



## > Plantation Timber Policy Wording

RAPTAUS0720

## > Thank you

### For choosing to insure Your plantation with Rural Affinity

#### What We would like You to do

1. Please take the time to read Your policy wording and Schedule, making sure that all details are correct.
2. Keep Your policy wording and Schedule in a safe place so that You can refer to them easily.
3. If You have any questions about Your insurance cover, You should contact Your insurance adviser.
4. When contacting Rural Affinity, please quote the policy number which is printed on Your Schedule.

Effective July 2020

Rural Affinity Insurance Agency Pty Ltd  
ABN 72 119 838 854 AFS Licence No. 302182

This insurance is issued by Great Lakes Insurance SE  
trading as Great Lakes Australia  
(ARBN 127 740 532, ABN 18 964 580 576, AFSL 318603)

## > Table of contents

<b>Important information</b>	<b>1</b>
Who is Rural Affinity?	
Who is the Insurer?	
General Insurance Code of Practice	
Change to the policy wording	
Your Duty of Disclosure	
Privacy	
Dispute resolution	
Cost of insurance	
Financial Claims Scheme	
Words with special meaning	
Jurisdiction	
<b>Our agreement</b>	<b>4</b>
<b>Who is covered</b>	<b>4</b>
<b>Period of cover</b>	<b>4</b>
<b>The cover</b>	<b>4</b>
<b>Additional benefits</b>	<b>5</b>
Claims preparation costs	
Fire fighting costs	
Harvested timber	
<b>Optional benefits</b>	<b>6</b>
Re-establishment costs	
Removal of debris	
<b>Basis of settlement</b>	<b>7</b>
Constructive Total Loss	
<b>Exclusions</b>	<b>7</b>
<b>Claims conditions</b>	<b>8</b>
In the event of a claim	
Appointment of Loss Adjuster	
After Your claim is made	
<b>General conditions</b>	<b>9</b>
Care and Protection	
Cancelling the policy	
Inspections	
Underinsurance	
<b>Definitions</b>	<b>9</b>

## ➤ Important information

### Who is Rural Affinity?

Rural Affinity Insurance Agency Pty Ltd (“Rural Affinity”) ABN 72 119 838 854 AFS Licence No. 302182 is an underwriting agent. Rural Affinity arranges policies for and on behalf the Insurer. Rural Affinity acts under a binding authority given to it by the Insurer to administer and issue policies, alterations and renewals. In everything to do with this Policy, Rural Affinity acts as an agent for the Insurer and not for You.

The contact details for Rural Affinity are:  
Level 4, 657 Pacific Highway, St Leonards NSW 2065  
PO Box 160, St Leonards NSW 1590  
T (02) 9496 9300 | [www.rurallaffinity.com.au](http://www.rurallaffinity.com.au)

### Who is the Insurer?

This insurance policy is underwritten and issued by Great Lakes Australia Insurance SE (ARBN 127 740 532, ABN 18 964 580 576, AFSL 318603) trading as ‘Great Lakes Australia’. More information regarding the insurer can be found on our website at [www.rurallaffinity.com.au/about-the-insurer](http://www.rurallaffinity.com.au/about-the-insurer).

### General Insurance Code of Practice

Great Lakes Australia is a signatory to the General Insurance Code of Practice (‘the Code’). The Code aims to raise standards of service between insurers and their customers. Rural Affinity’s service standards are in accordance with the Code.

For any information about the Code, including a copy of the Code, contact Us or visit [www.codeofpractice.com.au](http://www.codeofpractice.com.au).

### Change to the policy wording

From time to time and where permitted by law, We may change parts of the policy wording. We will only do so if, from the view of a person deciding whether to buy this insurance, the changes are not materially adverse to You.

If We make such changes We may either:

- communicate the changes to You at the earliest opportunity; or
- issue an update on the Rural Affinity’s website.

You can also contact Rural Affinity to find out what changes might have occurred and/or to obtain a paper copy of such notices on request.

### Your Duty of Disclosure

This policy is subject to the *Insurance Contracts Act 1984* (Act). Under that Act You have a Duty of Disclosure.

Before You take out insurance with Us, You have a duty to tell Us of everything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms. If You are not sure whether something is relevant You should inform Us anyway.

You have the same duty to inform Us of those matters before You renew, extend, vary, or reinstate Your contract of insurance. The duty applies until the policy is entered into, or where relevant, renewed, extended, varied or reinstated (Relevant Time). You need to tell Us immediately of any new information or changes to the answers that have been provided to Us and/or the disclosures You have made to Us throughout the Policy Period.

### What You do not need to tell Us

You do not need to tell Us about any matter:

1. that diminishes Our risk;
2. that is of common knowledge;
3. that We know or should know as an insurer; or
4. that We tell You We do not need to know.

### Who does the duty apply to?

Everyone who is insured under this policy must comply with the duty.

### What happens if You or they do not comply with the duty?

If You or they do not comply with this duty, We may cancel the policy or reduce the amount We pay if You make a claim. If the non-disclosure is fraudulent, We may treat the policy as if it never existed and pay nothing.

## › Important information (continued)

### Privacy

We are committed to the safe and careful use of Your personal information in the manner required by the *Privacy Act 1988* (Cth), the Australian Privacy Principles and the terms of this Policy. In this privacy section, “We”, “Us” and “Our” means the insurer and Rural Affinity as applicable.

We and Rural Affinity collect Your personal information in order to assess Your application for insurance and, if Your application is accepted, to administer and manage Your insurance policy and respond to any claim that You make. To do this, Your personal information may need to be disclosed to reinsurers and service providers and related entities who carry out activities on Our and Rural Affinity’s behalf, such as assessors and facilitators, some of whom may be located in overseas countries. Our and Rural Affinity’s contractual arrangements generally include an obligation for these reinsurers, service providers and related entities to comply with Australian privacy laws.

By providing Us and Rural Affinity with Your personal information, You consent to the disclosure of Your personal information to reinsurers, service providers and related entities in overseas countries to enable Us and Rural Affinity to assess Your application, to administer and manage Your insurance policy and to respond to any claim that You make. If You consent to the disclosure of Your personal information to overseas recipients, and the overseas recipient handles Your personal information in a way other than in accordance with the Australian privacy laws, We and Rural Affinity may not be responsible for the handling of Your personal information by the overseas recipient.

If You choose not to provide Your personal information and/or choose not to consent and/or withdraw Your consent to the disclosure of Your personal information to overseas entities at any stage, We and/or Rural Affinity may not be able to assess Your application or administer and manage Your insurance policy and respond to any claim that You make.

Our and Rural Affinity’s privacy policies explain how You may access personal information that each of us holds, how to seek correction of Your personal information, how to make a complaint about the handling of Your personal information and how complaints are handled. If You require more information, You can access Rural Affinity’s Privacy Policy at [www.ruralaffinity.com.au/privacy](http://www.ruralaffinity.com.au/privacy) and the insurer’s Privacy Policy and Privacy Statement at [www.munichre.com/gla/en/about-us.html](http://www.munichre.com/gla/en/about-us.html).

### Dispute resolution

Any complaints about Our products or services are taken seriously by Us and Rural Affinity and will be dealt with fairly and promptly.

If You have a complaint please first try to resolve it by speaking to the relevant member of the Rural Affinity staff. Rural Affinity can assist by referring the matter to their Internal Dispute Resolution Officer.

You can contact Rural Affinity by:

Phone: (02) 9496 9300

Fax: (02) 9496 9308

Email: [disputes@ruralaffinity.com.au](mailto:disputes@ruralaffinity.com.au)

Mail: Internal Disputes Resolution Officer, Rural Affinity  
PO Box 160, St Leonards NSW 1590

If Rural Affinity require additional information, they will contact You to discuss. If Your complaint is not immediately resolved Rural Affinity will respond within 15 business days of receipt of Your complaint or agree a reasonable alternative timetable with You.

If You are not satisfied with the resolution offered by Rural Affinity’s Internal Dispute Resolution Officer, Your complaint will be referred to the Dispute Resolution officer or their delegate at Great Lakes Australia.

You can also contact Great Lakes Australia by:

Email: [disputes@gla.com.au](mailto:disputes@gla.com.au)

Mail: Disputes Resolution Officer, Great Lakes Australia  
PO Box H35, Australia Square NSW 1215

## ➤ Important information (continued)

If We are unable to resolve Your complaint within 45 days of the date We first received Your complaint or if You remain unsatisfied, You can/may be able to seek a free review by the Australian Financial Complaints Authority (AFCA). The AFCA is an independent national body and, if the dispute is within its jurisdiction, We agree to accept its decision.

You can visit their website [www.afca.org.au](http://www.afca.org.au) or contact them:

Phone: 1800 931 678

Email: [info@afca.org.au](mailto:info@afca.org.au)

Mail: GPO Box 3, Melbourne, VIC, 3001

Further details regarding Our complaints process are available on request.

### Financial Claims Scheme

In the event of the insolvency of GLA, You may be entitled to payment under the Financial Claims Scheme. Access to the scheme is subject to eligibility criteria. Information about the scheme can be obtained from the APRA website at [www.apra.gov.au](http://www.apra.gov.au) and the APRA hotline on 1300 55 88 49.

### Cost of Insurance

When We calculate Your insurance premiums, We take into account the following factors:

1. the insured events which are covered;
2. the type of the plantation;
3. the location of the plantation;
4. the surrounding land use;
5. your fire management resources;
6. the excess which applies;
7. the Sum Insured per hectare for Trees selected by You;
8. the optional benefits selected by You; and
9. the information You have disclosed to Us.

### Words with special meaning

In this policy wording and Your Schedule there are words which have a special meaning. These words appear with a capital first letter. The meaning of these words is shown in the Definitions section on page 10 of this policy wording.

### Jurisdiction

Should any dispute arise in relation to Your policy, it will be dealt with in the Australian state or territory where You purchased the policy, and in accordance with the laws of that Australian state or territory.

## > Our agreement

When You have paid (or agreed to pay) the premium to Us, We will give You the cover described in this policy.

The policy consists of:

1. Your proposal;
2. this policy wording;
3. the Schedule; and
4. any documents We tell You form part of the policy (such as endorsements).

## > Who is covered?

The person or organisation named in the Schedule is covered under this policy. In the policy wording and Schedule, they are referred to as “You” or “Your”.

To protect anyone else with rights over Your Tree(s) (such as a finance provider) You should have them named on Your Schedule.

No interest in this policy can be transferred or assigned without written agreement by Us.

## > Period of cover

The period of cover will begin 96 hours after 9am local time on the Acceptance Date shown on Your Schedule.

The period of cover ends 9am local time on the Expiry Date shown on Your Schedule, unless the policy is cancelled or ends earlier.

## > The cover

This policy covers standing Trees against Destruction caused directly by an insured event from an Occurrence commencing during the period of cover.

The insured events are:

1. fire;
2. impact by a road or rail vehicle;
3. impact by an aircraft or anything dropped, ejected or sprayed from an aircraft, other than chemicals.

Where shown on Your Schedule, cover will also be provided for windstorm or impact by hail where We have approved Your proposal and You have agreed to pay any additional premium.

Claims will be settled according to the basis of settlement and subject to the terms, exclusions and conditions of this policy.

The maximum amount We will pay for any claim under this policy is the total of all Block Sums Insured for all insured blocks, plus the limits specified on Your Schedule for additional benefits or optional benefits, less any Excess, unless otherwise stated in the policy wording.

## > Additional benefits

The following additional benefits automatically apply and are provided in addition to the total of all Block Sums Insured.

### **Claims preparation costs**

We will pay for costs necessarily and reasonably incurred for the preparation of a valid claim under this policy. All expenses must be approved by the loss adjuster before they are incurred. No cover is provided for Your time or costs in preparing the claim.

The most We will pay during any one period of cover is \$10,000 or the limit for claims preparation costs shown on Your Schedule, whichever is the greater.

### **Fire fighting costs**

We will pay for additional costs necessarily and reasonably incurred to extinguish a fire which is at or in the immediate vicinity of the Trees and poses a direct threat to the Trees. We will not pay Your normal expenses for staff and equipment overheads.

The most We will pay during any one period of cover is \$10,000 or the limit for fire fighting costs shown on Your Schedule, whichever is the greater.

### **Harvested timber**

We will cover harvested Trees against Destruction caused directly by an insured event during the period of cover. Cover is only provided for up to 60 days following harvest and only while the harvested Trees are stored at the plantation listed on the Schedule.

The most We will pay during any one period of cover is \$50,000 or the limit for harvested timber shown on Your Schedule, whichever is the greater.



## › Optional benefits

The following optional benefits only apply where Your Schedule states that the optional benefit applies.

If specified on Your Schedule, these optional benefits are provided in addition to the total of all Block Sums Insured.

### **Re-establishment costs**

Where We have paid a claim under this policy, We will pay You the costs incurred to replant Trees in any area which We have declared a total loss.

The most We will pay for this optional benefit during any one period of cover is the lesser of the sum insured per hectare for re-establishment costs shown on Your Schedule for each hectare Destroyed or the limit for re-establishment costs shown on Your Schedule.

### **Removal of debris**

If Your Trees have been Destroyed by an insured event and We have agreed to pay Your claim, We will also pay the reasonable and necessary cost of removing and disposing of the Destroyed Trees. The costs must be approved by the loss adjuster before they are incurred. If You need to remove insured Trees which have not been Destroyed in order to gain access to the Destroyed Trees for the removal of debris operation We will also consider;

1. those Trees as part of the claim under this benefit, and
2. the cost to clear those Trees as part of the claim under this benefit.

The most We will pay for this optional benefit during any one period of cover for this optional benefit is the lesser of \$1,500 for each hectare Destroyed or the limit for removal of debris shown on Your Schedule.

## ➤ Basis of settlement

The amount of any claim will be calculated as follows:

<b>multiply</b>	the Block Sum Insured by the Gross Loss Percentage
<b>add</b>	any payments for “additional benefits”
<b>add</b>	any payments for “optional benefits” if applicable
<b>subtract</b>	the value of any Salvage
<b>subtract</b>	the Excess

### Constructive Total Loss

If more than 60% of the Trees in a continuous damaged area are Destroyed, the remaining undamaged Trees will be considered Destroyed for the purpose of calculating the claim. However, the undamaged Trees must be harvested or cleared and will contribute to the value of any Salvage.

If more than 75% of the area of a block is Destroyed, at Your option, the remaining undamaged Trees will be considered part of the damaged area for the purpose of calculating the claim, provided You clear the entire area of the block.

## ➤ Exclusions

This policy does not cover any claim arising directly or indirectly from:

1. any consequence of war or warlike activities which includes invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, use of military or usurped power, looting, sacking or pillaging following any of these or the expropriation of property;
2. any consequence of ionizing radiation or radioactive contaminations from any nuclear fuel or waste which results from the burning or fission of nuclear fuel. The radioactive, toxic, explosive or other dangerous properties of nuclear machinery or any part of it. Nuclear weapons material, nuclear pollution or contamination. The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter;
3. insured events that occurred before the contract was entered into;
4. a deliberate act carried out by You or by any person acting with Your permission, except when it is to avoid or reduce damage that would otherwise happen;
5. lawful seizure, confiscation or requisition by an order of any Government, Public or Local Authority. We will pay for damage that occurs as a result of the order if it prevents or attempts to prevent a loss that would be covered under this policy; or
6. any act of Terrorism, including any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism and including any costs or expenses arising directly or indirectly from any act of Terrorism;
7. claims for losses for which insurance is prohibited by law; or
8. the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

We will not pay for:

1. consequential loss of any kind;
2. any loss which is caused directly by snow, or which would not have occurred if snow had not been present;
3. any loss which is caused by pests, fungus or disease, including diplodia, regardless of whether the pests, fungus or disease occurred as a result of an insured event.

### Sanctions Limitation and Exclusion Clause

We will not pay any claim or be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

## > Claims conditions

### In the event of a claim

As soon as You become aware of any loss that may result in a claim under this policy You must:

1. contact Us as soon as possible (within 48 hours), telling Us the time that the loss occurred and the details of the Trees for which a claim is being made;
2. complete Our claim notification form and give it to Us promptly;
3. take all reasonable steps to reduce the loss and avoid any further loss or Destruction;
4. give Us and Our representatives free access to assess any claim;
5. try to get the details of any other person or property involved and details of any witness;
6. report to the police if You suspect arson or malicious damage. You must do this as soon as possible;
7. tell Us the identity of anyone who has an interest in the Trees;
8. tell Us about any other insurance which covers the Trees.

You must not do or say anything which may disadvantage Our ability to make a recovery against any other person.

In the event of a claim, Rural Affinity can be contacted on 02 9496 9300 or [claims@ruralaffinity.com.au](mailto:claims@ruralaffinity.com.au).

### Appointment of Loss Adjuster

Where We identify that Your claim needs to be assessed, We will appoint the loss adjuster to evaluate Your claim under this policy. You must:

1. give Us or the loss adjuster free access to Your Trees and/or Vines;
2. provide necessary documentation requested by Us or the loss adjuster, including a map of Your property indicating the blocks which have been damaged; and
3. accompany the loss adjuster, or appoint someone to accompany the loss adjuster on Your behalf.

The loss adjuster may make recommendations with regards to Your loss. However, We reserve the right to decide whether the loss is covered under this policy and the amount of the claim settlement.

### After Your claim is made

After We have paid a claim under this policy, We have the right to take over any legal right of recovery which You have. If We do this, it will be for Our benefit and at Our expense. You must not do anything that prevents Us from doing this and You must give Us any information or assistance We require.

If anybody compensates You for loss or Destruction after We have paid a claim for the Trees, You must reimburse Us for that payment. You must do this as soon as the compensation is made.

## > General conditions

If You do not follow these conditions, We may refuse to pay or reduce a claim by an amount that fairly represents the extent to which Our interests have been prejudiced.

### Care and Protection

Reasonable care and protection must be taken to ensure the protection and preservation of the Trees at all times.

### Cancelling the policy

#### By You

You may cancel the policy by writing to Us. However, no premium will be returned if You cancel the policy.

#### By Us

We have a right to cancel this policy under certain circumstances. If We cancel Your policy, We will inform You in writing and refund all premium You have paid Us for the time remaining on the policy.

### Inspections

We (or Our representatives) have the right to inspect and examine, by mutual appointment, any Trees or records relating to Your plantation.

### Underinsurance

You must insure Your whole plantation.

If the actual area of Your plantation is found to be greater than the area insured and you have not received Our prior agreement to insure only part of Your plantation, all claims will be reduced by the proportion the shortfall in the insured area represents of the actual area.

## > Definitions

### Acceptance Date

Means the Acceptance Date listed on Your Schedule

### Area

Means the hectares of Trees in each block nominated by You and shown in Your Schedule. In the event of a claim the area used to calculate the Block Sum Insured will be the lesser of the area shown on Your Schedule or the actual area of the Trees grown in each block.

### Block Sum Insured

Means the amount calculated as the Sum Insured per hectare for Trees multiplied by the Area.

### Destroyed / Destruction

Means Trees which are no longer fit for the Intended Purpose as shown on the Schedule as a direct result of an insured event.

### Excess

Means the amount You must contribute in the event of a claim, each and every Occurrence. We will not pay for Destruction up to the amount shown on the Schedule.

### Expiry Date

Means the Expiry Date listed on Your Schedule.

## › Definitions (continued)

### **Gross Loss Percentage**

Means the area of Destroyed Trees in a block expressed as a percentage of the actual planted area in the block.

### **Intended Purpose**

Means the intended end use of the Trees as shown on the Schedule.

### **Occurrence**

Means all losses which arise as a result of a single event or series of events. The duration of an Occurrence for each peril is as follows:

1. 168 hours for fire resulting from any one ignition point;
2. 24 hours for all other perils.

### **Salvage**

Means any income, less any costs associated with the Salvage effort, received from the sale or disposal of Trees for which a claim has been made. Costs associated with the Salvage effort will not include any normal staff or overhead costs incurred by You.

### **Schedule**

Is the document which contains details of the policy which are specific to You. If the policy is changed, We will give You an updated Schedule.

### **Sum Insured per hectare**

Means the amount shown on Your Schedule for Trees.

### **Terrorism**

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

### **Trees**

Means the Trees described on Your Schedule.

### **We/Us/Our**

Means Rural Affinity acting under a binding authority given to it by the Insurer.

### **You/Your**

Means the person or organisation named in the Schedule as the insured.



Level 4, 657 Pacific Hwy, St Leonards NSW 2065  
PO Box 160, St Leonards NSW 1590  
**T 02.9496.9300 | F 02.9496.9308**  
[www.ruralaffinity.com.au](http://www.ruralaffinity.com.au)

ABN 72 119 838 854 AFS Licence No. 302182