

> Cotton Insurance Proposal

> 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.

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, 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 renew, extend, vary, or reinstate Your contract of insurance. The duty applies until the policy is entered into, or where relevant, renewed, extended, varied or reinstated (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.

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 insurers, reinsurers and service 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 insurers, 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 insurers, 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 to the 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.

Important Conditions

In Your policy wording there are conditions which may impact the size of a claim or affect the amount of the premium We will charge. These conditions are explained in the general conditions section of Your policy wording.



> Cotton Insurance Proposal

Quote only Bind cover

Intermediary / Broker details

Intermediary / Broker Name: _____ Contact Name: _____

Contact details of insured

Insured name: _____ ABN: _____

Contact name: _____ ITC: _____

Contact number: _____ Fax number: _____

Email address: _____ Mobile number: _____

Address: _____

Have You ever had an insurance policy declined or cancelled, or claim rejected? Yes No

If yes, please provide further details: _____

Details of other interested parties

Please list any other parties wishing to cover their financial interest in the Crop _____

Insured events Fire and hail only

Cover type Loss of Potential Yield only Loss of Potential Yield and Quality (Irrigated Crops only)

Premium payment

Please nominate the premium payment option to apply

Option 1 1st Instalment 100% 2nd Instalment (balance outstanding)

Option 2 1st Instalment 75% 2nd Instalment (balance outstanding)

Option 3 1st Instalment 50% 2nd Instalment (balance outstanding)

Option 4 1st Instalment 25% 2nd Instalment (balance outstanding)

The 1st instalment is due 21 days from the inception date and the 2nd instalment is due 30 May 2017.

Additional premium applies to options 2, 3 and 4.

Replant Window

With the commercial release of Bollgard 3 there is an increased opportunity to replant damaged Crops. The Rural Affinity cotton insurance policy is based on a standard Replant Window which is set out below.

You may choose to shorten or extend the Replant Window, this will effect the amount of premium We will charge You.

If You wish to vary the Replant Window please indicate in the table below:

Region	Standard Replant Window Ends	Revised Replant Window Ends
Central QLD, Biloela and Theodore	9 November	
Macintyre, St George and Dirranbandi	23 November	
Darling Downs	23 November	Not available
Gwydir, Lower Namoi and Far West (Brewarrina & Bourke)	23 November	
Upper Namoi and Macquarie	16 November	Not available
Menindee (Central Darling)	9 November	Not available
Lachlan, MIA and Lachlan	2 November	Not available



> Cotton Insurance Proposal

Optional benefits

Harvested Crop(s)

This option covers the destruction of harvested Crop(s) due to fire or accidental loss or destruction during transit from the place of harvest to the cotton gin. Would You like to select this benefit? Yes No

Variable Insured Yield

In calculating the Sum Insured, the Insured Yield is either the average harvested yield per hectare, if there has not been a claim, or in the event of a claim, the Potential Yield. The maximum increase in the Insured Yield is 25%.

Would You like to select this option? Yes No

Market Value

Insured Value is linked to the cotton futures price and forward exchange rate. Would you like to select this option? Yes No

If Yes, please nominate the agreed adjustment You wish to be applied to the cotton futures contract price _____ AUD per bale. For clarity You must indicate with a '+' or a '-' the impact of the 'basis'. Where You have indicated a '-' We will decrease the cotton futures contract price by the adjustment nominated and where indicated with a '+' We will increase it.

Please nominate the floor price per bale AUD _____, and cap price per bale AUD _____.

Variable Growing Cost Savings

Rather than specifying the amount per hectare for the various cost savings, this option allows You to have the growing cost savings determined by the loss adjuster. They represent the growing costs you have not incurred from the date the Crop is declared a total loss up to and including defoliation. Post defoliation savings must still be separately nominated by You.

Would you like to select this option? Yes No

Additional benefit – claim mitigation expenses

Claims mitigation expenses automatically provides cover for 1 megalitre of additional water per damaged or replanted hectare at \$100 per megalitre. You may increase this value for an additional premium.

If you would like to increase the value please nominate the value per megalitre You wish to insure for \$ _____ per megalitre (limit of 1 megalitre per damaged or replanted hectare).

Underwriting information

Have any of Your Crops to be insured been damaged by hail? Yes No

Please provide details: _____

Are all Your Crops to be insured? Yes No

If no, please attach a property map to the proposal, showing which Crops are to be insured (by field).

> Cotton Insurance Proposal



Crop details Please complete one page per property

Insured name: _____ Property name: _____

Shire: _____ Locality (Township): _____

Location description: _____

Licence fee savings

Please nominate the technology fee option to apply **Monsanto** Price Discount Late Crop Removal End Point Royalty **Bayer CropScience**

FIELD	RAINGROWN OR IRRIGATED ³	GREEN HA%	LICENCED TECHNOLOGY ¹	PLANTING DATE	FIELD AREA (ha)	INSURED YIELD (bales/ha)	INSURED VALUE (\$/bale)	IN CROP GROWING COST SAVINGS (\$/ha)	LICENCE FEE SAVINGS	DEFOLIATION SAVINGS (\$/ha)	POST DEFOLIATION SAVINGS (\$/ha)	TRANSPORT, HANDLING & LEVY SAVINGS (\$/bale)	EXCESS ² (%)	
A		100%	BGRRF	10/10/2015	90	10	\$500	\$650	Amount based on declared green ha %, technology fee option and Licenced Technology	\$110	\$400	\$25	10%	

¹ BGRRF – Bollgard II Roundup Ready Flex, BGRF3 - Bollgard 3 Roundup Ready Flex, BGRR – Bollgard II Roundup Ready, BG – Bollgard II, RRF – Roundup Ready Flex, CONV – Conventional Cotton, LLC – Liberty Link® Cotton. BL – Bollgard II Liberty Link®.

² Excess applies per field. Standard excess is 10% with the option to select 5%, 12.5%, 15%, 20% or 25%. A premium discount will apply for a higher excess.

³ Raingrown is a crop with no in crop irrigation applied.

Declaration

- I/We**
- Agree that when this proposal is accepted by Rural Affinity, cover is bound and cover can not be cancelled and I/We agree to pay the premium quoted.
 - Have received a copy of the Rural Affinity Cotton policy wording and agree to accept the insurance subject to the terms, conditions and limitations of this policy.
 - Have read and understood the Privacy information and consent to the collection, storage, use and disclosure of personal information of all persons covered in this Proposal Form.
 - Where personal information has been provided on someone else’s behalf, that person has consented to this provision
 - Have read and understood the Duty of Disclosure information and other Important information and I/We realise that if I/we have not complied with the Duty of Disclosure, any claims may not be met.
 - Declare everything on this proposal to be true and correct and I/We have not withheld any relevant information.

Your signature _____ Date _____

Signed for and on behalf of all insureds

NOTE We have to assess all the answers you have provided before confirming your insurance cover

NOTE We have to assess all the answers You have provided before confirming Your insurance cover