

SALES LITERATURE TEA CROP INSURANCE POLICY

USGIC's Tea Crop Insurance Policy caters to the varied needs of the owners of the Tea Gardens and/or those who run Tea factories. The Policy can be issued 'Gardenwise' to those who own the tea gardens and those who do not own Tea Gardens but have Factories; Policies may be issued 'Factorywise'

The Policy is available only to Tea grown in India.

The Policy serves the requirements of those who wish to take or have been taking either of the following Policies -

- a) Tea Crop Insurance.
- b) Inland and overseas transits of Tea including incidental storage.
- c) Transits including storage for blending , processing , packing etc of Made tea
- d) Carriers Legal Liability (Tea Crop) Insurance

We can also grant Carriers' Legal Liability (Tea Crop) Insurance cover to Road Carriers in respect of tea transported by them provided such tea is insured under the Tea Crop Policy taken with USGIC.

EXCLUSIONS: -

- a) Policy is warranted free of claims for loss of or damage to the subject-matter insured, whether Green Leaf or partly/wholly manufactured Tea, directly or indirectly caused by the absence or shortage, withholding or withdrawal of labour of any description whatsoever under any circumstance.
- b) Loss of damage attributable to any fault, neglect or defect in the manufacturing process and/or packing materials used.
- c) Loss due to interruption in manufacture consequent upon stoppage of Power Supply and/or Breakdown of Machinery, howsoever arising.
- d) Any trade loss, including chest allowance, as agreed to by the Tea Brokers.
- e) Any loss or damage pertaining to previous season's Manufactured Tea Held Back at Garden, unless specifically covered under this Policy.

BASIS OF VALUATION

Policy may be issued on "Agreed Value basis" or on "Provisional Value Basis" on the basis of the value per kilogram of tea declared at the commencement of the Policy. The options for Basis of Valuation would be as stated in the Basis of Valuation Clause of the Tea Crop Insurance Clauses (Clause No.4). You can opt for any one of the Options (A) or (B) or (C) and (D) at inception. The value(s) so opted for shall remain unchanged during the currency of the Policy.

The "Agreed Value" or "Provisional Value" as opted for at inception for all categories of tea including those of ex-Garden sale, gift tea etc. are to be taken into account in computing the Sum Insured.

Separate "Agreed Value" may be declared for Tea Waste.

The Options for valuation are given as Option A or B or C and D as below

A.1. The Valuation of Tea for the purpose of this Insurance is agreed to be Rs._____ per kg. of Made Tea to be disposed of in India, including FOB and C & F Sales.

A.2. For the purpose of this Insurance, tea to be disposed of in Overseas Countries is provisionally valued at Rs._____ per k.g. of Made Tea being an **average price** obtaining for the Garden **during the 3 completed and adjusted years immediately preceding the expiring year** but liable to final adjustments as per Clause 5 of Policy in terms of the following stipulations :

a. For tea sold at Overseas Auctions and tea shipped on Consignment Basis to Overseas Countries, the actual amount realised on the same shall be treated as the insured value.

b. For tea sold and shipped (against firm C.I.F. Sale Contracts) to the Overseas Countries, the value declared in accordance with the terms of the Contract of Sale (maximum C.I.F. value + 10%) shall be taken as the insured value, subject to final adjustment as per Clause 5.

B. The valuation of tea for the purpose of this Insurance is agreed to be Rs. Per kg. of made tea, excluding CIF Sales. For tea sold and shipped CIF to Overseas Countries, the value declared in accordance with the terms of the Contract of Sale (maximum C.I.F. value + 10%) should be taken as the insured value, subject to final adjustment as per Clause 5.

C. For the purpose of this insurance, tea is valued provisionally at Rs. Per kg. of made tea being an average price obtaining from the Garden during three completed and adjusted years immediately preceding the expiring year subject to final adjustment as mentioned in Clause 5 on the basis of actual production and actual amount realized on same.

D. Tea Waste (Agreed Value).

Note: The above represents the salient features of the Policy only, for complete details refer to Policy Wordings.