or Damage covered by this Policy, You must give notice to Us within forty eight (48) hours stating the time when the loss or Damage occurred, the cause, a description of the Crop(s) which is the subject of the claim, a detailed farm map showing the exact location of all the Damaged Block(s), an estimate of the nature and extent of the Damage and details of any other insurance under which You are entitled to claim for the same loss or Damage.

When notifying a claim You should contact Primacy Underwriting Management Limited as follows:
TelephoneNumber: (09) 354 2923, or
Facsimile: +61 3 8624 8499, or
Email: claims@pum.co.nz
Website: www.pum.co.nz

8.2 Required assistance
You must give Us all reasonable assistance that We may require to assess the nature and extent of the loss or Damage and all such proof and information that We or Our appointed representative may require to prove the nature and extent of the loss, verified under oath, if necessary.

In the event of any loss or Damage to the Crop(s), We may:
- inspect and take possession of any property that is subject of the claim;
- keep possession of the property that is subject of the claim for any reasonable purpose; or
- sell the property that is subject of the claim or dispose of it as We see fit but You are not entitled to abandon such property to Us.
8.3 Harvest requirements
If the Crop(s) has been affected by an Insured Event(s) and the Crop(s) is ready for harvest or is being harvested You may harvest or continue to harvest provided:
- You inform Us that the Crop(s) is ready for harvest;
- Our Loss Adjuster has the opportunity to mark off four (4) trees or four (4) panels (the section between two (2) posts) for vines per hectare or any other samples as agreed with the Loss Adjuster. The trees or panels must be located in internal rows and spaced evenly throughout the Block. Sample areas should be representative of the area and should not include areas of poor growth or drainage. The fruit on those trees and/or vines in the sample areas must not be harvested until the Loss Adjuster can sample the fruit and assess the Damage.

8.4 Important measures
You must take all reasonable steps to reduce the loss and prevent further loss. You must report to the police if You suspect Damage or destruction to Your Crop(s) has been caused by Arson or malicious damage.

9. Grading Standards
(Specified Crop Types)

9.1 Pome Fruit (Apples and Pears)

<table>
<thead>
<tr>
<th>Grade</th>
<th>Level of Damage per piece of fruit caused directly by Insured Event(s) as determined by the Loss Adjuster</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• No more than three healed Hail Damage indentations no greater than 2.0 mm diameter each; or</td>
</tr>
<tr>
<td></td>
<td>• No more than one larger healed Hail Damage indentation no greater than 4.0 mm diameter; and</td>
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<tr>
<td></td>
<td>• Smooth and superficial Hail Damage russet no greater than 1.0 cm²; and</td>
</tr>
<tr>
<td></td>
<td>• Light and superficial bruises no greater than 1.0 cm² in aggregate; and</td>
</tr>
<tr>
<td></td>
<td>• No unhealed cracks, cuts or punctures.</td>
</tr>
<tr>
<td>Marketable</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• More than three healed Hail Damage indentations no greater than 2.0 mm diameter each; or</td>
</tr>
<tr>
<td></td>
<td>• More than one larger healed Hail Damage indentation no greater than 4.0 mm diameter; or</td>
</tr>
<tr>
<td></td>
<td>• Superficial Hail Damage russet greater than 1.0 cm²; or</td>
</tr>
<tr>
<td></td>
<td>• Light and superficial bruises greater than 1.0 cm² in aggregate; or</td>
</tr>
<tr>
<td></td>
<td>• Unhealed cracks, cuts or punctures; or</td>
</tr>
<tr>
<td></td>
<td>• Discoloured indentations; or</td>
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<tr>
<td></td>
<td>• Dark and or sunken bruises; or</td>
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<tr>
<td></td>
<td>• Fruit Destroyed by Fire; or</td>
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<tr>
<td></td>
<td>• Formed fruit determined to be no longer marketable; or</td>
</tr>
<tr>
<td></td>
<td>• Potential fruit Damaged as a result of Chemical Overspray, Impact and Malicious Act(s) subject to the sub-limit for additional benefits.</td>
</tr>
<tr>
<td>Culls</td>
<td></td>
</tr>
</tbody>
</table>

9.2 Apricots, Nectarines and Peaches

<table>
<thead>
<tr>
<th>Grade</th>
<th>Level of Damage per piece of fruit caused directly by Insured Event(s) as determined by the Loss Adjuster</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• No more than two healed Hail Damage indentations no greater than 3.0 mm diameter each; or</td>
</tr>
<tr>
<td></td>
<td>• Blemishes or light bruising no greater than 1.0 cm² in aggregate or 2.0 cm long; and</td>
</tr>
<tr>
<td></td>
<td>• No deep bruising, unhealed cracks, cuts or punctures.</td>
</tr>
<tr>
<td>Marketable</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• More than two healed Hail Damage indentations no greater than 3.0 mm diameter; or</td>
</tr>
<tr>
<td></td>
<td>• Blemishes or light bruising greater than 1.0 cm² in aggregate or 2.0 cm long; and</td>
</tr>
<tr>
<td></td>
<td>• Deep bruising, unhealed cracks, cuts or punctures; or</td>
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<td></td>
<td>• Fruit Destroyed by Fire; or</td>
</tr>
<tr>
<td></td>
<td>• Formed fruit determined to be no longer marketable; or</td>
</tr>
<tr>
<td></td>
<td>• Potential fruit Damaged as a result of Chemical Overspray, Impact and Malicious Act(s) subject to the sub-limit for additional benefits.</td>
</tr>
<tr>
<td>Culls</td>
<td></td>
</tr>
</tbody>
</table>

9.3 Persimmons and Plums

<table>
<thead>
<tr>
<th>Grade</th>
<th>Level of Damage per piece of fruit caused directly by Insured Event(s) as determined by the Loss Adjuster</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Blemishes or light bruising no greater than 1.0 cm² in aggregate or 1.0 cm long; or</td>
</tr>
<tr>
<td></td>
<td>• Shallow healed cracks no greater than 0.5 cm long; or</td>
</tr>
<tr>
<td></td>
<td>• Healed cuts and punctures no greater than 1.0 cm long, and</td>
</tr>
<tr>
<td></td>
<td>• No deep bruising, unhealed cracks, cuts or punctures.</td>
</tr>
<tr>
<td>Marketable</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Blemishes or light bruising greater than 1.0 cm² in aggregate or 1.0 cm long; or</td>
</tr>
<tr>
<td></td>
<td>• Shallow healed cracks greater than 0.5 cm long; or</td>
</tr>
<tr>
<td></td>
<td>• Healed cuts and punctures greater than 1.0 cm long; or</td>
</tr>
<tr>
<td></td>
<td>• Deep bruising, unhealed cracks, cuts or punctures; or</td>
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<td>• Formed fruit determined to be no longer marketable; or</td>
</tr>
<tr>
<td></td>
<td>• Potential fruit Damaged as a result of Chemical Overspray, Impact and Malicious Act(s) subject to the sub-limit for additional benefits.</td>
</tr>
<tr>
<td>Culls</td>
<td></td>
</tr>
</tbody>
</table>
### 9.4 Lemons, Limes, Mandarins and Oranges

<table>
<thead>
<tr>
<th>Grade</th>
<th>Level of Damage per piece of fruit caused directly by Insured Event(s) as determined by the Loss Adjuster</th>
</tr>
</thead>
</table>
| **Marketable** | • Light blemishes no greater than 1.5 cm² in aggregate, or  
• Dark blemishes no greater than 0.25 cm² in aggregate, and  
• No unhealed cracks, cuts or punctures. |
| **Culls** | • Light blemishes greater than 1.5 cm² in aggregate, or  
• Dark blemishes greater than 0.25 cm² in aggregate, or  
• Unhealed cracks, cuts or punctures, or  
• Fruit Destroyed by Fire, or  
• Formed fruit determined to be no longer marketable, or  
• Potential fruit Damaged as a result of Chemical Overspray, Impact and Malicious Act(s) subject to the sub-limit for additional benefits. |

### 9.5 Grapefruit

<table>
<thead>
<tr>
<th>Grade</th>
<th>Level of Damage per piece of fruit caused directly by Insured Event(s) as determined by the Loss Adjuster</th>
</tr>
</thead>
</table>
| **Marketable** | • Light blemishes no greater than 2.0 cm² in aggregate, or  
• Dark blemishes no greater than 1.0 cm² in aggregate, and  
• No unhealed cracks, cuts or punctures. |
| **Culls** | • Light blemishes greater than 2.0 cm² in aggregate, or  
• Dark blemishes greater than 1.0 cm² in aggregate, or  
• Dry/healed cuts and punctures greater than 2.0 cm long, or  
• Unhealed cracks, cuts or punctures, or  
• Fruit Destroyed by Fire, or  
• Formed fruit determined to be no longer marketable, or  
• Potential fruit Damaged as a result of Chemical Overspray, Impact and Malicious Act(s) subject to the sub-limit for additional benefits. |

### 9.6 Kiwifruit and Passionfruit

<table>
<thead>
<tr>
<th>Grade</th>
<th>Level of Damage per piece of fruit caused directly by Insured Event(s) as determined by the Loss Adjuster</th>
</tr>
</thead>
</table>
| **Marketable** | • Light blemishes no greater than 1.0 cm² in aggregate, or  
• Dark blemishes/bruises no greater than 1.0 cm² in aggregate, and  
• No unhealed cracks, cuts or punctures. |
| **Culls** | • Light blemishes greater than 1.0 cm² in aggregate, or  
• Dark blemishes/bruises greater than 1.0 cm² in aggregate, or  
• Unhealed cracks, cuts or punctures, or  
• Fruit Destroyed by Fire, or  
• Formed fruit determined to be no longer marketable, or  
• Potential fruit Damaged as a result of Chemical Overspray, Impact and Malicious Act(s) subject to the sub-limit for additional benefits. |

### 9.7 Avocados

<table>
<thead>
<tr>
<th>Grade</th>
<th>Level of Damage per piece of fruit caused directly by Insured Event(s) as determined by the Loss Adjuster</th>
</tr>
</thead>
</table>
| **Marketable** | • Healed cracks, cuts or punctures no greater than 1.0 cm² in aggregate, or  
• Dark blemishes/bruises no greater than 4.0 cm² in aggregate, and  
• No unhealed cracks, cuts or punctures. |
| **Culls** | • Healed cracks, cuts or punctures greater than 1.0 cm² in aggregate, and  
• Dark blemishes/bruises greater than 4.0 cm² in aggregate, or  
• Unhealed cracks, cuts or punctures, or  
• Fruit Destroyed by Fire, or  
• Formed fruit determined to be no longer marketable, or  
• Potential fruit Damaged as a result of Chemical Overspray, Impact and Malicious Act(s) subject to the sub-limit for additional benefits. |
### 9.8 Tomatoes – field grown (fresh and processing)

<table>
<thead>
<tr>
<th>Grade</th>
<th>Level of Damage per piece of fruit caused directly by Insured Event(s) as determined by the Loss Adjuster</th>
</tr>
</thead>
</table>
| **Marketable** | • No Hail Damage marks unhealed; or  
  • No Hail Damage marks that have pierced the skin; or  
  • Hail Damage marks aggregated to no more than 0.5 cm²; or  
  • No Hail Damage marks that have bruised the flesh of the fruit. |
| **Culls** | • Unhealed Hail Damage marks; or  
  • Hail Damage marks that have pierced the skin; or  
  • Hail Damage marks aggregated to more than 0.5 cm²; or  
  • Hail Damage marks that have bruised the flesh of the fruit; and  
  • Fruit Destroyed by Fire; or  
  • Formed fruit determined to be no longer marketable; or  
  • Potential fruit Damaged as a result of Chemical Overspray, Impact and Malicious Act(s) subject to the sub-limit for additional benefits. |

### 9.9 Mangoes

<table>
<thead>
<tr>
<th>Grade</th>
<th>Level of Damage per piece of fruit caused directly by Insured Event(s) as determined by the Loss Adjuster</th>
</tr>
</thead>
</table>
| **Marketable** | • Healed shallow cracks, cuts or punctures no greater than 1.0 cm² in aggregate; or  
  • Light blemishes/sap staining no greater than 2.0 cm² in aggregate resulting from Hail Damage; and  
  • No unhealed cracks, cuts or punctures. |
| **Culls** | • Healed cracks, cuts or punctures greater than 1.0 cm² in aggregate; or  
  • Light blemishes/sap staining greater than 2.0 cm² in aggregate resulting from Hail Damage; and  
  • Unhealed cracks, cuts or punctures;  
  • Fruit Destroyed by Fire; or  
  • Formed fruit determined to be no longer marketable; or  
  • Potential fruit Damaged as a result of Chemical Overspray, Impact and Malicious Act(s) subject to the sub-limit for additional benefits. |
The information contained in this Policy wording is current as at July 2019.