



Professional Indemnity Claims Examples

Agronomist and Agricultural Consultant



Agronomist

- ⌚ 15 staff
- ⌚ \$2M turnover

Background

A claim was made against the insured for the loss of \$220,000 worth of wheat crops. The insured was retained by a Western Australian wheat farmer to advise on the soil management and crop production to assist the farmer to increase his crop yield following three years of poor harvest. The farmer alleges that he followed the advice of the insured in relation to the soil management and lost approximately 50% of his crop when the crop failed to yield around harvest time.

Outcome

Although the Insured was assisted by their own expert report, the claimant's expert found that there was some liability on the part of the Insured and accordingly, the claim was settled on a commercial basis at mediation.

Payment: \$170,000.

Agronomist

- ⌚ 7 staff
- ⌚ \$1.1M turnover

Background

A claim was made against the Insured for the loss of \$70,000 of banana crops. A large banana crop producer in far north Queensland sought advice from the insured in relation to managing pests and insects that were eating the crops. The insured advised that various pesticides should be used as it would be most effective in managing the crops.

Unfortunately, the application of the particular pesticides was not suitable and resulted in the demise of \$70,000 worth of banana crops.

Outcome

The Insured denied liability which was also clear in an expert report, however the Court determined that the Insured was negligent and ordered the Insured to pay compensation to the Claimant.

Payment: \$56,000.

Agricultural Consultant

- ⌚ 3 staff
- ⌚ \$800K turnover

Background

A claim was made against the Insured for the loss of olive groves worth \$100,000 following a drought in New South Wales. The Insured provided advice in relation to the cultivation of the olive groves which the owner of the olive grove plantation deemed not suitable.

Outcome

Although the Insured was able to defend the claim as the expert report was in the Insured’s favour, the large costs of the expert and the ongoing legal costs in defending the claim that did not have merit, had become costly. The Insured agreed to settle the claim on a commercial basis.

Payment: \$40,000.

Agronomist Consultant

- ⌚ 8 staff
- ⌚ \$900K turnover

Background

The Claimant alleged that the agronomy services provided the Insured were negligent and resulted in the Claimant’s crops failing in which he incurred losses in excess of \$400,000. Recommendation provided by the Insured was to incorporate a chemical which was later banned.

Outcome

Negotiations were conducted with the Claimant regarding the alleged loss and the matter settled prior to the commencement of legal proceedings (with a confidentiality clause) for 50% (\$200,000) of the Claimant’s original claim. Costs incurred in responding and settling claim \$17,123.

Payment: \$17,123.

Agronomist Services

- ⌚ 10 staff
- ⌚ \$2M turnover

Background

Claimant sought the Insured’s recommendations regarding the application of a herbicide to crops at its Farm. Insured provided recommendation for 2 paddocks. Claimant alleged that advice was given in relation to 4 paddocks and that the recommendation given resulted in lower crop yields (Loss of yields in excess of \$100,000).

Outcome

Negotiations were conducted and the matter settled for a portion of the alleged loss (\$65,000) prior to legal proceedings being commenced. Costs incurred in responding and settling claim \$6,140.

Payment: \$6,140.