

**MULTIPLE PERIL CROP INSURANCE
BLUEBERRY PILOT CROP PROVISIONS**

2000-NCIS 794

If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Catastrophic Risk Protection Endorsement, if applicable; (2) the Special Provisions; (3) these Crop Provisions; and (4) the Basic Provisions, with (1) controlling (2), etc.

1. Definitions

- (a) **Blueberry production** - All mature harvested and appraised blueberries, excluding plant material and unsound blueberries eliminated during the inspection process, either by wash or dry-line (or field appraised in an equivalent manner), usually referred to as first net weight.
 - (b) **Direct marketing** - Sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper or buyer. Examples of direct marketing include selling through an on farm or roadside stand, farmer's market, and permitting the general public to enter the field for the purpose of picking all or a portion of the crop.
 - (c) **Harvest** - Picking mature blueberries from the bushes either by hand or machine.
 - (d) **Mechanical damage** - Damage to the bushes caused by machinery or tools.
 - (e) **Pound** - Sixteen ounces avoirdupois.
 - (f) **Production guarantee (per acre)** - The number of pounds determined by multiplying the approved yield per acre by the coverage level percentage you elect.
 - (g) **Prune** - To cut off or cut back parts of the bush for more fruitful growth.
- (i) The number of bearing bushes on insurable and uninsurable acreage; and
 - (ii) The age of the bushes and the planting pattern.
- (c) We will reduce the yield used to establish your production guarantee as necessary, based on our estimate of the effect of the following: removal of bushes; damage; change in practices and any other circumstance that may affect the yield potential of the insured crop. If you fail to notify us of any circumstance that may reduce your yields from previous levels, we will reduce your production guarantee as necessary at any time we become aware of the circumstance.

2. Unit Division

Blueberry acreage is limited to basic units as defined in section 1 of the Basic Provisions, unless otherwise specified in the Special Provisions.

3. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities

In addition to the requirements of section 3 of the Basic Provisions:

- (a) You may select only one price election for each blueberry type designated in the Special Provisions. The price elections you choose for each type must have the same percentage relationship to the maximum price offered by us for each type. For example, if you choose 100 percent of the maximum price election for one type, you must also choose 100 percent of the maximum price election for all other types.
- (b) You must report, by the production reporting date designated in section 3 of the Basic Provisions by type if applicable:
 - (1) For all types of blueberries: any damage; removal of bushes; change in practices or any other circumstance that may reduce the expected yield below the yield upon which the insurance guarantee is based, and the number of affected acres; and
 - (2) For highbush and rabbiteye blueberry types:

4. Contract Changes

In accordance with section 4 of the Basic Provisions, the contract change date is August 31 preceding the cancellation date.

5. Cancellation and Termination Dates

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are November 20.

6. Insured Crop

- (a) In accordance with section 8 of the Basic Provisions, the crop insured will be all the blueberries in the county for which a premium rate is provided by the actuarial document:
 - (1) In which you have a share;
 - (2) That are grown on bush varieties that:
 - (i) Were commercially available when the bushes were set out; and
 - (ii) Are varieties adapted to the area of the following types:
 - (A) Highbush blueberries;
 - (B) Lowbush blueberries; or
 - (C) Rabbiteye blueberries;
 - (3) Are produced on bushes that have reached the minimum insurable age or have produced the minimum yield per acre designated in the Special Provisions; and
 - (4) If inspected, are considered acceptable by us.
- (b) Lowbush blueberry acreage must be pruned every other year to be insurable.

7. Insurance Period

- (a) In accordance with the provisions of section 11 of the Basic Provisions:
 - (1) Coverage begins on November 21 of the calendar year prior to the year the insured crop normally blooms, except that for the year of application, if your application is received by us after November 11, insurance will attach on the tenth day after your properly completed application is received in

our local office, unless we inspect the acreage during the 10-day period and determine that it does not meet insurability requirements. You must provide any information that we require for the crop or to determine the condition of the blueberry acreage.

- (2) The calendar date for the end of the insurance period for each crop year is September 30 for Michigan and September 15 for all other states.
- (b) In addition to the provisions of section 11 of the Basic Provisions:
 - (1) If you acquire an insurable share in any insurable acreage after coverage begins but on or before the acreage reporting date for the crop year, and after an inspection we consider the acreage acceptable, insurance will be considered to have attached to such acreage on the calendar date for the beginning of the insurance period. There will be no coverage of any insurable interest acquired after the acreage reporting date.
 - (2) If you relinquish your insurable share on any insurable acreage of blueberries on or before the acreage reporting date for the crop year, and the acreage was insured by you the previous crop year, insurance will not be considered to have attached to, and no premium or indemnity will be due for such acreage for that crop year unless:
 - (i) A transfer of coverage and right to an indemnity, or a similar form approved by us, is completed by all affected parties;
 - (ii) We are notified by you or the transferee in writing of such transfer on or before the acreage reporting date; and
 - (iii) The transferee is eligible for crop insurance.

8. Causes of Loss

- (a) In accordance with the provisions of section 12 of the Basic Provisions, insurance is provided only against the following causes of loss that occur during the insurance period:
 - (1) Adverse weather conditions;
 - (2) Fire unless weeds and other forms of undergrowth have not been controlled or pruning debris has not been removed from the unit;
 - (3) Insects, but not damage due to insufficient or improper application of pest control measures;
 - (4) Plant disease, but not damage due to insufficient or improper application of disease control measures;
 - (5) Earthquake;
 - (6) Volcanic eruption;
 - (7) An insufficient number of chilling hours to effectively break dormancy;

- (8) Failure of the irrigation water supply, if caused by a cause of loss specified in section 8(a)(1) through (6) that occurs during the insurance period; and

- (9) Wildlife, unless control measures were not taken.

- (b) In addition to the causes of loss excluded in section 12 of the Basic Provisions, we will not insure against damage or loss of production due to:

- (1) Failure to install and maintain a proper drainage system;

- (2) Failure to harvest in a timely manner;

- (3) Inability to market the blueberries for any reason other than actual physical damage from an insurable cause specified in this section. For example, we will not pay you an indemnity if you are unable to market due to quarantine, boycott, or refusal of any person to accept production; or

- (4) Mechanical damage.

9. Duties In The Event of Damage or Loss

In addition to the requirements of section 14 of the Basic Provisions, the following will apply:

- (a) You must notify us within 3 days of the date harvest should have started if the crop will not be harvested.

- (b) You must notify us at least 15 days before any production from any unit will be sold by direct marketing. We will conduct an appraisal that will be used to determine your production to count sold by direct marketing. If damage occurs after this appraisal, we will conduct an additional appraisal. These appraisals, and any acceptable records provided by you, will be used to determine your production to count. Failure to give timely notice that production will be sold by direct marketing will result in an appraised amount of production to count that is not less than the production guarantee per acre if such failure results in our inability to make the required appraisal.

- (c) If you intend to claim an indemnity on any unit, you must notify us at least 15 days prior to the beginning of harvest if you previously gave notice in accordance with section 14 of the Basic Provisions, so that we may inspect the damaged production.

- (d) You must not sell or dispose of the damaged crop until after we have given you written consent to do so. If you fail to meet the requirements of this section, and such failure results in our inability to inspect the damaged production, all such production will be considered undamaged and included as production to count.

- (e) For appraisal purposes, you may be required to harvest a sample selected by us.

10. Settlement of Claim

- (a) We will determine your loss on a unit basis. In the event you are unable to provide acceptable

production records for any basic unit, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for each unit.

- (b) In the event of loss or damage covered by this policy, we will settle your claim by:
- (1) Multiplying the insured acreage by its respective production guarantee, by type if applicable;
 - (2) Multiplying each result in section 10(b)(1) by the respective price election, by type if applicable;
 - (3) Totaling the results in section 10(b)(2) if there are more than one type;
 - (4) Multiplying the total production to count (see section 10(c)), for each type if applicable, by the respective price election;
 - (5) Totaling the results in section 10(b)(4), if there are more than one type;
 - (6) Subtracting the total in section 10(b)(5) from the total in section 10(b)(3); and
 - (7) Multiplying the result in section 10(b)(6) by your share.

For example:

You have 100 percent share in 25 acres of highbush blueberries, with a 4,000-pound per acre guarantee and a price election of \$.45 per pound. You are only able to harvest 2,500 pounds of blueberries per acre. Your indemnity would be calculated as follows:

- (1) 25 acres x 4,000 = 100,000-pound guarantee;
- (2) 100,000 pounds x \$.45 price election = \$45,000 guarantee;
- (3) 62,500 pounds production to count x \$.45 price election = \$28,125 value of production to count;
- (4) \$45,000 - \$28,125 = \$16,875 loss; and
- (5) \$16,875 x 100 percent share = \$16,875 indemnity payment.

- (c) The total production to count (in pounds) from all insurable acreage on the unit will include:

- (1) All appraised production as follows:
 - (i) Not less than the production guarantee per acre for acreage:
 - (A) That is abandoned;
 - (B) That is sold by direct marketing if you fail to meet the requirements contained in section 9;
 - (C) That is damaged solely by uninsured causes; or
 - (D) For which you fail to provide production records;
 - (ii) Production lost due to uninsured causes;
 - (iii) Potential production on insured acreage that you intend to abandon or no longer care for, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end. If you do not

agree with our appraisal, we may defer the claim only if you agree to continue to care for the crop. We will then make another appraisal when you notify us of further damage or that harvest is general in the area unless you harvested the crop, in which case we will use the harvested production. If you do not continue to care for the crop, our appraisal made prior to deferring the claim will be used to determine the production to count; and

- (2) All harvested production from the insurable acreage.

11. Late and Prevented Planting.

The late and prevented planting provisions of the Basic Provisions are not applicable.

12. Written Agreement.

The written agreement provisions of the Basic Provisions are not applicable.