

# **PRODUCTION INSURANCE** *for British Columbia*

## **Notification of Changes to the**

### **Tree Fruits**

### **Policy Wording for**

### **The Continuous Specified Perils Production Insurance Contract**

The Tree Fruits Policy Wording for The Continuous Specified Perils Production Insurance Contract has been amended. Changes to 2017 Tree Fruits Policy Wordings are as follows:

Section 1.1 under “Quality Peril” (a) has been changed from:

“for apples, apricots, peaches (including nectarines), and pears means hail, and”

To: “for apples, apricots, peaches (including nectarines), and pears means hail and wind, and”

Section 1.1 under “Quality Peril” (b) has been changed from:

“for plums (including prunes), sweet cherries, and sour cherries means rain that splits the skin and hail;”

To: “for plums (including prunes), sweet cherries, and sour cherries means rain that splits the skin, hail, and wind;”

Section 1.4(c) has been changed from:

“for Optional Coverage for Quality Loss, from 12:00 noon on the 2nd day following payment in full of the premium until

- (i) the end of that Crop Year,
- (ii) for any portion of a Crop, the day that portion is harvested, or
- (iii) the day when, in our opinion, the harvesting of the Crop should have been completed,

whichever is earlier.”

To: “for any additional Quality Loss coverage purchase above the Minimum Coverage for Quality Loss and for Optional Coverage for Quality Loss:

- (i) in respect of sweet cherries or sour cherries, from 12:00 noon on the 4<sup>th</sup> day following payment in full of the premium,
- (ii) in respect of any other Type of Tree Fruit, from 12:00 noon on the 2<sup>nd</sup> day following payment in full of the premium,

until:

- (iii) the end of that Crop Year
- (iv) for any portion of a Crop, the day that portion is harvested, or
- (v) the day when, in our opinion, the harvesting of the Crop should have been completed,

whichever is earlier.”

Section 5.2(b) has been changed from:

“promptly report to us the occurrence of loss caused by a Quality Peril before any Optional Coverage for Quality Loss you have applied for comes into effect, and”

To: “promptly report to us the occurrence of loss caused by a Quality Peril or any peril listed in sections 2.1 or 2.3 before any coverage for Quality Loss you have applied for comes into effect, and”

Section 8.2 has been changed from:

“An indemnity for Minimum Coverage for Quality Loss of a Type of Tree Fruit is calculated according to the following formula:

{(Coverage Value - Assessments)

or (Total Yield X the minimum available Insurable Value for Yield Loss), whichever is lesser}

X Depreciation Factor for the Crop.”

To: “An indemnity for Minimum Coverage for Quality Loss of a Type of Tree Fruit is calculated according to the following formula:

The lesser of:

(a) (Coverage Value-Assessments), or

(b) (Total Yield X Minimum Available Insurable Value for Yield Loss),

X Depreciation Factor for the Crop.”

Section 8.4 has been changed from:

“Coverage Value for each separately covered lot X Depreciation Factor for that lot.”

To: “(Coverage Value for each separately covered lot – Assessments) X Depreciation Factor for that lot.”

Section 10.1 has been changed from:

“There is no due date for premium for Optional Coverage for Quality Loss, but coverage is not effective until several days after we receive payment (see paragraph 1.4).”

To: “There is no due date for premium for any coverage for Optional Coverage for Quality Loss or any – increase in coverage for Quality Loss you have applied for, but coverage is not effective until several days after we received payment (see paragraph 1.4).”