



› Raingrown Cotton Policy

The combination of the commercial release of Bollgard 3, strong cotton prices and full moisture profiles is expected to result in an increased interest in planting raingrown cotton. However, inherent in the planting of raingrown cotton is a greater yield variability from a multitude of factors but most predominant being fluctuations in rainfall, either too little or too much.

Rural Affinity has developed a policy which responds to this yield variability. With Rural Affinity’s Raingrown Cotton Policy you will only pay for the yield for which you have been insured.

Traditional variable yield policies aren’t structured to respond to this. Under traditional variable yield policies, the sum insured used to determine the premium payable is based on actual harvest but standard practice is to set the rate based on the yield estimated at the beginning of the policy.

Rural Affinity’s Raingrown Cotton Policy not only allows for a reduced sum insured in the event your crop yields below expectations, but we will also reduce the premium rate to reflect the reduced yield.

- **Cover**

All the standard covers available under our traditional Cotton policies are provided in our Raingrown policy, including claim mitigation expenses up to \$300 per damaged hectare and replanting of refuge crops up to \$250 per replanted hectare.

You also have the option to extend cover to include loss or destruction of harvested crops due to fire or during transit.

- **Premium**

Simple calculation based on the actual crop grown (or Potential Yield in the event of a claim), calculated by field with varying rates by yield range (see table below for sample rates). All you need to do is nominate a yield value at the beginning of the policy and then supply a maximum yield declaration along with your ginning results.

Sample Premium Rates to Apply per Yield Band					
Yield Range (bales/Ha)	0 - 1.00	1.01 - 2.00	2.01 - 3.00	3.01 - 4.00	4.01 - 5.00
Premium Rate	2.01%	2.39%	3.68%	4.15%	4.39%

Maximum Yield to apply for the crops listed above is 5 bales per hectare

The maximum yield available under this policy is 5 bales per hectare but growers who only require a lower level of cover can choose to reduce the Maximum Yield. For growers expecting yields in excess of 5 bales per hectare one of our traditional cotton products should be selected.

For more information please contact us on **(02) 9496 9309** or underwriting@rurallaffinity.com.au