

KAIKOURA EARTHQUAKE

FMG'S SUPPORT FOR CLIENTS

SAM WHITELOCK

Heading to Wairoa



**FAIR INSURANCE
CODE**

What this means for you

ADVICE

On keeping your property
safe over summer

AGM

Hawera hosts
FMG's 111th AGM

NOTE FROM CHRIS BLACK



As a Mutual, FMG is different from other insurance companies. Our model is based on developing long term relationships and helping you identify the risks you face and the options available to either manage these yourself or transfer them to the Mutual by way of insurance.

Long term relationships are based on trust and being there when it counts. That's why when the Kaikoura Earthquake struck on Monday 14 November, we mobilised our team immediately to provide what support we could over the phone as well as physically on the ground, often having to take extra measures to get to people to reassure them and help shore things up. As with the 2010-11 Canterbury Earthquake series, while it will take some time to help clients recover, we are well placed to do this.

Equally, at times like these it is important to have a strong balance sheet with adequate reinsurance in place, which we do.

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On a different note, an interesting dynamic we've seen play-out this year is the increasing cost to repair a vehicle following an accident, whether that be as a result of backing into a fencepost or wall, or an accident involving another vehicle. This is a global trend. One of the main reasons for this is the new technology with features such as sensors in bumpers and windscreens and the electronics in side-mirrors.

Whereas these items used to be simple and inexpensive to replace, they are now considerably more expensive. Noting that more than 90% of accidents are caused by 'driver error', at the risk of stating the obvious, being mindful of surrounding objects when reversing, and driving defensively, will not only reduce the chance of an accident but also help keep a lid on the pressure to increase vehicle premiums to compensate for the increasing cost.

Being in a good frame of mind is equally important. In this regard, from the feedback we've had, it is pleasing to hear that Farmstrong continues to make a positive impact for rural communities throughout the country – Farmstrong is something the Mutual is proud to be associated with.

I'm conscious that if you have been badly affected by the Kaikoura Earthquake you will be facing a different summer season from what you anticipated. While we pride ourselves on being on the front foot to help you recover, if you need any advice or extra support, please don't hesitate to call us on 0800 366 466.

Chris Black
Chief Executive, FMG

NUFFIELD SCHOLARS

The latest recipients of the prestigious Nuffield Scholarship were announced in October. FMG would like to congratulate all those awarded a scholarship including our own Taranaki Area Manager, Jason Rolfe. Jason will use his scholarship to look at reducing on-farm employee turnover and improving sector stability to help make the industry a more attractive one to work in.

MUTUAL SUCCESS

FMG has recently been recognised for excellence on a number of fronts. The Mutual was named the Co-operative Business of the Year at the Co-operative Business Awards and was also named the Direct Insurer of the Year during November's ANZIIF Insurance Awards. In addition, FMG was again a finalist in the IBM Kenexa Best Workplaces awards – and we'd also like to thank our clients for voting us joint winners of the Consumer NZ People's Choice award for house insurance.



KAIKOURA EARTHQUAKE

FMG would like to pass on our thoughts to all those impacted by November's natural events.

At the time of writing, many parts of the country have been shaken by earthquakes and hit by floods and high winds. Wherever you may be and whatever you may have experienced, we hope you and your family are coping alright. If you need advice or support around your insurances then we'd like you to know that we're here and ready to help.

THE KAIKOURA EARTHQUAKE

It's clear that the Kaikoura Earthquake of Monday 14 November and subsequent aftershocks, have had a material impact on parts of rural New Zealand.

These earthquakes are different to any of our previous experience in recent years. On the one hand, there are varying degrees of damage for the metro centres of Christchurch and Wellington. On the other, the scale and severity of damage to the rural communities of North Canterbury, Kaikoura and Marlborough is significant – and overall likely to be bigger than the 2010 Darfield Earthquake.

FMG is well placed financially and from a practical perspective to provide you with the support needed. To support clients after a major event like this we have established reliable networks and pre-arranged protocols, which are already up and running, working closely with local government and key partners like Farmlands and Federated Farmers.

Added to this, after the 2010-11 Canterbury Earthquake series, the insurance industry as a whole is well prepared and much better equipped to manage both the initial response and subsequent recovery.

OUR INITIAL RESPONSE

Within 48 hours of the first earthquake hitting, FMG was on the ground in parts of the impacted regions assessing initial claims, meeting with clients and listening to their biggest concerns.

It's clear that given the land damage the overall recovery from this event will likely take years – not months – and responding to this earthquake effectively will be a major focus for FMG. At the same time we remain committed to working through all the other claims we have – and new claims – as quickly and as efficiently as possible.

HOW YOU CAN HELP

If you'd like to offer any help to those impacted by the Kaikoura Earthquake and subsequent aftershocks, you may want to consider some of the options below:

- If you can lend a hand, please call Federated Farmers on 0800 FARMING (327 646) to see if your skills can be matched with the repair work required.
- If you'd like to donate money, Federated Farmers has an Adverse Events Trust Fund. To contribute you can call the same number as above.
- Another option is through New Zealand Young Farmers, which is raising money to make and deliver Christmas Care Packages. To support NZYF head to www.givealittle.co.nz and search Christmas Care Packages.



EARTHQUAKE ADVICE

We've included some general information, advice and contact numbers you may find useful in both preparing for and responding to an earthquake.

You can cut out this section and keep it somewhere handy.

EARTHQUAKE

Before an earthquake:

1. Have a plan. Know what you, your family and workmates will do in the event of a natural disaster.
2. This plan should include a meeting place. Practice the drill so everyone knows where to meet.
3. Have an emergency kit ready.
4. Plan to look after yourself for at least three days or more in the event of a disaster.

During an earthquake:

1. **Drop** where you are onto your hands and knees. Stay low and crawl to shelter if nearby.
2. **Cover** your head and neck with one arm and crawl to shelter if nearby. If not, crawl to an interior wall.
3. **Hold** until shaking stops. If there is no shelter hold on to your head and neck with both arms.

After an earthquake:

1. Expect aftershocks.
2. Look after yourself and get first aid if necessary.
3. Assess your home or workplace for damage. If the building appears unsafe get everyone out.
4. Look for and extinguish small fires if it is safe to do so. Fire is a significant hazard following earthquakes.
5. Listen to the radio for updated emergency information and instructions.

The above is a summary of the advice provided by the Ministry of Civil Defence.

For more information head to www.getthru.govt.nz

INSURANCE

- Assess your surroundings and make sure it's safe to move around your building/home.
- After any natural disaster you should do all you can to make your home habitable and protect it from further damage.
- You can carry out emergency repairs that are needed to make your home safe, sanitary, secure and weather tight.
- Where possible take photos before moving or repairing anything.

The above is from the Earthquake Commission.

For more visit www.eqc.govt.nz

Lodging a claim:

- Listen to advice following an earthquake or natural disaster as to how best to lodge a claim.
- Typically this will be with either EQC, or us – FMG – as your private insurer. You can call us on 0800 366 466.

SUPPORT AND ADVICE

It's completely normal for you and your family to be emotionally and physically drained by the earthquakes. You're not alone in feeling this way. If you need support, here are two services on hand to help:

- **Rural Support Trust 0800 787 254**
- **The Earthquake Support Line 0800 777 846**

YOUR NEW HOUSE POLICIES



Each year we review our insurance covers – and where necessary make changes to selected policies based on considerations such as your feedback and market conditions.

In this edition of FMG Post we've outlined some of the main changes made to our House policies.

WHEN ONE BECOMES THREE

Our current House Policy has been split into three categories: Home Policy, Rental House Policy and Employee House Policy. We've made these changes to better reflect your needs and for those living in the property. When your policy next renews we recommend you check your current policy to ensure it's up to date and that you have the right covers in place.

COVER UP

We've increased the level of cover you can receive for loss of rent and for rehousing employees – should you need to unexpectedly move tenants out following an event, which is covered by your policy. Support for both of these covers has increased from a maximum of \$10,000 to \$20,000.

LANDLORD AND CONTENTS COVER

If you own an employee house or rental property we have now automatically included \$10,000 worth of cover for contents that you own (which are used by your tenants) and become damaged. This cover includes items like whiteware, curtains and furniture. If you'd like to increase this amount you can do so under your contents policy.

METHAMPHETAMINE





Methamphetamine contamination is an increasing concern for those with rental and employee houses.

To provide peace of mind we've added an additional benefit, which provides up to \$25,000 to help clean up any damage caused by the contamination of an unlawful substance, such as methamphetamine (when contamination is above recommended Ministry of Health levels). The benefit also provides full cover up to the sum insured for damage caused by fire or an explosion due to the manufacture, storage, use or distribution of unlawful substances.

The additional benefit is automatically included in our new Rental House and Employee House policies.

There are steps you can take to help protect your rental or employee property against methamphetamine contamination. Most of it is around taking a proactive interest in the tenants you select and how they treat the home. We've included a few tips below.

PROTECTING YOUR RENTAL OR EMPLOYEE PROPERTY

-  Interview and carry out any reference and background checks on potential tenants.
-  To help with this you can search www.tenancy.govt.nz/disputes. This is a website that lists Tenancy Tribunal orders dating back for the last three years.
-  When signing a tenancy agreement with new tenants, you should let them know you will carry out regular property inspections – showing you actively care for your property.
-  It's recommended you inspect your rental and/or employee houses at least every six months – and when the occupancy changes.

Please note that this is only a summary of our House policies – with full policy wordings available on our website www.fmg.co.nz

A full list of all product changes is also available on our website.

ONE OF OUR GREATEST ADVOCATES



FMG would like to acknowledge the exceptional contribution of former Board Director, and latterly Chairman, Tom McNab, who passed away in September.

Mr McNab's combined contribution with the Mutual spanned almost 40 years from 1953 to 1990.

Mr McNab was only 35 when he first joined the Board of the Farmers' Mutual Insurance Association of Otago; with the FMG centenary book describing him as a "keen and prominent young farmer at the time."

It also describes him as one of the Mutual's greatest advocates.

An example of this was from the early 1970s when Mr McNab played a pivotal role in working to turn around the Primary Industry Insurance Company (PIIC), which had got into financial difficulty and had several Australian suitors knocking on its door. At the time, the government of the day was keen

for the company to remain in New Zealand ownership. Mr McNab had the courage and vision to help make this happen, and at the same time, bring together the Otago and Taranaki Mutuals into what we know today as FMG.

Mr McNab was driven by his belief that these three farmer-owned insurance companies should come together and continue to be farmer-owned.

While acknowledging Mr McNab's commitment to serve FMG in such a distinguished way for close to 40 years, FMG would also like to take this opportunity to extend our thoughts to Mr McNab's family and friends.

FMG'S 111TH AGM

Around 100 people attended FMG's 111th AGM in Hawera this September.

Hawera hosted this year's AGM – marking 100 years since FMG opened its first office in the region. A century on and FMG continues to have a strong presence in the region, signifying the Mutual's commitment to rural and provincial New Zealand.

Along with the order of business, Members heard from guest speaker Dick Tayler, who won gold at the 1974 Christchurch Commonwealth Games.

Thanks to all Members who either attended in person, or posted their proxy vote. The results of the resolutions tabled at the meeting were as follows.

RESOLUTIONS:

- ✓ The Annual Report was adopted.
- ✓ Ernst & Young was retained as FMG's auditor.
- ✓ Michael Ahie was re-elected to the Board.*
- ✓ Greg Gent was re-elected to the Board.*
- ✓ The increase to fixed Directors' fees was approved.

*DIRECTOR NOMINATIONS

As per FMG's Constitution, one third of the Board (excluding Special Directors) must retire by rotation at each AGM.

This year Michael Ahie and Greg Gent were required to stand for re-election. Both Directors sought re-election and were re-elected unopposed.

THE FAIR INSURANCE CODE

As a member of the Insurance Council of New Zealand (ICNZ), FMG adheres to the Fair Insurance Code.

The Code sets out industry best-practice standards for ICNZ members. It describes what level of service you can expect from your first contact with us as your insurer through to claim time.

It also provides information on complaints procedures and helps to hold ICNZ members to higher standards of service in all their dealings.

To learn more about the Code, head to ICNZ's website www.icnz.org.nz




FARMSTRONG – A DAY WITH SAM WHITELOCK

Farmstrong and our new ambassador Sam Whitelock, will be heading to Wairoa near Gisborne in December to spend time with Sheep, Cattle and Angus Stud farmer Andrew Powdrell after he won our ‘Win Sam for a Day’ competition.

To ‘win Sam’ we asked farmers and growers to share with us a positive behaviour change they were willing to ‘lock in’. Andrew and his wife talked about making time for themselves and training for a marathon – after committing much of their recent spare time to supporting their local community.

You can watch Andrew’s winning submission on Farmstrong’s Facebook page.

“Thanks to everyone who took time to submit an entry – there were some awesome ideas and commitments made, and I hope you all stick to them and encourage others to think about how they can look after themselves as well. I’m looking forward to spending a day with Andrew and a few of the Wairoa locals at a charity lunch and especially looking forward to running a kids coaching session too – hopefully they go easy on me.”


Sam Whitelock



Following the huge success of the South Island Mel Parsons and the Sons of a Bitch Woolshed Tour earlier this year, Farmstrong once again got behind the funniest farm girls in New Zealand for a shed load more fun with their North Island tour. The tour has just wrapped up with sell out shows across the country and more than 3,300 people attending in total.

We’d like to pass on a big congrats to dairy farmers Amy and Richard McDonald from Rakaia, Mid Canterbury, who won our Farmstrong competition and with it the chance to get off the farm for a few days with tickets, flights and accommodation to see the Rotorua show.

ANOTHER AWESOME YEAR

Check out all the places Farmstrong’s been this year.



You can visit us anytime at www.farmstrong.co.nz

From everyone on the Farmstrong team, we’d like to say thanks for allowing us to be part of your community in 2016. For us it’s a privilege to be part of an organisation that can help all farmers and growers to live well and farm well. If we didn’t quite make it to your region this year, remember you can visit us anytime at www.farmstrong.co.nz for advice and information on taking care of yourself. This time of year can often be tough for some – and that’s without the added stress of working through damage from an earthquake. Farmstrong has recently included some new information on its website around managing stress and fatigue, which we hope will be useful should you be interested. While our thoughts in particular are extended to those impacted by the recent earthquakes and storms, we’d like to wish everyone an enjoyable and safe summer break. We look forward to providing more wellbeing advice and support in 2017. Farmstrong is a rural wellbeing initiative, which has been jointly funded by FMG, The Mental Health Foundation and Movember. ACC is a Strategic Partner.

CALENDAR

14 JANUARY
**DUVAUCHELLE
A&P SHOW**
Duvauchelle

15 JANUARY
**TAURANGA
A&P LIFESTYLE
SHOW**
Tauranga

25-27 JANUARY
**NEW ZEALAND
DAIRY EVENT**
Feilding

28 JANUARY
**ELK & WAPITI
SOCIETY VELVET AND
ANTLER AWARDS**
Wanaka

9-11 FEBRUARY
**WORLD
SHEARING &
WOOLHANDLING
CHAMPIONSHIPS**
Invercargill

9-12 FEBRUARY
**NZ SHOW
JUMPING AND
SHOW HUNTER
CHAMPIONSHIPS**
Rakaia

18 FEBRUARY
**OTAGO/SOUTHLAND
REGIONAL FINAL**
Roxburgh

25 FEBRUARY
**AORANGI
REGIONAL FINAL**
Methven

4 MARCH
**TASMAN
REGIONAL FINAL**
Hokitika

FMG YOUNG FARMER OF THE YEAR

For a full list of the New Zealand Young Farmer of the Year regional finals,
please visit www.youngfarmercontest.co.nz



GOING AWAY

1. Avoid announcing travel plans through social media or on your voicemail.
2. Spare keys? Door mats, planter pots, above doorways or in letter boxes are some of the first places criminals look to gain easy access.
3. In approximately 60% of burglaries, entry is gained through an unsecured window. Triple check yours are all secured before heading off.
4. New staff filling in? Go over some refresher training and make sure all your procedure documentation is visible and up to date.
5. If towing boats, caravans or trailers, double check they're secure and everything is well tied and bolted down before starting your engine.



STAYING HOME

1. If no one's home – turn off the Christmas lights to help prevent the risk of an electrical fire.
2. While it's tempting, avoid posting pictures of your new Christmas toys (big or small) on social media.
3. Report any suspicious behaviour – such as unfamiliar cars frequently driving slow or lingering on the side of the road, to the Police. It'd be good to let your neighbours know too.
4. Where possible lock stockyard gates and loading ramps and regularly check paddocks where herds are grazing.
5. Remove keys and lock vehicles when not in use.

Whether you're on the road or staying home this summer, we've provided a few tips on keeping yourself and your property safe. These tips are based on the types of calls our claims team has received in previous years.

WE'RE EASY TO CONTACT

Call us on
0800 366 466

Write to us at
PO Box 1943
Palmerston North 4440

Email us
contact@fmg.co.nz

Visit our website
www.fmg.co.nz

 FarmersMutualGroup

FMG
Advice & Insurance