

Farm Contents Policy



FMG
Advice & Insurance

FMG has been protecting the property and livelihoods of people up and down the country since 1905. We're 100% New Zealand owned and operated and are proud to be the country's only rurally-based insurance company around today.

You don't get to be over 100 years old without learning a thing or two; because we've worked closely with New Zealand communities over the years we can help find what works for you.

And we're still listening to what you're saying which is why we continually strive to improve our products and services, and why we have something to offer all New Zealanders. It's also why we focus on partnering with you to plan for the risks and challenges you face, not just the insurance you need to deal with them.

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Introduction

Please take the time to read through these documents carefully because they form the insurance contract you have with us. Your policy certificate is particularly important because if there is any inconsistency between your FMG policy wording and what is on the certificate, it is the certificate that applies. Under this contract, we both have responsibilities to ensure everything runs smoothly. These are detailed as follows, and if there is anything that you don't understand, please contact us. The expiry date of your Policies is shown on the policy certificates. We will be in contact with you regarding renewal of your insurance around that time.

Your Responsibilities

This FMG Policy has been provided to you based on your disclosure to us.

If there is any material information which could relate to the cover provided under this Policy, you need to let us know. Please be aware that disclosure of material information will not necessarily affect your ability to obtain cover, but not informing us might result in you having no insurance at all. It is important that you:

- Please tell us all material information before the cover starts, even if we don't specifically ask about it.
- Please update us should anything about your circumstances change, both during the period of insurance and at renewal.

Cover under your Policy will not commence until you have paid, or have agreed to pay, the premium (including any Government charges) for the period of insurance. If your premiums are not paid on time, your insurance could be cancelled and you will not be insured.

It is essential that you:

- tell us of any errors in your documentation,
- contact us if there is anything you don't understand and would like explained more fully, and
- keep this Policy in a safe place along with your renewal notice(s).

This Policy contains some exclusions and these are detailed throughout the Policy. It is important that you read these and are aware of them.

This Policy also contains certain conditions and obligations that you must meet. If you don't, we may decline any claim you make. Any other person that is entitled to claim under this Policy must also meet these conditions and obligations.

Welcome to FMG

Our Responsibilities

We agree to provide the cover set out in the Policy below that is shown on your certificate. Throughout the Policy certain important words are in bold type; please refer to the Definitions section for the specific meaning of these words.

FMG is a member of the Insurance Council of New Zealand and, as such, we are bound by the Council's Fair Insurance Code. For a copy of the Code, please call us on 0800 366 466.

As you will be aware, the proposal you completed contains personal information relating to you and/or your business. We collect this information to enable us to fully evaluate your proposal and subsequently administer this Policy. We may require further information later on if you make a claim or wish to renew this Policy with us. The proposal you completed also authorises us to collect relevant information about you and/or your business from third parties, such as other insurers and insurance brokers.

However, we fully understand the importance of protecting your personal, commercial and financial information and therefore we will not share your information unless authorised to do so under the Privacy Act 1993.

Your information will be held securely by us, within our organisation, and you are entitled to access and correct the information you have provided, as set out in the Privacy Act 1993.

We are confident this Policy will be right for you. However, you may cancel this Policy within 30 days of the commencement date for any reason if you are not entirely happy. We will refund any premium you have paid provided you do not have a claim during this 30 day period.

Your Feedback

Your feedback enables us to identify opportunities to make our products and services even better. If you have any feedback – good or bad – we would like to hear from you.

If you have a concern about something that has happened, tell us and we will investigate the issue quickly and inform you of the outcome, either by phone, in writing or by visiting you at a convenient time.

Similarly, if you have received exceptional service, we need to know about it in order to congratulate our team - so please let us know.

How you can contact us

- Call us on **0800 366 466**
- Contact your local FMG manager
- Write to us at FMG, PO Box 1943
Palmerston North 4440
New Zealand
- Visit our website www.fmg.co.nz
- Email us at contact@fmg.co.nz
- Fax us on **0800 366 455**

We agree to provide **you** with the insurance set out in this Policy, if this Policy is shown on the **certificate**.

What you are insured for

1. **Your farm contents** shown on the **certificate** are insured for either:
 - (a) **accidental loss**, or
 - (b) **accidental loss** caused by a **defined event**, as shown on the **certificate**.
2. **Your baled hay** shown on the **certificate** is insured for either:
 - (a) **accidental loss** (including **loss** by spontaneous combustion, but excluding **loss** by birds), or
 - (b) **accidental loss** caused by a **defined event**, as shown on the **certificate**.
3. **Your baled wool** shown on the **certificate** is insured for either:
 - (a) **accidental loss**, or
 - (b) **accidental loss** caused by a **defined event**, as shown on the **certificate**.
4. **Your beehives** shown on the **certificate** are insured for either:
 - (a) **accidental loss**, or
 - (b) **accidental loss** caused by a **defined event**, as shown on the **certificate**.
5. **Your deer velvet** shown on the **certificate** is insured for **accidental loss**.
6. **Your harvested farm produce** intended for sale shown on the **certificate** are insured for either:
 - (a) **accidental loss**, or
 - (b) **accidental loss** caused by a **defined event**, as shown on the **certificate**.
7. **Your farm milk** shown on the **certificate** is insured for **accidental loss**.

Additional Benefits

You are automatically insured for the following benefits which are subject to the terms of this Policy except to the extent those terms are expressly varied in each benefit.

1. Additional Costs

- (a) **You** are insured for the reasonable additional costs **you** incur to maintain **your farming operations** in the 12 months immediately following an interruption of or interference to **your farming operations** as a direct consequence of **accidental loss** during the **period of insurance**:
 - (i) to **your farm buildings, your unspecified farm buildings** or **your farm contents** for which **we** have accepted a claim under **your** Farm Buildings or Farm Contents Policy (or would have but for the amount of any **excess**),
 - (ii) to any building not owned by **you** but **which your farming operation** occupies, provided that **we** would have accepted a claim if the building was insured by **us** under the FMG Farm Buildings Policy, or
 - (iii) to the water or electric power supply to the **farm** provided that the non supply of water or electric power to the **farm** exceeds a continuous period of 24 hours.
- (b) **You** are not insured for costs **you** incur to repair or replace any **farm buildings** or any **farm contents**.
- (c) **We** will pay up to \$10,000 for any one **event**.

2. Death or Permanent Injury

- (a) If **you** die or are permanently injured:
 - (i) as a result of:
 1. a fire at, or
 2. an intruder to, any **farm building** used for **your farming operations**, and
 - (ii) **we** have accepted a claim under this Policy, **we** will pay:
 1. **your** estate \$5,000 if **you** die within three calendar months of the **event**,
 2. **you** \$5,000 if **you** suffer total and permanent **loss** of:
 - a. the sight of both eyes,
 - b. the use of both hands, or
 - c. the use of both feet,
 3. **you** \$2,500 if **you** suffer total and permanent **loss** of:
 - a. the sight of one eye,
 - b. the use of one hand, or
 - c. the use of one foot.
 - (iii) **we** will pay up to \$10,000 for any one **event**.
- (b) If **you** have both a Farm Buildings and a Farm Contents Policy with **us**, **we** will only pay up to \$10,000 in total under both Policies, for any one **event**.

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3. Drones

- (a) **You** are insured for **accidental loss** of **your drone**.
- (b) **We** will pay up to \$5,000 or the higher agreed amount shown on the **certificate** for any one **event**.

4. Farm Money

- (a) **You** are insured for **accidental loss** of **farm money** caused by:
 - (i) fire,
 - (ii) **natural disaster**, or
 - (iii) **burglary**.
- (b) **You** are not insured for **loss** of **farm money** from:
 - (i) an unlocked and unattended **motor vehicle**,
 - (ii) an unattended roadside stall.
- (c) **We** will pay up to \$1,000 for any one **event**.

5. Goods in Transit

If **you** have insured **your farm contents** under this Policy:

- (a) **Your farm animals** are insured:
 - (i) for **accidental death**, or
 - (ii) for intentional slaughter certified by a vet and carried out to end incurable suffering, if the **accidental death** or intentional slaughter occurred:
 - 1. while **your farm animals** were being conveyed in a **motor vehicle**, and
 - 2. as a direct result of:
 - a. an **accident** to the **motor vehicle**,
 - b. **your farm animals** being loaded into or unloaded from the **motor vehicle**, or
 - c. **your farm animals** falling from the **motor vehicle**, or
 - (iii) if a licensed slaughter house rejects the carcasses of **your farm animals** because of **injury** that was sustained:
 - 1. while **your farm animals** were being conveyed in a **motor vehicle**, and
 - 2. as a direct result of:
 - a. an **accident** to the **motor vehicle**,
 - b. **your farm animals** being loaded into or unloaded from the **motor vehicle**, or
 - c. **your farm animals** falling from the **motor vehicle**.
- (b) **Your goods, beehives** and **harvested farm produce** intended for sale are insured for **accidental loss** that occurred:
 - (i) while **your goods, beehives** or **harvested farm produce** intended for sale were being conveyed in a **motor vehicle**, and
 - (ii) as a direct result of:

- 1. an **accident** to the **motor vehicle**,
- 2. **your goods, beehives** or **harvested farm produce** intended for sale being loaded into or unloaded from the **motor vehicle**, or
- 3. **your goods, beehives** or **harvested farm produce** intended for sale falling from the **motor vehicle**.

- (c) **You** are insured for the reasonable costs of:
 - (i) removing debris from any road or parking area,
 - (ii) clearing the site, and
 - (iii) reloading **your farm animals, goods, beehives** or **harvested farm produce** intended for sale following a **loss** covered by this Additional Benefit, up to \$250 for any one **event**.
 - (d) **Your farm animals, goods, beehives** or **harvested farm produce** intended for sale are not insured for any **loss**:
 - (i) that **you** can recover from any other person under common law or the Carriage of Goods Act 1979, or
 - (ii) where the driver of the **motor vehicle**:
 - 1. is not licensed in accordance with the Land Transport Act 1998, or
 - 2. is under the influence of any intoxicating liquor or drug,unless the **motor vehicle** is stolen or illegally converted.
 - (e) **Your goods, beehives** or **harvested farm produce** intended for sale are not insured for spillage during loading or unloading, unless the container in which the **goods, beehives** or **harvested farm produce** intended for sale are stored is damaged while being loaded or unloaded.
 - (f) **We** will pay the **present day value** of **your farm animals, goods, beehives** or **harvested farm produce** intended for sale up to \$20,000 (or any higher amount shown on the **certificate**) for any one **event**.
- ## 6. Gradual Damage
- (a) **You** are insured for gradual damage during the **period of insurance** to **your farm contents** that is caused by the leaking of any internal water tank, internal water pipe, waste disposal pipe, or leaking at the immediate point of connection between a hidden internal water or waste disposal pipe and any appliances installed at **your farm buildings**. Gradual damage is only covered if **you**:
 - (i) minimise the damage, and
 - (ii) prevent any further damage as soon as it is discovered.

- (b) **We** will pay the reasonable cost to repair the damage.
- (c) **We** will not pay for the cost of locating or repairing the leak.
- (d) **We** will pay up to \$5,000 for any one **event**.

7. Inflation Protection

- (a) **We** may adjust the amount of **your** insurance once a year, on renewal, to ensure that the amount of **your** insurance remains adequate given the level of inflation.
- (b) If **we** adjust the amount of **your** insurance, **we** may also adjust **your** premium.

8. Locks and Keys

- (a) **You** are insured for the reasonable cost of replacing locks and keys (including electronic access cards and transponders, remote door openers, or any other equivalent device) that give access to **your farm contents** if:
 - (i) they have been lost, damaged, stolen or duplicated, or
 - (ii) the combination number of an electronic keypad for external doors has become known to someone else,
 without **your** consent during the **period of insurance**, or
 - (iii) **you** have reasonable grounds to believe either of the above.
- (b) The **excess** does not apply to this Additional Benefit.

9. Perishable Farm Stores

- (a) **You** are insured for **accidental spoilage** of frozen or perishable dog food, semen straws, animal vaccines or animal health products resulting from changes in artificially controlled temperature or atmosphere in liquid nitrogen containers caused by:
 - (i) contamination due to **accidental** leakage of refrigerant, or substance used to artificially regulate temperature, from the refrigeration or artificial temperature control plant of the vats,
 - (ii) spoilage or deterioration following an **accident** to refrigeration, or artificial temperature control, machinery or its controls, electrical switchboards, or reticulation, or
 - (iii) **natural disaster**,
 provided that this **loss** is **not** otherwise insured under this Policy.
- (b) **We** will pay up to \$3,000 for any one **event**.

10. Replenishment Costs

- (a) **You** are insured for the reasonable cost of replenishing **your** fire-fighting equipment after it has been used to protect **your farm contents** from **loss** covered by this Policy.
- (b) **We** will pay up to \$5,000 for any one **event**.

11. Rewards

- (a) **You** are insured for any payments **you** make by way of reward if the reward was offered:
 - (i) to protect or recover **your farm contents**, and
 - (ii) with **our** consent,
 following a **loss** covered by this Policy.
- (b) **We** will pay up to \$5,000 for any one reward.

12. Suppression Costs

- (a) **You** are insured for the reasonable costs **you** incur to protect **your farm contents** from fire where such fire poses an obvious and direct threat to **your farm contents**.
- (b) **You** are not insured for:
 - (i) any cost which is covered by any other insurance policy, or
 - (ii) levies or costs recoverable from **you** under the Forest and Rural Fires Act 1977.
- (c) **We** will pay up to \$5,000 for any one **event**.
- (d) If **you** have both a Farm Buildings and a Farm Contents Policy with **us**, **we** will only pay up to \$5,000 in total for suppression costs under both Policies, for any one **event**.

13. Theft by Paying Guests

- (a) **You** are insured for theft of **your farm contents** during the **period of insurance** by **your paying guests**.
- (b) **We** will pay up to \$5,000 for any one **event**.

Optional Benefits

These Optional Benefits apply only if **you** have purchased them and they are shown on the **certificate**. These benefits are subject to the terms of this Policy except to the extent those terms are expressly varied in each benefit.

1. Farm Milk – Non-collection

- (a) **You** are insured for the non-collection of **your** farm milk from farm vats as a result of **accidental loss** to property, roads or bridges in the vicinity of **your farm** caused by:
 - (i) **natural disaster**,
 - (ii) **storm**, or
 - (iii) **flood**,

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which prevents access to **your farm**.

- (b) **We** will pay either:
- (i) the income **you** lose,
 - (ii) the **loss** of value of **your** farm milk,
 - (iii) the **present day value** of **your** farm milk, or
 - (iv) the amount shown on the **certificate**, whichever is less for any one **event**.

2. Farm Milk – Spoilage or Contamination

- (a) **You** are insured for:
- (i) **accidental loss** of **your** farm milk in the farm vat caused by:
 - 1. contamination (after written confirmation from your dairy company) and subsequent dumping,
 - 2. **spoilage** or deterioration and subsequent dumping following an **accident to your** refrigeration machinery or its controls, electrical switchboards or reticulation, or the operation of an overload switch, or
 - 3. **spoilage** or deterioration and subsequent dumping following sudden failure of power supplied by a public utility to **your** rural property,
 - (ii) any penalties imposed because **your** farm milk was contaminated, spoiled or dumped.
- (b) In respect of **your** farm milk, **we** will pay either:
- (i) the income **you** lose,
 - (ii) the **loss** of value of **your** farm milk,
 - (iii) the **present day value** of **your** farm milk, or
 - (iv) the amount shown on the **certificate**, whichever is less for any one **event**.
- (c) For penalties, **we** will pay:
- (i) the amount of any **spoilage** or contamination penalties imposed on **you**, and/or
 - (ii) the reduction in the payment to **you** as a result of any **spoilage** or contamination penalties imposed, as appropriate, for any one **event**.
- (d) The most **we** will pay per **event** under (b) and (c) above in total is twice the value of **your** farm milk or twice the amount shown on the **certificate**, whichever is less.

3. Natural Disaster

- (a) **Your farm contents** (other than any “personal property” as defined in the Earthquake Commission Act 1993), **baled hay, baled wool, beehives, deer velvet, harvested farm produce** intended for sale and farm milk (if shown on the **certificate**) are insured for **accidental loss** caused by **natural disaster**.

4. Prevention of Access

- (a) **You** are insured for interruption of, or interference to, **your farming operations** as a direct consequence of damage including **natural disaster** damage to property, roads or bridges in the vicinity of **your farm**, which prevents access to **your farm** during the **period of insurance**.
- (b) **We** will pay **your loss** of profit up to \$10,000 for any one **event**.

What we will pay

1. Deer Velvet, Baled Wool and Farm Milk

- (a) **We** will pay either:
- (i) the **present day value** of the **deer velvet, baled wool** or farm milk, or
 - (ii) the amount shown on the **certificate**, whichever is less for any one **event**.

2. Farm Computers

- (a) **We** will pay:
- (i) the reasonable costs to repair **your farm computer** as nearly as practicable to the same condition it was in prior to the **loss**, or
 - (ii) the **present day value** of **your farm computer**, whichever is less.
- (b) **We** will pay up to \$5,000 for any one **event**.

3. Farm Contents – Nominated Replacement

- (a) If the **certificate** shows that **your farm contents** are insured for Nominated Replacement, **we** will pay the reasonable cost to repair **your farm contents** (excluding **farm computers**) as nearly as practicable to the same condition they were in when new.
- (b) If **your farm contents** (excluding **farm computers**) cannot be repaired, **we** will pay the reasonable cost to replace **your farm contents**.
- (c) If **you** choose to not replace **your farm contents** (excluding **farm computers**), **we** will pay the **present day value** of **your** damaged **farm contents**.
- (d) **We** will pay up to the amount shown on the **certificate** for any one **event**.

4. Farm Contents – Present Day Value

- (a) If the **certificate** shows that **your farm contents** are insured for Present Day Value, **we** will pay:
- (i) the reasonable cost to repair **your farm contents** (excluding **farm computers**) as nearly as practicable to the same condition they were in prior to the **loss**, or

- (ii) the **present day value** of **your** damaged **farm contents** (excluding **farm computers**), whichever is less.
- (b) **We** will pay up to the amount shown on the **certificate** for any one **event**.

5. Baled Hay

- (a) **We** will pay the reasonable cost of:
 - (i) replacing the **baled hay** with **baled hay** of similar quality, and
 - (ii) cartage.
- (b) **You** must replace the **baled hay** within a reasonable period of time after the **loss**.
- (c) If **you** choose to not replace the **baled hay**, **we** will:
 - (i) pay the **present day value** of the **baled hay**, and
 - (ii) not pay any cartage.
- (d) **We** will pay up to the amount shown on the **certificate** for any one **event**.

6. Beehives

- (a) **We** will pay:
 - (i) the reasonable costs to repair **your beehives** as nearly as practicable to the same condition they were in prior to the **loss**,
 - (ii) the **present day value**, or
 - (iii) the amount shown on the **certificate**,
 for any one **event**, whichever is less.

7. Harvested Farm Produce Intended For Sale

- (a) **We** will pay either:
 - (i) the **present day value** of the **harvested farm produce** intended for sale, or
 - (ii) the amount shown on the **certificate**,
 whichever is less for any one **event**.

What you are not insured for

1. **Your farm contents, baled hay, beehives, deer velvet, farm milk, baled wool, or harvested farm produce** intended for sale are not insured for **loss** connected in any way with:
 - (a) normal maintenance, wear and tear, slowly developing deformation or distortion,
 - (b) mildew, mould, rot, rust, corrosion or gradual damage unless covered under the Gradual Damage Additional Benefit,
 - (c) action of micro-organisms, insects, rodents or vermin (excluding possums) unless covered by the Farm Milk Item shown on the **certificate**,
 - (d) inherent:
 - (i) nature of property,

- (ii) defect, or
- (iii) fault,
- (e) pollution or contamination (including land contamination) unless covered by the Farm Milk Spoilage or Contamination Optional Benefit shown on the **certificate**,
- (f) action of light,
- (g) defective workmanship, materials or design,
- (h) cleaning, repairing or restoring,
- (i) lifting or shifting **your farm structures**,
- (j) carrying out repairs or alterations to **your farm structures** which involve the removal of support,
- (k) lifting or lowering submersible well pumps (or their motors) from a well or bore shaft,
- (l) changes in artificially controlled temperature or atmosphere unless covered by the Perishable Farm Stores Additional Benefit or the Farm Milk Spoilage or Contamination Optional Benefit on the **certificate**,
- (m) the cost of altering refrigeration or air-conditioning plant to comply with the Ozone Layer Protection Act 1990,
- (n) transportation unless covered by the Goods in Transit Additional Benefit,
- (o) undergoing the normal operation of a **production process**, or
- (p) unexplained disappearances or shortages.

These exclusions apply only to the part of **your farm contents, baled hay, beehives, deer velvet, farm milk, baled wool or harvested farm produce** intended for sale first affected by the **loss**.

You are insured for resultant **loss** to other parts of **your farm contents, baled hay, beehives, deer velvet, farm milk, baled wool, and harvested farm produce** intended for sale unless otherwise excluded.

2. **Your farm contents, baled hay, beehives, deer velvet, farm milk, baled wool and harvested farm produce** intended for sale are not insured for **loss** connected in any way with:
 - (a) settlement, shrinkage or expansion of buildings, foundations, walls, pavements, roads, driveways or any other structural improvement,
 - (b) subsidence, shrinkage, swelling or **erosion** of land,
 - (c) subterranean fire,
 - (d) any machine or pressure vessel exploding, overheating, rupturing, bursting, cracking, leaking or collapsing, or

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(e) water entering **your farm structures** because roofing materials, exterior cladding, doors or windows have been removed, unless the area is covered by a securely fastened tarpaulin.

3. Your farm contents, baled hay, beehives, deer velvet, farm milk, baled wool and harvested farm produce intended for sale are not insured for:

(a) theft by:

(i) anyone staying at **your farm**, whether temporarily or otherwise, unless covered by the Theft by Paying Guests Additional Benefit, or

(ii) any of **your employees**,

(b) intentional damage (other than fire or explosion) by anyone staying at **your farm**, whether temporarily or otherwise, or

(c) **natural disaster** damage, unless covered by the Natural Disaster Optional Benefit.

4. You are not insured for mechanical, electrical or electronic breakdown of the following **farm contents**:

- (a) motors, unless caused by the use of incorrect fuel,
- (b) pumps,
- (c) **electronic equipment**, or
- (d) **farm computers**.

However, this exclusion does not apply where the mechanical, electrical or electronic breakdown arises from:

- (i) an external impact with the motor, pump, **electronic equipment** or **farm computer**, or
- (ii) a hazard originating completely outside the motor, pump, **electronic equipment** or **farm computer** that is not:
 - 1. lack of service or maintenance,
 - 2. a programming or operating error, or
 - 3. excluded elsewhere by this Policy.

5. Your deer velvet is not insured for theft from unlocked premises.

6. You are not insured for **loss** of bees from disease, illness, **injury**, mite infestation or spray drift.

7. Your farm milk is not insured for any fees charged for auditing or testing **your farm milk** or any farm milk procedures.

8. Your drone is not insured while in use or for any consequential loss, **injury** or liability arising from the use of **your drone**.

9. Please note there are also General Exclusions in this document.

General Exclusions

These exclusions apply to **your** FMG Policy unless indicated otherwise below.

1. Asbestos

(a) **You** are not insured for **loss** in any way connected with the handling, transport, storage, installation, removal, or other use of, asbestos or products containing asbestos material.

2. Confiscation, Nuclear Materials, Terrorism and War

(a) There is no cover under this Policy for **loss** in any way connected with:

- (i) **confiscation**,
- (ii) **nuclear materials**,
- (iii) **terrorism**, or
- (iv) **war**.

3. Consequential Loss

(a) **You** are not insured for any consequential loss including but not limited to:

- (i) penalties unless covered by the Farm Milk Optional Benefits,
- (ii) loss of use of property,
- (iii) loss resulting from delays,
- (iv) loss of market,
- (v) loss resulting from depreciation, or
- (vi) loss of value unless covered by the Farm Milk Optional Benefits.

(b) This exclusion is not applicable to the extent that the Additional Costs Additional Benefit applies.

4. Electronic Data

(a) **You** are not insured for **loss** in any way connected with the **loss of electronic data** unless this **loss** is a direct consequence of a **loss** insured under this Policy.

5. Excess

(a) **You** are not insured for any **excess**.

(b) If an **event** is covered under more than one of **your** FMG Policies, **you** will only have to pay one **excess**. This will be the highest **excess** that **we** could apply under any one of those Policies.

Claims Conditions

These conditions are important and must all be met before **we** will accept a claim under **your** Policy with **us**.

1. What you must do

- (a) **You** must notify **us** immediately of any circumstance likely to lead to a claim.
- (b) **You** must complete **our** claim form in full if **we** request **you** to do so, and return it to **us** within 30 days of **our** request.
- (c) **You** must take reasonable steps to minimise the claim and avoid any further claim.
- (d) **You** must make a complaint to the Police if **you** suspect criminal activity.
- (e) **You** must provide all reasonable information and assistance **we** require at any time.
- (f) **You** must immediately send **us** all relevant correspondence and court documentation.
- (g) **You** must authorise **us** to:
 - (i) Obtain personal information about **you** from **you** and third parties in connection with **your** insurance.
 - (ii) Disclose personal information about **you** to third parties in connection with **your** insurance.

Please see the full Privacy Statement on **our** website (www.fmg.co.nz) for information about how **we** collect, use and store **your** personal information.

2. What you must not do

- (a) **You** must not admit **you** are liable to any party.
- (b) **You** must not say or do anything which prejudices **our** ability to:
 - (i) defend any action against **you**, or
 - (ii) take recovery action in **your** name.
- (c) **You** must not start any remedial action without **our** prior approval.
- (d) **You** must not dispose of any property that is to be the subject of **your** claim, without **our** prior approval.

3. Fraud

- (a) **You**, and anyone else entitled to claim under this Policy, must ensure all statements made to **us** are true and complete.
- (b) If **your** claim is dishonest or fraudulent in any way, **we** are entitled to:
 - (i) decline **your** claim in whole or in part,
 - (ii) bring this Policy to an end from the date of the dishonest or fraudulent act, and/or
 - (iii) bring all other insurance **you** have with **us** to an end from the date of the dishonest or fraudulent act.

- (c) **We** may also notify the Police and/or the Serious Fraud Office.

4. Other Insurance

- (a) **You** must immediately notify **us** of any other insurance that covers **you** for any of the risks covered under this Policy.
- (b) **We** will only pay over and above the limit payable under that other insurance.

5. Progress Payments

- (a) **We** will at **our** option make regular progress payments for **your** claim provided that:
 - (i) **you** provide **us** with proof of **your** insured **loss**, and
 - (ii) if the combined progress payments exceed the total amount of the **loss**, **you** immediately refund the difference between these amounts to **us**.

6. Recoveries

- (a) If **we** accept any part of **your** claim, **we** may exercise any legal rights **you** have to, at **our** cost, recover amounts from the person(s) responsible for the **loss**.
- (b) If **we** do this, **you** must co-operate and assist **us** with this exercise. If **you** refuse, **we** may require **you** to repay **us** the **money we** paid **you**.
- (c) If **we** succeed in recovering any **money** from the person(s) responsible, **we** will refund your **excess** and pay any remaining **money** recovered to **you** less **our**:
 - (i) recovery costs, and
 - (ii) the **money we** have paid **you**.
- (d) If **you** recover any lost or stolen property claimed under this Policy:
 - (i) **you** must hand this over to **us**, and
 - (ii) **we** are entitled to keep this and any proceeds from its sale.
- (e) If **you** receive any reparations in respect of any property claimed under this Policy, **you** must immediately reimburse **us** for any claim **we** have paid from these reparations.

7. Salvage

- (a) If **your** claim relates to damaged property, **we** are entitled to retain possession of the damaged property and deal with salvage in a reasonable manner.
- (b) **You** cannot abandon any property to **us**.

Your Farm Contents Policy

General Conditions

These conditions are important and must all be met before **we** will accept a claim under **your** Policy with **us**.

1. Acts of Parliament

- (a) Any Acts of Parliament referred to in this Policy include any:
 - (i) amendments or Statutory Regulations made under them, and
 - (ii) Acts or Regulations made in substitution for the original Acts or Regulations.

2. Cancellation

- (a) **You** may cancel this Policy at any time by giving notice to **us**.
- (b) **We** may cancel this Policy at any time by giving notice to **you** at **your** last known address as held by **us**. Cancellation will take effect 30 days after the day **we** send or deliver the notice to **you**.
- (c) If:
 - (i) **you** cancel this Policy **we** will (subject to “Our Responsibilities” in the Welcome to FMG section) refund 90% of the unexpired portion of **your** premium,
 - (ii) **we** cancel this Policy, **we** will refund the unexpired portion of **your** premium, or
 - (iii) **you** have made a claim and **we** have paid the full amount under:
 - 1. the Policy,
 - 2. an Item, or
 - 3. an Optional Benefit,**we** will cancel this Policy, Item or Optional Benefit from the date of **loss**.

3. Changes

- (a) Where **we** agree, **you** may change this Policy by giving **us** notice of the changes.
- (b) **We** may change the terms of this Policy at any time by giving **you** notice at **your** last known address as held by **us**. The changes **we** make will take effect 30 days after the day **we** send or deliver the notice to **you**.

4. Compliance with the Policy

- (a) **You**, and anyone else entitled to claim under this Policy, must comply with all the terms of the Policy before **we** will meet any claim under it.
- (b) **You** must tell the truth at all times.

5. Currency

- (a) All monetary amounts referred to in this Policy are expressed and payable in New Zealand dollars.

6. Defined Words

- (a) To clarify the cover **you** have in this Policy, some words appear in bold. These words have a specific meaning, which is outlined in the Definitions section. Defined words specific to some sections are outlined within those sections.

7. Goods and Services Tax

- (a) Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:
 - (i) all amounts insured exclude GST (unless otherwise shown on the **certificate**), and
 - (ii) GST will be added, where applicable, to claim payments.
- (b) All **excesses** include GST.

8. Governing Law

- (a) The law of New Zealand applies to this Policy and the New Zealand courts have exclusive jurisdiction.

9. Headings

- (a) Headings are for reference only. They do not form part of the Policy and are not to be used in interpreting it.

10. Inspection

- (a) **We** are entitled to inspect property insured, at any reasonable time, and **you** must provide such information as may be reasonably required by **us** in relation to that property.
- (b) However, neither this inspection, nor any inspection report, is to be regarded as an undertaking by **us** to determine or warrant that any operations, property and/or premises are safe or covered by a Policy.

11. Interested Parties

- (a) If **we** are advised in writing of a party holding a financial interest over the property insured under this Policy:
 - (i) that party is noted by **us**, but is not directly insured under this Policy,
 - (ii) **you** authorise **us** to disclose to that party personal information about **you** in connection with this Policy, and
 - (iii) **we** may make a claim payment directly to that party up to the limit of its interest.

This meets **our** obligations to **you** under this Policy to that extent.

12. Location – in New Zealand only

- (a) This Policy covers **your** insured property while it is in New Zealand, unless another location is shown on the **certificate**.

13. Notification of any Change in Circumstances

- (a) After this Policy has commenced, **you** must notify **us** immediately of any change in circumstances **you** are aware of which:
- (i) increases, or
 - (ii) alters,
- any risk insured under this Policy.
- (b) Once **you** have done so, **we** may change the premium and/or terms of cover, at **our** discretion.
- (c) If **you** fail to notify **us** of any change in circumstances, **we** may:
- (i) refuse to meet any claim or part of it, and/or
 - (ii) bring this Policy to an end,
- from the date of the failure.

14. Payment of Premiums

- (a) Cover under this Policy will not commence until **you** have paid, or have agreed to pay, the premium (including any Government charges) for the **period of insurance**.
- (b) If **we** have agreed that **you** can pay **your** premium in instalments, payments are due in accordance with the agreement **we** have with **you**. In such case, cover under this Policy will not commence until **you** have paid, or have agreed to pay, the premium, including any Government charges, due under this agreement.
- (c) If **you** suffer a total loss:
- (i) **we** will not settle **your** claim:
 - 1. until the full annual premium is paid, or
 - 2. if **you** are paying **your** premium by instalments, until the balance of the full annual premium is paid, and
 - (ii) **we** may deduct any outstanding annual premium from the claim settlement.
- (d) It is important **you** continue to pay **your** premiums on time (either in full, in advance, or in accordance with any agreement **we** have with **you**).

15. Reasonable Care

- (a) **You** must take reasonable care to avoid and minimise **loss** or damage occurring to the property insured under this Policy, and liability to others, at **your** own expense. This includes:
- (i) complying with all relevant laws,
 - (ii) complying with all manufacturer's recommendations,

- (iii) employing competent **employees**, and
- (iv) maintaining and operating all security protection equipment, and all fire protection and extinguishment equipment, at all relevant times.

- (b) **We** will not pay any claim if **you** have been reckless or grossly irresponsible.

16. Separate Insurance

- (a) If this Policy insures more than one person or entity, they are insured separately as though a separate Policy was issued to each. However, the most **we** pay for all insured persons and legal entities collectively during the **period of insurance** is the amount shown in this Policy or on the **certificate**.

17. Transfer of Interest

- (a) No interest in this Policy can be transferred or assigned without **our** written agreement.

Definitions

The following definitions apply to **your** Policy, unless the context requires otherwise.

Please note:

- References to the singular include the plural and vice versa.
- The definitions apply to any derivatives of the word used in this Policy.

Accessories means a part of **your motor vehicle** not supplied or fitted by the manufacturer of **your motor vehicle** as standard equipment for the model including:

- (a) **non-manufacturer wheels** and **modified wheels**,
- (b) any radio, audio equipment or other in-vehicle entertainment and communication equipment forming an integral part of **your motor vehicle**,
- (c) any telephone permanently fitted to **your motor vehicle**,
- (d) any detachable and fixed equipment such as radar detectors, on-board **computers**, heating and/or cooling units, tarpaulins, chains and twitches, bearers and load-securing and lifting equipment or ropes,
- (e) signwriting, artwork and the like,
- (f) LPG, CNG or other fuel conversion installations,
- (g) any car seat covers, or car mats, and
- (h) any child car seat while in the **motor vehicle** and which is not otherwise insured.

Accident and **accidental** means an **event** which is sudden, unintended and unforeseen by **you**.

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Accidental death means death caused solely and directly by violent, **accidental**, external and visible means.

Baled hay means:

- (a) cut hay,
- (b) straw,
- (c) lucerne, or
- (d) silage,

that has been baled, bagged or stacked, including its wrapping, tying or covering materials and that **you** own.

Baled wool means baled wool that **you** own.

Beehives means **your** beehive structures, their contents, honey, and bees associated with **your** beehives, anywhere in New Zealand including whilst in storage, in transit (to the extent covered under the Goods in Transit Additional Benefit), or in the open.

Bodily injury means **injury**, sickness, disability, disease, diagnosed mental injury, or death resulting from any of these.

Burglary means:

- (a) forcible and violent entry into a securely locked building (or part of a building) or **motor vehicle** with intent to commit crime,
- (b) forcible and violent exit from a securely locked building (or part of a building) or **motor vehicle** after having committed a crime, or
- (c) theft of insured property from a building or **motor vehicle** accompanied by:
 - (i) violence, or
 - (ii) threat of violence,to **you**, **your employees** or **your** customers where such violence or threat is used to:
 1. extort the stolen property, or
 2. prevent or overcome resistance to property being stolen.

Certificate means the latest version of **your** Policy Certificate issued by **us** which contains details of **your** insurance cover under this Policy.

Computer means a desktop or laptop computer, tablet, or similar device, including hardware, software, and auxiliary equipment.

Confiscation means confiscation, requisition, nationalisation, or destruction of, or damage to property by order of Government, a local authority, a court, or any public authority but excludes such orders given for the purpose of controlling a peril covered by this Policy.

Deer velvet means harvested and stored deer velvet that **you** own.

Defined event means:

- (a) fire,
- (b) explosion,
- (c) lightning,
- (d) hail,
- (e) snow,
- (f) impact by a **motor vehicle** or an animal,
- (g) malicious acts,
- (h) vandalism excluding:
 - (i) vandalism to property in the course of construction or repair, and
 - (ii) vandalism caused by **you**, any member of **your** family or any of **your employees**,
- (i) **storm** or **flood**, excluding **storm** or **flood** damage to fences, unless **your farm fencing** is shown on **your certificate**, gates, retaining walls or glass (including glass houses), shade houses or tunnel houses,
- (j) **burglary**, other than by **you**, any member of **your** family or any of **your employees**,
- (k) impact by an aircraft or any other aerial or spatial devices or articles which drop from them, or
- (l) riot or labour disturbance.

Drone means a remote-control piloted aircraft used for **your farming operations** or business.

Electronic equipment means any electronic equipment at the premises and used for **your farming operations**/business, excluding **farm computers** and motors.

Employee means:

- (a) any employee directly employed by **you** for domestic duties, or
- (b) any:
 - (i) employee directly employed by **you** in, or
 - (ii) principal or director (but only in their capacity as such) of **your**:
 1. **farming operations**,
 2. **horticulture operations**, or
 3. **homestay activities**.

Erosion means the wearing away of rocks, soil and the like by action of water, ice or wind.

Event means a single **loss** and/or **bodily injury**, or a series of **losses** and/or **bodily injuries** which have the same cause.

Excess means the first amount of a claim that **you** must pay, as shown on the **certificate**.

Farm means the area within the location shown on the **certificate** which is used for **your farming operations**.

Farm animals means the animals that form part of, or are used in, **your farming operations**, but does not include domestic or feral animals.

Farm buildings means the farm buildings at the **farm** that are used for **your farming operations** and that are shown on the **certificate**. This includes:

- (a) fittings and fixtures that are permanently attached to the building,
- (b) power and telephone poles, overhead and underground lines and associated equipment, underground pipes for gas and water supply and sewage disposal, and effluent ponds and associated piping and machinery, that are directly attached to, and service the farm building,
- (c) signs that are located anywhere in New Zealand,
- (d) the following permanent structures on the **farm**:
 - (i) walls (but not retaining walls),
 - (ii) plant and machinery (fixed to or permanently located within the farm building), and
 - (iii) plant and machinery, not owned by **you** but which are in **your** custody or control and which are not insured elsewhere (fixed to, or permanently located within, the farm building).

It does not include:

- (e) farm fences,
- (f) growing structures,
- (g) netting, or
- (h) wind machines,

unless shown on the **certificate**.

Farm computer means a **computer** that is used for **your farming operations**. **Farm computer** does not include **electronic equipment**.

Farm contents:

- (a) Means:
 - (i) **farm computer**,
 - (ii) **electronic equipment**,
 - (iii) portable farm:
 1. plant,
 2. machinery, and
 3. equipment,
 - (iv) fixed farm:
 1. plant,
 2. machinery, and
 3. equipment,that is not in or attached to a building,
 - (v) farm stores and **harvested farm produce** that:
 1. **you** own, or that **you** have care, custody or control of, and
 2. are used for **your farming operations** and not intended for sale.
- (b) Excludes:
 - (i) livestock,
 - (ii) **deer velvet**,
 - (iii) **baled hay**,
 - (iv) wool,
 - (v) **motor vehicles**,
 - (vi) aircraft,
 - (vii) watercraft,
 - (viii) well or bore shafts,
 - (ix) netting in use,
 - (x) **harvested farm produce** intended for sale,
 - (xi) **beehives**, or
 - (xii) farm milk.

Farm fencing means fencing or artificial wind breaks which are used solely for **your farming operations** and conforms with the standard farm fencing/wind break practices for **your** type of farm and/or **your** local area.

Farm money means **money** that **you** earn from **your farming operations**.

Farm structures means the **farm buildings**, **farm fencing**, farm bridges, underpasses, culverts, well and bore shafts, and **unspecified farm buildings** at **your farm**.

Farming operations means your normal regular farming activities including:

- (a) Exhibitions and competitions at shows.
- (b) Using **your** property for horse or hunt club activities, except horse racing organised by a racing or trotting (or similar) organisation.

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- (c) Distributing farm material from aircraft, except for 1080, 1081, herbicides, fungicides, pesticides or similar poisons or substances.
- (d) Artificial Insemination Technician activities.
- (e) Farm contracting, provided it does not involve the use of explosives.
- (f) **Horticulture operations.**

Flood means the inundation of normally dry land by water overflowing the normal confines of any natural or artificial water course, lake, reservoir, canal, dam or river, or the ponding of a normally dry paddock.

FMG means FMG Insurance Limited as shown on the **certificate**.

Goods means **farm contents, baled hay, deer velvet and baled wool**, as shown on the **certificate**.

Harvested farm produce means seeds, grain or other agricultural or horticultural produce harvested as part of **your farming operations** excluding **baled hay, baled wool, beehives, deer velvet**, livestock, farm milk and wool.

Homestay activities means **your** accommodation of **paying guests** provided that:

- (a) **your** maximum **paying guest** capacity is no more than six persons,
- (b) **your** annual turnover from **paying guests** is not greater than \$30,000, and
- (c) for taxation purposes **you** claim no more than 50% of **your house** for **your** accommodation of **paying guests**.

Horticulture operations means **your** normal regular horticultural activities associated with the growing of **your** plants.

House means the house that **you** live in.

Injury means external or internal **bodily injury** caused solely and directly by violent, **accidental**, external and visible means.

Loss means physical:

- (a) loss,
- (b) damage, or
- (c) destruction,

of tangible property during the **period of insurance**.

Loss of electronic data means the loss, corruption, destruction, malfunction or unavailability of information or instructions in electronic form including programs, software and other electronic data. This extends to the loss of use, reduction in functionality, or any other associated loss or expense in connection with the loss of such data including data retrieval costs.

Modified wheels means wheels and/or tyres that are a different diameter, or a wider width, or a lower profile than the vehicle manufacturer's specification.

Money means current coin, bank and currency notes, cheques, travellers' cheques, postal notes, money orders, unused postage stamps, redeemable vouchers and tokens, franking machine credits, or Bills of Exchange as defined in the Bills of Exchange Act 1908.

Motor vehicle means any type of machine on wheels or tracks that is propelled by its own power. This includes anything that can be towed by the machine and any **accessories** attached to the machine.

Natural disaster means earthquake (including earthquake fire), volcanic eruption, tsunami, hydrothermal activity, or **natural landslip**.

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. Natural landslip does not include the movement of ground due to below-ground subsidence, soil expansion, soil shrinkage, soil compaction, or **erosion**.

Non-manufacturer wheels means wheels differing from the wheels fitted by the manufacturer when the vehicle was new.

Nuclear materials means:

- (a) ionising radiation or contamination by radioactivity from:
 - (i) any nuclear fuel,
 - (ii) any nuclear waste,
 - (iii) the combustion or fission of nuclear fuel, or
- (b) nuclear weapons material.

Paying guest means a temporary visitor at **your house** who pays **you** for hospitality, meals and/or accommodation for a short term.

Period of insurance means the duration of **your** Policy, as shown on the **certificate** (unless the Policy is terminated earlier by **you** or **us**).

Present day value means either the:

- (a) market value immediately before the **spoilage** or **loss**, or
- (b) replacement cost less an allowance for age and wear and tear,

as calculated by **us**, using whichever method **we** believe to be appropriate in the case.

Production process means any process of producing, making, treating, feeding and maintaining, or servicing **goods** including any process of grading or packing.

Spoilage means deterioration, putrefaction or contamination that occurs during the **period of insurance**.

Storm means violent winds sometimes combined with thunder, heavy falls of rain, hail or snow. Bad weather, or heavy or persistent rain by itself does not constitute a storm.

Terrorism means:

- (a) the use, threatened use, or preparation for the use of:
 - (i) force or violence towards any person or group(s) of people,
 - (ii) property damage,
 - (iii) conduct that creates a risk to health and safety, or
 - (iv) interference or disruption with an electronic system,
- (b) by a person or group(s) of people whether acting alone, or on behalf of, or in connection with, any organisation or government:
 - (i) designed to influence, coerce or retaliate against, a government or group of people,
 - (ii) bring about change that aligns with their particular political, religious, ideological, ethnic, economic agenda, and
- (c) extends to conduct connected with controlling, preventing, suppressing, retaliating against, or responding to such conduct.

Unspecified farm building means any farm building at **your farm** (excluding tunnel houses, glasshouses and greenhouses) not individually shown on the **certificate** (but only if the **certificate** shows Unspecified Farm Buildings as an insured item) including:

- (a) fittings and fixtures that are permanently attached to the farm building,
- (b) underground pipes for gas and water supply and sewage disposal, and effluent ponds and associated piping and machinery, that service the farm building, and
- (c) any of the following permanent structures at **your farm**:
 - (i) cattle stops,
 - (ii) silos,
 - (iii) tanks,
 - (iv) gates,
 - (v) windmills,
 - (vi) wind machines,
 - (vii) stock yards including associated gates, pens and fences (but not **farm fencing**),
 - (viii) power and telephone poles, overhead and underground lines and associated equipment which **you** own or which are in **your** custody or control and which are not insured elsewhere,
 - (ix) solar panels, and
 - (x) feed pads.

It does not include well or bore shafts.

War means conflict, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or not), civil, mutiny, civil commotion assuming the proportions of or amounting to an uprising, insurrection, rebellion, revolution, military or usurped power, and extends to activity connected with controlling, preventing or suppressing such conduct.

We, us, or our means **FMG**.

You and **your** means the person (or persons) shown on the **certificate** as the insured. **You** can also be a company, partnership or other legal entity.

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

FMG
Advice & Insurance