

**STATE SUPPORTED SHEEP AND GOATS INSURANCE
TARIFF AND INSTRUCTIONS - 2023**

1. Purpose and Scope

(1) Such breeding sheep and goats, breeding ram and male goat registered to Agriculture and Forestry Ministry's Registration System are accepted for insurance following the risk assessment, scope determined by President decision Article 12 of the Agricultural Insurances Law Ref. No. 5363.

(2) Tariff and Instructions regarding this insurance is determined as follows.

2. Indemnity Calculation

(1) For indemnity calculations animal unit prices written on the policy is taken as basis.

(2) Co-insurance amount is calculated over the loss amount which is calculated through the sum insured is deducted from the indemnity.

(3) In case it is possible to utilize meat, leather and similar parts of the animals, the sum for those is deducted from the indemnity as salvage.

(4) The amount of indemnity due and payable is paid upon the deduction of fault rate, if any, as indicated in the Agricultural Insurance Pool Loss Adjusters report or as assessed with reference to the content of report.

(5) Losses arising from tumbling down the cliff, wreck by wolf, etc are limited with two events within the policy period in narrow and extensive scope policies.

3. Salvage

(1) If the skin of the damaged animal is utilizable, even the insured flayed or not, minimum 2% of the Agricultural Insurance Pool's share is determined as salvage. If the meat of the damaged animal is utilizable, minimum 30% of the Agricultural Insurance Pool's share is determined as salvage. In death losses, salvage for skin will not be applied.

4. Premium Rate

(1) Premium rate and co-insurance is applied as below; Table 1 for extensive scope tariff and Table 3 for narrow scope tariff.

Extensive Scope Tariff (Table 1)

Policy Period	Premium Rate (%)	Additional Diseases* Tariff Rate (%)	Total Tariff Rate (**)(%)	Co-Insurance Rate (%)	
				Additional Diseases(*), Tumbling down the cliff, wreck by wolf etc. (%)	Other
12 Months	5,04	0,42	5,46	20	5
18 Months	7,31	0,60	7,91	20	5

(*) Additional diseases: blue tongue, sheep and goat plague, sheep and goat pox, cervidae epizootic hemorrhagic disease (EHD), rift valley fever diseases

(**) Policy could not be issue separately for the coverages of the Extensive Scope.

Narrow Scope Tariff (Table 2)

Number of animals	Policy Period	Tariff Price	Co-insurance (%)
1 or over	12 months	0,42	10
	18 months	0,61	10

(2) For narrow scope tariff, losses arising from accidents in one policy year are limited with three events. Losses exceeding the limit will not be paid.

(3) In narrow scope tariff, all animals in the farm must get insured (regardless of gender and age)

(4) Farmer may optionally purchase FMD cover in extensive scope tariff as additional cover, provided that to insure all animals that is insurable in the farm. In case FMD cover is purchased, tariff rate and co-insurance will be applied as below Table 3.

FMD Coverage Tariff Price Table (Table.3)

Coverage	Policy Period	Tariff Rate (%)	Co-insurance (%)
FMD (***)	12 Months	1,0	20
	18 Months	1,45	20

(***) FMD cover is not given to the farms located in vaccinated free of disease regions (Edirne, Tekirdağ, Kırklareli and the districts of İstanbul and Çanakkale which are in the European side.)

(5) If theft coverage is purchased optionally as additional cover for extensive and narrow scope tariffs, tariff rate and co-insurance will be applied as below Table 4.

(6) Losses arising from theft risk are limited with two events within the policy period.

Theft Cover - Tariff Rate Table (Table 4)

Coverage	Policy Period	Theft Risk Category and Tariff Rate (%)				Co-insurance (%)
		1	2	3	4	
Theft	12 Months	0,63	1,26	1,89	Non-insurable	30
	18 Months	0,92	1,82	2,74	Non-insurable	30

(7) Minimum premium amount may not be less than 30 TL.

(8) If terrorism, strikes, lockouts, riots and civil commotions are added as optional additional coverage to the extensive and narrow-scope tariff, the tariff prices and co-insurance rates in Table.5 are applied.

Terrorism, Strike, Lockout, Riot, Civil Commotions Coverage Tariff Rate Table (Table.5)

Coverage	Policy Period	Tariff Price (%)	Co-Insurance (%)
Terrorism, Strike, Lockout, Riot, Civil Commotions	12 months	1,00	20
	18 months	1,45	20

5. Animal Deletion from the policy and Policy Cancellations

(1) No premium return is made for cancellations or animal deletion cases made with any reason, if the loss ratio exceeds 100% in any period of the policy. If loss ratio remains in between 100% and 70%, premium corresponding to actual loss ratio is offset against the premium to be returned as short term basis and the balance is returned. If loss ratio is below % 70, daily basis for animal deletion; In policy cancellation transactions, the short-term basis in Table 6 is applied.

(2) For insurance cancellations to be made within 7 days from the policy start date; If the policy does not have any loss, the premium is not collected. If there is loss, premium is collected at the rate stated in the second step of Table.6.

Short-Term Premium Collection Rate Table to be Applied in Insurance Cancellation (Table 6)

Of Policy Period (%)	Collection Ratio on Total Premium (%)
Up to 1,91	0
In between 1,92 and 4,10	10
In between 4,11 and 8,22	20
In between 8,23 and 16,6	30
In between 16,7 and 25	40
In between 25,1 and 33,3	50
In between 33,4 and 41,6	60
In between 41,7 and 50	70

In between 50,1 and 58,3	80
In between 58,4 and 66,6	90
More than 66,6	100

(3) Premium will not be refunded for cancellation of insurance which made after two-thirds of the policy period.

6. Adding Animals to Policy

(1) Following premium rates stated in Table 7 will be applied in animal adding cases at any time during policy period.

Collection Rate Table (Table 7)

Remaining Period of Policy (%)	Collection Rate over Total Premium (%)
More than 66,6	100
In between 58,4 and 66,6	90
In between 50,1 and 58,3	80
In between 41,7 and 50	70
In between 33,4 and 41,6	60
In between 25,1 and 33,3	50
In between 16,7 and 25	40
In between 8,23 and 16,6	30
In between 4,11 and 8,22	20
Up to 4,10	10

7. Premium Discount and Loading Factors according to Loss Ratio

(1) In extensive scope tariff policies, the tariff premium rate in the application year is multiplied by the premium loading or discount factor as in the following Table 8, according to the cumulative loss ratio in last 4 years.

Premium Loading and Discount Factors according to the L.R. (Table 8)

Cumulative Loss Ratio (%)	Number of Loss years during the last 4 years and Premium Loading and Discount Factors		
	1 st Year	3 rd Year	4 th Year
0	0,800	0,750	0,700
1 – 25	0,870	0,820	0,770
26 – 50	0,950	0,925	0,900
51 – 65	0,975	0,950	0,925
66 – 75	1,000	1,000	1,000
76 - 110	1,050	1,100	1,190
111 - 130	1,150	1,200	1,320
131 - 150	1,250	1,330	1,440
151 - 200	1,350	1,450	1,940
201 - 300	1,470	1,950	3,480
> 300	2,000	3,500	8,500

(2) No premium loading in excess of 10% shall be applied for any company in which the number of the insurable animals is 5 (five) or less.

(3) For farms which have collective losses due to the same peril (fire, poisoning, roof collapse, stroke of lighting etc.), 3rd year's premium loading will be applied in 4th policy year.

(4) Policy renewal discount is valid for 15 days starting from the expiry date of the previous policy.

(5) After the comparison of information with previous policy and risk assessment operation, farms which are identified as belong to the same person, institution and company but the farm number apparently changed; existing premium loading application from the previous periods will be applied to the new farm number.

8. Discounts and Additional Premium Applications

(1) Discounts applicable only for extensive scope tariff are as below;

a) For the farms that have Free of Disease Certificate, %10 discount may be applicable from the existing tariff.

b) In case of free of disease discount with addendum or policy renewals of the farms that have free of disease certificate;

- cumulative loss ratio < 50%, discount rate will continue as before
- cumulative loss ratio remains 51-70%, discount rate will be reduced by 50%
- cumulative loss ratio > 70%, discount rate will be lost.

c) In case the farmer taking out the policy is 40 years old and below; "Young Farmer Discount" at the rate of 5% over the policy premium is applied.

ç) In case the person who takes out the policy is a woman; "Woman Farmer Discount" at the rate of 10% over the policy premium is applied.

d) 10% discount shall applied to Small Family Businesses, who own 1-50 insurable animals registered in the Animal Information System, on the basis of policy premium.

(2) Discounts applicable for extensive and narrow scope tariffs are as below;

a) In case the premium amount is fully paid in advance, a 5% discount shall be applicable from the total premium amount.

b) Discounts stated below in Table 9 may apply for policies made through grower unions.

Union Discounts (Table 9)

Number of Animals to be insured in the same time	Discount (%)
20.000 – 100.000	10
100.001 – 500.000	15
500.001 – 1.000.000	20
100.000.001 – 2.000.000	25
2.000.001 and above	50

c) In case the insured producer, who is the relative of martyrs and veterans, presents the certificate of martyr/veteran's relative, the rate of 5% "Martyr/Veteran Relative Discount" is applied over the policy premium.

ç) In case the farmer who takes out the policy has a disability 40% or more, "Disabled Farmer Discount" at the rate of 5% shall be applied from the policy premium.

(3) Livestock insurance policies to be issued for the animals to be insured in relation to the projects carried out and supported by the public or private sector in order to support the projects within the scope of "development of livestock, increasing animal production, creating sustainable conditions and reducing breeder costs" implemented and/or to be implemented. The discount rate to be applied is determined by the Agricultural Insurance Pool.

(4) The total discount amount cannot exceed 50% of the policy premium.

9. Effectiveness

(1) This Tariff and Instructions shall become effective on 01/01/2023.

(*) TARSIM is not liable for the proper and complete translation of the text. In case of any translation mistake; general and technical conditions written in the original policy language is in force.