



> Broadacre Crop Policy Wording

Crop Essentials

RABACE0918

➤ Thankyou

For choosing to insure Your crop with Rural Affinity

What We would like You to do

1. Please take the time to read Your policy wording and Schedule, making sure that all details are correct.
2. Keep Your policy wording and Schedule in a safe place so that You can refer to them easily.
3. If You have any questions about Your insurance cover, You should contact Your insurance adviser.
4. When contacting Rural Affinity, please quote the policy number which is printed on Your Schedule.

Effective September 2018

Rural Affinity Insurance Agency Pty Ltd

ABN 72 119 838 854 AFS Licence No. 302182

Underwritten by certain underwriters at Lloyd's

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› Important information

Who is Rural Affinity?

Rural Affinity Insurance Agency Pty Ltd ABN 72 119 838 854 AFS Licence No. 302182 is an underwriting agent. In transacting this insurance, Rural Affinity is acting as a Lloyd's coverholder pursuant to a binding authority agreement.

Who is the Insurer?

This insurance is underwritten by certain underwriters at Lloyd's. More information regarding the insurer can be found on our website at <http://ruralaffinity.com.au/about-the-insurer>.

General Insurance Code of Practice

This policy is Insurance Council of Australia's General Insurance Code of Practice compliant, apart from any claims adjusted outside Australia. Underwriters at Lloyd's proudly support the General Insurance Code of Practice. The purpose of the Code is to raise standards of practice and service in the General insurance industry. You can access the Code at www.codeofpractice.com.au.

Change to the policy wording

From time to time and where permitted by law, We may change parts of the policy wording. We will issue You with a new policy wording or an endorsement if the change will adversely affect You. For any updates which are not materially adverse to You from the view of a reasonable person deciding whether to buy this insurance, We may either:

- communicate the changes to You at the earliest opportunity; or
- issue an update on the Rural Affinity's website.

You can also contact Rural Affinity to find out what changes might have occurred and/or to obtain a paper copy of such notices on request.

Your Duty of Disclosure

This policy is subject to the *Insurance Contracts Act 1984* (Act). Under that Act You have a Duty of Disclosure.

Before You take out insurance with Us, You have a duty to tell Us of everything that You know, or could reasonably be expected to know, that may affect Our decision to insure You and on what terms. If You are not sure whether something is relevant You should inform Us anyway.

You have the same duty to inform Us of those matters before You vary Your contract of insurance. The duty applies until the policy is entered into (Relevant Time). You need to tell Us immediately of any new information or changes to the answers that have been provided to Us and/or the disclosures You have made to Us throughout the Policy Period.

What You do not need to tell Us

You do not need to tell Us about any matter:

1. that diminishes Our risk;
2. that is of common knowledge;
3. that We know or should know as an insurer; or
4. that We tell You We do not need to know.

Who does the duty apply to?

Everyone who is insured under this policy must comply with the duty.

What happens if You or they do not comply with the duty?

If You or they do not comply with this duty, We may cancel the policy or reduce the amount We pay if You make a claim. If the non-disclosure is fraudulent, We may treat the policy as if it never existed and pay nothing.

› Important information (continued)

Privacy

We are committed to the safe and careful use of Your personal information in the manner required by the *Privacy Act 1988* (Cth), the Australian Privacy Principles and the terms of this Policy. In this privacy section, “We”, “Us” and “Our” means the insurer and Rural Affinity as applicable.

We collect Your personal information in order to assess Your application for insurance and, if Your application is accepted, to administer and manage Your insurance policy and respond to any claim that You make. To do this, Your personal information may need to be disclosed to reinsurers and services providers and related entities who carry out activities on Our behalf, such as assessors and facilitators, some of whom may be located in overseas countries. Our contractual arrangements generally include an obligation for these reinsurers, service providers and related entities to comply with Australian privacy laws.

By providing Us with Your personal information, You consent to the disclosure of Your personal information to reinsurers, service providers and related entities in overseas countries to enable Us to assess Your application, to administer and manage Your insurance policy and to respond to any claim that You make. If You consent to the disclosure of Your personal information to overseas recipients, and the overseas recipient handles Your personal information in a way other than in accordance with the Australian privacy laws, We may not be responsible for the handling of Your personal information by the overseas recipient.

If You choose not to provide Your personal information and/or choose not to consent and/or withdraw Your consent to the disclosure of Your personal information to overseas entities at any stage, We may not be able to assess Your application or administer and manage Your insurance policy and respond to any claim that You make.

Our privacy policies explain how You may access personal information that each of us holds, how to seek 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 Rural Affinity’s Privacy Policy at www.ruralaffinity.com.au/privacy.

Dispute resolution

We view seriously any complaint made about Our products or services and will deal with it promptly and fairly. If You have a complaint please first try to resolve it by speaking to the relevant member of Our staff. Our staff member will offer to refer the matter to our Internal Dispute Resolution Officer, or you can Contact Our Internal Disputes Resolution Officer on (02) 9496 9300. We will acknowledge receipt of Your complaint in writing within 2 working days.

If the complaint relates to the insurance cover We will, provided We have sufficient information, complete the review within 15 working days. Where We are unable to do so, We will agree a new timeframe for responding to You. In any case, We will provide You with an update every 10 working days.

If You are not satisfied with the response from Our Internal Disputes Resolution Officer, You can contact Lloyd’s Australia to request a review of the complaint.

Contact details for Lloyd’s Australia Limited:

Level 9, 1 O’Connell Street, Sydney, NSW, 2000
(02) 8298 0783 | ldraustralia@lloyds.com

If your dispute is not resolved in a manner satisfactory to you, you may refer the matter for review under an External Dispute Resolution Scheme using the contact details provided below.

For disputes prior to 1 November 2018:

Financial Ombudsman Service (FOS)

For further details You can visit their website www.fos.org.au or contact them:

GPO Box 3, Melbourne, VIC, 3001
1800 367 287 | info@fos.org.au

Further details regarding our complaints process are available on request.

For disputes from 1 November 2018:

Australian Financial Complaints Authority (AFCA)

For further details 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

➤ Important information (continued)

Service of Suit Clause

In accepting this insurance We agree that:

- (i) if a dispute arises under this insurance, this insurance will be subject to Australian law and practice and We will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
- (ii) any summons notice or process to be served upon Us may be served upon:
Lloyd's Underwriters' General Representative in Australia
Level 9, 1 O'Connell Street
Sydney, NSW 2000
who has authority to accept service and to enter an appearance on Our behalf;

if a suit is instituted against any of Us, We will abide by the final decision of such Court or any competent Appellate Court.

Severall Liability Notice

The obligations of any underwriter at Lloyd's under this insurance are severall and not joint and are limited solely to the extent of each underwriters individual subscription. The subscribing underwriters are not responsible for the subscription of any co-subscribing underwriter who for any reason does not satisfy all or part of its obligations.

Cost of insurance

When We calculate Your insurance premiums, We take into account the following factors:

1. the insured events which are covered;
2. the type of Crop(s) grown;
3. the location of the Crop(s);
4. the Excess which applies;
5. the Sum Insured; and
6. the information You have disclosed to Us.

Words with special meaning

In this policy wording and Your Schedule there are words which have a special meaning. These words appear with a capital first letter. The meaning of these words is shown in the Definitions section on pages 12-13 of this policy wording.

Important conditions

In this policy wording there are conditions which may impact the size of a claim or affect the amount of premium We will charge. These conditions are explained in the general conditions on pages 10-12 of this policy wording. These conditions include:

1. Alterations to cover;
2. Care and protection;
3. Cancelling the policy;
4. Crop failure;
5. Value Per Hectare;
6. Premium payment; and
7. Underinsurance.

Non-renewable policy

This policy is not a renewable policy and ends when the policy ends in accordance with the policy terms or law. If You wish to arrange similar insurance with Us for the next season, You will need to complete a new proposal and enter into a new policy (if the proposal is accepted by Us).

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.

› Important information (continued)

A claim may be refused

We may refuse to pay or reduce the amount We pay under a claim if You do not comply with the policy conditions, if You do not comply with Your duty of disclosure, or if You make a fraudulent claim.

› Our agreement

When You have paid (or agreed to pay) the premium to Us, We will give You the cover described in this policy.

The policy consists of:

1. Your proposal;
2. this policy wording;
3. the Schedule; and
4. any documents We tell You form part of the policy (such as endorsements).

› Who is covered?

The person or organisation named in the Schedule is covered under this policy. In the policy wording and Schedule, they are referred to as "You" or "Your".

To protect anyone else with rights over Your Crop(s) (such as a finance provider) You should have them named on Your Schedule.

No interest in this policy can be transferred or assigned without written agreement by Us.

› Period of cover

If We have provided You with automatic temporary cover, and We accept Your proposal before that cover expires, the period of cover will begin on the Acceptance Date shown on Your Schedule.

If automatic temporary cover has not been provided or has expired, the period of cover will begin 48 hours after 9am local time on the Acceptance Date shown on Your Schedule.

The period of cover ends on the Expiry Date shown on Your Schedule, unless the policy is cancelled or ends earlier.

Cover for unharvested Crops ends at 4pm on the date shown on Your Schedule, unless the policy is cancelled or ends earlier.

› The cover

This policy covers growing Crop(s) against loss of Potential Yield caused directly and solely by an insured event which occurs during the period of cover.

The insured events are:

1. fire and impact by hail; or
2. fire only.

Your Schedule shows which insured events are covered.

Claims will be settled according to the basis of settlement and are subject to the terms, exclusions and conditions of this policy.

The maximum amount We will pay for any claim under this policy is the Sum Insured shown on Your Schedule, less any Excess, unless otherwise stated in the policy.

➤ Additional benefits

If Your Schedule states that cover is for "fire and impact by hail", the following additional benefits apply.

Chemical overspray

This additional benefit covers You against loss of Potential Yield to Crop(s) during the period of cover caused by chemicals that have drifted from spraying operations.

We will not cover loss:

1. due to chemicals sprayed by You or by somebody acting on Your behalf; or
2. due to chemicals applied by any aircraft; and
3. unless You provide Us with the name and contact details of the person or entity responsible for the spray drift.

Claims will be settled according to the basis of settlement for growing Crop(s). The most We will pay during any one period of cover is \$100,000. An Excess of \$500 applies to each and every claim.

Harvested Crop(s) stored in a silo or enclosed building

This additional benefit covers loss or destruction of grain from harvested Crop(s) during the period of cover while stored in a soundly constructed, fully enclosed building or silo located at the property specified on Your Schedule, caused by:

1. fire or lightning; or
2. explosion; or
3. earthquake; or
4. wind; or
5. entry of water from outside of the silo or enclosed building, not including flood. Flood is the escape of water from a natural or modified watercourse, lake or dam resulting in the flow onto land which is normally dry; or
6. impact by livestock or land vehicle; or
7. impact by aircraft, other aerial device or article dropped from them, not including chemical substances.

Claims will be settled according to the basis of settlement for harvested Crop(s). The most We will pay during any one period of cover is \$100,000. An Excess of \$500 applies to each and every claim.

Hay from harvested Crop(s)

This additional benefit covers loss or destruction of hay from harvested Crop(s) while at the property specified on Your Schedule; provided the loss or destruction is caused by fire.

Cover for hay is only provided where Your Crops have been insured for 'Hay' as shown on Your Schedule.

Claims will be settled according to the basis of settlement for harvested Crop(s). The most we will pay during any one period of cover is \$25,000. An Excess of \$500 applies to each and every claim.

Harvested Crop(s) stored in silo bags or field bins

This additional benefit covers loss or destruction of grain from harvested Crop(s) stored in silo bags or field bins located at the property specified on Your Schedule, provided the loss or destruction is caused by fire.

Claims will be settled according to the basis of settlement for harvested Crop(s). The most We will pay during any one period of cover is \$25,000. An Excess of \$500 applies to each and every claim.

➤ Additional benefits (continued)

Livestock intrusion

This additional benefit covers You against loss of Potential Yield to Crop(s) caused by the intrusion of straying livestock onto the property specified on Your Schedule during the period of cover.

We will not cover loss:

1. caused by livestock in Your physical or legal control; or
2. where Your Crop(s) are not fenced; or
3. caused by livestock located on the property, including agisted livestock; or
4. where a gate or fence is not suitably constructed or maintained to prevent the entry of livestock (under normal circumstances); or
5. where livestock enter through gates or a fence which have been left open; and
6. unless You provide Us with the name and contact details of the person or entity responsible for the livestock.

Claims will be settled according to the basis of settlement for growing Crop(s).

The most We will pay during any one period of cover is \$100,000. An Excess of \$500 applies to each and every claim.

Transit

This additional benefit covers You against loss of grain from fire, impact, collision and overturning of the carrying vehicle whilst harvested Crop(s) are in transit by road during the period of cover.

We will not cover loss or destruction to grain when carried:

1. in an overloaded or unroadworthy vehicle; or
2. in an uncovered or inadequately constructed vehicle or bin.

We will not cover loss:

1. due to unexplained grain shortage; or
2. due to gradual loss of grain; or
3. whilst the harvested Crop(s) is being loaded or unloaded; or
4. due to Your failure to properly secure a tailgate or any other mechanism allowing the escape of grain from a bin or vehicle during transit.

Claims will be settled according to the basis of settlement for transit. An Excess of \$500 applies to each and every claim.

Claim mitigation expenses

This additional benefit covers the reasonable additional expenses You actually incur to minimise or reduce the size of any claim under Your policy. This includes any costs associated with replanting where required.

All claim mitigation expenses must be approved by the Loss Adjuster and incurred in accordance with their instructions.

The most We will pay for this benefit during the period of cover is \$150 per damaged hectare.

No Excess applies to this additional benefit.

Fire fighting expenses

This additional benefit covers the reasonable and necessary costs that You actually incur to extinguish a fire which is at or in the immediate vicinity of Your Crop(s) and poses a direct threat. This may include the loss of Potential Yield from the need to create a fire break or loss of Potential Yield as a result of fire fighting appliances travelling through the Crop to prevent the spread of fire. We will not pay Your normal expenses for staff and equipment overheads.

The most We will pay during any one period of cover is \$5,000.

No Excess applies to this additional benefit.

› Basis of settlement

Growing Crop(s)

Claims for growing Crop(s) are calculated by paddock.

The amount of any claim will be calculated by multiplying the Net Loss Percentage by the Sum Insured.

Claim Example (hail)	
Assumptions	
Sum Insured	\$50,000
Gross Loss Percentage	20%
Percentage Excess	5%
Calculation	
Net Loss Percentage	15% (20%-5%)
Claim Payment	\$7,500 (15% x \$50,000)

We will not pay for any loss until all premium has been paid.

Harvested Crop(s) and transit

The amount of any claim will be calculated by multiplying the quantity of grain or hay lost or destroyed by the Value Per Hectare less the Excess.

We will not pay for any loss until all premium has been paid.

› Exclusions

We will not pay for:

1. loss or damage to hay, straw or stubble, unless the Crop is noted as a hay or fodder Crop on Your Schedule; or
2. loss of quality, nutritional value, germination ability, contamination or grade of seed; even if it is caused by an insured event; or
3. consequential loss of any kind; or
4. loss or damage to Crops that are grazed after the most advanced part of the Crop has reached first jointing; or
5. loss of Potential Yield caused by weeds or pests, regardless of whether the weeds or pests occur as a result of an insured event; or
6. loss or damage to growing Crop(s) caused by wind or water, even if the water results from melting hail; or
7. loss of Potential Yield caused by disease to the growing Crop(s) unless the disease is caused directly by an insured event; or
8. rejection of the Crop by a buyer or delivery site even if it is caused by an insured event; or
9. loss of Potential Yield caused by a fire which results from You or Your representative harvesting the Crop in breach of any law, regulation, by-law or ordinance (e.g. harvesting on a harvest ban day); or
10. claims for losses for which insurance is prohibited by law.

› Exclusions (continued)

This policy does not cover any claim arising directly or indirectly from:

1. any consequence of war or warlike activities which includes invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, use of military or usurped power, looting, sacking or pillaging following any of these or the expropriation of property;
2. any consequence of ionizing radiation or radioactive contaminations from any nuclear fuel or waste which results from the burning or fission of nuclear fuel. The radioactive, toxic, explosive or other dangerous properties of nuclear machinery or any part of it. Nuclear weapons material, nuclear pollution or contamination. The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter;
3. insured events that occurred before the contract was entered into;
4. a deliberate act carried out by You or by any person acting with Your permission, except when it is to avoid or reduce damage or loss that would otherwise happen;
5. lawful seizure, confiscation or requisition by an order of any Government, Public or Local Authority. We will pay for damage that occurs as a result of the order if it prevents or attempts to prevent a loss that would be covered under this policy;
6. any act of Terrorism, including any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism and including any costs or expenses arising directly or indirectly from any act of Terrorism;
7. claims for losses for which insurance is prohibited by law; or
8. the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

Sanctions Limitation and Exclusion Clause

We will not pay any claim or be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

› Claims conditions

In the event of a claim

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

You must:

1. contact Us as soon as possible (within 48 hours), telling Us the time that the loss occurred and the details of the Crop(s) involved;
2. complete Our claim notification form and give it to Us promptly;
3. take all reasonable steps to reduce the loss and avoid any further loss, damage or destruction;
4. try to get the details of any other person or property involved and details of any witness;
5. report to the police if You suspect arson or malicious damage. You must do this as soon as possible;
6. tell Us the identity of anyone who has an interest in the Crop(s);
7. tell Us about any other insurance which covers the growing Crop(s) or harvested Crops;
8. give Us and Our representatives free access to assess any claim;
9. ensure that You or Your authorising representative are present during the assessment with the Loss Adjuster;
10. provide a farm map for the insured Area at the time of the assessment.

You must not do or say anything which may disadvantage Our ability to make a recovery against any other person.

In the event of a claim, Rural Affinity can be contacted on (02) 9496 9300.

› Claims conditions (continued)

Appointment of Loss Adjuster

Where We identify that Your claim needs to be assessed, We will appoint the Loss Adjuster to evaluate Your claim under this policy. You must:

1. give Us or the Loss Adjuster free access to Your crops; and
2. provide necessary documentation requested by Us or the Loss Adjuster.

The Loss Adjuster may make recommendations with regards to Your claim. However, We reserve the right to decide whether the loss is covered under this policy and the amount of the claim settlement.

Claim declaration

In the event of a claim, You may be required to complete a harvest declaration which shows the number of tonnes harvested for each damaged Crop.

You must also provide Us with any information We require to verify the harvested yields, including Crop records, yield monitor output or grain delivery receipts.

If Your Crop(s) are ready for harvest

If the loss or damage occurs to Crop(s) that are ready for harvest, You may harvest the Crop(s) providing You:

1. leave five sample areas that are approximately ten metres long and ten metres wide in every forty hectares of Crop. These samples should be representative of the area and should not include areas of poor growth, trees, fence lines, gateways or areas with poor drainage.
2. leave the entire stubble until it has been inspected by the assessor. It must not be grazed, cultivated, cut or interfered with in any way until the claim has been assessed.

After Your claim is made

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 to Crop after We have paid a claim for the Crop, You must reimburse Us for that payment. You must do this as soon as the compensation is made.

> General conditions

If You do not follow these conditions, We may reduce the size of a claim or charge an additional premium to reflect the extent to which Our interests have been prejudiced.

Alterations to cover

Where changes have been made to Your insurance cover, any increase in Sum Insured will take effect 48 hours after 9am local time on the Alteration Date. Any decreases in Sum Insured will take effect immediately on the Alteration Date.

Subject to our approval, You may amend the Value Per Hectare at any time before the Final Revision Date. You cannot make any alterations to the Value Per Hectare after the Final Revision Date.

You cannot amend the Value Per Hectare after a Claim without our prior approval. If a claim has occurred, the claim will be calculated in accordance with the cover in place at the time of the loss.

Care and protection

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

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

Cancelling the policy

By You

You may cancel the policy by writing to Us. You will still be required to pay the full premium if You cancel the policy.

By Us

We have a right to cancel this policy under certain circumstances. If We cancel Your policy, We will inform You in writing and refund all premium You have paid (or agreed to pay) Us for the time remaining on the policy.

Crop failure

In the event of total Crop failure where You have terminated the Crop by spraying it out or via cultivation We will accept full cancellation of that Crop back to inception. For this condition to apply the Crop must be terminated on or before 15 January.

No Crop failure will be accepted for oats or triticale Crops unless You provide Us with a written declaration that the Crop has not been harvested for grain or cut for hay.

The Value Per Hectare will not be reduced if We are advised of the Crop failure after the Final Revision Date.

➤ General conditions (continued)

Premium payment

The amount of premium You are required to pay will be determined on the Final Revision Date and will be calculated in two parts:

- Period 1 – Acceptance Date until Final Revision Date
- Period 2 – after the Final Revision Date.

The Rate for each Crop is shown on Your Schedule. Your premium is calculated as follows:

Period 1 - Acceptance Date until Final Revision Date

Prior to the Final Revision Date you can alter the Sum Insured at any time by adjusting the Value Per Hectare.

At the Final Revision Date, we will calculate the average of all Sums Insured declared during Period 1 (Average Sum Insured) by taking the Sum Insured in place each day of Period 1 and dividing it by the total number of days in Period 1.

We will then apply the Rate per Period 1 for that Crop to the Average Sum Insured for this period.

Period 2 - after the Final Revision Date

We will apply the Rate per Period 2 for that Crop to the Sum Insured in place at the Final Revision Date.

Premium Calculation Example

Assumptions

Acceptance Date	15 October
Final Revision Date	15 January
Area	50 hectares

Period 1 – 15 October to 15 January (92 days)

Rate	1.80%	
Sum insured 15 October to 1 December (47 days)	\$30,000.00	50 ha x \$600 per ha
Sum insured 1 December to 15 January (45 days)	\$37,500.00	50 ha x \$750 per ha
Average sum insured	\$33,668.48	[(47 days / 92 days) x \$30,000] + [(45 days / 92 days) x \$37,500]
Period 1 Premium	\$606.03	1.80% x \$33,668.48

Period 2 – after Final Revision Date

Rate	0.20%	
Sum insured	\$45,000.00	50 ha x \$900 per ha
Period 2 Premium	\$90.00	0.20% x \$45,000

Total Premium	\$696.03	\$606.03 + \$90.00
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*plus government charges. Payment is required by the date specified on the invoice.

› General conditions (continued)

Underinsurance

Unless specified on Your Schedule, if the total actual area of crop grown and/or sharefarmed by You is found to be greater than the total of the insured Area(s) and We are unable to clearly identify from Your Schedule which crops are insured and not insured, all losses will be reduced in accordance with the proportion the total of the insured Area(s) represent of the total actual area grown and/or sharefarmed by You.

Example

Assumptions

Total actual area	1,000ha
Total of the insured Area(s)	500ha
Value Per Hectare	\$400
Area damaged	75ha
Net loss Percentage	10%

Calculation

Loss	\$3,000 (\$400 x 75ha x 10%)
Claim payable	\$1,500 (\$3,000 x 500ha/1,000ha)

› Definitions

Acceptance Date

Means the Acceptance Date listed on Your Schedule.

Alteration Date

Means the Alteration Date listed on Your alteration Schedule.

Area

Means the hectares of Crop in each paddock nominated by You and shown in Your Schedule. In the event of a claim:

1. The area of an affected Crop used to calculate the Sum Insured will be the lesser of the area shown on Your Schedule or the actual area of the Crop grown in each paddock;
2. Where the area of a paddock is greater than 200 hectares, the paddock will be split into equal units of no less than 100 hectares with the split east and west by a line travelling north to south and segmented by the Loss Adjuster at the time of the loss.

Crop(s)

Means the insured Crop(s) described on Your Schedule.

Excess

Means the amount that You must bear in the event of a claim. If You have started to harvest the Crop(s), the Excess will only be applied to the unharvested portion of the Crop. No Excess applies to fire losses to growing Crop(s).

› Definitions (continued)

Expiry Date

Means the Expiry Date listed on Your Schedule.

Final Revision Date

Means the Final Revision Date listed on Your Schedule.

Loss Adjuster

Means the person appointed by Us to assess Your loss.

Net Loss Percentage

Means the percentage loss of Potential Yield determined by a Loss Adjuster, less the percentage Excess listed on Your Schedule for the Crop.

Potential Yield

Means the average tonnes per hectare that would have been harvested from the Crop if the insured event had not occurred.

Where the Crop is grown for grain, the Potential Yield will be the yield of grain. Where the Crop is described as a hay or fodder Crop on Your Schedule, the Potential Yield will be the yield of dry matter.

The Potential Yield will be determined by a Loss Adjuster when a reasonable yield estimate can be made, but not before the Final Revision Date. It will take into account all relevant factors affecting the growth of the Crop up until the time at which the Potential Yield is determined, including factors which take place subsequent to the insured event.

Rate

Means the Rate shown for each Crop listed on Your Schedule.

Schedule

Means the document that contains details of the policy which are specific to You. If the policy is changed, We will give You an alteration Schedule.

Sum Insured

Means the amount calculated as follows:
 $\text{Sum Insured} = \text{Value Per Hectare} \times \text{Area}$.

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.

Value Per Hectare

Means the Value Per Hectare nominated by You and agreed by Us, as shown on Your Schedule.

We/Us/Our

Means Rural Affinity acting as a Lloyd's coverholder pursuant to a binding authority agreement.

You/Your

Means the person or organisation named on Your Schedule as the insured.

› Optional benefits

Reducing Excess

This benefit only applies if Your Schedule states that “the reducing Excess benefit applies”.

If the percentage loss per Crop exceeds 20%, the Excess will be reduced by 0.5% for every 1% increase over and above the said 20%.

For example:

LOSS	EXCESS			
0-20%	5%*	10%*	15%*	20%*
21%	4.5%	9.5%	14.5%	19.5%
22%	4.0%	9.0%	14.0%	19.0%
23%	3.5%	8.5%	13.5%	18.5%
24%	3.0%	8.0%	13.0%	18.0%
25%	2.5%	7.5%	12.5%	17.5%
26%	2.0%	7.0%	12.0%	17.0%
27%	1.5%	6.5%	11.5%	16.5%
28%	1.0%	6.0%	11.0%	16.0%
29%	0.5%	5.5%	10.5%	15.5%
30%	0.0%	5.0%	10.0%	15.0%
31%		4.5%	9.5%	14.5%
32%		4.0%	9.0%	14.0%
33%		3.5%	9.5%	13.5%
34%		3.0%	8.0%	13.0%
35%		2.5%	7.5%	12.5%
36%		2.0%	7.0%	12.0%
37%		1.5%	6.5%	11.5%
38%		1.0%	6.0%	11.0%
39%		0.5%	5.5%	10.5%
40%		0.0%	5.0%	10.0%
41%			4.5%	9.5%
42%			4.0%	9.0%
43%			3.5%	8.5%
44%			3.0%	8.0%
45%			2.5%	7.5%
46%			2.0%	7.0%
47%			1.5%	6.5%
48%			1.0%	6.0%
49%			0.5%	5.5%
50%			0.0%	5.0%
51%				4.5%
52%				4.0%
53%				3.5%
54%				3.0%
55%				2.5%
56%				2.0%
57%				1.5%
58%				1.0%
59%				0.5%
60%				0.0%

*represents the Excess listed on Your Schedule



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