

INSURANCE FOR WINERIES

Information for Agents and Brokers

Chubb introduced its insurance program for wineries in 1991. Custom-tailored insurance policies were developed, as well as a valuation approach, to meet the specific needs of wineries. Today, Chubb insures 10 of the 15 leading wineries in the United States.

Winemaking is an intricate process that depends on many factors. Geography, soil, weather, grapes and vinification all play pivotal roles in maintaining a delicate balance between the success or failure of a particular wine, season...or even a winery's future. In developing and delivering their products, wineries must deal with complex business issues such as: risks associated with agriculture; long production cycles; marketing in a crowded, competitive and highly regulated distribution system; and financing a capital-intensive business. Chubb's *Customarq for Wineries* package program can help.

TARGET CUSTOMER PROFILE

Chubb is interested in providing insurance protection for:

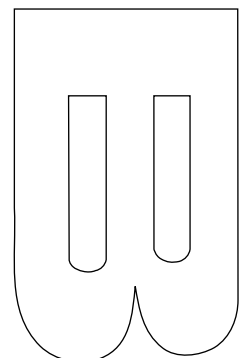
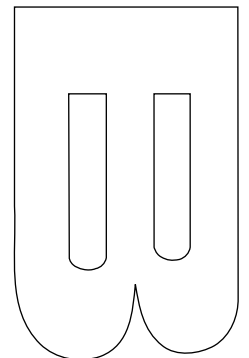
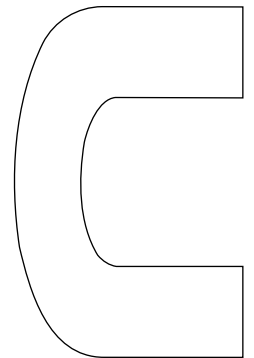
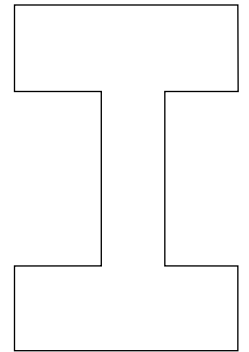
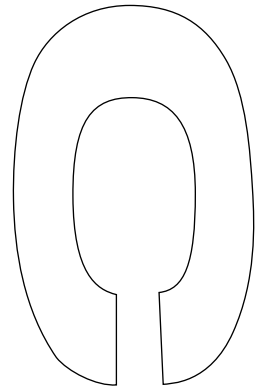
- Commercial businesses whose principal operation is the manufacture of wine and distilled wine products. These businesses produce a minimum of 4,000 to 5,000 cases annually.
- Commercial businesses engaged in the operation of a vineyard.

Brewers of grain products (primarily beer and sake), distillers, juice processors or vinegar manufacturers are not included in our *Customarq for Wineries* package program but may be eligible for insurance protection through other Chubb products.

AVAILABLE PRODUCTS

The full breadth of Chubb products available to this industry segment includes:

- *Customarq for Wineries* package policy - developed specifically for vintners
- Boiler & Machinery
- Workers Compensation
- Commercial Automobile
- Umbrella
- Excess
- Inland Marine
- Ocean Cargo
- Multinational insurance such as Exporters Package Portfolio, World Network Policy, Political Risk or Trade Credit
- Environmental Liability
- Directors & Officers Liability
- Fiduciary Liability
- Crime
- Employment Practice Liability
- Kidnap/Ransom and Extortion



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PRODUCT HIGHLIGHTS

Our *Customarq for Wineries* package policy offers many advantages:

- **Automatic \$250,000 Blanket Limit** - Applies separately to each of the covered premises stated in the declarations. Ten different property coverages are automatically included—even electronic data processing (EDP) property which is critical to controlling items such as presses and temperature monitors. The entire limit can be allocated at the time of loss to one or any combination of these coverages, and the customer makes that decision at the time of loss.
- **Tailored Valuation** - We provide many different options to replace wines from crush to final distribution. Cellared, rare or vintage wines are valued differently than wines sold in bulk.
- **Property insurance automatically includes:**
 - A pollutants exclusion with a special exception for loss or damage to stock caused by or resulting from bacteria, fungus or mold up to the full stock limit
 - Up to \$25,000 for wine leakage at premises shown in the declarations and \$5,000 for leakage at unspecified locations for wine that may be stored at other storage facilities
 - A limit of \$25,000 for trellis or grape vines lost or damaged by a specified peril
 - A limit of \$5,000 for the loss of mobile agricultural equipment used for operations such as planting, fertilizing or irrigating and a separate limit of \$5,000 to pay for the continuing rental cost of mobile agricultural equipment
 - Up to \$25,000 for the additional costs incurred to repackage stock in the event of an error in labeling, bottling or packaging
 - A \$50,000 limit for removing pollutants such as fertilizers, pesticides, fungicides and insecticides released into land, water or air by a covered peril
 - Business income insurance, with an unlimited period of restoration to pay for lost income and continuing expenses, which responds to loss from the point the grapes are picked until crushing is completed
 - A \$250,000 limit for worldwide dependent business premises coverage
 - A \$25,000 limit for loss of utilities, including water, electricity and the Internet
- **General Liability features:**
 - Protection for liability associated with the general public's use of the facilities automatically included
 - Liquor liability, on an occurrence basis, available for on-premises exposures from tasting activities, retail outlets or restaurants
 - Custom-tailored personal liability automatically included to protect personal and business assets of sole proprietors and partnerships
- **Worldwide Protection**
 - An optional Global Extension that extends the terms and conditions of the *Customarq* policy to apply outside of the United States

LOSS SCENARIOS

Could this happen to your client? Many of today's insurance policies would not adequately protect your client from these losses.

Chubb's *Customarq for Wineries* package policy is designed to help protect your client.

- Contamination from cleaning solvents used in the bottling process ruins \$60,000 worth of wine.
- During a wine tasting held in a vintner's underground storage caverns, a customer slips and falls.
- An employee doesn't turn off a tank valve, and the winery loses 2,000 gallons of wine due to leakage.
- Ink used on a winery's label runs during the bottling process, forcing the owner to buy new labels and reapply them.
- A vintner owns a winery overseas and discovers that the bottling facility he uses is contaminated by an unknown bacteria, making it necessary for him to find a replacement bottler.

FOR MORE INFORMATION

Your winery customers need specialized insurance protection. Call your local Chubb underwriter to find out how our insurance solutions can help.



Chubb Group of Insurance Companies
Warren, New Jersey 07059
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Chubb refers to the insurers of the Chubb Group of Insurance Companies: Federal Insurance Company, Pacific Indemnity Company, Great Northern Insurance Company, Vigilant Insurance Company, Northwestern Pacific Indemnity Company, Texas Pacific Indemnity Company, Chubb Custom Insurance Company, Chubb Indemnity Insurance Company, Chubb Insurance Company of New Jersey. Not all insurers do business in all jurisdictions.

This literature is descriptive only. Actual coverage is subject to the language of the policies as issued.

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