



Cotton Insurance Policy



INSURANCE
FACILITATORS

Issued by Insurance Facilitators Pty Ltd, ABN 90 099 104 480 AFS Licence No.
289450 on behalf of and as underwriting agent for the insurer HDI Global Specialty
SE – Australia, ABN 58 129 395 544, AFS Licence number 458776

NOTICE TO INTENDING INSURED

Who is the Insurer?

The **Insurer** of the **Policy** is HDI Global Specialty SE - Australia (ABN 58 129 395 544, AFS License number 458776). The **Insurer** is regulated by the Australian Prudential Regulation Authority ("APRA").

HDI Global Specialty SE is registered in Germany, with its registered office at Podbielskistrasse 396, 30659 Hannover, Germany with registration number HRB211924 and authorised by Bundesanstalt für Finanzdienstleistungsaufsicht ("BaFin"). It is authorised to carry on insurance Business in Germany under the German Insurance Supervisory Act ("Versicherungsaufsichtsgesetz").

Who is the Underwriting Agent?

In effecting this contract of insurance, Insurance Facilitators Pty Ltd ABN 90 099 104 480, AFSL No. 289450, will be acting under an authority given to it by the **Insurer**. Insurance Facilitators Pty Ltd will be acting as the agent for the **Insurer** and not for **You** as the Insured.

Our Contract with You

The contract is based on the information **You** gave **Us** when **You** applied for the insurance, and any subsequent information which **You** have supplied.

We will provide cover for those sections of the **Policy** **You** have selected and that are shown on **Your Certificate of Insurance**.

You must pay the premium and any relevant government charges for the **Period of Insurance** and comply with all of the **Policy** terms and conditions.

The **Policy**, any other declarations **You** make and any endorsement, amendment or alteration to **Your** cover will form the legal contract between **You** and **Us**.

Your Duty to Take Reasonable Care Not to Misrepresent

You have a duty to take reasonable care not to make any misrepresentation when entering into, varying, extending or renewing the **Policy**.

This means that it is essential that **You** respond to specific questions that **We** ask honestly and to the best of **Your** knowledge, including where **We** ask **You** to confirm or update information that **You** have previously given to **Us** when entering into, varying, extending or renewing the **Policy**.

To assist **You** with providing **Us** with honest and accurate responses to any questions **We** ask of **You**, **We** have

endeavoured to ensure that any question **We** ask is clear and easy to understand. Further, where possible, **We** have also included examples of the types of responses **We** are looking for when asking a particular question.

If **You** are unclear of any particular question or would like **Us** to explain it to **You**, please get in touch with **Us** and **We** will explain this to **You**.

In determining whether **You** have fulfilled this duty to take reasonable care not to make a misrepresentation to **Us**, **We** will consider all of the relevant circumstances of a particular case. If **You** do not respond honestly and accurately to specific questions that **We** ask, **We** may (acting reasonably) cancel **Your Policy** or reduce the amount **We** will pay **You** if **You** make a claim, or both. It is therefore vital that **You** be honest and specific in **Your** responses. If **Your** failure to tell **Us** is fraudulent, **We** may refuse to pay a claim and treat the **Policy** as if it never existed (this does not mean that **We** will refund any premiums that **You** have already paid).

Agreements Affecting Rights of Subrogation

We will not pay a claim if, without prior agreement from **Your** insurer, **You** make any agreement that will prevent the insurer from recovering the loss from a third party.

Interested Parties

We will not accept any financial interests over **Insured Fields** of any party other than **You**, unless **You** have notified **Us** of such interest and:

- Request the interest to be noted on the **Policy**
- Authorise **Us** to use that party's personal information about **You** in connection with that **Policy**.

We must have agreed and noted that interest on **Your Certificate of Insurance**.

That party is not covered nor do they become an Insured under the **Policy**. If the interests of another party have been noted on the **Policy**, then in the event of a claim **We** are obliged to enquire from that interested party whether the claim is subject to that interest. If so, **We** are obliged to first make payment of the claim to the interested party and thereafter make payment to **You** of the balance. A payment by **Us** to an interested party constitutes a discharge of **Our** liability to **You** under the **Policy** to the extent of that payment.

This is Not a Renewable Contract

Cover provided under this **Policy** will cease at expiry of the **Period of Insurance** shown on **Your Certificate of Insurance**. If **You** wish to arrange similar insurance with **Us** for the following season, **You** will need to complete the proposal sent to **You** and **We** will provide terms of cover for **Your** consideration.

Underinsurance

You will not be covered in respect of any area which is not shown on **Your Certificate of Insurance**.

If **Your** area planted is greater than the **Insured Trees** nominated by **You**, **Your** claim in respect of **Insured Trees** will be reduced by the underinsurance percentage of the total area planted.

| Example - Underinsurance | |
|----------------------------|------------------------|
| Area planted | 15ha |
| Insured Field Area | 10ha |
| Area of loss | 5ha |
| Underinsurance % | 66.7% ((10 ÷ 15)x100)) |
| Underinsurance Calculation | 5ha x 66.7% |
| Net Claim Area | 3.335ha |

Complaints Handling & Dispute Resolution

IF are committed to raising standards of service to **Our** customers.

The following standards apply to all complaints handling.

1. **We** will conduct complaints handling in a fair, transparent and timely manner.
2. **We** will make available information about **Our** complaints handling procedures.

We will only ask for and take into account relevant information when deciding on **Your** complaint.

1. **You** will have access to information about **You** that **We** have relied on in assessing **Your** complaint and an opportunity to correct any mistakes or inaccuracies. In special circumstances or where a claim is being or has been investigated, **We** may decline to release information but **We** will not do so unreasonably. In these circumstances, **We** will give **You** reasons. **We** will provide our reasons in writing upon request
2. Where an error or mistake in handling **Your** complaint is identified, **We** will immediately initiate action to correct it.

The satisfaction of our clients is extremely important. As such, We would like You to tell us if any of our products or services has not met Your expectations in any way.

If **You** have a complaint which **You** wish **Us** to review, **You** can get in touch with **Us** by mail, fax, phone, in person or email. Remember to include **Your** name, policy number and some details relating to **Your** complaint.

Within 1 business day of receiving **Your** complaint, Insurance Facilitators will acknowledge **Your** complaint in written form (Email, post and/or fax). **You** will be

provided with the contact details of the person reviewing the complaint, the timeframes in which action will be taken and the steps within the complaints process, including the details of Australian Financial Complaints Authority (AFCA).

When **You** first speak to Insurance Facilitators about **Your** complaint or concern, the person trying to resolve **Your** complaint will listen to **You**, consider the facts and attempt to resolve **Your** complaint immediately. Further information to support **Your** complaint may be requested. Insurance Facilitators will make a decision on **Your** complaint within 7 days.

If **We** do not resolve the complaint to **Your** satisfaction, then **We** will hand over the Complaint File to HDI immediately.

Your dispute will be acknowledged in writing within 1 business day of receipt. The length of time required to resolve a particular dispute will depend on the individual issues raised, however in most cases **You** will receive a full written response to **Your** dispute within 13 business days of receipt, provided **We** have received all necessary information and have completed any investigation required. HDI may require additional information from **You** when **We** hand over **Your** complaint file.

If **Your** complaint is not resolved by HDI at day 22 and it looks unlikely that a decision can be made by Day 30 due to varying complexities or severe circumstances, **You** will be updated immediately and afforded the opportunity to take **Your** complaint to the AFCA. If **You** decide to keep the complaint with HDI, then with approval from AFCA, HDI will be given a 14-day extension to make a decision on **Your** complaint.

When HDI makes a decision on **Your** complaint it will be in writing. **Your** written decision will include the final outcome of the complaint, reasons behind the decision, **Your** rights if **You** are not happy with the decision and the contact details of AFCA.

HDI will provide **You** with enough detail to understand the basis of the decision and be fully informed when deciding whether to escalate the matter to AFCA or another forum.

AFCA is an ASIC approved external dispute resolution body. AFCA resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to **You**. **We** are bound by the determination of AFCA but the determination is not binding on **You**.

You can contact AFCA at:

Australian Financial Complaints Authority

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail: Australian Financial Complaints Authority
GPO Box 3 Melbourne VIC 3001

Privacy Statement

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. **We** are bound by the Privacy Act 1988 (Cth), when collecting and handling **Your** personal information. **We** have developed a privacy **Policy** which explains what sort of personal information **We** hold about **You** and what **We** do with it.

We will only collect personal information from or about **You** for the purpose of assessing **Your** application for insurance and administering **Your Policy**, including any claims **You** make or claims made against **You**. **We** will only use and disclose **Your** personal information for a purpose **You** would reasonably expect.

We may need to disclose personal information to other entities within **Our** group, reinsurers (who may be located overseas), insurance intermediaries, insurance reference bureaux, credit reference agencies, **Our** advisers, **Our** agents, **Our** administrators and those involved in the claims handling process (including assessors, investigators and others), for the purpose of assisting **Us** and them in providing relevant services and products, or the purpose of recovery or litigation. **We** may disclose personal information to people listed as co-insured on **Your Policy** and to family members or agents authorised by **You**. Disclosures may also be made to government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law. **We** will request **Your** consent to any other purpose.

By providing **Your** personal information to **Us**, **You** consent to **Us** making the disclosures set out above which require consent. This consent to the use and disclosure of **Your** personal information remains valid unless **You** alter or revoke it by giving **Us** written notice. Without **Your** personal information **We** may not be able to issue insurance cover to **You** or process **Your** claim.

You also have the opportunity to find out what personal information **We** hold about **You** and, when necessary, correct any errors in this information. Generally, **We** will do this without restriction or charge.

For further information about **Our** privacy **Policy** or to access or correct **Your** personal information, please contact **Us** at the following address:

HDI Global Specialty SE - Australia
Tower One, Level 33, 100 Barangaroo Avenue,
Sydney, NSW, 2000
privacyaustralianbranch@hdi-specialty.com

If **You** believe that **We** have interfered with **Your** privacy in **Our** handling of **Your** personal information **You** may lodge a complaint by contacting **Us**.

We will attempt to resolve **Your** complaint in accordance with **Our** Privacy Complaints Handling Procedure.

If **You** are not satisfied with the resolution of **Your** complaint or with the way that **We** have handled **Your** complaint through the Privacy Complaints Procedure, **You** may be able to refer the matter to the Office of the Australian Information Commissioner.

If **You** would like more information about **Our** Privacy Complaints Procedure please contact **Us**.

The Goods and Services Tax (GST) and Your Insurance (GST Registered Policyholders Only)

Information **You** must give to **Us**

If **You** are registered, or required to be registered, for Goods and Services Tax ("GST") purposes **You** must provide **Us** in writing with **Your** Australian Business Number ("ABN") when requested. **You** must also advise **Us** in writing what **Your** Input Tax Credit ("ITC") entitlement is for the insurance premium either:

- (i) on or before entry into, renewal or variation of this **Policy**; or
- (ii) if permitted under the GST Law, at any other time at or before **You** first notify **Us** of a claim under this **Policy**.

If **You** have told **Us** **Your** ITC entitlement under (a) above and **Your** ITC entitlement later alters, **You** must tell **Us** in writing about that alteration.

If **You** are registered and cease to be registered for GST purposes **You** must tell **Us** immediately in writing.

General Code of Practice

From 1 January 2022, the Insurer is a signatory to the General Insurance Code of Practice (the Code). The Code was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry. The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code. For more information on the Code of Practice and Code Governance Committee (CGC) visit insurancecode.org.au.

DEFINITIONS

Where used in this **Policy** the following words mean:

Actual Yield

Means the yield, expressed as **Bales** per hectare, that is actually harvested from an **Insured Field** as listed in **Your Certificate of Insurance** and declared to **Us**.

Agreed Value

Means in respect of Predetermined Yield Cover or Variable Yield Cover the value per **Bale** nominated by **You** and accepted by **Us**, as listed in **Your Certificate of Insurance**.

Means in respect of Production Cost Cover the value per hectare **You** nominate and **We** agree to for each **Insured Field** as listed in **Your Certificate of Insurance**

Area Damaged

Means the extent in hectares per **Insured Field** of loss of, damage to or destruction as a result of **Hail Strike** at **Your Property** during the **Period of Insurance**, determined by **Us** and **Our** appointed loss adjuster.

Bale/s

Means 227kg of ginned cotton lint.

Certificate of Insurance

Means the document titled **Certificate of Insurance**, including the field schedule, which forms part of this **Policy** and describes important details of **Your** cover.

Excess

Means the first amount of each and every **Potential Yield** loss of the unharvested portion of each **Insured Field** at the time of loss that is borne by **You**, as shown on **Your Certificate of Insurance**.

The **Excess** will be applied to each **Insured Field** as though each field is separately covered under its own **Policy**.

Field Sum Insured

Means in respect of Predetermined Yield Cover or Variable Yield Cover; the sum of each **Insured Field** by calculating the number of hectares multiplied by the **Insured Yield** or **Potential Yield** multiplied by the **Agreed Value**.

Means in respect of Production Cost Cover; the sum of each **Insured Field** by multiplying the number of hectares by the **Agreed Value**.

Fire

Means the actual ignition of seed cotton, not caused by or resulting from fermentation or any process involving the application of heat.

Growing Costs

1. Licence Fees

Means the payment option category amount per hectare shown on **Your Certificate of Insurance** that **You** have chosen to pay for **Your** transgenic technology. If **You** change **Your** option **We** may alter **Your** premium.

2. In - Crop Costs (ICC)

Means all growing costs per hectare shown on **Your Certificate of Insurance** that **You** expect to incur after the completion of planting through to, but not including, defoliation.

3. Defoliation Costs (DC)

Means the amount per hectare shown on **Your Certificate of Insurance** that **You** expect to incur during the defoliation period.

4. Harvest and Transit Costs (HTC)

Means all picking, transport and levy related costs per hectare shown on **Your Certificate of Insurance**.

Hail Strike

Means loss of, damage to or destruction of plant parts as a direct result of the impact of pellets or stones of frozen rain falling during showers or storms.

Insured Field

Means each cotton crop specified by, type, field name and number of hectares, as listed in **Your Certificate of Insurance**. In the instance of an Insured claimable event **Insured Field(s)** over one hundred (100) hectares will be split into equal units of no less than fifty (50) hectares.

Insured Yield

Means the yield, expressed as **Bales** per hectare, **You** expect to produce from each **Insured Field** as shown on **Your Certificate of Insurance**.

Net Percentage Yield Loss

1. Means the yield loss calculated as a percentage for Predetermined Yield Cover option with **Potential Yield greater than 75%** of the **Insured Yield** as follows:

$$\left\{ \frac{(\text{Insured Yield} - \text{Actual Yield})}{\text{Insured Yield}} \right\} \times 100 - \text{Excess}$$

2. Means the yield loss calculated as a percentage for Variable Yield Cover, or a Predetermined Yield Cover with **Potential Yield less than 75%** of the **Insured Yield**, as follows

$$\left\{ \frac{(\text{Potential Yield} - \text{Actual Yield})}{\text{Potential Yield}} \right\} \times 100 - \text{Excess}$$

Period of Insurance

Means 9.00am EST on the day following a 48 hour period from when **Your** written acceptance is received in the office of Insurance Facilitators Pty Ltd and ends at 4:00pm on the expiry date shown on **Your Certificate of Insurance**.

Policy

Means this document, the proposal, the **Certificate of Insurance** and any endorsement to the **Policy**, all of which are to be read together.

Potential Yield

Means the yield, expressed as **Bales** per hectare, that would have been harvested, as deemed achievable by **Our** appointed loss adjuster, but for loss or damage as a direct result of **Hail Strike**.

The **Potential Yield** only applies in the event of a claim at which time the **Potential Yield** replaces the **Insured Yield** for;

- a) the Predetermined Yield Cover where **Potential Yield** is less than 75% of Insured Yield, and;
- b) the Variable Yield Cover for the purpose of calculating the **Field Sum Insured**.

If an **Insured Field** is not affected by **Hail Strike** **Your Potential Yield** will be **Your Actual Yield**.

Property

Means the locality of **Your Insured Fields** that are within a contiguous area or within a land title boundary for which **You** are the landowner, right-holder, lease holder and/or sharefarmer. If **You** have **Insured Fields** at more than one locality, the **Policy** will apply separately, in respect of each locality, as shown on **Your Certificate of Insurance**.

We, Us, Our, the Insurer

Means HDI Global Specialty SE - Australia

You, Your

Means the person or entity named as the insured in the **Certificate of Insurance**.

WHAT YOU ARE COVERED FOR

Provided **You** have paid or agreed to pay the premium, **We** will insure **You** against loss of, damage to or destruction of **Potential Yield** of **Insured Field(s)** caused solely and directly by **Hail Strike** during the **Period of Insurance**, subject otherwise to the terms, conditions and exclusions of this **Policy**.

Additional Benefits

You will also be automatically covered for the following Additional Benefits:

1. Re-Planting

If **Your Insured Field(s)** are deemed destroyed by **Hail Strike** and:

- (a) there is undisputed evidence that, at the time of the **Hail Strike**, a viable plant stand was present or being established;
- (b) the loss occurred prior to the closing date of the specified planting window for genetically modified plants, or no later than 1 December;
- (c) the opportunity to replant the **Insured Field(s)** presents itself,

You will be expected to replant the area determined to be a Constructive Total Loss (CTL) by **Our** appointed loss adjuster.

Should replanting be undertaken and subject to **Our** approval, **We** will pay for the reasonable costs **You** incur to replant **Your Insured Field(s)**.

The maximum **We** will pay is \$300 per hectare for the area to be replanted. The **Excess** will not apply to this Additional Benefit.

A claim for Re-Planting will not impact upon a possible claim for loss of **Potential Yield** and/or increased Additional **Growing Costs**.

If **You** choose not to replant, **We** will pay **You** \$750 per hectare for irrigated crop and/or \$360 per hectare for dry land crop, or part thereof, for the field or area destroyed by **Hail Strike**. This payment will end **Our** obligation under **Your Policy** for that affected field or area.

2. Additional Growing Costs

If, due to **Hail Strike** covered under this **Policy**, the loss adjuster appointed by **Us** determines there is potential for a claimable loss of yield above **Excess**, **We** will cover **You** for reasonable expenditure that is over and above normal **Growing Costs** which are incurred for the sole purpose of mitigating the loss to **Your Area Damaged**. The loss adjuster appointed by **Us** will determine the additional costs recoverable.

The Goods and Services Tax (GST) is not recoverable as Additional **Growing Costs**.

If Additional **Growing Costs** are deemed recoverable by the loss adjuster, **We** will not pay more than \$300 per hectare during any one Period of Insurance.

In the event that a crop is severely damaged by **Hail Strike** and a determination of the crop's economic viability is deferred by the loss adjuster appointed by **Us**, Additional **Growing Costs** incurred in the **Area Damaged** during the deferment period are, at the loss adjuster's discretion, recoverable.

Recoverable additional irrigation water purchased and other non-irrigation agreed crop inputs will be valued at the cost of acquiring the input, not the market value of the input at the time it is valued.

We will not pay more than \$100 per hectare for additional irrigation water stored by **You** or allocated to **You** that would not have been otherwise apportioned to the **Area Damaged**.

No **Excess** applies to this Additional Benefit.

3. Seed Cotton in Transit

We will cover **You** against loss of, damage to or destruction of seed cotton covered by this **Policy** which is accidentally damaged, destroyed, spilled, or stolen during transit by road while in transit from **Your** Property to **Your** selected cotton gin.

The amount of any claim for seed cotton in transit will be calculated by multiplying the number of **Bales** lost or destroyed by the **Agreed Value**. In the event of salvage, if **Your** ginned cotton is downgraded, the maximum **We** will pay is the difference between the amount **You** receive following sale and the amount produced by multiplying the number of cotton **Bales** damaged by the **Agreed Value**.

The **Excess** is \$500 for each and every transit claim.

We will not pay any claim resulting from Loss or Damage to Seed and/or Grain in Transit arising directly or indirectly from any of the following circumstances:

- (a) carried in an overloaded vehicle;
- (b) carried in an unsafe or unroadworthy vehicle;
- (c) driven by an unlicensed driver;
- (d) arising from water damage; or
- (e) the driver is found to be under the influence of a drug or intoxicating liquor;
- (f) carried in a vehicle not otherwise suitable for the purpose of the transit.

If **You** take a **Predetermined Yield Cover** or **Variable Yield Cover** **You** will also be automatically covered for the following Additional Benefits. Additional Benefits do not apply to **Production Cost Cover**.

4. Fire

We will cover **You** against loss of, damage to or destruction of seed cotton covered by the **Policy** caused directly by **Fire** once in a round or rectangular module prior to being delivered to **Your** selected cotton gin.

The amount of any claim for **Fire** will be calculated by multiplying the number of **Bales** lost or destroyed by the **Agreed Value**. In the event of salvage, if **Your** cotton is downgraded, the maximum **We** will pay is the difference between the amount **You** receive following sale and the amount produced by multiplying the number of cotton **Bales** damaged by the **Agreed Value**.

The **Excess** is \$500 for each and every **Fire** claim.

5. Chemical Over-spray

We will cover **You** for reduction in **Potential Yield** caused by chemicals which drift onto any **Insured Fields** caused by spraying operations during the **Period of Insurance**. The most **We** will pay for this Additional Benefit is \$50,000.

We will not pay any claim resulting from **Area Damaged** due to **Chemical Over-spray** arising directly or indirectly from any of the following circumstances:

- (a) if the chemical spraying was performed by **You** or anybody acting on **Your** behalf;
- (b) resulting from chemicals applied by aircraft;
- (c) if the chemical spraying was performed by **Your** sharefarmer or on **Your** sharefarmer's behalf; or
- (d) if **You** do not provide **Us** with the name and contact details of the third party responsible for the damage.

POLICY OPTION COVERS

You must select one of the following **Policy Cover** Options which is to apply to **Your** cover under the **Policy**:

1. Predetermined Yield Cover

a. If the **Actual Yield** of an **Insured Field** is *greater than* 75% of the **Insured Yield** for that field, the **Insured Yield** and **Agreed Value** nominated by **You** and agreed by **Us** are considered final.

b. If the **Actual Yield** of an **Insured Field** is *less than* 75% of the **Insured Yield** for that field and **You** provide your ginning documents to **Us** the **Actual Yield** replaces the **Insured Yield** for the purpose of calculating the **Field Sum Insured(s)**.

If **We** pay a claim for **Area Damaged**, the **Potential Yield** replaces the **Insured Yield** for the purpose of calculating the **Field Sum Insured(s)** with **Area Damaged**.

Any final adjustments must be supported by **Your** ginning summary.

2. Variable Yield Cover

The **Actual Yield** replaces the **Insured Yield** for the purpose of calculating the **Field Sum Insured** in the final premium calculation.

The **Actual Yield** is capped at 125.0% of the **Insured Yield** for an Irrigated **Insured Field** and 150.0% of the **Insured Yield** for a dryland **Insured Field**.

If **We** pay a claim for **Area Damaged**, the **Potential Yield** replaces the **Insured Yield** for the purpose of calculating the **Field Sum Insured(s)** with **Area Damaged**.

Any amendments during the growing season are subject to a 48 hour acceptance condition. Revised cover attaches at 9:00am EST on the day following a 48 hour period from when the written acceptance of the alteration to the cover is approved by **Us**.

Your Actual Yield declaration must be supported by **Your** ginning summary.

3. Production Cost Cover

The **Agreed Value**, and the **Growing Costs** allocated by **Us** are considered final.

Additional Cover Options

The following Additional Cover Options apply where **You** have paid an additional premium and the Additional Cover Option is shown on **Your Certificate of Insurance**.

Additional Cover Options do not apply to Production Cost Cover.

1. Irrigated Cotton Micronaire Downgrade

If **We** pay a claim for **Insured Field(s)** with **Hail Strike**, and Micronaire Downgrade is stated on **Your Certificate of Insurance**, **We** will pay for any discounts applied to ginned **Bales** from those **Insured Field(s)** due to Micronaire.

We use **Your** classing results provided by **Your** cotton classer and **Our** Discount Table – Micronaire to calculate any claim.

An **Excess** will apply as stated in the **Certificate of Insurance**.

This Cover Option is only available to crops where the **Insured Yield** is greater than 6 bales/ha.

2. Irrigated Cotton Leaf & Colour Downgrade

If **We** pay a claim for **Insured Field(s)** with **Hail Strike**, and Leaf & Colour Downgrade is shown on **Your Certificate of Insurance**, **We** will pay for any discounts applied to ginned **Bales** from those

Insured Field(s) due to discolouration and leaf contamination as a direct consequence of rainfall occurring between boll opening and harvest.

We use **Your** classing results provided by **Your** cotton classer and **Our** Discount Table - Colour & Leaf to calculate any claim.

An **Excess** will apply as shown on **Your Certificate of Insurance**.

This Cover Option is only available to crops where the **Insured Yield** is greater than 6 bales/ha.

3. Refuge Crops

If stated on **Your Certificate of Insurance**, **We** will cover **You** for refuge crops grown to comply with **Your** agreement for genetically modified cotton deemed destroyed by **Hail Strike**.

If **You** are required to replant, **We** will pay the costs incurred to replant. **We** will not pay more than \$200 per hectare.

If **You** are not required to replant, **We** will pay the variable input costs incurred planting the crop. **We** will not pay more than \$450 per hectare for irrigated crop and \$350 per hectare for dry crop.

4. Delayed Picking Benefit

If **We** pay a claim for an **Insured Field** with **Area Damaged** and **Our** loss adjuster has determined that picking of the **Insured Field** has been delayed for more than (14) fourteen days as a result of **Hail Strike**, **We** will pay 2% of the **Field Sum Insured** per week up until the **Insured Field** is picked for a maximum of (5) five weeks.

Delayed Picking Benefit must be shown on **Your Certificate of Insurance**.

BASIS OF SETTLEMENT

In the event of a loss of, damage to or destruction of **Your** crop by **Hail Strike**, subject otherwise to the terms and conditions of this **Policy**, **We** will calculate **Your** claim in accordance with the following.

The Basis of Settlement for any valid claim made under this **Policy** will be dependent upon the Policy Option Cover selected. In the first instance, all loss of yield claims will commence by calculating the **Net Percentage Yield Loss**.

You will assist the loss adjuster appointed by **Us** in providing the **Actual Yield/s** where applicable. The loss adjuster will establish the appropriate **Potential Yield/s** which will allow the **Net Percentage Yield Loss** to be determined.

We will apply the **Net Percentage Yield Loss** to each **Field Sum Insured** that has suffered an insured loss.

We will not pay more than the **Field Sum Insured** shown in the **Certificate of Insurance**, less any **Excess**, for each field affected.

We will not pay for any loss until all premiums have been paid to **Us**.

Constructive Total Loss (CTL)

If **Our** loss adjuster deems an **Insured Field** to be a Constructive Total Loss (CTL) and replanting is unable to be undertaken, **We** will multiply the Net Percentage Loss by the Field Sum insured of the **Insured Field** deemed a CTL, less any un-incurred **Growing Costs**. Unless otherwise agreed with **Us** in writing, the date the **Insured Field** is determined to be a CTL will be the date **Area Damaged** occurred.

You will be required to make the resources and inputs, such as water, from the **Insured Field(s)** that are determined to be a CTL, available to assist in the mitigation of the loss suffered in the partially damaged **Insured Field(s)**.

Un-incurred Growing Costs will be deducted as follows;

1. Predetermined or Variable Yield Cover

We will multiply **Your** In-Crop Costs per hectare shown on **Your Certificate of Insurance** by the Un-Incurred ICC Percentage from the ICC Table (page 8) **You** have chosen. The Un-Incurred ICC Percentage is determined by the total number of days since completion of planting of the **Insured Field** that suffered CTL. Other **Growing Costs** per hectare stated on **Your Certificate of Insurance** if un-incurred will be deducted in their entirety from the claim.

2. Production Cost Cover

We will apportion 20% of the **Field Sum Insured** to In Crop Costs. Using the ICC 136 Day Table (Page 8),

We will multiply the apportioned ICC cost by the Un-Incurred ICC Percentage, determined by the total number of days since completion of planting when the **Insured Field** suffered **Area Damaged**.

We will also apportion 30% of the **Field Sum Insured** to the un-incurred costs of Licence Fees, Defoliation Costs and Harvest & Transit which will be deducted entirely from the claim to the **Insured Field** that suffered **Area Damaged**.

Claim Examples

1. Partial Loss

1a. Predetermined Yield Cover

| | |
|--|--------------------------------------|
| Assumption: Potential Yield greater than 75% of Insured Yield | |
| Insured Field | 40ha |
| Insured Yield | 10 Bales/ha |
| Agreed Value | \$450/Bale |
| Field Sum Insured | \$180,000 (40ha x \$450 x 10b/ha) |
| Net % Loss | 15% |
| Net Yield Claim | \$27,000 (15% of \$180,000) |
| + Additional Options (if shown on Your Certificate of Insurance) | |

| | |
|---|-------------------------------------|
| Assumption: Potential Yield less than 75% of Insured Yield | |
| Insured Field | 40ha |
| Insured Yield | 10 Bales/ha |
| Potential Yield | 7 Bales/ha |
| Agreed Value | \$450/Bale |
| Field Sum Insured | \$126,000 (40ha x \$450 x 7b/ha) |
| Net % Yield Loss | 15% |
| Net Yield Claim | \$18,900 (15% of \$126,000) |
| + Additional Options (if listed in Your Certificate of Insurance) | |

1b. Variable Yield Cover

| | |
|--|---|
| Assumption: Potential Yield less than 125% of Insured Yield | |
| Insured Field | 40ha |
| Agreed Value | \$450/Bale |
| Insured Yield | 8 Bales/ha |
| Potential Yield | 9.5 Bales/ha - Less than 125% of the Insured Yield |
| Field Sum Insured | \$171,000 (40ha x \$450 x 9.5b/ha) |
| Net % Yield Loss | 15% |
| Net Yield Claim | \$25,650 (15% of \$171,000) |
| + Additional Options (if shown on Your Certificate of Insurance) | |

1c. Production Cost Cover

| | |
|--------------------------|----------------------------------|
| Insured Field | 40ha |
| Sum Insured/ha | \$3,000 |
| Field Sum Insured | \$120,000 (40ha x \$3,000/ha) |
| Net % Yield Loss | 25% |
| Net Yield Claim | \$30,000 (25% of \$120,000) |

2. Constructive Total Loss (CTL)

2a. Predetermined Yield Cover

| | |
|---|--------------------------------------|
| Assumption: Potential Yield greater than 75% of Insured Yield | |
| Insured Field | 40ha |
| Excess | 10% |
| Insured Yield | 10 Bales/ha |
| Agreed Value | \$180,000 (40ha x \$450 x 10b/ha) |
| Field Sum Insured | \$180,000 |
| Net % Yield Loss | 90% (100% less Excess) |
| Net Yield Loss | \$162,000 (90% x \$180,000) |
| Claim Calculation (based on Assumption Table) | |
| Net Yield Loss | \$162,000 (90% x \$180,000) |
| Less Licence Fee | \$16,040 (\$401* x 40ha) |
| Less ICC Not Incurred | \$16,272 (67.8% x \$600 x 40ha) |
| Less DC Not Incurred | \$3,200 (\$80/ha x 40ha) |
| Less HTC Not Incurred | \$10,000 (\$250 x 40ha) |
| Net Claim Payable | \$116,488 |
| +Additional Options (if listed in Your Certificate of Insurance) | |
| * NB: full deduction of the Licence Fees is dependent upon seasonal arrangements between Licensee and the Licensor. | |

2b. Variable Yield Cover

Assumptions

Potential Yield **less than** 125% of Insured Yield
You nominated the following **Growing Costs**:

| | |
|------------------------------------|-------------------|
| Licence Fees | \$401 per hectare |
| In-Crop Costs | \$600 per hectare |
| Defoliation Costs | \$80 per hectare |
| Harvest & Transit Costs | \$250 per hectare |

Loss Date – 14 December which is 65 days after planting (10 October) therefore 67.80% deduction based on the 136 day ICC table page 8

| | |
|--------------------------|---|
| Insured Field | 40ha |
| Excess | 10% |
| Agreed Value | \$450/Bale |
| Insured Yield | 10 Bales/ha |
| Potential Yield | 11.5 Bales/ha - less than 125% of the Insured Yield |
| Field Sum Insured | \$207,000 (40ha x \$450 x 11.5b/ha) |

Net % Yield Loss 90%
(100% less **Excess**)

Net Yield Loss \$186,300
(90% x \$207,000)

Claim Calculation (based on Assumption Table)

Net Yield Loss \$186,300
(90% x \$207,000)

Less Licence Fee \$16,040
((\$401* x 40ha)

Less ICC Not Incurred \$16,272
(67.8% x \$600 x 40ha)

Less DC Not Incurred \$3,200
((\$80/ha x 40ha)

Less HTC Not Incurred \$10,000
((\$250 x 40.00ha)

Net Claim Payable \$140,788

+Additional Options (if listed in **Your Certificate of Insurance**)

* NB: full deduction of the Licence Fees is dependent upon seasonal arrangements between Licensee and the Licensor.

2c. Production Cost Cover

Assumptions

Potential Yield **less than** 75% of Insured Yield
You nominated the following **Growing Costs**:

| | |
|------------------------------------|-------------------|
| Licence Fees | \$401 per hectare |
| In-Crop Costs | \$600 per hectare |
| Defoliation Costs | \$80 per hectare |
| Harvest & Transit Costs | \$250 per hectare |

Loss Date – 14 December which is 65 days after planting (10 October) therefore 67.80% deduction based on the 136 day ICC table page 8

| | |
|--------------------------|-----------------------------------|
| Field Area | 40ha |
| Sum Insured/ha | \$3,000 |
| Field Sum Insured | \$120,000 (40ha x \$3,000/ha) |
| Net % Yield Loss | 90% (100% less Excess) |
| Net Yield Loss | \$108,000 (90% of \$120,000) |

Loss Date – 14 December which is 65 days after planting (10 October) therefore 67.80% deduction based on the 136 day ICC table page 8.

Claim Calculation

Net Yield Loss \$108,000

Less ICC Not Incurred \$16,272
(68.7% x \$600 x 40ha)

Less HTC Not Incurred \$10,000
((\$250 x 40.00ha)

Net Claim Payable \$81,728

+ Additional Benefits 1 or 2 only if applicable

3. Additional Option Loss

a. Leaf & Colour Downgrade

| | |
|------------------------|-------------|
| Insured Field | 100ha |
| Actual Yield | 6 Bales/ha |
| Potential Yield | 10 Bales/ha |
| Downgrade Bales | 600 Bales |

Downgrade Calculation

| Bales | Colour | Leaf | Discount/B | Gross Loss |
|-----------------------------------|--------|------|----------------|--------------------|
| 300 | 41 | 5 | \$450 x 19.87% | \$26,824.50 |
| 200 | 51 | 4 | \$450 x 21.79% | \$19,611 |
| 100 | 31 | 4 | \$450 x 5.77% | \$2,596 |
| Additional Option Net Loss | | | | \$49,031.50 |

b. Micronaire

| | |
|------------------------|--------------------------------|
| Insured Field | 100ha |
| Actual Yield | 6 Bales/ha |
| Potential Yield | 10 Bales/ha |
| Downgrade Bales | 600 Bales (6.0b/ha x 100ha) |

Downgrade Calculation

| Bales | Code | Discount/B | Gross Loss |
|-----------------------------------|------|-----------------|-----------------|
| 125 | G2 | \$450/b x 20% | \$11,250 |
| 75 | G4 | \$450/b x 12.5% | \$4,218 |
| 400 | G6 | \$450 x 0 | \$0 |
| Additional Option Net Loss | | | \$15,468 |

ICC 136 DAY TABLE

| # days since completion of planting when loss occurred | Un-incurred ICC % | # days since completion of planting when loss occurred | Un-incurred ICC % |
|--|-------------------|--|-------------------|
| 0 - 10 | 100.00% | 74 | 61.50% |
| 11 | 99.65% | 75 | 60.80% |
| 12 | 99.30% | 76 | 59.80% |
| 13 | 98.95% | 77 | 58.80% |
| 14 | 98.60% | 78 | 57.80% |
| 15 | 98.25% | 79 | 56.80% |
| 16 | 97.90% | 80 | 55.80% |
| 17 | 97.55% | 81 | 54.80% |
| 18 | 97.20% | 82 | 53.80% |
| 19 | 96.85% | 83 | 52.80% |
| 20 | 96.50% | 84 | 51.80% |
| 21 | 96.15% | 85 | 50.80% |
| 22 | 95.80% | 86 | 49.80% |
| 23 | 95.45% | 87 | 48.80% |
| 24 | 95.10% | 88 | 47.80% |
| 25 | 94.75% | 89 | 46.80% |
| 26 | 94.40% | 90 | 45.80% |
| 27 | 94.05% | 91 | 44.80% |
| 28 | 93.70% | 92 | 43.80% |
| 29 | 93.00% | 93 | 42.80% |
| 30 | 92.30% | 94 | 41.80% |
| 31 | 91.60% | 95 | 40.80% |
| 32 | 90.90% | 96 | 39.80% |
| 33 | 90.20% | 97 | 38.80% |
| 34 | 89.50% | 98 | 37.80% |
| 35 | 88.80% | 99 | 36.80% |
| 36 | 88.10% | 100 | 35.80% |
| 37 | 87.40% | 101 | 34.80% |
| 38 | 86.70% | 102 | 33.80% |
| 39 | 86.00% | 103 | 32.80% |
| 40 | 85.30% | 104 | 31.80% |
| 41 | 84.60% | 105 | 30.80% |
| 42 | 83.90% | 106 | 29.80% |
| 43 | 83.20% | 107 | 28.80% |
| 44 | 82.50% | 108 | 27.80% |
| 45 | 81.80% | 109 | 26.80% |
| 46 | 81.10% | 110 | 25.80% |
| 47 | 80.40% | 111 | 24.80% |
| 48 | 79.70% | 112 | 23.80% |
| 49 | 79.00% | 113 | 22.80% |
| 50 | 78.30% | 114 | 21.80% |
| 51 | 77.60% | 115 | 20.80% |
| 52 | 76.90% | 116 | 19.80% |
| 53 | 76.20% | 117 | 18.80% |
| 54 | 75.50% | 118 | 17.80% |
| 55 | 74.80% | 119 | 16.80% |
| 56 | 74.10% | 120 | 15.80% |
| 57 | 73.40% | 121 | 14.80% |
| 58 | 72.70% | 122 | 13.80% |
| 59 | 72.00% | 123 | 12.80% |
| 60 | 71.30% | 124 | 11.80% |
| 61 | 70.60% | 125 | 10.80% |
| 62 | 69.90% | 126 | 9.80% |
| 63 | 69.20% | 127 | 8.80% |
| 64 | 68.50% | 128 | 7.80% |
| 65 | 67.80% | 129 | 6.80% |
| 66 | 67.10% | 130 | 5.80% |
| 67 | 66.40% | 131 | 4.80% |
| 68 | 65.70% | 132 | 3.80% |
| 69 | 65.00% | 133 | 2.80% |
| 70 | 64.30% | 134 | 1.80% |
| 71 | 63.60% | 135 | 0.80% |
| 72 | 62.90% | 136+ | 0.00% |
| 73 | 62.20% | | |

ICC 110 DAY TABLE

| # days since completion of planting when loss occurred | Un-incurred ICC % | # days since completion of planting when loss occurred | Un-incurred ICC % |
|--|-------------------|--|-------------------|
| 0 - 10 | 100.00% | 61 | 49.61% |
| 11 | 99.65% | 62 | 48.31% |
| 12 | 99.23% | 63 | 47.01% |
| 13 | 98.81% | 64 | 45.71% |
| 14 | 98.39% | 65 | 44.41% |
| 15 | 97.97% | 66 | 43.11% |
| 16 | 97.55% | 67 | 41.81% |
| 17 | 97.13% | 68 | 40.51% |
| 18 | 96.71% | 69 | 39.21% |
| 19 | 96.29% | 70 | 37.91% |
| 20 | 95.87% | 71 | 36.61% |
| 21 | 95.45% | 72 | 35.31% |
| 22 | 95.03% | 73 | 34.01% |
| 23 | 94.61% | 74 | 32.71% |
| 24 | 94.19% | 75 | 31.41% |
| 25 | 93.77% | 76 | 30.51% |
| 26 | 93.35% | 77 | 29.62% |
| 27 | 92.93% | 78 | 28.72% |
| 28 | 92.51% | 79 | 27.82% |
| 29 | 91.21% | 80 | 26.92% |
| 30 | 89.91% | 81 | 26.03% |
| 31 | 88.61% | 82 | 25.13% |
| 32 | 87.31% | 83 | 24.23% |
| 33 | 86.01% | 84 | 23.33% |
| 34 | 84.71% | 85 | 22.44% |
| 35 | 83.41% | 86 | 21.54% |
| 36 | 82.11% | 87 | 20.64% |
| 37 | 80.81% | 88 | 19.74% |
| 38 | 79.51% | 89 | 18.85% |
| 39 | 78.21% | 90 | 17.95% |
| 40 | 76.91% | 91 | 17.05% |
| 41 | 75.61% | 92 | 16.15% |
| 42 | 74.31% | 93 | 15.26% |
| 43 | 73.01% | 94 | 14.36% |
| 44 | 71.71% | 95 | 13.46% |
| 45 | 70.41% | 96 | 12.56% |
| 46 | 69.11% | 97 | 11.67% |
| 47 | 67.81% | 98 | 10.77% |
| 48 | 66.51% | 99 | 9.87% |
| 49 | 65.21% | 100 | 8.97% |
| 50 | 63.91% | 101 | 8.07% |
| 51 | 62.61% | 102 | 7.18% |
| 52 | 61.31% | 103 | 6.28% |
| 53 | 60.01% | 104 | 5.38% |
| 54 | 58.71% | 105 | 4.48% |
| 55 | 57.41% | 106 | 3.59% |
| 56 | 56.11% | 107 | 2.69% |
| 57 | 54.81% | 108 | 1.79% |
| 58 | 53.51% | 109 | 0.89% |
| 59 | 52.21% | 110+ | 0.00% |
| 60 | 50.91% | | |

DISCOUNT TABLE - MICRONAIRE

| Code | Description | Discount/B |
|---------|-------------|------------|
| G7 - G5 | 3.5+ | - |
| G4 | 3.3 - 3.4 | 12.50% |
| G3 | 3.0 -3.2 | 17.50% |
| G2 | 2.7 - 2.9 | 20.00% |
| G1 | 2.5 - 2.6 | 25.00% |
| G0 | 2.4 & below | 37.50% |

DISCOUNT TABLE – LEAF & COLOUR

| Colour | Colour Code | Leaf Code | Discount/B |
|---------|---------------|-----------|------------|
| WHITE | GM 11 | 1 | - |
| | | 2 | - |
| | | 3 | - |
| | | 4 | 2.56% |
| | | 5-7 | 12.82% |
| | | 1-2 | - |
| | | 3 | - |
| | SM 21 | 4 | 3.85% |
| | | 5 | 13.46% |
| | | 6-7 | 17.31% |
| | | 1-2 | - |
| | | 3 | - |
| | MID 31 | 4 | 5.77% |
| | | 5 | 16.03% |
| | | 6-7 | 21.15% |
| | | 1-2 | 14.10% |
| | | 3 | 14.74% |
| | SLM 41 | 4 | 15.38% |
| | | 5 | 19.87% |
| | | 6-7 | 25.64% |
| | | 1-3 | 19.87% |
| | | 4 | 21.79% |
| | LM 51 | 5 | 23.72% |
| | | 6-7 | 28.21% |
| | | 1-4 | 33.97% |
| | SGO 61 | 5 | 33.97% |
| | | 6-7 | 33.97% |
| | | 1-2 | 8.97% |
| | GM 12 & SM 22 | 3 | 9.62% |
| | | 4 | 14.10% |
| 5 | | 20.51% | |
| 6-7 | | 25.00% | |
| 1-2 | | 14.74% | |
| MID 32 | 3 | 15.38% | |
| | 4 | 18.59% | |
| | 5 | 17.31% | |
| | 6-7 | 27.56% | |
| | 1-3 | 18.59% | |
| SLM 42 | 4 | 21.15% | |
| | 5 | 26.64% | |
| | 6-7 | 28.85% | |
| LM 52 | 1-4 | 35.26% | |
| | 5 | 35.26% | |
| | 6-7 | 35.26% | |
| MID 33 | 1-2 | 17.95% | |
| | 3 | 17.95% | |
| | 4 | 21.15% | |
| | 5 | 26.92% | |
| | 6-7 | 28.21% | |
| SLM 43 | 1-3 | 18.59% | |
| | 4 | 26.36% | |
| | 5-7 | 30.77% | |
| LM 53 | 1-4 | 33.97% | |
| | 5 | 33.97% | |
| | 6-7 | 33.97% | |
| SPOTTED | LM 53 | 1-5 | 38.46% |
| | | 6-7 | 38.46% |

EXCLUSIONS

We are not liable for loss of, damage to or destruction of **Your** cotton crops caused directly or indirectly or arising from:-

1. wind, water, rain or flood;
2. water or moisture damage as a result of the melting of or from melted hailstones;
3. loss of Potential Yield which occurs before the Period of Insurance as listed in **Your Certificate of Insurance**;
4. loss of nutritional value of cotton, or plant material;
5. loss of quality;
6. Consequential loss of any kind;
7. loss of Potential Yield or damage caused by vermin, birds, insects, larvae;
8. disease, virus(es), bacteria or fungus;
9. wilful, dishonest, fraudulent or criminal act or omission of **You** or any member of **Your** family;
10. war, invasion acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or resumption or nationalisation or requisition or destruction of or damage to cotton crop by or under the order of any government or public or local authority;
11. loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any acts of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

This exclusion also includes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism;

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf or in connection with any organisation(s) or government(s) which form its nature or context is done for, or in connection with political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This exclusion applies notwithstanding any provision to the contrary within this insurance or any endorsement thereto.

12. any ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel or the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

We do not provide cover, and We are not liable to pay any claim or provide any benefit under the Policy to the extent that such claim payment or the provision of such cover or benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, New Zealand, the United Kingdom, the European Union, one (1) of its member states, or the United States of America.

CLAIM CONDITIONS

1. Claims

TO ESTABLISH A CLAIM UNDER THIS POLICY YOU MUST COMPLY WITH THE FOLLOWING CONDITIONS

FAILURE TO DO SO MAY RESULT IN THE NON-PAYMENT OR REDUCTION OF YOUR CLAIM.

In the event of a circumstance which does or could give rise to a claim under this **Policy You** must -

- (a) notify **Us** within 48 hours, by completing **Our** claim notification form and return to **Us**;
- (b) allow **Us** and/or **Our** representatives to conduct any inspection and remove any samples deemed necessary to quantify the claim;
- (c) provide all such documents, information, samples and things with respect to the claim as may be reasonably required by **Us**;
- (d) be available, or have an authorised representative available, when the loss adjuster is on the **Property**.

2. Claim Payment

All claim payments will not include GST, which is neither chargeable nor recoverable.

GENERAL CONDITIONS

1. Payment of Premium

The premium plus government charges at the commencement of the **Period of Insurance** are shown on **Your Certificate of Insurance** as the 'Final Premium Details'. The Final Premium is payable over 2 payments as follows;

I. Deposit Payment

The deposit is a percentage of the Final Premium and must be paid within 30 days of the commencement of the **Period of Insurance**, unless otherwise agreed by **Us**.

II. Final Payment

We will issue a Final Invoice based on **Your** Policy Option Cover as follows

(a) Variable Yield Cover

We invoice **You** on **Your Actual Yield** once **You** provide **Your** ginning results and Final Declaration to **Us** within 14 days upon the completion of ginning or before the date shown in the Important Notices of **Your Certificate of Insurance**, whichever is the earlier.

(b) Predetermined Yield

We will invoice **You** on the date shown in the Important Notices of **Your Certificate of Insurance**. If **You** notify **Us** by that date of yield potentially being less than 75% of the **Insured Yield** then **You** will need to provide **Your** ginning results and Final Declaration to **Us** within 14 days upon the completion of ginning for Final Invoicing.

(c) Production Cost

Your Deposit payment is considered **Your** Final Payment. No refunds or premium adjustments are available under this cover.

The Final Payment must be paid by **You** to **Your** broker within 30 days of **Us** issuing the Final Invoice.

2. Husbandry

You must ensure that the cotton fields will be grown and tended in a manner consistent with generally accepted best farming practices and that all reasonable steps and loss prevention measures be taken for the protection and preservation of the plants and cotton.

3. Loss Mitigation

You must use due care and do and concur in doing all reasonably practicable things to avoid or diminish any loss or damage covered under this **Policy**.

4. Material Change

You must advise **Us** of any material change to the Property which may effect **Your Insured Field(s)**, or the risk insured. In the event of any such material change, **We** reserve the right to amend the **Policy** terms and/or conditions, or cancel the **Policy** if **We** deem it appropriate.

5. Other Insurance

You must advise **Us** of all other insurances **You** have relating to the cotton crop.

6. Other Interests

The cover provided by this **Policy** does not extend to an interest that is not **Your** interest (unless it is a third party interest notified to **Us** in writing, and accepted by **Us** in writing and as shown on **Your Certificate of Insurance**). **We** will not be liable under this **Policy** to anybody except **You**.

7. Assignment

No interest in this **Policy** may be transferred to any other party without **Our** prior written consent.

8. Cancellation

You may cancel the **Policy** at any time by advising **Us** in writing. **You** will not be entitled to any refund of premium.

We may cancel the **Policy** in accordance with the Insurance Contracts Act 1984. If **We** do, **We** may provide a partial refund of premium in such amount as **We** determine.

9. Subrogation

We have the right to prosecute a claim in **Your** name to recover damages from another person in respect of amounts paid under this **Policy**. **We** have full discretion in the conduct of such proceedings and in the settlement of such claims.

You must not exclude or limit **Your** rights against any such party. If **You** do, **We** will not pay a claim to the extent **We** can no longer recover from that other party because those rights are affected.

10. Underinsurance

You will not be covered in respect of any fields which are not shown on **Your Certificate of Insurance**.

If the planted area for any fields is greater than the fields **Insured Field** area, **Your** claim in respect of each block **Insured Field** area will be reduced by the underinsurance percentage of the fields planted area.