

We've recently reviewed the Farm Assets and Farm Interruption sections of our Farmpack policy and as a result we've added a Seismic Upgrade Costs Exclusion to all our Farmpack policies. This applies to any building insured under the Farm Assets section. This means that we'll repair your building to the same structural performance level it had before any loss or damage. All other parts of the endorsement remain unchanged. As this Policy Endorsement forms part of your Farm Assets and Farm Interruption (if applicable) sections of your Farmpack policy with State, please keep this with your other policy documents.

FARM ASSETS AND FARM INTERRUPTION POLICY ENDORSEMENT – NOVEMBER 2013



DISASTER DAMAGE EXCESS, MAXIMUM AMOUNT PAYABLE, REINSTATEMENT OF THE SUM INSURED AND SEISMIC UPGRADE COSTS EXCLUSION

**Your Farm Assets Insurance Policy and Farm Interruption Insurance Policy (if applicable)
are amended as follows:**

This endorsement overrides any provision in the Schedule or Policy to the contrary.

DISASTER DAMAGE EXCESS

The Excess to be applied to **disaster damage** claims is 2.5% of the sum insured or \$2,500, whichever is the greater.

The Excess will apply to the aggregate of:

- a) all **disaster damage** claims under the Farm Assets Policy, and
- b) all **disaster damage** claims under the Farm Interruption Policy

arising from any one **event** at the location stated in the Schedule and used for the Business stated in the Schedule.

MAXIMUM AMOUNT PAYABLE:

The most we will pay during an **annual period** for any one Item or Category of Farm Assets is the specific Limit shown in the Schedule for that Item or Category of Farm Assets.

However, if there is any existing loss or damage to your Farm Assets that occurred during any previous annual period that has not been repaired or replaced at the start of the **annual period**, we will deduct the amount payable for that loss or damage from the respective Limit for that Item of Farm Assets at the start of the **annual period**.

The amount deducted will only be added back to the Limit once the restoration or replacement of your Farm Assets that suffered the loss or damage has been completed during the **annual period**. However, the adding back of the Limit will not occur if the loss or damage to your Farm Assets was caused by **disaster damage** unless we have agreed in writing.

**Your Farmpack Insert is amended as follows.
This applies to both your Farm Assets and Farm Interruption policy (if applicable).**

AUTOMATIC REINSTATEMENT

2. Automatic Reinstatement under Special Features in Farm Pack Insert is deleted and replaced with the following:

REINSTATEMENT OF THE SUM INSURED

In the absence of written notice by us to the contrary we will reinstate your sum insured after the Farm Assets have been repaired or replaced following loss or damage covered by this policy. We may ask you to pay an additional premium for this. If we do, you must pay the additional premium.

However, this reinstatement clause does not apply to loss or damage as a result of **disaster damage** unless you have applied and we have agreed in writing to reinstate the sum insured.

SEISMIC UPGRADE COSTS EXCLUSION

The policy does not include costs incurred solely for the purpose of seismically strengthening a building to a performance level greater than its performance level before the loss or damage.

We will repair your building to the same structural performance level it had before the loss or damage.

DEFINITIONS

The words in **bold** have a specific meaning as mentioned below. For the purposes of this endorsement the following definitions apply to the plural and any derivatives of the words.

For example, the definition of 'accident' also applies to the words 'accidentally', 'accidental' and 'accidents.'

annual period

The annual period is the Period of Insurance shown on the Schedule which specifies the start and end dates of this insurance contract. However, if you pay the premium monthly the annual period is the current 12-month period calculated consecutively from the date this Policy first started.

disaster damage:

For the Farm Assets Policy: loss or damage directly or indirectly caused by earthquake, volcanic eruption, hydro thermal activity or tsunami.

For the Farm Interruption Policy: reasonable extra costs because of loss or damage directly or indirectly caused by earthquake, volcanic eruption, hydro thermal activity or tsunami covered under the Farm Assets Policy.

event:

An event, or a series of events arising from one source or original cause.