

# NFU Mutual

## Policy Number 080X5294209



**NFU Mutual**

### Schedule

**Policyholder:** National Farmers Union and its Beneficiaries

Policy No.: 080X5294209

Address: Agriculture House  
Stoneleigh Park  
Stoneleigh  
Warwickshire  
CV8 2TZ

Period of Insurance: From 1<sup>st</sup> October 2019 to 30<sup>th</sup> September 2020

Branch: Head Office – Large Corporate Insurance

Premium: As shown on the schedule

Date of issue: 1<sup>st</sup> October 2019

### The Cover

We will pay for LOSS OF YIELD of sugar beet within the GEOGRAPHICAL LIMITS arising directly from INSURED FROST

### Exclusion

We will not pay for LOSS OF YIELD suffered by any grower whose harvest is completed and delivered prior to an INSURED FROST DAY occurring.

## **Policy Endorsements to be read in conjunction with the attached policy document**

### Definitions

The following terms are not defined in the policy wording but are set out in the CERTIFICATE: Overall Contracted Tonnage; Estimate of Produced Tonnage; Overall Approved Tonnage; Agreed Price (unique average price per tonne); and Sum Insured.

#### LOSS OF YIELD

The difference between a BENEFICIARY'S ACTUAL ADJUSTED TONNAGE of sugar beet delivered to and accepted by British Sugar plc and the BENEFICIARY'S Overall Approved Tonnage.

#### BENEFICIARY

A supplier of sugar beet who holds a valid CERTIFICATE.

#### CERTIFICATE

The Sugar Beet Scheme Certificate of Insurance issued by NFU Mutual.

#### PLANTED AREA

The total planted area for the campaign in hectares of sugar beet declared to, and agreed with British Sugar plc.

#### ACTUAL ADJUSTED TONNAGE

The Adjusted Tonnage in accordance with the current Inter Professional Agreement between British Sugar plc and the National Farmers' Union ("the NFU").

#### GEOGRAPHICAL LIMITS

United Kingdom, the Channel Islands and the Isle of Man.

#### INSURED FROST DAY

Any day on which the 10 day rolling average minimum daily temperature for that day and the previous nine consecutive days measured at any single WEATHER STATION, as reported by the data provider, Speedwell Weather UK Limited, is -4°C or lower, subject to the first day of the 10 day period falling between 1<sup>st</sup> October and 31<sup>st</sup> January inclusive.

#### OVERALL APPROVED TONNAGE

The lesser of

- a) the insured overall entitled tonnage and
- b) NFUM's estimate of produced tonnage based on the insured's five year average yield per hectare as recorded by British Sugar plc (where this is unavailable NFUM reserves the right to use alternative data); insured planted area declared and agreed with British Sugar plc; an adjustment to reflect the national trend of increased yield; and any weather related events that may affect national yield expectations.

#### WEATHER STATION

The Met Office weather stations at Waddington in Lincolnshire (WMO Station number 03377), Wattisham in Suffolk (WMO station number 03590) and Marham in Norfolk (WMO station number 03482).

## Conditions

### Inspection of Records

The Insurers or representatives duly authorised by them may at any time during normal office hours of the NFUS inspect and at their own expense take copies of such of the NFUS's records (as provided to them by the data provider: British Sugar) and documents which relate to business covered under this Agreement subject to fourteen (14) days' notice of their intention to inspect. It is agreed that the Insurers' right of inspection shall continue as long as either party has a claim against the other arising out of this Agreement or whilst any liability remains hereunder.

The Inspection shall take place at the head office of the NFUS.

Additionally, the Insurers shall have the right to be provided upon request with detailed information concerning the delivery of sugar beet to the British Sugar processing facility from each individual insured at any time during the validity of this agreement, including dates of delivery and quantities delivered per day.

### Multiple Contracts

Where a BENEFICIARY has more than one contract with British Sugar plc in the same interests any LOSS OF YIELD will be assessed against the aggregated Overall Approved Tonnage relating to all such contracts.

### Right to Survey

WE have the right to conduct a survey of the premises of any BENEFICIARY for the purposes of assessment and control of risk.

If a survey or any other additional information reveals factors that adversely influence OUR assessment of a BENEFICIARY'S risk WE may at OUR election avoid, cancel, suspend or alter the terms of this policy or increase the premium for that BENEFICIARY accordingly.

### Change in circumstances

A BENEFICIARY must advise US as soon as possible of any event or change in circumstances that could affect the BENEFICIARY'S yield, Overall Approved Tonnage or expected payment from British Sugar plc and WE may alter the terms of the policy for that BENEFICIARY accordingly.

### Weather Adjustment

It is a condition precedent of cover that the NFU must advise US of any weather related event (other than INSURED FROST) which occurs in the six months prior to the start of the PERIOD OF INSURANCE that materially affects the national yield expectations.

On receipt of that information, WE may adjust the Estimate of Produced Tonnage for each BENEFICIARY and reduce premiums accordingly.

Any adjustments will be undertaken by 1<sup>st</sup> September and notified via [www.nfusugar.com](http://www.nfusugar.com)

#### Premium Payment

The premium for each BENEFICIARY will be charged upon Overall Approved Tonnage.

#### Severability of Application

The interest of each BENEFICIARY under this policy shall be separate in all respects except in the application of policy coverage limits.

Any wrongful act or omission of a BENEFICIARY shall not be imputed to any other BENEFICIARY for the purposes of determining the application of cover under the policy.

No fact pertaining to or knowledge possessed by one BENEFICIARY shall be imputed to any other BENEFICIARY for the purposes of determining the application of cover under the policy or the validity of the policy itself.

Any special conditions applicable to a BENEFICIARY individually will be stated in the BENEFICIARY'S CERTIFICATE.

## Claims Procedures and Requirements

WE will not pay a BENEFICIARY'S claim unless

- 1) The NFU tells US as soon as possible about anything that happens which may give rise to a claim and YOU give US all the assistance that WE require.
- 2) The notification for a claim is confirmed, by the NFU, by 30<sup>th</sup> April of the year following the harvest which is claimed to be affected by LOSS OF YIELD. Any claims made after this date will not be accepted.
- 3) The NFU supplies details of the claims including any supporting information or evidence to US, in the manner agreed between US and the NFU.

### Settling Claims

- 1a) WE will not pay for the first 15% of LOSS OF YIELD.
- 1b) Where LOSS OF YIELD is between 15% and 30% of the Overall Approved Tonnage, WE will pay the Agreed Price for the incurred percentage LOSS OF YIELD after deduction of the first 15%.
- 1c) Where LOSS OF YIELD exceeds 30% of the Overall Approved Tonnage WE will pay 50% of the Agreed Price for the LOSS OF YIELD.
- 2) The most WE will pay for any BENEFICIARY is 50% of that BENEFICIARY'S Sum Insured.
- 3) The most WE will pay in total for all BENEFICIARIES in any PERIOD OF INSURANCE is £15 million. If the total value of valid claims from all BENEFICIARIES exceeds £15 million OUR liability to each BENEFICIARY will be proportionately reduced.

### Claims Control

WE will, in respect of all claims made, have sole control of the claims procedures and settlements.

# Contents

<b>Description</b>	<b>Page</b>
<b>Introduction</b>	<b>6</b>
<b>Thank you</b>	<b>7</b>
<b>General Definitions</b>	<b>9</b>
<b>General Exclusions</b>	<b>12</b>
<b>General Conditions</b>	<b>14</b>
<b>Claims Conditions</b>	<b>17</b>
<b>Charitable Assignment Condition</b>	<b>19</b>

## Introduction

In return for the NFU paying YOUR premium and US accepting it, WE will insure YOU in line with the terms of the policy for the PERIOD OF INSURANCE and any subsequent period of insurance, provided YOU keep to the terms and conditions of the policy.

Please read this policy, statement of insurance, schedule and any certificate(s) of insurance carefully. If they do not meet YOUR needs, return them to US or to YOUR insurance advisor as soon as possible.

This policy is evidence of the contract between the NFU, on behalf of the BENEFICIARIES and US and is based on the information YOU provided, which is confirmed on the statement of insurance and YOUR schedule.

UK law allows both YOU and US to choose the law applicable to the contract. WE have chosen that this contract will be governed by and interpreted in accordance with English law. The contract will be subject to the exclusive jurisdiction of the English courts.



Steve Bower  
Customer Services Director  
The National Farmers Union Mutual Insurance Society Ltd.

Note: The issue by US to YOU of a policy makes you a member of The National Farmers Union Mutual Insurance Society Limited ("THE SOCIETY"), on the terms of THE SOCIETY'S memorandum and articles of association. These are available from the Company Secretary at our registered office.

# Thank you for placing your Insurance with NFU Mutual

## Cancellation Rights

If the NFU do not want to accept this new policy or any new cover which is added, the NFU may cancel the policy (or, in the case of a specific addition to cover, the addition itself) by giving US notice in writing within 14 days of receiving it. WE may charge pro rata for the cover that has been provided.

## Complaints

WE strive to provide OUR customers with the highest level of service and would like to know if YOU are not satisfied with any aspect of this. If YOU are unhappy with the service you receive, please tell US straight away as WE would like the chance to put things right. YOU can do this by calling YOUR local agent, or the call centre which issued this policy, or in writing. YOU can also use OUR website [www.nfumutual.co.uk/complaints](http://www.nfumutual.co.uk/complaints) to find out more information or to make a complaint.

If YOU remain unhappy with the outcome YOU may be able to refer YOUR complaint to the Financial Ombudsman Service. For more information visit [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or call 0845 080 1800.

Please always quote YOUR policy number as it will enable YOUR complaint to be dealt with promptly.

## Financial Services Compensation Scheme

WE are covered by the Financial Services Compensation Scheme (FSCS) which means that YOU may be entitled to compensation from the scheme if WE cannot meet OUR obligations under this policy. This depends on the type of policy YOU have purchased and the circumstances surrounding YOUR claim. YOU can find out more at [www.fscs.org.uk](http://www.fscs.org.uk) or by calling **0800 678 110 0**

## Fraud Prevention and Detection

To prevent and detect fraud WE may at any time check, share and/or file details with other organisations, fraud prevention agencies, databases and public bodies including the police. If WE are given false or inaccurate information and WE identify or suspect fraud, WE will record this. This may prevent YOU gaining access to alternative insurance and/or financial services. OUR Privacy Policy includes information about what WE do with YOUR personal data for this purpose.

## Language

This policy and its accompanying documentation are written in the English language. WE will communicate with YOU in English throughout the duration of this policy.

## Statutory Status

YOU can check OUR statutory status on the Financial Services Register. YOU can access the Financial Service Register from the Financial Conduct Authority (FCA) website [www.fca.org.uk](http://www.fca.org.uk) or by calling the FCA on 0800 111 6768. OUR Financial Services Register number is 117664.

## Privacy Policy

To find out more about how WE use YOUR personal information and YOUR rights, please go to the privacy policy on OUR website.



## General Definitions

Each time WE use one of the words or phrases below in capital letters, it will have the same meaning wherever it appears in the policy, unless an alternative is stated to apply. Where a section of the policy contains definitions, they must be read in conjunction with the following general definitions.

Words which appear in lower case will have their natural and ordinary meaning.

### ACCIDENT

Accidental physical injury resulting from a visible cause or exposure to severe weather conditions.

### BUILDINGS

Unless stated otherwise on YOUR schedule the buildings of the PREMISES which YOU own or for which YOU are responsible and which are:

- 1 built of brick, stone, concrete or metal;
- 2 roofed with slates, tiles, concrete, asphalt, metal or sheets or slabs composed entirely of incombustible mineral ingredients; and
- 3 with a maximum 10% construction of combustible materials.

The definition of BUILDINGS includes:

- 1 cables, wires and associated control gear and accessories;
- 2 landlord's fixtures and fittings which YOU own or for which YOU are responsible;
- 3 outbuildings, extensions, annexes, gangways and conveniences which satisfy the requirements set out above;
- 4 walls including boundary walls, gates and fences around and belonging to YOUR buildings;
- 5 piping, ducting, inspection covers, external tanks, drains or private off-mains drainage systems and accessories for which YOU are legally responsible, which extend from YOUR buildings; and
- 6 yards, car parks, roads, forecourts and pavements around and belonging to YOUR buildings.

### BUSINESS

The business described on YOUR schedule, including:

- 1 the provision and management of canteen, social, sports, educational and welfare organisations and first aid, fire, ambulance and security services for the benefit of EMPLOYEES;
- 2 maintenance and repair of YOUR PROPERTY and PREMISES; and
- 3 taking part in exhibitions and trade shows.

### COMPUTER EQUIPMENT

Electronic processing, communication and data storage equipment owned by YOU or for which YOU are responsible excluding:

- 1 discs, tapes or other systems records other than hard discs; and/or
- 2 the cost of reinstating data.

### CONTENTS

Trade fixtures and fittings, machinery and all other contents and equipment owned by YOU or for which YOU are responsible and which relates to YOUR BUSINESS, including:

- 1 tenants improvements, alterations and decorations;
- 2 business books, documents, computer systems records and programmes, designs or plans but only for the cost of the materials, labour and computer time necessary to reproduce them;
- 3 patterns, models and moulds but only for the cost of the materials and labour necessary to reproduce them;
- 4 personal effects other than MONEY and/or MONETARY DOCUMENTS of any director, EMPLOYEE or visitor not exceeding £500 for any one person; and
- 5 wines and spirits used solely for entertainment purposes.

The following PROPERTY is excluded from the definition of CONTENTS:

- 1 landlord's fixtures and fittings;
- 2 STOCK;
- 3 COMPUTER EQUIPMENT;
- 4 gaming, amusement or external vending machines;
- 5 motor vehicles licensed for road use, including their accessories;

6 deeds, bonds, bills of exchange or MONEY or MONETARY DOCUMENTS;  
7 explosives; and  
8 living creatures, pets or livestock.

#### DAMAGE

Accidental physical loss, destruction or damage.

#### DECLARED VALUE

YOUR assessment of the cost of reinstating each ITEM OF PROPERTY at the start of the PERIOD OF INSURANCE, where the BASIS OF COVER is shown in YOUR schedule as Day One Reinstatement. The DECLARED VALUE should include an allowance for:

- 1 any additional cost of reinstatement to comply with the requirements of the public authorities including the European Union;
- 2 professional fees; and
- 3 debris removal costs.

#### EMPLOYEE

Any person working for YOU in connection with YOUR BUSINESS who is:

- 1 under a contract of service or apprenticeship with YOU;
- 2 a labour master, labour-only sub-contractor or a person supplied by either of them;
- 3 self-employed;
- 4 working under a recognised work experience or training scheme;
- 5 a voluntary helper;
- 6 borrowed by or hired to YOU; or
- 7 a director of the company.

#### EXCESS

The amount or, where expressed as a percentage, the proportion of each loss for which YOU are responsible which will be deducted from any claim payment, after all other terms and conditions (including any underinsurance condition) of this policy have been applied.

#### ILLNESS

Any illness, disease, medical complaint or condition which is not an ACCIDENT contracted in Europe, Australia, Canada, New Zealand, the Republic of South Africa or the United States of America.

#### INJURY

Bodily injury, death, disease, illness and/or medically recognised psychiatric injury.

#### INSURED PERIL

A peril which is listed on YOUR schedule as being insured.

#### ITEM OF PROPERTY

Any individual article or category of articles of PROPERTY to which an individual SUM INSURED is attached in YOUR schedule.

#### MONEY

Cash, bank currency notes, uncrossed cheques and postal orders, luncheon vouchers, unused postage stamps, trading and National Insurance stamps not fixed to cards, National Savings stamps, unexpired units in franking machines and gift vouchers, lottery and other prize scratch cards, utility vouchers, top-up cards and mobile phone vouchers belonging to YOU or for which YOU are responsible in connection with YOUR BUSINESS.

#### MONETARY DOCUMENTS

Crossed cheques and postal orders and bankers' drafts, National Insurance stamps fixed to cards, National Savings certificates, premium bonds, credit card sales vouchers or receipts, VAT purchase invoices and any other money instruments which are non-negotiable belonging to YOU or for which YOU are responsible in connection with YOUR BUSINESS.

**PERIOD OF INSURANCE**

The period of insurance specified on YOUR schedule.

**POLLUTION**

All pollution or contamination of buildings or other structures or of water or land or the atmosphere.

**PREMISES**

The premises shown on YOUR schedule comprising the BUILDINGS or BUILDINGS of which YOU are the sole occupier (unless otherwise shown on YOUR schedule) in connection with YOUR BUSINESS and the land within the boundaries belonging to them.

**PROPERTY**

Material property.

**SLAUGHTER ON HUMANE GROUNDS**

Slaughter:

1 with OUR prior consent; or

2 where a VET has certified it necessary to carry out immediate slaughter because it would be cruel to keep the animal alive.

**STOCK**

Stock and materials in trade owned by YOU or for which YOU are responsible.

**TERRORISM**

1 For liability insurances:

An act, including but not limited to, the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

2 For all other insurances:

Acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto.

**VET**

A veterinary surgeon registered with the Royal College of Veterinary Surgeons.

**WE, US, OUR**

The National Farmers Union Mutual Insurance Society Limited.

**YOU, YOUR**

The legal entity/entities shown on YOUR schedule as being the Policyholder.

## General Exclusions

The following exclusions apply to the whole of this policy including any cover extensions and endorsements unless otherwise stated:

WE will not pay for:

1 losses directly or indirectly caused or contributed to by;

- a) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation, nationalisation or requisition or destruction of or damage to PROPERTY by or under the order of any government, public or local authority, other than for insurance provided under the Employers' Liability section;
- b) TERRORISM unless stated otherwise in the policy. If WE allege that this General Exclusion applies to any claim, the burden of proving the contrary will be upon YOU. In the event that any portion of this exclusion is found to be invalid or unenforceable, the remainder will remain in full force and effect;
- c) pressure waves arising from aircraft and other aerial devices travelling at sonic or supersonic speeds;
- d) the use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss, other than for insurance provided under the Employers' Liability and/or Environmental Liability sections or for DAMAGE or liability caused by;
- e) ionising radiation or contamination by radioactivity from any nuclear fuel or from nuclear waste from the combustion of nuclear fuel;
- f) the radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component; and/or
- g) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

2 loss of market value beyond the cost of repair, replacement or reinstatement of PROPERTY.

3 DAMAGE to COMPUTER EQUIPMENT or any other loss arising directly or indirectly from:

- a) unauthorised access;
- b) virus, program code, programming instruction or any set of instructions intentionally constructed with the ability to DAMAGE, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self-replication or not, including trojan horses, worms and logic bombs;
- c) actions or instructions constructed or generated with the ability to DAMAGE, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems including the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and among networks.

4 Losses directly or indirectly caused or contributed to by;

- a) the way in which any COMPUTER EQUIPMENT responds to or deals with or fails to respond to or deal with any true calendar date; and/or
- b) COMPUTER EQUIPMENT responding to or dealing in any way with:
  - i. data denoting a calendar date or dates as if such data did not denote a calendar date or dates; and/or
  - ii. data not denoting a calendar date or dates as if such data denoted a calendar date or dates;

whether such COMPUTER EQUIPMENT is YOUR PROPERTY or not.

For all insurances other than Public Liability or Legal Expenses paragraphs 3 and 4 above will not exclude subsequent DAMAGE (not otherwise excluded) which itself results from fire aircraft, explosion, earthquake, escape of water, impact, riot or malicious persons, sprinkler leakage, subsidence and theft otherwise insured by this policy.

5 . WE will not pay for any DAMAGE caused by or in connection with the property being used by YOU, YOUR tenant or any other lawful visitor for the conduct of illegal activity.

6. WE will not pay for any emergence losses identified by the BBRO (British Beet Research Organisation) in their on-going examination of the seed genetics, priming and pelleting during the 2017/18 campaign.

## General Conditions

The following conditions apply to the whole of this policy including any cover extensions and endorsements unless otherwise stated:

### Alteration in Risk

YOU will not be insured under this policy if:

- 1 YOUR interest ceases, except by will or operation of law; or
- 2 there is a change in circumstances, which alters the risk. YOU are required to tell US of any change of circumstances that arise after the start of this insurance. If YOU are not sure whether a change in circumstances needs to be disclosed, YOU should disclose it.

### Automatic Reinstatement

Provided that YOU pay any additional premium that WE require, the insurance by this policy will not be reduced by the amount of any loss unless:

- 1 either YOU or WE advise to the contrary; or
- 2 the applicable section of this policy specifically provides to the contrary.

### Cancellation of the Policy

YOU may cancel YOUR policy by writing to US or calling US. WE may then refund part of YOUR premium unless YOU have made a claim in the current PERIOD OF INSURANCE.

WE may cancel YOUR policy at any time by giving YOU 14 days notice in writing. OUR cancellation letter will be sent to the latest address WE have for YOU.

The reasons why YOUR policy may be cancelled include, but are not limited to:

- 1 where YOU or anyone acting for YOU commits fraud or makes a misrepresentation in order to gain an advantage under any aspect of YOUR policy;
- 2 where a change in YOUR circumstances means that WE can no longer provide cover;
- 3 failure to comply with policy terms and conditions;
- 4 use of threatening or abusive behaviour or language, or intimidating or bullying of OUR staff or suppliers;
- 5 if YOU default under OUR Credit Agreement to pay the premium, cover under YOUR policy will cease in accordance with the conditions of the Credit Agreement.

If WE cancel YOUR policy WE will refund the part of YOUR premium applying to the remaining PERIOD OF INSURANCE unless fraud or misrepresentation has been identified or a claim has been made when WE may not refund any premium.

### Compliance with Terms

WE will not pay YOUR claim unless YOU and all other persons insured by this policy observe and comply with all the terms and conditions of this policy, whether contained in these General Conditions or elsewhere.

### Duplicate Records

We will not pay YOUR claim for computer breakdown or book debts unless, throughout the PERIOD OF INSURANCE:

- 1 all YOUR data records are backed up at least once every 14 days and stored off site or in a fire proof cabinet;
- 2 adequate back up facilities are provided to ensure that all essential business information and software can be recovered following a breakdown; and
- 3 back up arrangements for individual systems are tested at least once a year.

### Designation Clause

In determining the item under which PROPERTY is insured WE will accept the description given in YOUR business records.

### Fraud and Misrepresentation

If YOU or anyone acting for YOU:

- 1 makes a claim which is fraudulent and/or intentionally exaggerated and/or supported by a fraudulent declaration, statement or other device; and/or
- 2 intentionally misrepresents, misdescribes or withholds any material relevant to this insurance;

WE will not pay any part of YOUR claim or any other claim which YOU have made or which YOU may make under the policy and WE will have the right to:

- 1 avoid, or at OUR option, cancel the policy without returning any premium that YOU have paid;
- 2 recover from YOU any amounts that WE have paid in respect of any claim, whether such claim was made before or after the fraudulent claim; and
- 3 refuse any other benefit under the policy.

### **Interested Parties**

At YOUR request, WE agree to note any interest in the PROPERTY shown on YOUR schedule which YOU are required to include. In the event of DAMAGE occurring which results in a claim under this policy, YOU agree to disclose the nature and extent of such interest prior to the settlement of any claim.

### **Non-Invalidation**

No act, omission or alteration which is unknown to YOU or beyond YOUR control will invalidate this policy provided that YOU inform US of any increased risk as soon as YOU become aware of it.

### **Payment of Premium**

1 If YOU pay the premium using OUR direct debit instalment scheme, WE have the right to renew this policy each year and continue to collect premiums using this method. WE may vary the terms of the policy (including the premium) at renewal. WE will not renew this policy, provided that YOU tell US before YOUR next renewal date that YOU do not want to renew.

2 Where WE refer in the policy to the payment of premiums, this will include payment by monthly instalments. If YOU pay by this method, this policy remains an annual contract. The date of payment and the amount of the instalments are governed by the terms of the credit agreement. If an instalment is not received by a due date then, subject to the Consumer Credit Act 1974 (if it applies), the credit agreement and this policy will be cancelled immediately, unless WE agree otherwise.

### **Personal Legal Representatives**

If YOU die, WE will provide indemnity to YOUR personal legal representatives for any liability YOU had previously incurred under this policy, provided that the personal legal representatives keep to the terms and conditions of the policy.

### **Premium Adjustment**

If YOUR premium is based on estimates that YOU have provided YOU agree that:

- 1 those estimates will be based upon reasonable and objective grounds according to established commercial standards; and
- 2 upon OUR request, YOU will provide within a reasonable time:
  - a) an updated estimate for the coming period of insurance; and/or
  - b) a declaration of any information as WE may require to adjust YOUR premium. Where YOU provide such a declaration YOU will pay any additional premium as may be required or WE will refund any premium to YOU subject to OUR retention of OUR normal minimum premium.

### **Reasonable Precautions**

WE will not pay YOUR claim unless YOU have, throughout the PERIOD OF INSURANCE:

- 1 complied with all legal requirements and regulations imposed by any authority;
- 2 taken reasonable steps to prevent and minimise accidents, loss, injury and damage;
- 3 taken reasonable steps to protect PROPERTY and maintain it in a good state of repair;
- 4 taken reasonable care in the selection and supervision of EMPLOYEES;
- 5 kept books with a complete record of purchases and sales; and
- 6 employed a VET at YOUR own expense when an insured animal is injured or ill and treated that animal in accordance with the VET's recommendations.

### **Renewal of the policy**

Prior to the renewal date of YOUR policy, WE will send YOU details of:

- 1 the terms on which YOUR policy may be renewed;
- 2 any changes to the policy cover; and
- 3 the actions YOU need to take to renew YOUR policy.

If YOUR payment method for the policy is Direct Debit then YOUR policy will be automatically renewed using the payment details YOU have given to US.

YOU agree that WE may deduct the premium(s) for the renewed policy from YOUR nominated bank account unless YOU tell US that YOU do not wish to continue paying the premium in monthly instalments by Direct Debit, or YOU do not wish to renew YOUR policy.

If YOUR payment method for the policy is not Direct Debit then YOU must contact US before the renewal date to arrange payment.

If YOU do not want to renew YOUR policy or YOU want to change the payment method YOU must contact US prior to renewal unless WE have told YOU, in writing, that this is unnecessary.

If WE do not want to offer renewal of YOUR policy WE will contact YOU in writing in accordance with the Cancellation General Condition.

### **Rights of Third Parties**

Any person or company who is not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999, or other subsequent legislation, to enforce the terms of this policy, but this does not affect any right or remedy of a third party which exists or is available apart from this Act.

### **Right to Survey**

WE have the right to conduct a survey of YOUR PREMISES for the purposes of assessment or control of risk.

### **Surveys, Risk Improvements and Additional Information**

If YOUR schedule indicates that this policy has been issued subject to certain survey(s) being undertaken YOU will, within a reasonable time, allow US access to any location that WE may require to undertake those survey(s). If WE are unable to carry out a survey within a reasonable time WE may at OUR election avoid, cancel, suspend or alter the terms of this policy or increase the premium.

If YOUR schedule indicates that this policy has been issued subject to YOU implementing certain risk improvements or providing certain additional information:

the insurance granted by this policy will automatically cease following the expiry of any deadline indicated in YOUR schedule or any other deadline which WE may specify; or

if no deadline is indicated in YOUR schedule but YOU fail to implement the improvements or provide the information within a reasonable time WE may at OUR election avoid, cancel, suspend or alter the terms of the policy or increase the premium.

If any survey or additional information reveals factors that adversely influence OUR assessment of the risk WE may at OUR election avoid, cancel, suspend or alter the terms of this policy or increase the premium. WE will communicate any such actions to YOU in writing.



## Claims Conditions

The following conditions apply to the whole of this policy including any cover extensions and endorsements unless otherwise stated:

### Action by YOU

1 WE will not pay YOUR claim unless YOU:

- a) tell US as soon as possible about anything that happens which may give rise to a claim and give US all the assistance that WE require;
- b) tell US and the Police immediately and in any event within seven days if the DAMAGE arises from a criminal act, riot or malicious persons;
- c) immediately send to US unanswered all communications from any third parties in relation to any event which may result in a claim under this policy;
- d) supply, at YOUR own expense, details of the claim in writing including any supporting information or evidence that WE require;
- e) take all reasonable action to minimise any loss and avoid further loss; and
- f) provide US with full details of any parties which have a legal interest in the PROPERTY which is the subject of the claim.

2 WE will not pay YOUR claim if YOU admit, deny, negotiate or settle any claim without OUR prior consent.

### OUR Rights

1 WE have the right to settle a claim by:

- a) payment of money; and/or
- b) reinstatement, replacement or repair of YOUR PROPERTY in a reasonable manner but not necessarily to its exact previous condition or appearance.

2 OUR maximum liability will be the sum insured or limit of indemnity shown on YOUR schedule unless otherwise stated.

3 WE are entitled to:

- a) take the benefit of YOUR rights against another person before or after WE have paid a claim; and/or
- b) take over the defence or settlement of a claim; and YOU will give US all reasonable assistance.

WE will not use this right to enforce or pursue a settlement against:

- a) any company which is YOUR parent or subsidiary; or
- b) any company which is a subsidiary of a parent of which YOU are also a subsidiary.

For the purpose of this Claims Condition, 'subsidiary' will have the meaning given to it by section 1159 of the Companies Act 2006 or any subsequent amendments to that provision.

4 WE will have sole control of all claims procedures and settlements for all claims made against YOU.

5 WE may free OURSELVES from any further liability by paying to YOU:

- a) the limit of indemnity;
- b) the sum insured; or
- c) any smaller amount for which the claim can be settled;

after deducting any payments already made. WE will pay legal costs that have been incurred with OUR prior consent up to the date of such payment.

### Claims Control

If WE are paying a claim for INJURY or DAMAGE:

- 1 WE are entitled to the value of any salvage;
- 2 WE have the right to enter the PREMISES in which the DAMAGE occurred and to take possession of the DAMAGED PROPERTY;
- 3 YOU are required to retain without alteration or repair all PROPERTY connected with the DAMAGE or INJURY, unless WE tell YOU otherwise, or such action is prohibited by legislation;
- 4 YOU are required to inform US at least 24 hours before disposing of any carcase (other than disposal following death by anthrax or slaughter under any official scheme rules relating to the eradication of a specific disease); and
- 5 YOU are not to abandon PROPERTY to US whether WE have taken possession of it or not.

**Arbitration**

Where WE have accepted a claim but there is disagreement over the amount to be paid, the dispute will be referred to an arbitrator, appointed in accordance with section 16 of the Arbitration Act 1996. YOU may not take any legal action against US until the arbitrator has reached a decision.

**Contribution**

If there is another policy covering the same PROPERTY or liability, WE will be liable only for OUR proportionate share. If such other policy has a provision which prevents it from contributing in a like manner, the most WE will pay will be any amount in excess of that which would have been payable under the other policy had this policy not been in force.

**Subrogation**

YOU and any other person entitled to the benefit of this policy will take all necessary steps to preserve and/or enforce rights against any other party before or after WE make any payment.

## Charitable Assignment Condition

This condition forms part of the terms on which YOUR policy is issued. Words printed in capitals in this condition are explained in paragraph 4 below.

1 Unless paragraph 3 applies, YOU agree with US and the CHARITY that YOU will transfer to the CHARITY the right to any WINDFALL which YOU would otherwise be entitled to receive in respect of the policy and any renewal or reissue of it.

2 To ensure that the agreement YOU have entered into in paragraph 1 can be effectively carried out:

- (a) YOU authorise US to transfer any WINDFALL direct to the CHARITY;
- (b) YOU agree to sign any documents and to do anything else which may be needed to transfer any WINDFALL, and YOUR right to receive the WINDFALL, to the CHARITY;
- (c) YOU appoint US and any of OUR officers and (as a separate appointment) the CHARITY and any of its officers to be YOUR agent to take any of the steps mentioned in (b) above on YOUR behalf;
- (d) YOU authorise US to provide the CHARITY with any information it reasonably requires about YOU and any policy YOU hold with US, and YOU consent to US and the CHARITY holding and processing such information for this purpose;
- (e) YOU cannot revoke the authority contained in (a) or (d) above, or the appointment contained in (c) above.

3 Paragraph 1 shall not apply in respect of any WINDFALL which arises from a BUSINESS TRANSFER to any company or other body corporate which is at the time of such transfer OUR subsidiary, in circumstances where such transfer is not in any way related to a DEMUTUALISATION or to any sale or other disposal (or proposed sale or other disposal) of such subsidiary.

4 In this condition:

- (a) the "CHARITY" is the NFU Mutual Charitable Trust or, if it ceases to exist, any other charity which becomes entitled to the benefit of the agreement YOU have entered into in paragraph 1;
- (b) "BUSINESS TRANSFER" means a transfer of part or all of OUR business to any other person, firm or company;
- (c) "DEMUTUALISATION" means a change (or proposed change) in OUR constitution or corporate status (whether or not involving or associated with a BUSINESS TRANSFER) which has the effect that WE cease to be a MUTUAL ORGANISATION;
- (d) "MUTUAL ORGANISATION" means a company or other body whose constitution limits membership and voting rights wholly or mainly to persons purchasing goods or services from it or otherwise trading with it;
- (e) "WE", "US" and "OUR" refer to The National Farmers Union Mutual Insurance Society Limited and any company or other organisation which becomes entitled to all or part of its business;
- (f) "WINDFALL" means any benefit to which YOU become entitled as one of OUR members on or in connection with any future BUSINESS TRANSFER or DEMUTUALISATION;
- (g) "YOU" and "YOUR" refer to the policyholder.