

WINE GRAPES 2009



THOUSANDS OF GROWERS.
ONE SPECIALIST BROKER.

FROST ONLY COVER NOW AVAILABLE



2009 WINE GRAPE INSURANCE PRODUCT
www.agririsk.co.nz

2009 WINE GRAPE INSURANCE PRODUCT INFORMATION

Agririsk is the only broker in New Zealand that specialises in insurance for agribusiness, including New Zealand's Wine Grape 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 Wine Grape crop insurance product is designed to financially safeguard you from some of the production risks that are difficult or impossible to manage. This flyer is a brief summary of the Wine Grape Insurance Policy. For additional information contact AgriRisk.

WINE GRAPE CROP INSURANCE

This Insurance Policy is designed to reimburse you for a loss of Potential Yield 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 the primary buds have reached Budburst Stage

Budburst occurs when at least 90% of buds are swollen and scales are open enough to show brown woolly hairs.

HOW DOES THE CROP COVER WORK?

If the crop on your insured block suffers a yield 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:

$$\text{Crop Block Sum Insured} \times (\text{percentage loss of yield less the applicable excess})$$

WHAT IS THE SUM INSURED ON EACH BLOCK?

The Sum Insured on each block is calculated as follows:

$$\text{Area (ha)} \times \text{Crop Sum Insured per Hectare}$$

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. 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 vineyard insured.

The standard excess is 20%. Additional excess options of 25% and 30% are also available and attract premium discounts. An excess of 10% is an option also 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 reduction in the Potential Yield of the crop as a direct consequence of the insured perils.

HOW DOES THE LOSS ADJUSTER DETERMINE THE PERCENTAGE LOSS OF YIELD?

Initially the Loss Adjuster will conduct a series of tests in each block affected involving a physical count of the crop damaged or destroyed. The results of these tests will then be considered relative to the Potential Yield that could have been achieved but for the loss.

HOW DOES THE LOSS ADJUSTER DETERMINE THE CROPS POTENTIAL YIELD?

The Loss Adjuster will usually look at the yields achieved on unaffected (control) blocks of similar age and variety that have been subject to the same care and management.

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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