

A. INTRODUCTION

- A1. WELCOME** Welcome to NZI. Thank you for selecting us to provide your insurance.
If you have any questions about this policy, please contact us. We are happy to discuss this policy and explain it to you.
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- A3. DEFINED WORDS AND PHASES UNDER THIS POLICY** Certain words and phrases in this policy have a specific meaning.
These words and phrases are:
1. shown in **bold type** throughout this policy; and
 2. listed and defined in the Part below called 'B. Definitions.'
- The definitions apply to the plural and any derivatives of the **bolded** words. For example, the definition of 'accident' also applies to the words 'accidentally', 'accidental' and 'accidents.'
- Please ask us if you are in any doubt about what a defined word or phase means.
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- A4. EXAMPLES** We have sometimes used examples to make the parts of this policy easier to understand. These examples, which are printed in *italics*, do not affect or limit the meaning of the section they refer to.
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- A5. HEADINGS** Headings in this policy document are for ease of reference only. They do not form any part of the policy. Headings are often in CAPITALS.

B. DEFINITIONS

accident	a happening or event that is sudden, unforeseen and unintended by you .
act of terrorism	an act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s), whether acting alone or on behalf of or in connection with any organisation(s) or government(s) that from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.
computer virus	a set of corrupting, harmful or otherwise unauthorised instructions or code, including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, which propagate themselves through a computer system or network of whatsoever nature. This includes but is not limited to Trojan Horses, Worms and Time or Logic Bombs.
crop	the plants or fruits or vegetables that are described in the application and are specified in the schedule which are the crops insured under this policy.
electronic data	facts, concepts and information converted to a form usable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.
excess	the amount of any loss that you must meet. It is not covered by this insurance, and we will deduct it from any amount payable.
loss	physical loss, physical damage or physical destruction.
market value	the local market prices being paid for the crop at the time and place of the loss .
period of insurance	the period commencing (for each crop in each paddock) from the emergence of the growing crop from the soil, and ceasing when your interest in the crop ceases. This period must occur between the commencement date and expiry date of this policy, shown in your schedule . In all cases no cover shall apply to Section One for the first forty-eight (48) hours from the commencement date of this policy shown in your schedule .

schedule	the most recent policy schedule issued to you . This includes any schedule that is issued if this insurance is renewed or changed.
sum insured	the amount shown in the schedule .
you	the person (or persons) shown in the schedule as the "Insured". Where the terms "your" or "yourself" are used they refer to "you" as defined.
we	NZI, a business division of IAG New Zealand Limited. We may also be referred to as "the company" or "us". Wherever the term "our" is used it refers to "us" as defined.

C. OUR AGREEMENT TO INSURE

- C1. INSURANCE AGREEMENT** **You** agree to pay **us** the premium described in the **schedule**. In exchange, **we** agree to insure **you** as set out in this policy.

D. WHAT YOU ARE INSURED FOR

- D1. SECTION ONE - GROWING CROPS** This section insures **your crops** while they are growing and includes cover while they are being harvested. Two types of cover are available:
1. **"STANDARD PERILS"**
You are insured for **accidental loss** during the **period of insurance** to the **crop** whilst it is growing or being harvested caused by:
 - (a) Fire and Lightning only.
 2. **"EXTENDED PERILS"**
You have cover under Standard Perils plus **you** are insured for **accidental loss** during the **period of insurance** to the **crop** whilst it is growing or being harvested caused by:
 - (a) Impact or collision by any land vehicle;
 - (b) Snow or frost;
 - (c) Wandering stock, but excluding **your** own stock or stock under **your** control, or where the **loss** occurred due to either poorly maintained, or a lack of adequate, fencing and gates around the **crop**;
 - (d) Aircraft or other spatial devices or articles dropped from them;
 - (e) Windstorm or hail, but excluding **loss** to any windrowed **crops**. However, no claim will be paid unless the **loss** to the **crop** in any single paddock (caused by the windstorm or hail) exceeds 33% of the yield that was estimated for the purposes of setting the original **sum insured**.

The type of cover that **you** have is shown in **your schedule**.
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- D2. SECTION TWO - ON HARVESTED CROPS** This section insures **your crops** while they are being kept in any building or permanent silo after they have been harvested.
1. **"STANDARD PERILS"**
We will cover **you** for **accidental loss** during the **period of insurance** to the **crop** whilst being kept in any building or silo after harvesting caused by fire or lightning.
 2. **"EXTENDED PERILS"**
We will cover **you** for **accidental loss** during the **period of insurance** to the **crop** whilst being kept in any building or silo after harvesting caused by:
 - (a) Fire or lightning;
 - (b) Impact or collision by any land vehicle;
 - (c) Snow or frost;
 - (d) Wandering stock, but excluding **your** own stock or stock under **your** control, or where the **loss** occurred due to either poorly maintained, or a lack of adequate, fencing and gates around the **crop**;
 - (e) Aircraft or other spatial devices or articles dropped from them;
 - (f) Windstorm or hail.

The type of cover **you** have for this Section is set by the type of cover **you** have for Section One - Growing Crops. The type of cover that **you** have is shown in **your schedule**.
-
- D3. SECTION THREE - COVER ON CROPS IN TRANSIT** This section insures **your crops** while they are in transit anywhere in New Zealand.
We will cover **you** for **accidental loss** during the **period of insurance** to the **crop** as a direct result of an **accident** to the vehicle in which it is being transported anywhere in New Zealand.
 In all other transport situations, no cover applies.

E. WHAT YOU ARE NOT INSURED FOR

E1. GENERAL EXCLUSIONS

1. There is no cover under any part of this policy for any **loss** caused directly or indirectly in any way by any of the following:
 - (a) war, invasion, act of foreign enemy, warlike operations (whether war has been declared or not);
 - (b) civil war, rebellion, revolution, insurrection, military or usurped power;
 - (c) nuclear weapons material;
 - (d) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear wastes which result from the combustion (including self-sustaining process of nuclear fission) of nuclear fuel;
 - (e) confiscation, nationalisation, or requisition by the order of Government, local body, or authority, unless it is to prevent **loss** for which a claim would otherwise have been covered by a part of this policy;
 - (f) earthquake, volcanic eruption, hydrothermal or geothermal activity, tsunami, subsidence, ground heave, erosion of land, or shrinkage or expansion of the ground;
 - (g) mildew, insects, vermin, or any **crop** disease or blight, or sprouting.
2. There is no cover under any part of this policy for:
 - (a) **loss**, damage, death, injury, illness, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:
 - (i) an **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the **loss**, damage, death, injury, illness, liability, cost or expense;
 - (ii) any action taken in controlling, preventing, suppressing or in any way relating to an **act of terrorism**;
 - (b) **loss** or liability connected in any way with **loss** of or damage to **electronic data** and any liability arising from this, directly or indirectly caused by, or in connection with a **computer virus**. This includes **loss** of use, reduction in functionality or any other associated **loss** or expense in connection with the **electronic data**.

E2. CROP EXCLUSIONS

This policy does not cover:

1. the amount specified as **your** policy **excess**.
2. **loss** that occurs while the harvested **crop** is situated at any grain broker's store or other merchant's store.
3. **loss** to hay or straw.
4. **loss** as a result of a frost, or the presence of snow outside the period that commences on the 15th of November and ends on the 1st of March annually.
5. **loss** in connection with mismanagement of the **crop** or failure to apply acceptable horticultural practices to the **crop**.
6. consequential **losses** of any kind, including but not limited to penalties, loss of profits, loss of income, loss of market, loss of use of any property, and **loss** resulting from delay.

E3. EXCESS

1. YOUR EXCESS FOR GROWING CROPS

You are not insured for the first ten (10) percent of the insured value of the total un-harvested **crop** (before the **loss**) within the affected paddock, as this amount is the **excess**. This amount will be deducted from each and every claim.

However:

- (a) where the **loss** is caused by fire or lightning, then the **excess** is nil; and
- (b) where the **loss** is caused by windstorm or hail, then the **excess** is the first thirty-three (33) percent of the insured value of the total un-harvested **crop** (before the **loss**) within the affected paddock. However if there has been two or more **losses** within the previous five (5) years caused by windstorm or hail, then the **excess** is the first fifty (50) percent of the insured value of the total un-harvested **crop** (before the **loss**) within the affected paddock.

The **excess** applies to each **loss** or series of **losses** that arise from the one **accident**. Where a series of **accidents** occur from any one single cause during any consecutive seventy-two (72) hour period, then it shall be deemed to be a single **accident** for the purpose of the **excess**.

2. YOUR EXCESS FOR HARVESTED CROPS

You are not insured for the first \$250 of each **loss** as this amount is the **excess**. This amount will be deducted from each and every claim.

3. YOUR EXCESS FOR CROPS IN TRANSIT

You are not insured for the first \$250 of each **loss** as this amount is the **excess**. This amount will be deducted from each and every claim.

F. HOW MUCH WE WILL PAY

- F1. SECTION ONE** Under Section One, where the **loss** occurs before the 1st of November in the same year in which the **crops** were sown, **we** will indemnify **you** solely on the basis of reimbursement of **your** reasonable costs incurred to date.
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- F2. SECTIONS TWO AND THREE** In all other cases, **we** will indemnify **you** for the value of the **crop** at the time of **loss**.
The value of the **crop** shall be ascertained on the basis of the estimated yield or actual yield (whichever is the lesser at the time of assessment), less cartage and all usual preparation expenses that were not incurred as a result of the **loss**.
Where any paddock(s) are affected by more than one **loss** during the **period of insurance** (for which a claim had been accepted), then the amount of those earlier **losses** shall be deducted from the amount payable for the subsequent **losses**.
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- F3. IN ALL CASES** In all cases, **we** will not pay more than the insured value per tonne as declared in the application or the **market value** of the **crop**, whichever is the lesser, up to a maximum of the **sum insured**.
The following Condition of Average also applies.
-
- F4. AVERAGE** If the **crop** is valued at the time of the **loss** at more than the **sum insured** for that **crop**, then **you** are considered as **your** own insurer for the difference, and as such **you** will bear a rateable share of each **loss** accordingly.
For example:
Crop Value = \$200,000
Crop Sum insured = \$100,000
You are the insurer of = \$100,000 or 50%
Therefore if a \$100,000 loss occurs:
We pay \$50,000 (50%)
You pay \$50,000 (50%)
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- F5. PAYMENT TO INTERESTED PARTIES** If any property covered by this insurance is mortgaged or secured by any financial interest then **we** may make payment for any **loss** direct to the interested party up to the amount of their financial interest, and this will meet **our** obligations under this insurance in respect of that sum.

G. CLAIMS CONDITIONS

- G1. AS SOON AS YOU ARE AWARE OF ANY LOSS TO THE CROP**
- You** must immediately:
 - do as much as **you** can to prevent further **loss**;
 - report it to the police if **you** suspect the malicious involvement of other persons;
 - let **us** know.
 - You** must not:
 - start any recovery work without **our** permission unless it is necessary to prevent further **loss**;
 - dispose of any **crops** for which **you** intend to make a claim on this insurance;
 - say or do anything that may prejudice **our** ability to make recovery for the **loss** from any other person who may be responsible for it.
-
- G2. IF YOU WISH TO MAKE A CLAIM ON THIS INSURANCE**
- You** must:
- complete the Claim Form which **we** provide and return it to **us** as soon as possible, and in any case within 30 days of the **loss**;
 - give **us** free access to examine and assess the **loss**;
 - give **us** proof of purchase, ownership or value if **we** request it;
 - give **us** any other information or assistance that **we** request to support **your** claim. This may include certification of the **loss** by a qualified authority as **we** direct. This shall be done at **your** own expense.

- G3. IF YOU MAKE A CLAIM**
1. If **we** request it **you** must:
 - (a) provide **us** with a statutory declaration to verify **your** claim;
 - (b) submit to cross-examination under oath by any person **we** nominate.
 2. If **you** or anyone else makes a claim (or any statement in support of a claim) which is false or fraudulent in any way then this insurance is unenforceable and **we** will not pay the claim.
 3. At any time after **you** have made a claim **we** have the sole right to act in **your** name and on **your** behalf if **we** wish to:
 - (a) negotiate, defend or settle any claim;
 - (b) take over **your** legal rights of recovery for **our** own benefit;

We will do these at **our** own expense.

You must co-operate with **us** if **we** decide to do any of these things.

You must not do any of these things yourself without **our** approval.

- G4. WHEN YOUR CLAIM IS PAID**
1. If any person is ordered to make reparation to **you** under Section 32 of the Sentencing Act 2002 for **loss** of **crops** for which **we** have paid a claim under this insurance, then **you** must reimburse **us** for that payment as and when any reparation is made.
 2. **We** have the right to keep any **crops** for which **we** have paid a claim. If **we** wish **we** can dispose of them and keep any proceeds.

H. GENERAL CONDITIONS

- H1. INDUSTRY COMPENSATION OR OTHER INSURANCE**
- Where **loss** to the **crop** is covered under any Act of Parliament, Regulation, Producer Board compensation scheme or the like, this policy will only indemnify **you** in excess of the amount payable under that cover. There is no cover under any part of this insurance for any **loss** that is covered by any other insurance policy.
- We** will not contribute towards any claim that is covered by any other insurance policy.
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- H2. ACTS OF PARLIAMENT**
- Where this insurance refers to any Act of Parliament this includes any Regulations and Amendments to that Act. It also includes any other Act or Regulation passed as an addition, an amendment or in its place.
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- H3. CHANGES TO THIS INSURANCE**
- If **we** wish to change any of the terms of this insurance at any time, **we** may do so. **We** will notify **you**, **your** agent, or **your** representative. Any change will take effect fourteen (14) days after the date of the advice.
- If **you** wish to make any changes to **your** insurance **you** must obtain **our** approval. **You** should contact the office that issued this policy, or **your** agent or broker that arranged this insurance.
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- H4. CANCELLATION**
1. **BY YOU**
- You** can cancel this insurance by notifying **us**. If **you** do, no premium refund shall be payable to **you**.
2. **BY US**
- We** can cancel any part of this insurance by giving 14 day's notice to **you**, **your** agent, or **your** representative. If **we** do, **we** will refund to **you** all of the unused part of any premium that **you** have paid.
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- H5. COMPLY WITH THE POLICY**
- You** must meet the following conditions before **we** are liable under this insurance policy:
1. **You** must comply with all the terms of the policy; and
 2. Whenever the policy covers the interest of any other person or entity, that person or entity must also comply with the same terms of the policy where applicable; and
 3. True statements and answers must be given (whether by **you** or any other person) when **you**:
 - (a) apply for this insurance; and
 - (b) notify **us** regarding any change in circumstances; and
 - (c) make any claim under this policy.
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- H6. GOODS AND SERVICES TAX**
- Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:
1. all **Sums Insured** exclude GST; and
 2. GST will be added, where applicable, to claim payments.
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- H7. GOVERNING LAW**
- The law of New Zealand applies to this policy and the New Zealand Courts have exclusive jurisdiction.
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- H8. INSURANCE LAW REFORM ACTS**
- The exclusions and conditions in this policy are subject to **your** rights under the Insurance Law Reform Acts 1977 and 1985.

H9. NOTICES

1. FROM YOU TO US

Notices from **you** to **us** must be:

- (a) in writing; and
- (b) delivered personally or posted to any NZI Branch, NZI Service Centre or to **our** Head Office.

2. FROM US TO YOU

Notices from **us** to **you** must be:

- (a) in writing; and
- (b) delivered personally or posted to the last known postal address of:
 - (i) **you**; or
 - (ii) **your** insurance broker or agent (if **you** have one).

H10. POLICY CONTRACT

This policy is a contract consisting of the following parts:

- 1. **your** application for insurance, and any oral or written supporting statements or documents supplied by **you**; and
- 2. this policy wording (including any endorsements); and
- 3. the **schedule**.

H11. TAKE REASONABLE CARE

You must take reasonable care at all times, and at **your** own expense, to avoid circumstances that could result in a claim. **Your** claim will not be covered if **you** are reckless or grossly irresponsible.



CROPSURANCE POLICY

Underwritten by NZI, a business division of IAG New Zealand Limited

IMPORTANT: PLEASE EXAMINE THIS POLICY AND IF IT DOES NOT MEET YOUR REQUIREMENTS, KINDLY RETURN IT AT ONCE TO YOUR BROKER OR AGENT OR TO OUR OFFICE OF ISSUE.

www.nzi.co.nz