

PIPFRUIT 2009



THOUSANDS OF GROWERS.
ONE SPECIALIST BROKER.

FROST COVER AVAILABLE



2009 PIPFRUIT INSURANCE PRODUCT
www.agrisk.co.nz

2009 PIPFRUIT INSURANCE PRODUCT INFORMATION

AgriRisk is the only broker in New Zealand that specialises in insurance for agribusiness, including New Zealand's pipfruit industry. As specialists we understand your investment capital and income producing assets are exposed to a variety of production risks. Whilst you are able to manage most of these risks, the Pipfruit crop insurance product is designed to financially safeguard you from some of the production risks that are difficult or impossible to manage. At AgriRisk, no two pipfruit policies are the same, because every orchard is different. One of our experienced consultants will spend time getting to know your business and your insurance objectives. They will then assist you in structuring this insurance to meet your coverage and budget requirements.

This flyer is a brief summary of the Pipfruit Insurance Policy. For additional information contact AgriRisk.

PIPFRUIT CROP INSURANCE

This Insurance Policy is designed to reimburse you for loss or damage to the current crop directly caused by hail, fire, earthquake, volcanic eruption, landslip and frost. The option to purchase cover for the peril of frost only is also available

WHAT ADDITIONAL COVER IS PROVIDED?

The policy automatically provides cover for Malicious Acts, Chemical Over Spray, Impact Damage and Additional Expenses. Cover for harvested fruit is only available if a nominated amount per tonne per hectare is selected.

OPTIONAL BENEFITS

65% Constructive Total Loss

WHEN DOES COVER COMMENCE?

The Period of Insurance begins at the later of :-

- a 9am on the second day after insurers accept your proposal; or
- b 1 September 2008 except for frost cover where the commencement date is noted on your policy schedule; or
- c When at least 75% of the fruit has reached at least 6mm in diameter.

HOW DOES THE CROP COVER WORK?

If the crop on your insured block suffers a loss as a direct consequence of an insured peril during the period of insurance then you will be entitled to lodge a claim under this policy. The claim on each affected block will be calculated as follows:

Crop Block Sum Insured x (percentage loss less the applicable excess)

WHAT IS THE SUM INSURED ON EACH BLOCK?

The Sum Insured on each block is calculated as follows:

Area (ha) x Crop Sum Insured per Hectare

WHAT IS THE CROP SUM INSURED PER HECTARE?

The Crop Sum Insured per Hectare is the Agreed Value per hectare you wish to insure your crops for.

The Agreed Value can simply be your Production Costs per hectare. You may nominate different values for individual blocks.

WHAT IS THE CROP TOTAL SUM INSURED?

The Crop Total Sum Insured is simply the sum of the crop block sums insured.

DO ALL BLOCKS NEED TO BE INSURED?

No you do not have to insure all your blocks however your application and map must clearly highlight those blocks that are insured. The map must also show those blocks which are uninsured with details of why they are not being insured.

IS THERE AN EXCESS?

Yes, an excess will apply to all crop losses. The excess is based on the total sum insured for each orchard insured.

The standard excess is 20%. Premium discounts are available if excesses are increased to 25% or 30%. An excess of 10% is available however it attracts an additional premium and is not available for frost covers.

Reducing excess options of 10% and 20% are also available. The 10% option is not available for frost only covers. Ask AgriRisk for further details.

HOW IS THE PREMIUM CALCULATED?

The premium is calculated by multiplying the Total Sum Insured by the applicable premium rate.

We will provide you with the Insurers premium quotation following receipt of your completed insurance application.

WHAT HAPPENS IN THE EVENT OF A LOSS?

You must notify the appointed Loss Adjuster, ALM Group, within 48 hours of the happening of any event covered by this policy and provide them with full details of the loss. The Loss Adjuster will inspect your crop and determine your claim based on their assessment of the level of damage (in accordance with the agreed Grading Standards) which was a direct consequence of the insured perils

HOW DOES THE LOSS ADJUSTER DETERMINE THE PERCENTAGE LOSS

Initially the Loss Adjuster will conduct a series of tests in each block affected involving a physical count and assessment of the level of damage. Each piece of fruit in the sample will be assessed in accordance with the Grading Standards.

WHAT IS A CONSTRUCTIVE TOTAL LOSS?

Where the Loss Adjuster determines the assessed percentage loss per block of the crop is greater than 80% and you agree to abandon and not sell the remaining crop, the block will be declared 100% damaged. There is an option available to purchase a 65% Constructive Total Loss.

WHO IS THE INSURER?

The policy is underwritten by Primacy Underwriting Agency Pty Ltd who act as agents of the insurer, Farmers Mutual Insurance Association (FMG). FMG has been assigned an A- (excellent) financial strength rating from A.M. Best. Company on 20 June 2008.



AGRIRISK SERVICES NEW ZEALAND. For more information and advice, a copy of the policy or an obligation free quotation please contact Nikki Berney, Christine McKinnon or Helen Mahakitau
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