

## ➤ Broadacre Crop Policy - Crop Essentials

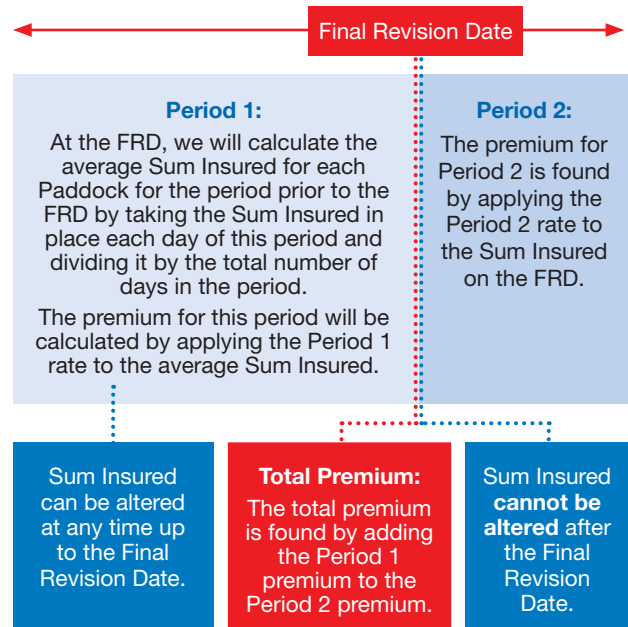
Rural Affinity has developed a new broadacre crop policy which provides broad coverage at a lower premium rate. The policy includes all the features provided under our standard broadacre policy.

**The difference with Rural Affinity's Crop Essentials policy lies in the calculation of the sum insured and the premium.**

The Sum Insured has been simplified so that you only need to specify the 'Value per hectare' as opposed to the 'Insured Yield' and 'Insured Value' required under our standard broadacre policy. The 'Value per hectare' can be revised at any time up to the Final Revision Date (FRD).

Two premium rates will apply, Period 1 and Period 2:

1. Period 1 rate applies prior to the FRD;
2. Period 2 rate applies to the sum insured on the FRD.



## ➤ Winter Broadacre Premium Calculation Example Assumptions

Acceptance Date	Final Revision Date	Area	Crop Essentials Rate	Standard Pre-Harvest Revision Rate
1 July	9 October	100 hectares	1.95%	2.15%

Increase to Sum Insured after FRDC	Crop Essentials		Standard
<b>Period 1 – 1 July to 9 October (100 days)</b>			
Rate	0.49%		
Sum Insured 1 July to 1 September (62 days)	\$30,000.00	100ha x \$300 per ha	\$30,000
Sum Insured 2 September to 9 October (38 days)	\$35,000.00	100ha x \$350 per ha	\$35,000
Average Sum Insured	\$31,900.00	[(62 days/100 days) x \$30,000] + [(38 days/100 days) x \$35,000]	n/a
<b>Period 1 Premium</b>	<b>\$156.31</b>	<b>0.49% x \$31,900</b>	n/a
<b>Period 2 - after Final Revision Date Increase in SI</b>			
Rate	1.46%		2.15%
Sum Insured	\$37,500	100ha x \$375 per ha	\$37,500
<b>Period 2 Premium</b>	<b>\$547.50</b>	<b>1.46% x \$37,500</b>	<b>\$806.25</b> 2.15% x \$37,500
<b>Total Premium</b>	<b>\$703.81</b>	<b>\$156.31 + \$547.50</b>	<b>\$806.25</b>

## > Winter Broadacre Premium Calculation Example...cont

Large Decrease to Sum Insured after FR	Crop Essentials		Standard
<b>Period 1 – 1 July to 9 October (100 days)</b>			
Rate	0.49%		
Sum Insured 1 July to 1 September (62 days)	\$30,000	100ha x \$300 per ha	\$30,000
Sum Insured 2 September to 9 October (38 days)	\$35,000	100ha x \$350 per ha	\$35,000
Average Sum Insured	\$31,900	[(62 days/100 days) x \$30,000] + [(38 days/100 days) x \$35,000]	n/a
<b>Period 1 Premium</b>	<b>\$156.31</b>	<b>0.49% x \$31,900</b>	<b>n/a</b>
<b>Period 2 - after Final Revision Date Increase in SI</b>			
Rate	1.46%		2.15%
Sum Insured	\$15,000	100ha x \$150 per ha	\$15,000
<b>Period 2 Premium</b>	<b>\$219.00</b>	<b>1.46% x \$15,000</b>	<b>\$322.50 2.15%x\$15,000</b>
<b>Total Premium</b>	<b>\$375.31</b>	<b>\$156.31+\$219</b>	<b>\$322.50</b>

### Crop Failure

Must be confirmed prior to FRD under both products for reduction in premium to be considered.

## > Claims Calculation Examples

Standard Pre-Harvest Revision				Crop Essentials	
<b>Schedule Details</b>				<b>Schedule Details</b>	
Crop Type	Wheat			Crop Type	Wheat
Area	150			Area	150
Insured Yield (t/ha)	2			Value per Hectare	\$600
Insured Value (\$/t)	\$300			Field Sum Insured	\$90,000
Field Sum Insured	\$90,000				
<b>Standard Loss Prior to FRD</b>		<b>Standard Loss After FRD</b>		<b>All Losses</b>	
Potential Yield	3	Insured Yield	2	Value per Hectare	\$600
Insured Value	\$300	Insured Value	\$300	Field Sum Insured	\$90,000
Field Sum Insured	\$135,000	Field Sum Insured	\$90,000	% Loss of Potential Yield	17%
% Loss of Potential Yield	17%	% Loss of Potential Yield	17%		
<b>Gross Loss (\$)</b>	<b>\$22,950</b>	<b>Gross Loss (\$)</b>	<b>\$15,300</b>	<b>Gross Loss (\$)</b>	<b>\$15,300</b>

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