

A satellite image of a cyclone, showing a distinct eye in the center surrounded by dense, swirling white clouds. The surrounding ocean is visible in shades of blue and grey.

°CelsiusPro

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Cyclone Rapid Recovery Insurance (CRRI)

*Parametric **Banana** Insurance that
Pays Within Days of a Cyclone Event*

Cyclones and the Cost it can cause to your Banana Productions Bottom Line

It is a well-known fact that Cyclones in Australia and around the world cause **devastating damage to businesses and property**, and if you're reading this you know full well how much a cyclone can cost your banana business.



Cyclone Niran 2021



Cyclone Olwyn 2015

Cyclones can cause extensive damage to your banana plantation as trees are pushed over, and your bananas snap off, devastating your yield for that year. In addition the following year there is an excess of banana production and price plummets, again damaging your bottom line.

With the long-term average number of Australian tropical cyclones per season reaching eleven (with four typically making landfall), **this undoubtedly will eventually have a significant impact on your business.**

Research by Risk Frontiers in conjunction with the Insurance Council Australia has

shown that tropical cyclones have caused 30% of all insured losses in Australia since the 1960s. In fact, Cyclone Tracy which made landfall at Darwin in 1974, is the second-largest loss event in Australian history, with a total loss of around AUD\$5 billion (normalised Insured losses as if the event was to impact in 2017/18).

As many studies and data suggest with the onset of global warming, it is likely that the frequency and intensity of cyclones are changing. So, what does this mean for you and your business?

Stronger Winds



Heavier Rain



Storm Surges



CelsiusPro's Cyclone Rapid Recovery Insurance (CRRI)

Using CelsiusPro's state-of-the-art Environmental Monitoring System (EMS) we can track and measure the intensities of all Tropical Cyclones (Hurricanes and Typhoons) globally using data straight from the official gatekeepers. **This allows us to accurately and cost-effectively design Cyclone covers for businesses at risk of Cyclone damages.**

CelsiusPro's Cyclone Rapid Recovery Insurance is designed to collaborate with you every step of the way. Each parameter can be changed to suit your precise location, risk period, and intensity category, to come up with an affordable premium and an effective cover for your business.

The CRRI Product

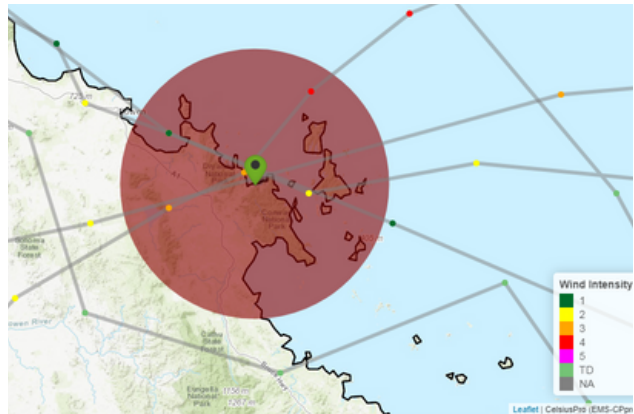
The parametric Cyclone Insurance provides loss payments to policy holders after a devastating storm to help secure livelihoods or keep businesses running.

The loss payment is defined by the maximum Cyclone category of the Cyclones path intersecting the Insured Location. The Insured Location is one or multiple circles with a radius in kilometers around the Insured Address.

In the trigger event, based on the data for the Bureau of Meteorology Australia (BOM), the loss payment is wired to policyholder's bank accounts within days.

Why Choose our CRRI?

- Get Paid Automatically within Days of the Cyclone
- No Damage Assessments or Claiming Processes
- Reliable Data Sourced Straight from The BOM
- Backed by reputable Reinsures



CelsiusPro's EMS Cyclone tracking

CRRI Coverage Table

The CRRI Event Coverage Table describes the payout amount per Cyclone Category intersecting with the Insured Location. There may be multiple payouts during the Policy Period, however the maximum payout is capped at the Sum Insured.

If the path of a Cyclone intersects the Insured Location, loss payments are due based on the Event Coverage Table.

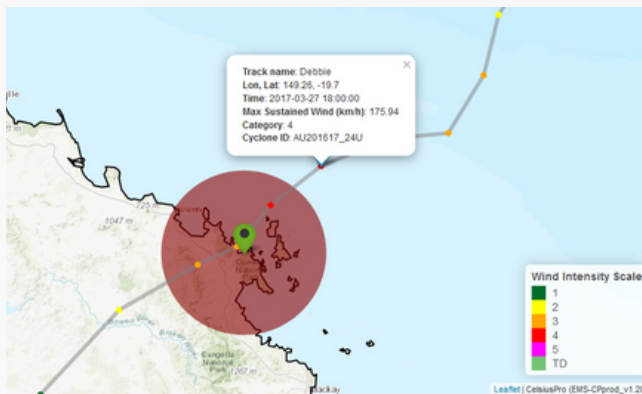
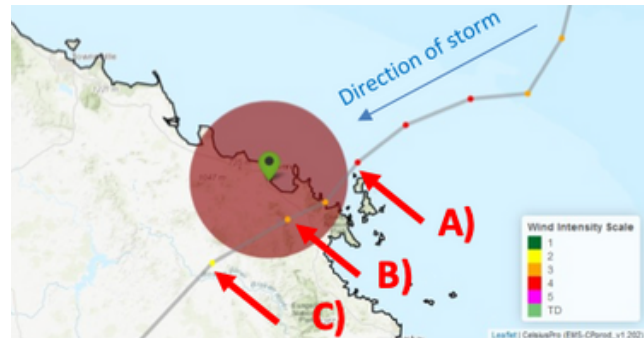
Cyclone Category	Payout in % of sum insured
CAT 1	0%
CAT 2	0%
CAT 3	20%
CAT 4	40%
CAT 5	100%

So, how does it work?

The Bureau of Meteorology (BOM) provides 6 hourly measurement points of each Cyclone track. The 6 hourly information includes: windspeed, storm category, geolocation and time. The relevant Cyclone category for the insurance is the highest value of a measurement point:

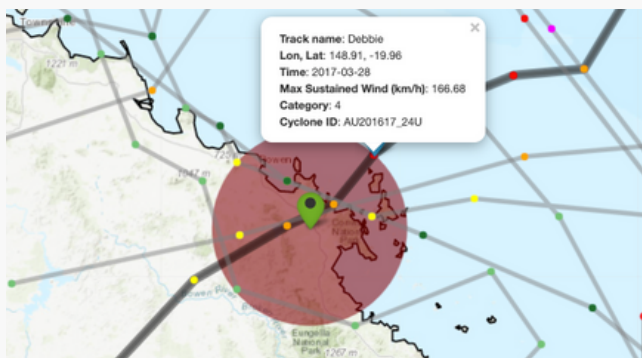
- A) before the Insured Location
- B) within the Insured Location
- C) after the Insured Location

In the trigger event, based on the data from the Bureau of Meteorology Australia (BOM), the loss payment is wired to policyholder's bank accounts within days.



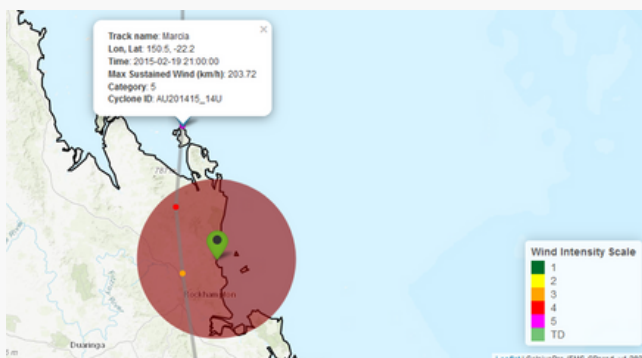
Payout Scenario One

A grower near Airlie Beach QLD purchased a CRRi for the storm season 2016-17 with a Policy Limit of \$200,000. The Insured Location is a circle with 60 km radius with the location of the plantation as the Center Point. Cyclone Debbie intersected the Insured Location as a Category 4 Storm. **The grower receives a \$80,000 payout.**



Payout Scenario Two

Another grower in Foxdale purchased a CRRi for the storm season 2020-21 with a Policy Limit of \$100,000. The Insured Location is a circle with a 60 km radius around the plantation. Cyclone Seroja intersects the Insured Location as a Cat 3 storm. **The grower receives a \$20,000 payout.**



Payout Scenario Three

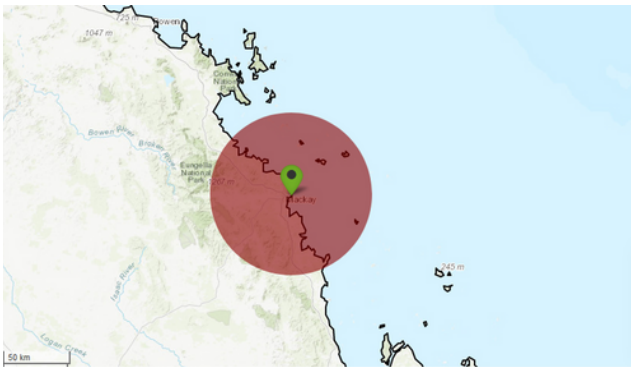
A grower near Yeppoon QLD purchased a CRRi for the storm season 2014-15 for a limit of \$500,000. The Insured Location is a circle with a 60 km radius around the location. Cyclone Marcia intersected the Insured Location as a Cat 5 storm. **The grower receives \$500,000 payout.**

Types of Covers

There are three types of covers you can select to use, single, double and triple covers. Each circle is calculated separately, and the **total payout is the sum of all payouts per circle, limited to 100%**. Example: Triple Cover - a storm intersects with the 90- and 60km circle but not the 30km circle, then the 90km and the 60km circle payouts are summed up, limited to 100% overall payout.

Single Cover

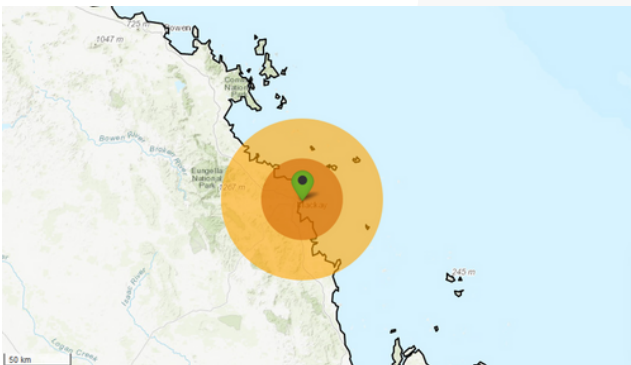
Here only one 60km Radius is selected, hence if a category 3 cyclone intersects this radius you would receive 20% of the total sum insured.



Cyclone Category	30km radius Payouts in % of sum insured	60km radius Payouts in % of sum insured	90km radius Payouts in % of sum insured
CAT 1	-	0%	-
CAT 2	-	0%	-
CAT 3	-	20%	-
CAT 4	-	40%	-
CAT 5	-	100%	-

Double Cover

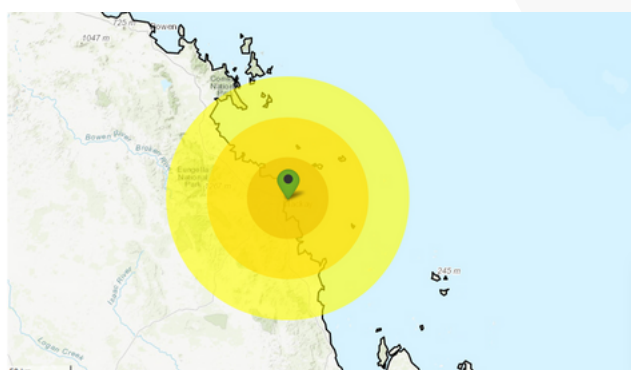
Here a 30km and 60km radius is selected. If the Cyclone intersects the 30km radius it is evident that more damage will occur hence the payouts are increased when compared to the 60km radius



Cyclone Category	30km radius Payouts in % of sum insured	60km radius Payouts in % of sum insured	90km radius Payouts in % of sum insured
CAT 1	0%	0%	-
CAT 2	10%	0%	-
CAT 3	20%	20%	-
CAT 4	30%	40%	-
CAT 5	100%	100%	-

Triple Cover

Here, three radiuses are selected, the 30km, 60km, and 90km.



Cyclone Category	30km radius Payouts in % of sum insured	60km radius Payouts in % of sum insured	90km radius Payouts in % of sum insured
CAT 1	0%	0%	0%
CAT 2	10%	0%	0%
CAT 3	20%	20%	10%
CAT 4	30%	40%	20%
CAT 5	100%	100%	30%

What can you expect when purchasing CRRI?

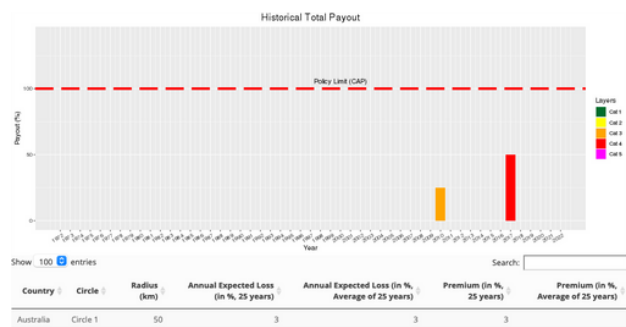
1. Your Policy Terms

You will receive a clear and concise Policy Terms. Structured as below:

- Insured Address:** Address of client Property
- Insured Location:** Circles around the Insured Address
- Policy Period:** Nov. 2021 – Apr. 2022
- Peril:** Losses from Cyclone event
- Event:** Cyclone track intersecting the Insured Location
- Elegible Event:** Maximum calculated Cyclone Category is equal or higher than the minimum payout derived from the Payout Table
- Relevant Category:** The highest value of either:
 - A) The last measurement point before the track intersects the Insured Location
 - B) Any measurement point within the Insured Location
 - C) The first measurement point after the track has left the Insured Location
- Cyclone Category:** As defined in the Payout Table
- Raw Data:** Every 6 hours, Location and Max Wind Speed
- Data Provider:** Bureau of Meteorology (BOM)
- Policy Limit:** \$5'000 - \$1'000'000
- Min. Premium:** \$500

2. An Analysis of Historical Payouts

We provide you with a detailed analysis of all Cyclone and tropical storm events in your insured location over the last 47 years.



Tropical Cyclones Pricing

Historical Payouts per Events						
Payout year	Date	Cyc_ID	Cyc_Name	Circle	Wind (km/h)	Payout
1976	1976-03-04	AU197576_13U	DAWN	Circle 1	55.56	0
1979	1979-01-11	AU197879_03U	GORDON	Circle 1	46.3	0
1979	1979-02-28	AU197879_05U	KERRY	Circle 1	101.86	0
1997	1997-03-24	AU199697_12U	JUSTIN	Circle 1	74.08	0
2003	2003-03-01	AU200203_05U	ERICA	Circle 1	55.56	0
2010	2010-03-20	AU200910_09U	Ului	Circle 1	148.16	25
2014	2014-01-30	AU201314_07U	Dylan	Circle 1	101.86	0
2014	2014-04-13	AU201314_15U	Ita	Circle 1	64.82	0
2017	2017-03-27	AU201617_24U	Debbie	Circle 1	175.94	50
2019	2019-01-08	AU201819_07U	Penny	Circle 1	55.56	0

3. Professional Customer Service

Throughout the whole process from inception to settlement we deliver outstanding customer service and fund/data management for a fully transparent and smooth professional service.

Next Steps

So, where to now? If you like what you've read or have any further questions please get in contact with us via email or phone:

Email: info@celsiuspro.com.au

Phone: 9994 8009

From here we can confirm or refine your Cover and process respective payments.

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Additional Services

Seasonal Cyclone Forecasts

We can undertake a seasonal forecast of extreme weather events at your business location to help you make more informed decisions based on your risk profile over the coming season. We continually monitor regional climate drivers and combine this into a single seasonal risk index for your business operations.

Climate Change Impact Modelling

We use the latest suite of climate models and scenarios, blended with artificial intelligence and 30 + years of natural hazard modelling experience, to forecast the financial impacts of climate-changed extreme weather on your business portfolio.

Data Settling Agents

Using our access to national weather data CelsiusPro can settle any data disputes or anomalies.

Weather Certificates and Nat Cat Solutions

Get cover from adverse Nat Cat and Weather events such as cyclone, drought, excess rain, or extreme temperatures for any business.

Business Resilience and Sustainability

CelsiusPro, with over 2000+ climate related Assignments, 500+ Clients in 50 countries can provide a simple to understand and easy to read Climate Change - Business Resilience and Sustainability Report which will assist Companies and Directors discharging their climate change disclosure obligations.