



Ag Guard

SIMPLE & FAIR
INSURANCE SOLUTIONS

Broadacre Crop
**PRE-HARVEST
REVISION**
Policy wording

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IMPORTANT INFORMATION

About us

The Insurer

This insurance policy is underwritten and issued by Great Lakes Insurance SE (ARBN 127 740 532, ABN 18 964 580 576, AFSL318603) trading as "Great Lakes Australia" (GLA).

GLA is a branch office of Great Lakes Insurance SE, a limited liability company incorporated in Germany and a wholly owned subsidiary of Münchener Rückversicherungs-Gesellschaft AG ('Munich Re'), part of Munich Re (Group). Munich Re (Group) is one of the largest insurance groups in the world.

GLA has strong financial security characteristics. However, please note that ratings can vary from time to time.

You can check GLA's current rating at the following website: Standard & Poors: www.standardandpoors.com

The contact details for GLA are:

143 Macquarie Street, Sydney, NSW, 200

PO Box H35 Australia Square, Sydney, NSW, 1215

(02) 9272 2050 | reception@gla.com.au

GLA is a party to the General Insurance Code of Practice. You can access the Code at www.codeofpractice.com.au

The Agent

Ag Guard Pty Ltd (ABN 42 168 502 645, AFSL 480716)

Ag Guard Pty Ltd (Ag Guard) arranges policies for and on behalf of GLA. Ag Guard acts under a binding authority given to it by GLA to administer and issue policies, alterations and renewals. In everything to do with this Policy, Ag Guard acts as an agent for GLA and not for You.

Ag Guard's contact details are:

Address: Suite 303, 115 Military Road, Neutral Bay NSW 2089

Phone: 02 8052 3997

Email: sales@agguard.com.au

Your duty of disclosure

Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, or that may affect Our decision to insure You and on what terms.

You have this duty until We agree to insure You.

You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:

- reduces the risk We insure You for; or
- is common knowledge; or
- We know or should know as an insurer; or
- We waive Your duty to tell Us about.

If You do not tell Us something

If You do not tell Us anything You are required to, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

After the Policy is entered into, ongoing disclosure obligations may apply. See the Policy for details.

Notices regarding particular policy terms

Underinsurance – under declaring your area

If You do not insure all of the crops planted on your property(ies) and/or sharefarmed by You, in the event of a loss We will reduce

the amount that we would otherwise pay, unless clearly specified to the contrary on Your Schedule of Insurance. We will only pay that proportion of the loss that the total of the Insured Areas bears to the total area of crops planted on Your property(ies) and/or sharefarmed by You. See the clause headed 'Under declaring the Area' in the General Conditions below for full details.

Basis of settlement and excess

Claims are calculated by each Insured Paddock. The amount of the payment will be calculated by applying the Gross Loss Percentage (of Potential Yield) less the Excess to the Sum Insured for the Insured Paddock.

The Sum Insured means the amount calculated as Area (ha) x Insured Yield (t/ha) x Insured Value (\$/t) x Insured Percentage (%).

The Excess is a percentage amount and that percentage varies depending on the cause of the loss. If the Damage is caused by Hail, the Excess is the percentage amount for each Insured Paddock specified on Your Schedule of Insurance. Where You have chosen to windrow a canola paddock as opposed to direct head prior to Hail Damage, the Hail Excess reduces by 2.5% per Insured Paddock. If the Damage is caused by Fire, the Excess is 5% for each Insured Paddock.

Please refer to the section headed 'Basis of Settlement' of the Policy for full details of how We will calculate a claim and the Excess.

Flood

This Policy does not provide any insurance cover in respect of loss or damage caused by, or resulting from, flood.

Cancelling the policy

Either You or We may cancel the Policy in certain circumstances, as set out in the section headed 'General Conditions' section of the Policy. If you cancel You may still be required to pay the premium to Us, even if the cancellation is due to crop failure. This premium will be calculated based on the Insured Yield.

General insurance code of practice

GLA is a signatory to the General Insurance Code of Practice ('the Code'). The Code aims to raise standards of service between insurers and their customers. Ag Guard's service standards are in accordance with the Code.

For any information about the Code, including a copy of the Code, contact Us or visit www.codeofpractice.com.au.

Financial claims scheme

In the event of the insolvency of GLA, You may be entitled to payment under the Financial Claims Scheme. Access to the scheme is subject to eligibility criteria. Information about

the scheme can be obtained from the APRA website at www.apra.gov.au and the APRA hotline on 1300 55 88 49.

Privacy

Both GLA and Ag Guard are committed to the safe and careful use of Your personal information in the manner required by the Privacy Act 1988 (Cth) and the Australian Privacy Principles and the terms of the Policy.

Ag Guard and/or GLA collect Your personal information in order to assess Your application for insurance and, if Your application is accepted, to administer and manage the Policy and respond to any claim that You make. To do this, Your personal information may need to be disclosed to reinsurers and service providers and related entities who carry out activities on Our and Ag Guard's behalf, such as assessors and facilitators, some of whom may be located in overseas countries including the United Kingdom and Germany.

Our contractual arrangements generally include an obligation for these reinsurers, service providers and related entities to comply with Australian privacy laws.

By providing Us and Ag Guard with Your personal information, You consent to the disclosure of Your personal information (including sensitive information) to reinsurers, service providers and related entities in overseas countries to enable Us and Ag Guard to assess Your application, to administer and manage the Policy and to respond to any claim that You make.

If You choose not to provide Your personal information at any stage, We and/or Ag Guard may not be able to assess Your application or administer and manage the Policy and respond to any claim that You make.

Our and Ag Guard's privacy policies contain information on:

- how You may access personal information We hold;
- correction of Your personal information;
- how to make a complaint about the handling of Your personal information; and
- how complaints are handled.

If You require more information, You can access the GLA Privacy Policy and Privacy Statement at <https://www.munichre.com/gla/en/default/index.html> or Ag Guard's Privacy Policy at <http://www.agguard.com.au/Ag-Guard-Privacy-Policy.pdf> and Privacy Statement at <http://www.agguard.com.au/Ag-Guard-PrivacyStatement.pdf>

Dispute resolution process

Any complaints about Our products or services are taken seriously by Us and Ag Guard and will be dealt with fairly and promptly.

If You have a complaint please first try to resolve it by speaking to the relevant member of the Ag Guard staff. Ag Guard can assist by referring the matter to their Internal Dispute Resolution Officer:

Contact Ag Guard by:

Phone: 02 8052 3997

Fax: 02 8088 3879

Email: a.cohn@agguard.com.au

Post:

Att: Internal Dispute Resolution Officer

Ag Guard Pty Ltd

PO Box 164,

Milsons Point NSW 1565

If Ag Guard requires additional information they will contact You to discuss. If Your complaint is not immediately resolved Ag Guard will respond within 15 business days of receipt of Your complaint or agree a reasonable alternative timetable with You.

If You are not satisfied with the resolution offered by Ag Guard's Internal Dispute Resolution Officer, Your complaint will be referred to the Dispute Resolution officer or their delegate at GLA.

You can also contact GLA by:

Email: disputes@gla.com.au

Post:

Att: Disputes Resolution Officer

Great Lakes Australia

PO Box H35,

Australia Square

Sydney NSW 1215

If We are unable to resolve Your complaint within 45 days of the date We first received Your complaint or if You remain unsatisfied, You can/may be able to seek a free review by the Australian Financial Complaints Authority (AFCA). The AFCA is an independent national body and, if the dispute is within its jurisdiction, We agree to accept its decision.

You can visit their website www.afca.org.au or contact them:

GPO Box 3,

Melbourne, VIC, 3001

1800 931 678

info@afca.org.au

DEFINITIONS

There are words contained in the Policy that have special meanings. When used in the Policy, these words are indicated by way of an initial capital letter.

Acceptance Date

Means the Acceptance Date listed on Your Schedule of Insurance.

Endorsement Date

Means the Endorsement Date listed on your Schedule of Insurance.

Area

Means the area in hectares for each Insured Paddock nominated by You and specified on Your Schedule of Insurance. Where it has been determined that the Area nominated by You is less than the actual area planted, the Under Declaration of Area provision will apply (please refer to General Conditions below).

Damage

Physical damage to crops grown in the Insured Paddock(s) due to an Insured Event.

Excess

Means the percentage amount that You must bear in the event of a claim under this Policy.

Expiry Date

Means the Expiry Date listed on Your Schedule of Insurance.

Final Revision Date

Means the final revision date listed on Your Schedule of Insurance.

Fire

Means a process in which substances combine chemically with oxygen from the air and give out bright light, heat, and smoke resulting in combustion or burning.

Flood

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

- a lake (whether or not it has been altered or modified)
- a river (whether or not it has been altered or modified)
- a creek (whether or not it has been altered or modified)
- another natural watercourse (whether or not it has been altered or modified)
- a reservoir
- a canal, or
- a dam

Gross Loss Percentage

Means the percentage loss of Potential Yield determined by the Loss Adjuster.

Hail

Means pellets of frozen rain falling from the sky.

Insured Event

Means Fire or Fire & Hail as listed in Your Schedule of Insurance.

Insured Paddock(s)

An Area of Your insured crop(s) listed on Your Schedule of Insurance as a paddock and which must be clearly identifiable by a Loss Adjuster upon inspection. For the purposes of application of the excess, an Insured Paddock over 200 hectares will be split into equal units of no less than 100 hectares with the orientation of the split lines being due north - south.

Insured Percentage

Means the percentage per Insured Paddock, nominated by You and agreed by Us, as specified on Your Schedule of Insurance. It represents the proportion of the Sum Insured of the Insured Paddock that will be covered under Your Policy. If not specified otherwise in Your Schedule of Insurance the Insured Percentage will be 100%.

Insured Value

Means the value per tonne per Insured Paddock, nominated by You and agreed by Us, as specified on Your Schedule of Insurance.

Insured Yield

Means the average yield per hectare per Insured Paddock, nominated by You and agreed by Us, as specified in Your Schedule of Insurance.

Loss Adjuster

The person or entity appointed by Us to assess claims made under Your Policy.

Net Loss Percentage

Means the Gross Loss Percentage determined by a Loss Adjuster, less the Excess listed on Your Schedule of Insurance for the Insured Paddock.

Period of Cover

The period beginning 48 hours after 12pm local time, on the Acceptance Date specified on Your Schedule of Insurance and ending at the earlier of:

- Completion of harvest
- Or 12pm local time on the Expiry Date specified on Your Schedule of Insurance

Policy

Means this policy wording and Your current Schedule of Insurance.

Potential Yield

The average tonnes per hectare that the crop in Your Insured Paddock(s) would have produced if the Insured Event had not occurred. The Potential Yield will take into account all relevant factors affecting the growth of the crops in the Insured Paddock(s) including factors which take place following the Insured Event.

Purpose

Means either grain or hay per Insured Paddock, nominated by You and agreed by Us, as specified on Your Schedule of Insurance.

Schedule of Insurance

Means the document that contains details of the cover which are specific to You. If any details of cover are changed, We will give You an updated Schedule of Insurance.

Sum Insured

Means Sum Insured calculated as follows: Area (ha) x Insured Yield (t/ha) x Insured Value (\$/t) x Insured Percentage (%).

Terrorism

Means an act, including but not limited to the use of force, violence or the threat thereof, of any person or group(s) of people, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with political, religious, ideological, ethnic or similar purposes including the intention to influence any government and/or to put the public, or any section of the public in fear.

We/Us/Our

Means Great Lakes Insurance SE trading as Great Lakes Australia, AFSL 318603, ABN 18 964 580 576.

You/Your

the person(s), companies or firms named in the Schedule of Insurance as the insured.

WHAT WE COVER

Where You have paid your premium to Us and subject to the terms and conditions contained in this Policy wording and on Your Schedule of Insurance, We will cover You against the loss of Potential Yield for the Purpose arising from an Insured Event that occurs during the Period of Cover.

ADDITIONAL BENEFITS

These additional benefits are subject to the terms and conditions contained in this Policy wording or on Your Policy schedule.

Fire Prevention

We will pay for the reasonable and necessary costs that You incur for the purpose of preventing the spread of Fire which is at or in the immediate vicinity of your Insured Paddock where such Fire poses a direct threat to Your insured crop(s) during the Period of Cover. We will also pay for the loss of Potential Yield for the Purpose resulting from:

1. The need to create a fire break
2. Vehicles and other fire-fighting equipment travelling through the Insured Paddock
3. The use of fire retardant chemical by fire protection services

The most We will pay for all claims under this benefit is \$10,000. No excess applies to this benefit.

Claim Mitigation Expenses

We will pay for reasonable and necessary additional expenses that you incur solely and directly in order to reduce the size of any claim under Your Policy. All these expenses must be approved by the Loss Adjuster in agreement with Us. The most we will pay is \$150 per hectare for the Insured Paddock which has been Damaged. No excess applies to this benefit.

Chemical Overspray

If Fire & Hail have been selected as the Insured Events, We will pay for the loss of Potential Yield for the Purpose due to Damage by chemicals that have been:

- Ground sprayed on adjoining properties not belonging to You or farmed by You and which are located within 2kms of the Damaged Insured Paddock
- Ground sprayed on Your property by an independent commercial contractor

You must provide Us with the name and address of the person(s) responsible for the Damage. We will not pay claims under this benefit without this information. The most that will be paid under this benefit is \$50,000. A \$2,500 excess per claim applies to this additional benefit.

EXCLUSIONS

We will not cover any claim arising directly or indirectly from:

1. loss or damage to hay, straw or stubble, unless hay is specified as the Purpose for that Insured Paddock in Your Schedule of Insurance; or
2. loss of germination ability of harvested seed or of seeds in Insured Paddock(s); or
3. loss of quality or grade of harvested seed, grain or hay from Insured Paddock(s); or
4. loss of nutritional value of harvested seed or hay from Insured Paddock(s); or
5. loss or damage to crops in Insured Paddocks that are grazed after the most advanced part of the crop in that Insured Paddock has reached first jointing; or
6. loss or damage caused by weeds or pests, regardless of whether the weeds or pests occur as a result of an Insured Event; or
7. loss or damage caused by Flood, an excess or lack of water, wind, even if the water or wind results from or is linked to melting Hail; or
8. wind, whether in conjunction with a Hail event or not; or
9. loss or damage caused by disease, unless the disease has been caused directly by an Insured Event; or
10. rejection of the crop from an Insured Paddock by a buyer or delivery site even if it is caused by an Insured Event; or
11. consequential loss of any kind, or
12. destruction, loss or damage caused by, or due to, any artificial heating or drying process; or
13. loss of Potential Yield caused by a Fire which results from You or Your representative harvesting the crops in the Insured Paddock in breach of any law, regulation, by-law or ordinance (e.g. harvesting on a harvest ban day); or
14. failure to supply a contract; or
15. loss or damage caused by excess or inappropriate use of chemicals other than as allowed under the additional benefit of 'Chemical overspray'; or
16. gradual deterioration of crop in the Insured Paddocks caused by animals, birds, pests, vermin, insects, larvae, disease, excess rain, or howsoever caused; or
17. Flood; or
18. losses for which insurance is prohibited by law; or
19. war, invasion, hostility or warlike activities, civil commotion; or
20. anything nuclear or radioactive; or
21. loss or Damage that occurred before the Period of Cover; or
22. deliberate acts carried out by You or with Your permission except where it is to avoid or reduce Damage that is otherwise unavoidable; or
23. lawful seizure, confiscation or requisition by an order of any government; or
24. insured Events that occurred before the Period of Cover; or
25. any act of Terrorism; or
26. the extent that the provision of such cover, payment or benefit is prohibited by law or by doing so will expose Us to any sanction, prohibition or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations.

CLAIMS PROCESS

Notification of Claims

As soon as You become aware of any loss that may result in a claim under this Policy, You must:

- Notify the loss within forty-eight (48) hours, and
- Either at that time or as soon as practicable thereafter, provide Us with details of the loss including the date of the Damage, the nature of the Insured Event, a description of the Insured Paddock(s) which is the subject of the claim, a detailed farm map showing the exact location of all the Damaged paddock(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

Please contact your broker in the first instance.

Alternatively or if you are a direct customer, you may contact Us directly by e-mailing Us at the address below:

cropclaims@agguard.com.au

Loss Assessment Process

We may appoint a Loss Adjuster to assess the claim under Your Policy. The Loss Adjuster may make recommendations concerning Your claim to Us, but We will make the final decision with respects to Your claim and whether it will be covered under Your Policy and if so, what the final quantum will be.

You must cooperate with Us and any Loss Adjuster or representative that we appoint and provide Us and them with all information and assistance that We may require to assess the claim. For example, in order to determine an accurate percentage loss of Potential Yield, the Loss Adjuster may want to compare the loss of Potential Yield in the paddock with Damaged crop against the loss of Potential Yield in a paddock with an undamaged crop.

If you do not cooperate or provide the requested information and assistance, Your claim may be reduced or denied. We may delay the final assessment of a claim until the crop in the Insured Paddock(s) which has been damaged reaches maturity or until the crop in the Insured Paddock(s) which hasn't been damaged and is being used as a comparison paddock, reaches maturity.

If the loss or damage occurs to crops in the Insured Paddock(s) that are ready for harvest, You may harvest or continue to harvest the Insured Paddock(s) providing You:

- leave five sample areas that are at least ten metres long and ten metres wide in every fifty hectares of Insured Paddock. These samples should be representative of the area, should be located at least 20 m from any paddock boundaries, and should not include areas of poor growth, trees, fence lines, gateways or areas with poor drainage
- leave the entire stubble in the Insured Paddock until it has been inspected by the Loss Adjuster. It must not be grazed, cultivated, cut or interfered with in any way until inspection by the Loss Adjuster

BASIS OF SETTLEMENT

Claims are calculated by each Insured Paddock. The amount of the payment will be calculated by applying the Gross Loss Percentage (of Potential Yield) less the Excess to the Sum Insured for the Insured Paddock

Example:

Gross Loss Percentage (of Potential Yield)	40%
Area	100ha
Insured Value	\$200/t
Excess	7.5%
Insured Yield	2t/ha
Insured Percentage	100%
Calculation:	
Insured Yield	2t/ha
Sum Insured = Area x Insured Yield x Insured Value x Insured Percentage	=100ha x 2t/ha x \$200/t x 100%
	=\$40,000
Gross Loss Percentage	40%
Excess	7.5%
Net Loss Percentage	32.5% (40%-7.5%)
Claim Payment	\$13,000 ((\$40,000 x 32.5%)

We will not pay for any claim until all outstanding premiums have been paid.

The excess

If the Damage is caused by Hail, the Excess is the percentage amount for each Insured Paddock specified on Your Schedule of Insurance.

Where You choose to windrow a canola paddock as opposed to direct head prior to Hail Damage, the standard hail excess reduces by 2.5% per Insured Paddock for the purposes of calculating your claim.

If the Damage is caused by Fire, the Excess is 5% for each Insured Paddock specified on Your Schedule of Insurance.

If the Insured Event occurs after you have started to harvest the crops in the Insured Paddock(s), the Excess will only be applied to the unharvested portion of the Insured Paddock.

Splitting of paddocks

For the purposes of application of the Excess, Insured Paddocks in paddocks with an area greater than 200ha will be split into equal paddocks of no less than 100ha with the orientation of the split pre-agreed in a North\South direction. This split will be undertaken by the Loss Adjuster at the time of the assessment.

After Your claim is paid

After We have paid a claim under this Policy, We have the right to take over any legal right of recovery which You have. If We do this, it will be for Our benefit and at Our expense. You must not do anything that prevents Us from doing this and You must give Us any information or assistance We require.

If anybody compensates You for loss, Damage or destruction of the Insured Paddock(s) after We have paid a claim for the Insured Paddock(s), You must reimburse Us for that payment. You must do this as soon as the compensation is made.

GENERAL CONDITIONS

Alterations to cover

Changes to Insured Value:

- We will not accept any reductions to the Insured Value during the Period of Cover
- We may agree to an increase to the Insured Value subject to the standard waiting period of 48 hours and confirmation of no existing Damage to the Insured Paddocks

Changes to Insured Yield:

- Any reduction to the Insured Yield is restricted to 50% (or less) of the largest nominated Insured Yield requested by You and accepted by us from the Acceptance Date to the Final Revision Date. Reductions to the Insured Yield will not be accepted after the Final Revision Date. Reductions to the Insured Yield will take effect immediately
- Increases to the Insured Yield will be allowed during the Period of Cover, subject to the standard waiting period of 48 hours and confirmation of no existing Damage to the Insured Paddocks

Where changes have been made to Your cover, any increase in the Sum Insured will take effect 48 hours after 12pm local time on the Endorsement Date.

If any details of cover are changed, We will give You an updated Schedule of Insurance.

Care and protection

Reasonable care must be taken to ensure the protection and preservation of the Insured Paddocks at all times. All Insured Paddocks must be harvested as soon as possible and without undue delay.

If harvest is delayed for an unreasonable period of time, the Insured Paddocks will be considered abandoned and no claim will be payable.

Cancelling the Policy

By You

You can cancel the Policy by writing to Us. You may still be required to pay the premium if You cancel the cover, even if the cancellation is due to crop failure. This premium will be calculated based on the Insured Yield.

By Us

We have a right to cancel this cover under certain circumstances. If We cancel Your cover, We will inform You in writing and refund all premiums You have paid (or agreed to pay) Us for the time remaining during the Period of Cover.

Premium payment

Your premium will be calculated at the Final Revision Date by applying the premium rate listed in the Schedule of Insurance to the Sum Insured for each Insured Paddock and adding Government charges and taxes.

Under declaring the Area

Unless clearly specified to the contrary on Your Schedule of Insurance, if the total of the Insured Areas on Your Schedule of Insurance is found to be less than the total area of crops planted on your property(ies) and/or sharefarmed by You, then we will reduce the amount that we pay for any loss. We will only pay that proportion of the loss that the total of the Insured Areas bears to the total area of crops planted on Your property(ies) and/or sharefarmed by You.

Example	
Assumptions	
Total actual area planted	2,000ha
Total of the insured Area(s)	1,000ha
Yield	2.0 tonne/ha
Insured Value	\$250 per tonne
Protected Percentage	100%
Area damaged	75ha
Net loss Percentage	10%
Calculations	
Loss on total area	\$3,750 (i.e 2.0 tonne/ha x \$250 per tonne x 100% x 75ha x 10%)
Claim payable	\$1,875 (i.e \$3,750 x 1,000ha/2,000ha)

Jurisdiction

Should any dispute arise in relation to Your Policy, it will be dealt with in the Australian state or territory where You purchased the Policy, and in accordance with the laws of that Australian state or territory.