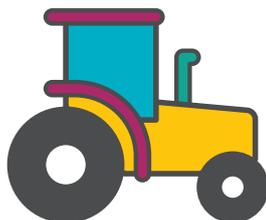


Lifestyle Block Insurance.

Policy wording.

ami

About your policy



Thank you for choosing to insure your Lifestyle Block with us. We have designed this document to help you clearly understand the terms of your policy, but if you are unsure about anything, please pop into your local AML branch to discuss it or call us on **0800 100 200** – we're happy to explain.

What this policy covers – page 1-25

This policy has a range of optional covers. Simply choose the cover you need. Only the covers you have chosen will apply to you. These will be stated in the Policy Schedule.

The following covers are available:

1	farm buildings and structures	page 1
2	farm plant and farm supplies	page 4
3	fusion of electric motors	page 7
4	mechanical breakdown of farm plant	page 8
5	fences and shelter belts	page 9
6	baled hay, baled straw and silage	page 10
7	farm produce	page 10
8	refrigerated farm produce	page 12
9	supply milk	page 13
10	livestock and horses	page 13
11	working farm dogs	page 15
12	farm money	page 15
13	transported items	page 16
14	farm vehicles	page 17
15	farming interruption	page 21
16	legal liability	page 21
17	statutory fines and penalties	page 24

What your responsibilities are – page 27

We agree to provide you with insurance cover as long as you meet certain conditions. If you do not meet these conditions, we can decide not to accept a claim or to cancel or void your policy.

you must:

- do what you can to **protect all property** covered by this policy from loss or damage
- **be truthful and correct** in everything you tell us
- let us know if there is any **change in ownership** of your farm property, or you change your farming operation
- let us know if you intend to make any **substantial alterations** to the land contour or infrastructure of your farm property, or to the structure of any farm building.

Statutory fines and penalties – page 24

- This cover is different from every other part of this policy. You must notify us immediately when you become aware of any circumstance which may give rise to a claim. Do not wait until you receive an approach about what happened. If you do not give us immediate notification, we can decide not to accept the claim.
- We also draw your attention to the clause 'Waiver of privilege'. This applies **only** to this cover, and not to any other part of the policy.



About your insurance contract

- a.** This policy forms part of the insurance contract between us and you.
- b.** Your insurance contract consists of:
 - this policy
 - the Policy Schedule
 - the information you provided in the proposal
 - the payment notice
 - any changes that we write to you about
 - any changes you request and we agree to in writing.
- c.** Your insurance contract begins when we accept the proposal, and ends on the expiry date stated in the Policy Schedule. You can renew your policy as from the expiry date by paying a renewal premium.
- d.** You must pay your insurance premium by the date stated on the payment notice. You cannot make a claim until you have paid your premium. If you do not pay your premium your policy will cease to operate.
- e.** If you are not happy with this policy, you can change your mind, provided you tell us within 15 days of the date of your proposal. We will withdraw cover effective from the beginning of the insurance contract and we will fully refund the premium you have paid. This clause will not apply if any claim has been made.

1 Farm buildings and structures

Cover for your farm buildings and structures

If you have chosen this cover it will be stated in the Policy Schedule. Your farm buildings, sundry farm structures, farm bridges, and farm services are covered, unless excluded by this policy, for any unforeseen and sudden physical loss or damage occurring at the location stated in the Policy Schedule.

1 Property covered

- a.** We will cover:
 - i farm buildings, including their integral permanent fixtures, specifically listed in the Policy Schedule, and
 - ii sundry farm structures, if a sum insured for sundry farm structures is stated in the Policy Schedule, and
 - iii farm bridges, specifically listed in the Policy Schedule, and
 - iv farm services, if a sum insured for farm services is stated in the Policy Schedule that you own or that are your legal responsibility, used in your farming operation at the location stated in the Policy Schedule.
- b.** By sundry farm structures we mean:
 - i stock yards and pens,
 - ii windmills and associated equipment,
 - iii aboveground tanks, stands and silos.
- c.** By farm services we mean:
 - i power and telephone poles, overhead lines, and associated equipment,
 - ii underground pipes and lines for power, gas, water supply and sewage disposal.

farm buildings and structures continued

2 Property not covered

 Separate cover is available for 'Fences' (see page 9).

- a.** The following are **not** covered:
 - i** any residential dwelling and outbuildings within the curtilage,
 - ii** any temporary structure,
 - iii** any glasshouse, greenhouse, tunnel house, shade house or hot house,
 - iv** any fence,
 - v** driveways, access and stock lanes,
 - vi** any swimming pool,
 - vii** any retaining wall,
 - viii** any stopbank, water reservoir, dyke or canal,
 - ix** any well, including the well casing, liner or pump,
 - x** any wharf, dam, pier, landing, breakwater or sea wall,
 - xi** any land, earth or fill.

3 What we will pay

- a.** Your farm buildings, sundry farm structures, farm bridges and farm services are covered for market value, unless you have selected replacement value cover for any individual farm building. This is stated in the Policy Schedule.
- b.** We will use building materials and construction methods in common use at the time of repair or rebuilding.
- c.** The most we will pay for any farm building listed separately in the Policy Schedule, is the sum specified for that building.
- d.** The most we will pay for any claim for sundry farm structures is the sum insured for sundry farm structures. This is stated in the Policy Schedule.
- e.** The most we will pay for any farm bridge listed separately in the Policy Schedule is the sum specified for that bridge.
- f.** The most we will pay for any claim for farm services is the sum insured for farm services. This is stated in the Policy Schedule.

4 How we will settle a claim

- a.** For any farm buildings, sundry farm structures, farm bridges and farm services covered for market value, we can choose to:
 - i** pay to repair the item to the condition it was in before the damage occurred, or
 - ii** replace the item, up to its market value, or
 - iii** provide you with a voucher to the market value of the item, or
 - iv** pay you the market value of the item.
- b.** For any farm building covered for replacement value, we can choose to:
 - i** pay to repair the farm building to the condition it was in before the damage occurred, or
 - ii** replace the farm building with an equivalent, or
 - iii** provide you with a voucher to replace any damaged item, or
 - iv** pay you the cash equivalent of any damaged item if it cannot be replaced, or
 - v** pay you the equivalent cost to us of any item if it is not replaced, or
 - vi** pay you the market value of the farm building if it is not replaced.

Cover for additional costs

We will pay for the following additional costs.

1 Professional fees

- a.** We will pay the reasonable cost of architects', engineers' and surveyors' fees to repair or rebuild your farm buildings, sundry farm structures, farm bridges and farm services. These expenses must be approved by us before they are incurred.



- 2 Demolition and debris removal**
- a.** We will pay the reasonable cost of demolition and debris removal. These expenses must be approved by us before they are incurred.
-
- 3 Removal and storage of contents of farm buildings**
- a.** We will pay the reasonable cost of removing and storing the contents of your farm buildings when this is necessary to carry out repair or reinstatement of your farm buildings.
- 4 Compliance with building legislation and regulations for farm buildings**
- a.** If additional work is required to repair or replace any farm building, we will pay the reasonable costs for compliance with building legislation and rules.
- b.** However, we will not cover the additional work if:
- i** a notice has been served requiring compliance with the Building Act 2004 or the Resource Management Act 1991 before the loss or damage occurred, or
 - ii** your farm building did not comply with the relevant building controls when it was built or at the time of any alteration.
- c.** This cover does not apply to sundry farm structures, farm bridges or farm services.

 Separate cover is available for 'Farming interruption' (see page 21).

Extra covers

The following extra covers are automatically included. Cover is provided on the same basis as 'Cover for your farm buildings and structures' on page 1.

- 1 Earthquake cover**
- a.** We will cover you if your farm buildings, sundry farm structures, farm bridges and farm services are damaged by earthquake, natural landslip, tsunami, volcanic eruption or hydrothermal activity.
-
- 2 Electrical current damage**
- a.** You are covered for burning out of the permanent wiring inside your farm buildings.
- b.** We will pay the cost of replacement wiring and installation.

What is not covered by 'cover for your farm buildings and structures'

- 1 No cover for theft or deliberate damage by certain people**
- a.** There is no cover for theft of any item, or for any deliberate damage caused, directly or indirectly, by:
- i** you, or any member of your immediate family, or
 - ii** any person who normally resides with you, or
 - iii** any director, officer, manager or member, if the insured is a corporate body, or
 - iv** any trustee or beneficiary, if the insured is a trust, or
 - v** any partner, if the insured is a partnership, or
 - vi** any tenant living on your farm property, or
 - vii** any employee.
-
- 2 No cover for breakdown**
- a.** There is no cover for mechanical, electrical or electronic breakdown of any item or system, or for damage to the item or system caused by the breakdown, except for the cover provided under 'Electrical current damage' above.

 Separate cover is available for 'Mechanical breakdown of farm plant' (see page 8).

farm buildings and structures continued

- 3 No cover for certain kinds of damage**
- a.** There is no cover for loss or damage caused, directly or indirectly, by:
 - i** depreciation, wear and tear, seepage or corrosion, or
 - ii** rot, gradual deterioration or mildew, or
 - iii** pollution or contamination, or
 - iv** any fault or existing or inherent defect in the construction of your farm buildings, sundry farm structures, farm bridges and farm services or the materials used, or
 - v** any error or omission in design, formula or specification of your farm buildings, sundry farm structures, farm bridges and farm services.
 - b.** There is no cover for loss or damage caused, directly or indirectly, by:
 - i** the deliberate removal or attempted removal of any structural support, or
 - ii** water damage due to the deliberate removal of roofing material, exterior cladding, doors or windows.
 - c.** There is no cover for loss or damage caused, directly or indirectly, by insects, rodents, pests or vermin.
 - d.** There is no cover for farm buildings, sundry farm structures, farm bridges and farm services during construction.
 - e.** There is no cover for loss or damage caused, directly or indirectly, by erosion, subsidence, avulsion, alluvion, falling debris, inundation, or slippage where a territorial authority has issued a notice under Section 36 of the Building Act 2004 in respect of the farm buildings, sundry farm structures, farm bridges and farm services lost or damaged.

-
- 4 No cover for consequential loss**
- a.** There is no cover for consequential loss of any kind.

-
- 5 No cover for loss of use**
- a.** There is no cover for any loss of income or additional costs that you incur from not having the use of your farm buildings, sundry farm structures, farm bridges and farm services.

 Separate cover is available for 'Farming interruption' (see page 21).

2 Farm plant and farm supplies

Cover for your farm plant and farm supplies

If you have chosen this cover it will be stated in the Policy Schedule. Your farm plant and farm supplies are covered, unless excluded by this policy, for any unforeseen and sudden physical loss or damage occurring at the location stated in the Policy Schedule.

- 1 Property covered**
- a.** We will cover:
 - i** farm plant, if a sum insured for farm plant is stated in the Policy Schedule, and
 - ii** farm supplies, if a sum insured for farm supplies is stated in the Policy Schedule that you own or that are your legal responsibility, at the location stated in the Policy Schedule.
 - b.** By farm plant we mean:
 - i** farm implements which are not self propelled,
 - ii** tools and equipment,
 - iii** stock water and irrigation pumps, whether surface or submersible, not including the well casing or liner,
 - iv** irrigators, hoses and associated equipment,
 - v** dairy machinery, plant and equipment,
 - vi** shearing machines, handpieces and associated equipment,
 - vii** machinery (fixed or portable), not including any motor vehicle, aircraft or watercraft,



- viii temporary electric fencing and associated equipment,
 - ix business computer equipment, not including software or stored information,
 - x business cellular phones, facsimile machines, radio telephones and pagers.
- c.** By farm supplies we mean:
- i fuels and lubricants,
 - ii manufactured stock foods,
 - iii fertilisers, chemicals, sprays and animal remedies,
 - iv materials for the repair and maintenance of farm buildings, sundry farm structures, farm bridges, farm services, fences and farm plant.

- 2 What we will pay**
- a.** For your farm plant we will pay:
- i replacement value for items that are under 5 years old, or
 - ii market value for items that are over 5 years old.
- b.** For your farm supplies we will pay:
- i replacement value for items that are under 3 years old, or
 - ii market value for items that are over 3 years old.
- c.** The most we will pay for any claim for farm plant is the sum insured for farm plant. This is stated in the Policy Schedule.
- d.** The most we will pay for any claim for farm supplies is the sum insured for farm supplies. This is stated in the Policy Schedule.

- 3 How we will settle a claim**
- a.** For any item covered for replacement, we can choose to:
- i pay to repair the item to the condition it was in before the loss or damage occurred, or
 - ii replace the item with an equivalent, or
 - iii provide you with a voucher to replace the item, or
 - iv pay you the cash equivalent of the item if it cannot be replaced, or
 - v pay you the equivalent cost to us of the item if it is not replaced.
- b.** For any item covered for market value, we can choose to:
- i pay to repair the item to the condition it was in before the loss or damage occurred, or
 - ii replace the item, up to its market value, or
 - iii provide you with a voucher to the market value of the item, or
 - iv pay you the market value of the item.

Extra covers

The following extra covers are automatically included. Cover is provided on the same basis as 'Cover for your farm plant and farm supplies' on page 4.

- 1 Earthquake cover**
- a.** We will cover you if your farm plant and farm supplies are damaged by earthquake, natural landslip, tsunami, volcanic eruption or hydrothermal activity.

- 2 Cellular phones**
- a.** This cover only applies if we agree to pay a claim for total loss of your cellular phone.
- b.** We will either:
- i provide you with a new phone for use with your existing contract, or
 - ii provide you with a new phone and buy out your existing contract, whichever is the cheapest.

- 3 Temporary removal**
- a.** Your farm plant and farm supplies are covered while temporarily removed from your farm, except when removed for sale or storage.
- b.** The most we will pay is \$5,000 for any claim.

farm plant and farm supplies continued

What is not covered by 'cover for your farm plant and farm supplies'

- 1 No cover for theft or deliberate damage by certain people**
- a.** There is no cover for theft of any item, or for any deliberate damage caused, directly or indirectly, by:
- i** you, or any member of your immediate family, or
 - ii** any person who normally resides with you, or
 - iii** any director, officer, manager or member, if the insured is a corporate body, or
 - iv** any trustee or beneficiary, if the insured is a trust, or
 - v** any partner, if the insured is a partnership, or
 - vi** any tenant living on your farm property, or
 - vii** any employee.
-

- 2 No cover for breakdown**
- a.** There is no cover for mechanical, electrical or electronic breakdown.



Separate cover is available for 'Mechanical breakdown of farm plant' (see page 8) and 'Fusion of electric motors' (see page 7).

- 3 No cover for certain kinds of damage**
- a.** There is no cover for loss or damage caused, directly or indirectly, by:
- i** depreciation, wear and tear, seepage or corrosion, or
 - ii** rot, gradual deterioration or mildew, or
 - iii** scratching, denting or chipping, or
 - iv** any event that results in shrinking or colour changes, or
 - v** pollution or contamination, or
 - vi** any fault or existing or inherent defect, or
 - vii** any error or omission in design, formula or specification of any item.
- b.** There is no cover for any loss or damage caused, directly or indirectly, by your electricity supplier intentionally cutting your power supply.
- c.** There is no cover for loss or damage caused, directly or indirectly, by insects, rodents, pests or vermin.
-

- 4 No cover for certain kinds of removal**
- a.** There is no cover for your farm plant and farm supplies while they are:
- i** permanently removed from your farm property, or
 - ii** removed from your farm property for sale, or
 - iii** removed from your farm property for storage, whether permanently or temporarily.
-

- 5 No cover for consequential loss**
- a.** There is no cover for consequential loss of any kind.
-

- 6 No cover for loss of use**
- a.** There is no cover for any loss of income or additional costs that you incur from not having the use of your farm plant and farm supplies.



Separate cover is available for 'Farming interruption' (see page 21).



3 Fusion of electric motors

Cover for fusion of electric motors

If you have chosen this cover it will be stated in the Policy Schedule. Your electric motors are covered, unless excluded by this policy, for damage caused directly by accidental electrical fusion.

- 1 Property covered**
- a.** We will cover your electric motors (not including generators or similar) which are an integral part of your farm buildings, sundry farm structures, or farm plant insured under this policy, that you own or that are your legal responsibility, at the location stated in the Policy Schedule.

- 2 What we will pay**
- a.** If your electric motor is damaged by electrical fusion, we can choose to:
 - i** pay to repair the motor to the condition it was in before the damage occurred, or
 - ii** replace the motor, up to its market value, or
 - iii** provide you with a voucher to the market value of the motor, or
 - iv** pay you the market value of the motor.
 - b.** The most we will pay for any claim is \$2,000.

What is not covered by 'cover for fusion of electric motors'

- 1 No cover for certain kinds of damage**
- a.** There is no cover for loss or damage caused, directly or indirectly, by:
 - i** any existing or inherent defect, or
 - ii** any error or omission in design, formula or specification.
 - b.** There is no cover for loss or damage to your electric motor where a warranty or guarantee applies.

- 2 No cover for experiment or testing**
- a.** There is no cover for any loss or damage caused, directly or indirectly, by any experiment or testing.

- 3 No cover for consequential loss**
- a.** There is no cover for consequential loss of any kind.

- 4 No cover for loss of use**
- a.** There is no cover for any loss of income or additional costs that you incur from not having the use of your electric motor.
 - b.** There is no cover for the cost for hire of a substitute electric motor during the time taken to repair or replace your electric motor.

 Separate cover is available for 'Farming interruption' (see page 21).

4 Mechanical breakdown of farm plant

Cover for mechanical breakdown of farm plant

If you have chosen this cover it will be stated in the Policy Schedule. Items of farm plant that are specifically listed in the Policy Schedule are covered, unless excluded by this policy, for any unforeseen and sudden mechanical, electrical or electronic breakdown.

1 Property covered **a.** We will cover items of farm plant specifically listed in the Policy Schedule while they are being used in connection with your farming operation.

2 What we will pay **a.** For any item under 5 years old, we can choose to:

- i** pay to repair the item to the condition it was in before the damage occurred, or
- ii** replace the item with an equivalent, or
- iii** provide you with a voucher to replace the item, or
- iv** pay you the cash equivalent of the item if it cannot be replaced, or
- v** pay you the equivalent cost to us of the item if it is not replaced.

b. For any item over 5 years old, we can choose to:

- i** pay to repair the item to the condition it was in before the damage occurred, or
- ii** replace the item, up to its market value, or
- iii** provide you with a voucher to the market value of the item, or
- iv** pay you the market value of the item.

c. The most we will pay for any item is the sum specified for that item in the Policy Schedule.

Extra cover

The following extra cover is automatically included. Cover is provided on the same basis as 'Cover for mechanical breakdown of farm plant' above.

1 Computer files **a.** This cover only applies if your computer is specifically listed in the Policy Schedule under mechanical breakdown of farm plant.

b. You are covered for the cost of reinstating your computer records and licensed software.

c. The most we will pay is \$1,000 for any claim.

What is not covered by 'cover for mechanical breakdown of farm plant'

1 No cover for certain deliberate damage **a.** There is no cover for any deliberate damage caused, directly or indirectly, by:

- i** you, or any member of your immediate family, or
- ii** any person who normally resides with you, or
- iii** any director, officer, manager or member, if the insured is a corporate body, or
- iv** any trustee or beneficiary, if the insured is a trust, or
- v** any partner, if the insured is a partnership, or
- vi** any tenant living on your farm property, or
- vii** any employee.

2 No cover for certain kinds of damage **a.** There is no cover for loss or damage caused, directly or indirectly, by:

- i** any existing or inherent defect, or
- ii** any error or omission in design, formula or specification.

b. There is no cover for loss or damage where a warranty or guarantee applies.



- 3 No cover for experiment or testing**
- a. There is no cover for any loss or damage caused, directly or indirectly, by any experiment or testing.

- 4 No cover for consequential loss**
- a. There is no cover for consequential loss of any kind.

- 5 No cover for loss of use**
- a. There is no cover for any loss of income or additional costs that you incur from not having the use of the damaged item.
 - b. There is no cover for the cost for hire of a substitute item during the time taken to repair or replace the damaged item.

□ Separate cover is available for 'Farming interruption' (see page 21).

5 Fences and shelter belts

Cover for your fences and shelter belts

If you have chosen this cover it will be stated in the Policy Schedule. Your fences and shelter belts are covered, unless excluded by this policy, for unforeseen and sudden physical loss or damage that is caused directly by any of the causes listed under 'Causes of loss or damage'.

- 1 Property covered**
- a. We will cover your fences and natural and artificial shelter belts at the location stated in the Policy Schedule.

- 2 Causes of loss or damage**
- a. Your fences and shelter belts are covered for loss or damage caused directly by:
 - i earthquake, flood, fire, explosion or lightning, or
 - ii any aircraft or aerial device, or anything dropped from them, or
 - iii impact by any motor vehicle.

- 3 What we will pay**
- a. If your fence or artificial shelter belt is damaged and can be economically repaired, we can choose to either:
 - i remove the debris and repair your fence or artificial shelter belt to the state it was in before the damage occurred, or
 - ii pay you the cash equivalent of the cost of removal of debris and repairs, with allowance for depreciation and wear and tear.
 - b. If your fence or artificial shelter belt is damaged beyond economical repair or lost, we will pay the market value of your fence or artificial shelter belt at the time of the damage or loss.
 - c. If your natural shelter belt is damaged, we will pay for removal of debris and replanting.
 - d. The most we will pay for any claim is the sum insured. This is stated in the Policy Schedule.

- 4 No cover for consequential loss**
- a. There is no cover for consequential loss of any kind.

6 Baled hay, baled straw and silage

Cover for your baled hay, baled straw and silage

If you have chosen this cover it will be stated in the Policy Schedule. Your baled hay, baled straw and silage, are covered, unless excluded by this policy, for unforeseen and sudden physical loss that is caused directly by any of the causes listed under 'Causes of loss'.

-
- 1 Property covered**
- a. We will cover baled hay, baled straw and silage, that you own or that is your legal responsibility, at the location stated in the Policy Schedule.
-
- 2 Causes of loss**
- a. Your baled hay, baled straw and silage, are covered for loss caused directly by:
 - i fire, explosion or lightning, or
 - ii earthquake, storm or flood if stored in an enclosed or semi-enclosed farm building.
-
- 3 What we will pay**
- a. We will pay the market value for your baled hay, baled straw and silage.
 - b. The most we will pay for any claim is the sum insured. This is stated in the Policy Schedule.
-
- 4 No cover for consequential loss**
- a. There is no cover for consequential loss of any kind.

7 Farm produce

Cover for your farm produce

If you have chosen this cover it will be stated in the Policy Schedule. Your farm produce is covered, unless excluded by this policy, for any unforeseen and sudden physical loss or damage occurring at the location stated in the Policy Schedule.

-
- 1 Property covered**
- a. We will cover farm produce, together with its containers and packaging, that you own or that is your legal responsibility, at the location stated in the Policy Schedule.
 - b. By farm produce we mean:
 - i stored seeds and grains intended for sowing,
 - ii harvested seeds, grains, bulbs, fruit, vegetables, eggs, honey, nuts and flowers,
 - iii clipped wool or hair,
 - iv milk stored in farm vats and dairy products,
 - v harvested deer velvet,
 - vi harvested grapes, pulp or wine less than 2,000 litres in volume,
 - vii harvested mushrooms,
 - viii harvested truffles,
 - ix olive oil.
-
- 2 What we will pay**
- a. We will pay the market value of your farm produce.
 - b. The most we will pay for any claim is the sum insured. This is stated in the Policy Schedule.
-
- 3 How we will settle a claim**
- a. We can choose to:
 - i replace the item, up to its market value, or
 - ii provide you with a voucher to the market value of the item, or
 - iii pay you the market value of the item.



Extra cover

The following extra cover is automatically included. Cover is provided on the same basis as 'Cover for your farm produce' (see page 10).

- 1 Earthquake cover** **a.** We will cover you if your farm produce is damaged by earthquake, natural landslip, tsunami, volcanic eruption or hydrothermal activity.

What is not covered by 'cover for your farm produce'

- 1 No cover for theft or deliberate damage by certain people** **a.** There is no cover for theft of any item, or for any deliberate damage caused, directly or indirectly, by:
- i you, or any member of your immediate family, or
 - ii any person who normally resides with you, or
 - iii any director, officer, manager or member, if the insured is a corporate body, or
 - iv any trustee or beneficiary, if the insured is a trust, or
 - v any partner, if the insured is a partnership, or
 - vi any tenant living on your farm property, or
 - vii any employee.

- 2 No cover for breakdown** **a.** There is no cover for any loss or damage caused, directly or indirectly, by mechanical, electrical or electronic breakdown.



Separate cover is available for 'Refrigerated farm produce' (see page 12).

- 3 No cover for certain kinds of damage** **a.** There is no cover for loss or damage caused, directly or indirectly, by:
- i depreciation, wear and tear, seepage or corrosion, or
 - ii rot, gradual deterioration, mildew, spoilage, decay or disease, or
 - iii scratching, denting or chipping, or
 - iv discolouration, change in temperature, humidity or sunlight, or
 - v any event that results in shrinking or colour changes, or
 - vi pollution or contamination, or
 - vii any fault or existing or inherent defect, or
 - viii any error or omission in design, formula or specification of any item.
- b.** There is no cover for any loss or damage caused, directly or indirectly, by your electricity supplier intentionally cutting your power supply.
- c.** There is no cover for loss or damage caused, directly or indirectly, by insects, rodents, pests or vermin.

- 4 No cover for consequential loss** **a.** There is no cover for consequential loss of any kind.

8 Refrigerated farm produce

Cover for your refrigerated farm produce

If you have chosen this cover it will be stated in the Policy Schedule. Your refrigerated farm produce is covered, unless excluded by this policy, for loss or damage caused directly by the unforeseen and sudden stoppage or failure of the refrigeration facility it is stored in at the location stated in the Policy Schedule.

- 1 Property covered**
- a.** We will cover refrigerated farm produce that you own or that is your legal responsibility, at the location stated in the Policy Schedule.
 - b.** By refrigerated farm produce we mean:
 - i** deer velvet,
 - ii** milk or dairy products,
 - iii** meat or meat products,
 - iv** fruit, vegetables, eggs, flowers,
 - v** grapes, pulp or wine less than 2,000 litres in volume,
 - vi** mushrooms,
 - vii** truffles.
-

- 2 What we will pay**
- a.** We will pay the market value of your refrigerated farm produce.
 - b.** The most we will pay for any claim is the sum insured. This is stated in the Policy Schedule.

Extra cover

The following extra cover is automatically included. Cover is provided on the same basis as 'Cover for your refrigerated farm produce' above.

- 1 Earthquake cover**
- a.** We will cover you if your refrigerated farm produce is damaged by earthquake, natural landslip, tsunami, volcanic eruption or hydrothermal activity.

What is not covered by 'cover for your refrigerated farm produce'

- 1 No cover for cutting of electricity supply**
- a.** There is no cover for any loss or damage caused, directly or indirectly, by your electricity supplier intentionally cutting your power supply.
-

- 2 No cover for certain deliberate damage**
- a.** There is no cover for any deliberate damage caused, directly or indirectly, by:
 - i** you, or any member of your immediate family, or
 - ii** any person who normally resides with you, or
 - iii** any director, officer, manager or member, if the insured is a corporate body, or
 - iv** any trustee or beneficiary, if the insured is a trust, or
 - v** any partner, if the insured is a partnership, or
 - vi** any tenant living on your farm property, or
 - vii** any employee.
-

- 3 No cover for consequential loss**
- a.** There is no cover for consequential loss of any kind.



9 Supply milk

Cover for your supply milk

If you have chosen this cover it will be stated in the Policy Schedule. Your supply milk is covered, unless excluded by this policy, for loss or damage that is caused directly by any of the causes listed under 'Causes of loss or damage'.

-
- 1 Property covered**
- a.** We will cover supply milk that you own or that is your legal responsibility, stored in bulk in any vat or storage facility at the location stated in the Policy Schedule.
-
- 2 Causes of loss or damage**
- a.** We will pay for accidental contamination or spoilage of your supply milk:
 - i** if the dairy company rejects it as being unfit for human consumption, or
 - ii** if the dairy company is prevented from collecting your milk because of fire, windstorm or flood, or any earthquake, natural landslide, tsunami, volcanic eruption or hydrothermal activity.
-
- 3 What we will pay**
- a.** We will pay the market value of your supply milk, less any money or other compensation you receive or will receive for the milk.
 - b.** The most we will pay for any claim is the sum insured stated in the Policy Schedule.
 - c.** We will also pay the reasonable additional costs you incur in disposing of the contaminated or spoiled milk, up to a maximum of \$250 for any claim.
-
- 4 No cover for consequential loss**
- a.** There is no cover for consequential loss of any kind.

10 Livestock and horses

Cover for your livestock and horses

If you have chosen this cover it will be stated in the Policy Schedule. Your livestock and horses are covered, unless excluded by this policy, for death caused directly by any of the causes listed under 'Causes of death'.

-
- 1 Property covered**
- a.** We will cover livestock and horses that you own or that are your legal responsibility.
 - b.** By livestock we mean sheep, cattle, deer, pigs, goats, birds, llamas, and like animals.
 - c.** By horses we mean horses, ponies and donkeys.
-
- 2 Property not covered**
- a.** The following are neither livestock nor horses, and are not covered:
 - i** domestic pets, and
 - ii** dogs, cats, ferrets, rabbits, bees, fish, or like animals, and
 - iii** semen, unborn tissue or embryos.

livestock and horses continued

- 3 Causes of death**
- a.** Your livestock are covered for death, including humane destruction certified by a veterinary surgeon, caused directly by:
 - i** fire, explosion, lightning or electrocution, or
 - ii** any aircraft or other aerial device or anything dropped from them, or
 - iii** impact by any motor vehicleoccurring at the location stated in the Policy Schedule.
 - b.** Your horses are covered for death, including humane destruction certified by a veterinary surgeon, caused directly by:
 - i** fire, explosion, lightning or electrocution, or
 - ii** any aircraft or other aerial device or anything dropped from them, or
 - iii** impact by any motor vehicleoccurring anywhere in New Zealand.
-

- 4 What we will pay**
- a.** We will pay the market value of the dead animal.
 - b.** The most we will pay for any one animal is \$2,000, including disposal costs.
 - c.** The most we will pay for any claim is the sum insured. This is stated in the Policy Schedule.
 - d.** For any claim we will pay up to \$250 towards the costs of veterinary services administered to your animal or animals to prevent death, whether or not death occurs, or to destroy the animal or animals for humane reasons.
 - e.** You will not have to pay any excess to us for veterinary costs.
-

- 5 No cover for consequential loss**
- a.** There is no cover for consequential loss of any kind.

Extra cover

The following extra cover is automatically included. Cover is provided on the same basis as 'Cover for your livestock and horses' on page 13.

- 1 Stock worrying**
- a.** Your livestock and horses are covered for death, including humane destruction certified by a veterinary surgeon, caused directly by a dog not owned by or under the control of:
 - i** you, or any member of your immediate family, or
 - ii** any person who normally resides with you, or
 - iii** any director, officer, manager or member, if the insured is a corporate body, or
 - iv** any trustee or beneficiary, if the insured is a trust, or
 - v** any partner, if the insured is a partnership, or
 - vi** any tenant living on your farm property, or
 - vii** any employee.
 - b.** We will pay the market value of the dead animal.
 - c.** The most we will pay for any one animal is \$2,000, including disposal costs.
 - d.** The most we will pay for any claim is \$10,000 including disposal costs, or the sum insured for your livestock and horses stated in the Policy Schedule, whichever is the lesser.
 - e.** For any claim we will pay up to \$250 towards the costs of veterinary services administered to your animal or animals to prevent death, whether or not death occurs, or to destroy the animal or animals for humane reasons.
 - f.** You will not have to pay any excess to us for veterinary costs.



11 Working farm dogs

Cover for your working farm dogs

If you have chosen this cover it will be stated in the Policy Schedule. Your working farm dogs are covered, unless excluded by this policy, for death caused directly by any of the causes listed under 'Causes of death'.

- | | |
|--|--|
| 1 We will cover | a. We will cover working farm dogs, aged between 6 months and 8 years, that you own or that are your legal responsibility. |
| <hr/> | |
| 2 Causes of death | a. Your working farm dogs are covered for death, including humane destruction certified by a veterinary surgeon, caused directly by accidental, violent, external and visible means, or accidental poisoning.
b. However, we will not cover death deliberately caused by: <ul style="list-style-type: none"> i you, or any member of your immediate family, or ii any person who normally resides with you, or iii any director, officer, manager or member, if the insured is a corporate body, or iv any trustee or beneficiary, if the insured is a trust, or v any partner, if the insured is a partnership, or vi any tenant living on your farm property, or vii any employee. |
| <hr/> | |
| 3 What we will pay | a. For any working farm dog listed in the Policy Schedule, we will pay the sum insured for that dog.
b. For all other working farm dogs, we will pay the market value, up to \$500 for each dog.
c. For any claim, we will pay up to \$100 towards the costs of veterinary services administered to your working farm dog to prevent death, whether or not death occurs, or to destroy the dog for humane reasons. |
| <hr/> | |
| 4 No cover for consequential loss | a. There is no cover for consequential loss of any kind. |

12 Farm money

Cover for your farm money

If you have chosen this cover it will be stated in the Policy Schedule. Your farm money is covered, unless excluded by this policy, for unforeseen and sudden loss caused directly by any of the causes listed under 'Causes of loss'.

- | | |
|--|---|
| 1 Property covered | a. We will cover your current coins and bank notes held by you in connection with your farming operation, while in a building at the location stated in the Policy Schedule. |
| <hr/> | |
| 2 Property not covered | a. We will not cover money in an unattended roadside stall or honesty box. |
| <hr/> | |
| 3 Causes of loss | a. Your farm money is covered for loss directly caused by: <ul style="list-style-type: none"> i earthquake, flood, fire, explosion or lightning, or ii burglary or aggravated robbery. |
| <hr/> | |
| 4 What we will pay | a. We will pay to you the money lost, up to \$1,000 for any claim. |
| <hr/> | |
| 5 No cover for consequential loss | a. There is no cover for consequential loss of any kind. |

13 Transported items

Cover for transported items

If you have chosen this cover it will be stated in the Policy Schedule. Your farm plant and farm supplies, baled hay, baled straw and silage, farm produce and livestock and horses are covered, unless excluded by this policy, while they are being transported in or on any vehicle within New Zealand for any unforeseen and sudden physical loss or damage.

This cover is only available if the items being transported are covered under:

- '2 farm plant and farm supplies' (see page 4), or
- '6 baled hay, baled straw and silage' (see page 10), or
- '7 farm produce' (see page 10), or
- '10 livestock and horses' (see page 13).

- 1 What we will pay**
- a.** We will pay the market value of any item lost or damaged, up to a maximum of \$2,000 for any one unit of goods or animal.
 - b.** The most we will pay for any claim is the sum insured stated in the Policy Schedule.
-

- 2 How we will settle a claim**
- a.** We can choose to:
 - i** pay to repair the item to the condition it was in before the loss or damage occurred, or
 - ii** replace the item, up to its market value, or
 - iii** provide you with a voucher to the market value of the item, or
 - iv** pay you the market value of the item.

What is not covered by 'cover for transported items'

- 1 No cover for theft or deliberate damage by certain people**
- a.** There is no cover for theft of any item, or for any deliberate damage caused, directly or indirectly, by:
 - i** you, or any member of your immediate family, or
 - ii** any person who normally resides with you, or
 - iii** any director, officer, manager or member, if the insured is a corporate body, or
 - iv** any trustee or beneficiary, if the insured is a trust, or
 - v** any partner, if the insured is a partnership, or
 - vi** any tenant living on your farm property, or
 - vii** any employee.
-

- 2 No cover for certain kinds of damage**
- a.** There is no cover for loss or damage caused, directly or indirectly, by:
 - i** depreciation, wear and tear, seepage or corrosion, or
 - ii** rot, gradual deterioration or mildew, or
 - iii** scratching, denting or chipping, or
 - iv** any event that results in shrinking or colour changes, or
 - v** pollution or contamination, or
 - vi** any fault or existing or inherent defect, or
 - vii** any error or omission in design, formula or specification of any item.
 - b.** There is no cover for loss or damage caused, directly or indirectly, by insects, rodents, pests or vermin.
-

- 3 No cover for consequential loss**
- a.** There is no cover for consequential loss of any kind.



- 4 No cover for loss of use**
- a.** There is no cover for any loss of income or additional costs that you incur from not having the use of the damaged item.
 - b.** There is no cover for the cost for hire of a substitute item during the time taken to repair or replace the damaged item.

14 Farm vehicles

Cover for your farm vehicles

If you have chosen this cover it will be stated in the Policy Schedule. Your farm vehicles are covered, unless excluded by this policy, for any unforeseen and sudden physical loss or damage anywhere in New Zealand occurring in connection with your farming operation or farm contracting work.

- 1 Property covered**
- a.** We will cover farm vehicles, including their accessories and standard tools, specifically listed in the Policy Schedule, used in connection with your farming operation.
 - b.** By farm vehicles we mean:
 - i tractors and their attached equipment,
 - ii self-propelled agricultural machines,
 - iii farm trailers,
 - iv farm motorcycles.

- 2 What we will pay**
- a.** If your farm vehicle is damaged and can be repaired, we can choose to either:
 - i repair your farm vehicle to substantially the same condition it was in before the damage occurred, or
 - ii pay you the cash equivalent of the cost of repairs.
 - b.** If your farm vehicle is damaged beyond economic or safe repair, or if your farm vehicle is stolen and not recovered, then we will pay you the market value of your farm vehicle or the sum insured stated in the Policy Schedule, whichever is the lesser. You must transfer ownership of your farm vehicle to us.

- 3 What we will not pay**
- a.** We will not pay to replace any part that was not damaged.
 - b.** We will not pay to airfreight parts to New Zealand from overseas.
 - c.** If a part or accessory is not available in New Zealand we will pay either:
 - i the manufacturer's last known list price in New Zealand, or
 - ii the price of the part's closest New Zealand equivalent, or
 - iii the cost of having the part made in New Zealand,
 whichever is the lesser.
 - d.** We only pay for the repainting of areas that actually suffered damage in the event claimed for.
 - e.** We will do our best to make sure that the repairer matches existing paint. If the repairer has been unable to match the existing paintwork, then we will not pay to repaint undamaged areas.

Cover for additional costs

We will pay for the following additional costs if we agree to pay a claim for loss or damage to your farm vehicle.

- 1 Vehicle removal**
- a.** If your farm vehicle is damaged so that it is unable to be driven, we will pay all reasonable costs to move it to the nearest repairer or other secure place.
 - b.** If your farm vehicle is stolen and then found, we will pay the cost of returning it to the place it was stolen from, or to another place we agree on with you.

farm vehicles continued

Extra covers

The following extra covers are automatically included. Cover is provided on the same basis as 'Cover for your farm vehicles' on page 17.

- | | |
|--|--|
| 1 Glass cover | a. You are covered for broken headlight glass and window glass on your farm vehicle.
b. You will not have to pay any excess to us. |
| <hr/> | |
| 2 Tyre cover | a. We will cover damage to your tractor and self-propelled agricultural machine tyres caused by braking, punctures, cuts or bursts.
b. The most we will pay is the market value of the tyres at the time of the damage. |
| <hr/> | |
| 3 Temporary loan cover | a. Your farm vehicles are covered for any loss or damage while they are temporarily on loan to another person, as long as they are being used for a purpose substantially the same as your farming operation, and there has been no charge or hire fee for their use. |
| <hr/> | |
| 4 Cover for tarpaulins and bindings | a. You are covered for loss or damage to your tarpaulins, sheets, ropes, chains and stock crates that are being carried on your farm vehicles.
b. The most we will pay for any claim is \$2,500.
c. The most we will pay is the market value of the items at the time of loss or damage. |
| <hr/> | |
| 5 Bonus cover for Farm trailers | a. You are covered for loss of or damage to any farm trailer you own, or that is in your care.
b. We will pay up to the market value of the farm trailer, or \$600, whichever is the lesser.
c. We will not pay under this clause if the farm trailer is covered by any other insurance policy, or is separately insured under this policy. |

 For definition of "farm trailer", please see page 29. Farm trailers over \$600 must be separately insured.

Cover for your legal liability

You are covered for your legal liability to pay for accidental loss or accidental damage to other people's property anywhere in New Zealand arising from or in connection with your farming operation and your liability in connection with your use of a farm vehicle to pay reparation ordered by a New Zealand Court.

- | | |
|--------------------------------|--|
| 1 Legal liability means | a. You are covered for any accidental loss or accidental damage caused while you are using your farm vehicle.
b. You are covered for any accidental loss or accidental damage caused while you are using another farm vehicle:
i that is not owned by you, or
ii that is not under hire purchase to you or is not hired or leased by you.
This clause does not cover damage to that vehicle.
c. You are covered for any accidental loss or accidental damage caused while your farm vehicle is being driven by someone else, with your knowledge and consent.
d. You are covered for any accidental loss or accidental damage resulting from the use of a farm trailer, whether or not it is attached to your farm vehicle.
e. You are covered for any accidental loss or accidental damage to any vehicle you are towing, as long as the vehicle you are towing is not in a driveable condition and you are not towing the vehicle for any financial gain.
f. You are covered for any accidental loss or accidental damage caused while your farm vehicle is travelling to or from any place for the purposes of carrying out farm contracting work.
g. Any other person who is driving your farm vehicle with your permission is covered for their liability for any accidental loss or accidental damage caused while they are using your farm vehicle, provided that they are not otherwise insured for their liability. |
|--------------------------------|--|



2 Reparation

- a.** We will cover your liability to pay reparation to a victim who has suffered accidental loss of property or accidental bodily injury that is the result of you committing an offence during the period of cover in connection with your use of your farm vehicle, or any farm vehicle, provided that you had the owner's permission to drive the farm vehicle.

Provided that:

- i you must tell us immediately if you or anyone entitled to cover under this additional cover is charged with any offence in connection with the use of a farm vehicle which resulted in loss of property or bodily injury to another person; and
 - ii we must give our written approval before any offer of reparation is made.
- b.** Reparation means an amount ordered by a New Zealand Court to be paid to the victim of an offence under section 32 of the Sentencing Act 2002.
- c.** This cover is also available for any person driving your farm vehicle provided that they had your permission to use your farm vehicle and they are not otherwise insured for their liability to pay the reparation.
- d.** There is no cover for any amounts that are covered under the Accident Compensation Act 2001 (Act), or would be covered but for:
- i a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,
 - ii the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,
 - iii a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.
- e.** Nothing in this cover should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

3 What we will pay

- a.** For any claim or series of claims arising from any one event we will pay:
- i up to \$20 million for accidental loss or accidental damage to other people's property; and
 - ii up to \$1 million for accidental bodily injury.
- b.** We will also pay any reasonable legal expenses you incur that are first approved by us, or any legal expenses that are recoverable from you by any claimant.

4 What we will not pay

- a.** We will not pay for any loss or damage caused if you or someone else using your farm vehicle:
- i does not observe the terms and conditions of the policy, or
 - ii has other insurance which covers the liability, or
 - iii has agreed to accept liability when otherwise you would not have been liable.
- b.** We will not pay for any loss or damage caused, directly or indirectly, by your farm vehicle to:
- i any bridge, viaduct, weighbridge, road or anything beneath them by vibration, or by the weight of your farm vehicle, or by the load carried by your farm vehicle, or
 - ii any underground pipe lines, cables or sewerage pipes, or to underground installations of any description.
- c.** We will not pay for any damage to property that is in your custody or control, except for the cover provided under 'Legal liability means' clause 1(e) on page 18.
- d.** We will not pay for any legal defence costs or court costs arising from the prosecution of any offence under any Act of Parliament including any Regulations, Rules or By-Laws made under any Act of Parliament.

farm vehicles continued

What is not covered by 'cover for your farm vehicles'

- 1 No cover for accidents involving drugs or alcohol**
- a.** There is no cover if, at the time of any event giving rise to a claim, your farm vehicle is being driven by or is in the charge of any person who:
 - i** is driving with an excess breath alcohol or blood alcohol concentration in terms of New Zealand Land Transport Law, whether or not a conviction is entered against that person, or
 - ii** fails or refuses to permit a breath test or specimen of blood to be taken after having been lawfully required to do so, or
 - iii** is under the influence of drugs or other intoxicating substances, or
 - iv** fails or refuses to stop, or remain at the scene, following an accident (as required by law).
 - b.** Clause (a) does not apply if the person driving or in charge of your farm vehicle has stolen or converted the vehicle within the terms of New Zealand criminal law.
-

- 2 No cover for intentional or reckless conduct**
- a.** There is no cover for any loss or liability arising from any intentional or reckless act or omission.
-

- 3 No cover for unlicensed drivers**
- a.** There is no cover if your farm vehicle is being driven by or is in the charge of any person who:
 - i** is not legally allowed to drive in New Zealand, or
 - ii** is not driving according to the conditions of his or her driver licence.
 - b.** Clause (a) does not apply if the person driving or in charge of your farm vehicle has stolen or converted the vehicle within the terms of New Zealand criminal law.
-

- 4 No cover for unsafe vehicles**
- a.** There is no cover if your farm vehicle is being used in an unsafe or damaged condition, unless you or the person in charge of your farm vehicle can prove that:
 - i** the person driving your farm vehicle was not aware that it was unsafe or damaged, and had taken all reasonable steps to keep the farm vehicle in a safe condition, or
 - ii** the condition of your farm vehicle did not cause or contribute to the loss or damage.
-

- 5 No cover for loss of use**
- a.** There is no cover for any loss of income or additional costs that you incur from not having the use of your farm vehicle.



Separate cover is available for 'Farming interruption' (see page 21).

- 6 No cover for certain kinds of damage**
- a.** There is no cover for:
 - i** depreciation, wear and tear, or corrosion, or
 - ii** any existing or inherent defect, or
 - iii** any damage to the engine, transmission, mechanical, electrical or electronic systems due to their own failure, or any loss or damage which their failure may cause to the rest of these systems, or
 - iv** any tyre damage caused by braking, punctures, cuts or bursts, except for the cover under 'Tyre cover' on page 18.
-

- 7 No cover for certain uses**
- a.** There is no cover if your farm vehicle is being used outside New Zealand.
 - b.** There is no cover if your farm vehicle is:
 - i** let out on hire, or
 - ii** being used to carry fare-paying passengers, or
 - iii** being tested for, or taking part in, any form of racing, pace making, reliability trial, speed test, or similar motor sport event, demonstration or test.



15 Farming interruption

Cover for farming interruption

If you have chosen this cover it will be stated in the Policy Schedule. We will cover, unless excluded by this policy, certain additional costs incurred by you as a direct result of any unforeseen and sudden physical loss or damage for which a claim has been accepted by us under:

- '1 farm buildings and structures' (see page 1), or
- '2 farm plant and farm supplies' (see page 4), or
- '3 fusion of electric motors' (see page 7), or
- '4 mechanical breakdown of farm plant' (see page 8), or
- '14 farm vehicles' (see page 17).

1 Costs covered

- a.** We will cover the reasonable additional costs you incur for:
- i rental of substitute farm buildings, sundry farm structures, farm bridges and farm services, or
 - ii hire of substitute farm plant or electric motors, or
 - iii hire of substitute farm vehicles.

2 What we will pay

- a.** We will pay the reasonable additional costs you incur during the time it takes to repair or replace your farm buildings, sundry farm structures, farm bridges, farm services, farm plant, electric motors, or farm vehicles, up to a maximum of 6 months after the date of the loss or damage.
- b.** The most we will pay for any claim is the sum insured. This is stated in the Policy Schedule.

16 Legal liability

Cover for your legal liability

If you have chosen this cover it will be stated in the Policy Schedule. We will cover, unless excluded by this policy, your legal liability, arising from or in connection with your farming operation, for accidental damage to other people's property occurring anywhere in New Zealand.

1 What we will pay

- a.** We will pay up to \$2 million for any claim or series of claims arising from any one event.
- b.** We will also pay any reasonable legal expenses you incur that are first approved by us, or any legal expenses that are recoverable from you by any claimant.

legal liability continued

Special covers

The following special covers are automatically included. Cover is provided on the same basis as 'Cover for your legal liability'.

1 Farm contracting work



For definition of "farm contracting work", please see page 29.

- a. We will cover you for any liability for accidental damage to other people's property caused while you are carrying out farm contracting work anywhere in New Zealand, except that clause 5(a)(ii) on page 24 does not apply to any of the special covers.
- b. The most we will pay for any claim or series of claims arising from any one event under this cover is \$2 million, including defence costs.
- c. We will not cover you for any liability for:
 - i any damage to property caused, directly or indirectly, while using a vehicle on any road, or
 - ii any damage to land, earth or fill, or
 - iii any damage to a stopbank, water reservoir, dyke or canal, or
 - iv any damage to a retaining wall, or
 - v any damage to a wharf, dam, pier, landing, breakwater or sea wall, or
 - vi any damage caused, directly or indirectly, by any error or omission in design, formula or specification, or
 - vii any damage caused, directly or indirectly, by any error or omission in advice or representation, or
 - viii any damage caused, directly or indirectly, by the application of any chemicals or sprays, or
 - ix any damage arising from your delay or failure to perform the contracting work, or
 - x consequential loss of any kind.

2 Customers' or visitors' vehicles

- a. We will cover you for any liability to your customers or visitors for accidental damage to their motor vehicles while parked at the location stated in the Policy Schedule.
- b. The most we will pay for any claim or series of claims arising from any one event under this cover is \$2 million, including defence costs.

3 Forest and Rural Fires Act 1977

- a. We will cover you for any liability under the Forest and Rural Fires Act 1977 up to \$2 million, including defence costs, except that for levies imposed by a Fire Authority under Section 46 of the Act, we will cover you up to \$250,000.

4 Tenant's liability

- a. We will cover you for any liability as a tenant under a lease agreement for accidental loss or damage to buildings used in connection with your farming operation caused directly by:
 - i fire or explosion, or
 - ii impact by any farm vehicle, or
 - iii water, or
 - iv accidental breakage of fixed glass or sanitary fixtures.
- b. The most we will pay for any claim or series of claims arising from any one event under this cover is \$250,000, including defence costs.

5 Farm stay

- a. We will cover you for any liability under the Innkeepers Act 1962 to pay compensation for loss or damage to property owned by guests staying with you.
- b. The most we will pay for any claim or series of claims arising from any one event under this cover is \$250,000, including defence costs.

6 Exemplary damages

- a. We will cover you for any punitive or exemplary damages awarded against you by a New Zealand court for any act or omission committed by you as part of your farming operation that causes damage to other people's property.
- b. The most we will pay for any claim or series of claims arising from any one event under this cover is \$250,000, including defence costs.



- 7 Bailee's liability**
- a.** We will cover you for any liability to pay compensation for accidental damage to other people's property in your custody as part of your farming operation.
 - b.** The most we will pay for any claim or series of claims arising from any one event under this cover is \$100,000, including defence costs.
 - c.** We will not cover you for any liability for damage to:
 - i** any land or building, or
 - ii** any motor vehicle or farm vehicle, or
 - iii** any produce where it has been in your custody for more than 60 days, or
 - iv** any produce where the damage is caused directly by the process of maturing, grading or packing, or
 - v** any produce stored in any refrigeration facility caused, directly or indirectly, by the electricity supplier intentionally cutting your power supply.

- 8 Employer's liability**
- a.** We will cover you for any liability as an employer to your employee or employees for accidental damage to their gear and equipment which occurs in the course of their employment with you.
 - b.** The most we will pay for any claim or series of claims arising from any one event under this cover is \$10,000, including defence costs.

- 9 Road damage**
- a.** We will cover you under clause (a) for any liability for accidental damage to any road caused by roadside grazing of or droving your livestock.
 - b.** We will not cover you under clause (a) for any liability arising after an abatement notice has been served under the Resource Management Act 1991.
 - c.** The most we will pay for any claim or series of claims arising from any one event under this cover is \$10,000, including defence costs.

What is not covered by 'cover for your legal liability'

- 1 No cover for personal injury**
- a.** There is no cover for your legal liability for any personal or bodily injury.

- 2 No cover for your own or your family's property**
- a.** There is no cover for any property owned by or in the custody or control of:
 - i** you, or any member of your immediate family, or
 - ii** any person who normally resides with you, or
 - iii** any director, officer, manager or member, if the insured is a corporate body, or
 - iv** any trustee or beneficiary, if the insured is a trust, or
 - v** any partner, if the insured is a partnership, or
 - vi** any tenant living on your farm property, or
 - vii** any employee
 except for the cover provided under 'Tenant's liability' (page 22), 'Farm stay' (page 22) 'Bailee's liability' (above), and 'Employer's liability' (above).

- 3 No cover for certain deliberate damage**
- a.** There is no cover for any deliberate damage caused, directly or indirectly, by:
 - i** you, or any member of your immediate family, or
 - ii** any person who normally resides with you, or
 - iii** any director, officer, manager or member, if the insured is a corporate body, or
 - iv** any trustee or beneficiary, if the insured is a trust, or
 - v** any partner, if the insured is a partnership, or
 - vi** any tenant living on your farm property, or
 - vii** any employee.

- 4 No cover for dishonest conduct**
- a.** There is no cover for legal liability arising from any dishonest, fraudulent, or malicious act or omission by:
- i** you, or any member of your immediate family, or
 - ii** any person who normally resides with you, or
 - iii** any director, officer, manager or member, if the insured is a corporate body, or
 - iv** any trustee or beneficiary, if the insured is a trust, or
 - v** any partner, if the insured is a partnership, or
 - vi** any tenant living on your farm property, or
 - vii** any employee.

- 5 No cover for liability arising from use of certain items**
- a.** There is no cover for legal liability caused, directly or indirectly, by:
- i** any motor vehicle, or
 - ii** any farm vehicle, or
 - iii** any lift, or
 - iv** any aircraft, or
 - v** any watercraft.

 Separate cover is available for 'Farm Vehicles' (see page 17)

- 6 No cover for liability arising from other occupations**
- a.** There is no cover for legal liability arising out of or in connection with any retail shop, (except a shop on your farm property selling your farm produce), café, restaurant, tourist operation or any profession, business or trade not directly connected with your farming operation.

- 7 No cover for accepted liability**
- a.** There is no cover for legal liability if you have agreed to accept liability when otherwise you would not have been liable.

17 Statutory fines and penalties

Cover for statutory fines and penalties

If you have chosen this cover it will be stated in the Policy Schedule. You are covered, unless excluded by this policy, for your liability to pay:

- fines or penalties imposed by a New Zealand court under the Resource Management Act 1991 or the Building Act 2004, and
- reasonable legal expenses incurred by you with our written consent for the investigation, defence or settlement of any prosecution under the Health and Safety in Employment Act 1992, the Resource Management Act 1991 or the Building Act 2004.

This cover is only available for liability imposed on you for an act or omission committed as part of your farming operation, and notified to us, during the period of insurance.

- 1 What we will pay**
- a.** We will pay the fine or penalty imposed and reasonable legal expenses incurred up to a maximum of \$250,000 during any one period of insurance.
-
- 2 What we will not pay**
- a.** We will not pay for any fine or penalty imposed or legal expenses incurred:
- i** as a result of your deliberate or reckless breach of, or disregard for, any provisions of the named Acts, or
 - ii** that has resulted from your failure to comply with any notice or order issued by a statutory body authorised under the named Acts, or
 - iii** as a result of your deliberate or reckless obstruction of any person lawfully exercising his or her powers under the named Acts, or
 - iv** that relate to any continuing events under the named Acts.



Special conditions under 'statutory fines and penalties'

These are special conditions relating to your cover for 'Statutory fines and penalties'. If you do not comply with these conditions, we can decide not to accept a claim.

1 Compliance

- a. You must comply with any notice or order issued by a statutory body authorised under the Health and Safety in Employment Act 1992, the Resource Management Act 1991 or the Building Act 2004.
- b. If you receive a notice or order, you must tell us immediately and give us a copy.

2 Notification



You must notify us immediately. If you don't, we can decide not to accept the claim.

- a. When you become aware of any circumstance which may give rise to a claim under this cover, you must immediately notify us in writing.
- b. If you have given us notice of any circumstance under clause (a), you are covered for any prosecution that may be taken against you in relation to that circumstance. This includes a prosecution taken after the period of insurance has expired, subject to the terms of this policy.

3 Proceedings

- a. You must not make any admission, offer, settlement or payment, or incur any cost or expenses in respect of an investigation or prosecution under the Health and Safety in Employment Act 1992, the Resource Management Act 1991 or the Building Act 2004 without our prior written consent.
- b. We are entitled to take over the conduct, in your name, of the investigation, defence or settlement of any prosecution.
- c. You must assist and co-operate with us and provide all information, documents and authorities we may ask for.

4 Waiver of privilege

- a. If we appoint a solicitor to conduct the investigation, defence or settlement of any prosecution brought against you, that solicitor is entitled to disclose to us any information coming to his or her knowledge while conducting the defence. This includes information that would entitle us to avoid, or decline liability under, this policy.
- b. You specifically waive all claims for legal professional privilege which might otherwise apply between yourself and the solicitor in respect of that information.

What is not covered under any part of this policy

These exclusions apply to every cover you have selected under this policy.

1 No cover for certain events

- a. There is no cover under this policy for any loss or damage caused, directly or indirectly, by:
 - i war, invasion under this policy, act of foreign enemy, hostilities (whether or not war is declared), civil war, rebellion, revolution, insurrection, military or usurped power, or
 - ii nuclear blast or explosion, radioactive material or its use, the existence or escape of any nuclear fuel, material or waste, or any biological, chemical or nuclear pollution or contamination, or
 - iii act of terrorism or any action to control, prevent, suppress, retaliate against, or respond to any act of terrorism, or
 - iv confiscation, nationalisation or destruction of or damage to your property by the order of Government or by any person or body legally authorised to seize, confiscate or destroy your property, or
 - v subsidence, erosion, landslip (except natural landslip covered under 'Earthquake cover' on pages (3, 5, 11 or 12), settling or cracking in structure resulting from earth movements.

"Act of terrorism" means an act, or threat of action, involving violence against one or more persons, or damage or interference with property either tangible or intangible by any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government, designed to influence the government of any nation or to intimidate the public or a section of the public or any nation in pursuit of political, religious, ideological, ethnic or similar purposes.

Your excess

- 1 What you must pay (your excess)**
- a. Your excess is the amount you must contribute as the first payment towards the cost of each claim you make. The Policy Schedule states the excesses that apply under your policy.
 - b. You can either pay the excess directly to a supplier or repairer, or we can deduct the excess from our payment to you.
-
- 2 No excess**
- a. You will not have to pay any excess, unless an excess is specified in the Policy Schedule:
 - i for any claim under '11 working farm dogs' (see page 15), or
 - ii for any claim for the cost of repairing or replacing broken headlight glass or window glass under 'Glass cover' under '14 farm vehicles' (see page 17), or
 - iii for any claim for loss or damage to a farm trailer only under '14 Farm vehicles' (see page 17), or
 - iv for any claim for loss or damage to a trailer only under '14 Farm vehicles' (see page 17), or
 - v for any claim under 'Cover if you damage other people's property' under '14 farm vehicles' (see page 17), or
 - vi for any claim under '15 farming interruption' (see page 21), or
 - vii for any claim under '16 legal liability' (see page 21), or
 - viii for any claim under '17 statutory fines and penalties' (see page 24).

Claims

- 1 If you need to make a claim**
- These are your responsibilities when making a claim. If you do not fulfil these responsibilities we can decide not to accept the claim.**
- a. If it is likely that you will make a claim, you must contact us immediately. You may be asked to fill out a claim form.
 - b. If there has been any deliberate damage, burglary or theft, you must notify the Police immediately.
 - c. You must do what you can to prevent further loss or damage.
 - d. You must get our permission before you arrange for any repairs or incur any expense in respect of any claim.
 - e. You must immediately tell us of any communication you receive that relates to an event which has resulted, or could result, in a claim.
 - f. You must provide us with any further information, documents or authorities that we may ask for.
 - g. You must help us as we require, including after your claim is settled. This may involve attending court to give evidence.
 - i. You must tell us immediately if you, or anyone else entitled to cover under this policy, is charged with any offence in connection with the use of a farm vehicle which resulted in loss of property or bodily injury to another person.
 - j. We must give our written approval before you or anyone else entitled to cover under this policy negotiate, pay, settle, admit or deny any claim against you or them, or negotiate, offer to pay or pay any reparation, including but not limited to, offers made as part of any case management conference or sentencing hearing.

-
- 2 Claims under '17 statutory fines and penalties'**
- a. You must notify us **immediately** when you become aware of any circumstance which may give rise to a claim.
 - b. If you do not give us immediate notification we can decide not to accept the claim.

-
- 3 Your rights**
- a. You are entitled to:
 - i have your claim acknowledged and dealt with in a professional and efficient manner, and
 - ii receive a fair settlement of your claim as quickly as circumstances allow, and/or
 - iii receive a clear explanation why any claim has not been met, and
 - iv have free access to our formal complaints procedure (see 'General policy information' on page 28).



4 Our rights

- a.** We are entitled to:
- i enter and inspect any land or building where loss or damage has occurred, and
 - ii take and keep possession of your damaged items, and
 - iii deal with any salvage in a reasonable manner, and
 - iv settle any claims against you for anything covered by this policy, and
 - v defend you or take legal action in your name against anyone else for anything covered by this policy, and
 - vi complete all necessary documents and authorities as your agent.

5 If you have other insurance

- a.** If you make a claim under this policy and there is another policy covering the same loss or damage, we will pay a proportion of the claim equal to our rateable share of the total loss or damage.

Your responsibilities

These are your responsibilities as a policy owner. If you do not fulfil these responsibilities we can decide not to accept a claim or to cancel or void your policy.

1 Protecting your property

- a.** You and anyone else covered by this policy must take every care to protect all property covered by this policy and avoid incurring any legal liability to others.
- b.** You must keep your property in good condition at all times.

2 Accuracy of your statements

- a.** Your contract is based on information supplied to us, either by you or on your behalf. All information supplied by you or on your behalf must be truthful and correct.
- b.** You must tell us about any circumstance that may affect:
- i our decision whether to accept your proposal and on what terms, or
 - ii our decision whether to renew your policy, or
 - iii our decision whether to reinstate your policy, or
 - iv any claim made under this policy.
- c.** If you do not disclose all of the information you should have, your policy may not operate and we may refuse to meet a claim.
- d.** If you make a fraudulent claim, your policy will cease to operate.

3 Keeping us informed

- a.** In addition to your obligations under 2(b) above, you must immediately tell us if:
- i you transfer or dispose of your land or assets, or
 - ii your interest in your farming operation changes or ceases, or
 - iii your land or assets are used for any purpose other than your normal farming operation, or
 - iv you are about to substantially alter the land contour or infrastructure of your farm.
- b.** In addition to your obligations under 2(b) above, you must tell us at each annual revision date:
- i if you have substantially altered or added to any of your farm buildings, sundry farm structures, farm bridges and farm services, or
 - ii if you have erected new farm buildings, sundry farm structures, farm bridges and farm services.

Changing or ending your policy

-
- 1 Changing your policy**
- a. You can ask to change your policy at any time. We must agree in writing to any changes before they become effective.
 - b. We can change the terms of your policy at any time. If this happens we will write to you at your last known postal address. Any changes will become effective from 4pm on the 14th working day after the date of that letter.
-
- 2 Ending your policy**
- a. You can cancel your policy at any time. If you do, we will refund the unused part of your premium.
 - b. We can cancel your policy at any time by giving you 14 working days' notice at your last known postal address. The cancellation will be effective from 4pm on the 14th working day after we post the notice. If this happens, we will refund the unused part of your premium.
 - c. Your policy will cease immediately if you sell or transfer ownership of your farm, or if your interest in your farming operation ceases. If this happens, we will refund the unused part of your premium.
-
- 3 Premium refunds**
- a. The unused part of the premium is the premium you have paid less:
 - i the premium for the time the policy has run, and
 - ii an administration charge.

General policy information

- Disputes** We have a formal complaints procedure to help resolve any aspect of our policies or our service that you are unhappy with. For information, please ask at any **AMI branch** or call us toll free on **0800 100 200**.
- Interested Parties** Any Interested Party named in the Policy Schedule will be a 'joint insured' in respect of the property for which their interest is noted. An Interested Party is not covered for any legal liability to others.
- Receipts and other ownership documents** We recommend that you keep all receipts and other documents that confirm your ownership of the property covered under this policy.
- Goods and Services Tax** All amounts referred to in this policy include any GST that may apply.
- Dollar amounts** Any dollar amount stated in this policy or in the Policy Schedule is in New Zealand dollars.
- Headings** Headings in this document do not form part of the policy itself. They are provided for your convenience and reference only, and are not to be used for purposes of interpreting the policy wording.
- Words in italics** Any words in italics do not form part of the policy and are provided by way of explanation only.



Definitions

In this policy some words have special meanings. Wherever these words are mentioned in this policy, they have the following meaning:

Accessories	means automotive extras not supplied or fitted by the manufacturer of the farm vehicle as standard equipment for the model.
Accident	means unexpected and unintended by you or anyone else entitled to cover under this policy.
Bodily injury	means the accidental death of, or accidental bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.
Claim	means a claim lodged under this policy or a series of claims arising from any one event.
Curtilage	means the land attached to your dwelling used for domestic purposes.
Farm contracting work	means agricultural or horticultural contracting work you undertake on a part time basis; that is where the income you receive from farm contracting work is less than 10% of the annual turnover of your farming operation in the last financial year.
Farm trailer	means a trailer you use for your farming operation. It does not include boat trailers, caravans, camper trailers or horse floats.
Farming operation	means your agricultural or horticultural business or lifestyle block at the location stated in the Policy Schedule.
Market value	means the value of an item immediately before the loss or damage occurred, taking into account wear and tear and depreciation as appropriate, or reasonable second hand value.
Natural landslip	means the movement (whether by way of falling, sliding, or flowing, or by a combination thereof) of ground forming materials composed of natural rock, soil, artificial fill, or a combination of such materials, which, before movement, formed an integral part of the ground: but does not include the movement of ground due to below-ground subsidence, soil expansion, soil shrinkage, soil compaction, or erosion.
New Zealand Land Transport Law	means the public statutes, regulations or notices controlling or governing road traffic and road transport in New Zealand in force at the time of the event giving rise to a claim.
Period of insurance	means the period of insurance stated in the Policy Schedule.
Policy Schedule	means the most recent Policy Schedule we have produced for you.
Replacement value	means the cost of reinstatement or replacement without deduction for depreciation or wear and tear.
Standard tools	means standard tools as supplied by the farm vehicle's manufacturer (or similar substitute tools) while attached to your farm vehicle.
We, Us or Our	means AMI Insurance (AMI), a business division of IAG New Zealand Limited.
You or Your	means the person or persons or corporate body to whom the Policy Schedule is addressed. If more than one person is named this policy covers all named persons jointly.

If you are unsure about any of the information contained in this policy, please visit your nearest AMI branch, or call us on 0800 100 200. We will be happy to explain.

Thanks
for insuring
with AMI.

Call us on 0800 100 200
or visit ami.co.nz

