

Insurance in the wine industry

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Insurance activity accompanies wine production in all the links of its value chain, from the vineyards to its sale. The following is an outline of the insurance products specifically designed for this market segment.

Hail Insurance for Vines

Cover: Damage caused exclusively by hail. There is also a public cover taken out by the Government of the province of Mendoza which includes all the registered growers in the province. It is a catastrophe cover and contemplates a non deductible franchise of 50%. Cover commences from the date that the policy is taken out or the flowering of the plantations, whichever occurs latest.

Additional covers: Damage produced by late or spring "radiation frost" type and "advection frosts in the restricted sense" which only affect the Province of Mendoza's microclimate between the months of October and November. The so-called "advection frost in the classic sense" and "mixed frosts" are expressly excluded. "Early frosts" that arise in the region at the end of the summer or beginning of autumn, are also excluded.

Insurance for Wineries

The intention is to offer a wide range of covers that protect the Insured's property and the liability in the event of a claim. It is directed at the Winery's owners or administrators.

Operational All Risk

- ▶ Material Damage and Business Interruption Expenses.

Additional covers:

- ▶ Fire and/or earthquake damage.
- ▶ Hurricane, wind, cyclone, tornado.
- ▶ Hail.
- ▶ Insufficient cold.
- ▶ Fire extinguishing expenses.
- ▶ Extraordinary expenses.
- ▶ Debris removal.
- ▶ Glass.
- ▶ Theft of general contents, theft of valuable in safe and theft of valuables in transit.
- ▶ Electronic computer equipment.
- ▶ Damage by water and flooding.
- ▶ Accidental spillage and pollution.
- ▶ Professional Fees.
- ▶ Reinstatement of files and documents.
- ▶ Temporarily removed goods.
- ▶ Contractors' equipment.
- ▶ Repairs, extensions.

Liability

Basic cover: It is directed at protecting the Insured against the possible liability that may arise under articles 1109 to 1136 of the Civil Code, incurred exclusively as a consequence of carrying out its activity.

Additional covers: The following are some of the optional covers that can be included:

- ▶ Fire, lightning, explosion, electrical discharges and gas leaks.

- ▶ Poster, sign posts and/or similar objects.
- ▶ Steam installations, hot water or hot oil.
- ▶ Lifts or goods lifts.
- ▶ Use of fire arms.
- ▶ Contractors and subcontractors.
- ▶ Travelling salesmen and market sellers.
- ▶ Goods in the care, custody and control of the Insured.
- ▶ Supply of food without charge.
- ▶ Sale and/or services of food and drink.
- ▶ Surveillance of vehicles.
- ▶ Cranes, winches and elevators.
- ▶ Spectators Liability (product launches, fashion shows).
- ▶ Products liability.

Transport Insurance

There are three different forms of cover:

- ▶ **Policy for a specific sending**, in which the cargo is covered for an individual voyage and destination.
- ▶ **Policy for a specific vehicle**, which cover the trips undertaken by one vehicle during a specified period of time.
- ▶ **Open Policy**, based on a monthly declaration. This form covers all shipments carried out by the insured within a specified period (a year) and which are declared monthly.

Different covers are offered depending on the means of transport (air, land or sea).

The irrigation system used to bring water from the thaw in the Andes was developed in the 16th century by the Spanish colonialists through techniques previously used by the Incas and has been a vital component of Argentina's agriculture



Vineyards at the province of Mendoza, Argentina. © Bodega Lagarde



Farmwork at the vineyards. © Bodega Lagarde