



Controlled Environment Policy

The Controlled Environment (CE) Policy is a dollar plan of insurance, that bases the insured's guarantee on inventory values reported by the producer and provides coverage against plant diseases when the plants must be destroyed under a federal or state destruction order.

Single Peril Coverage

Contamination due to no fault of the grower with an order for the destruction of the plant material.

- Insures plants affected by plant disease or contamination that have been destroyed under a destruction order by the state or federal government agency. (Liability is based on the value of the destroyed plants.)
- To be an insurable loss, the plant disease or contamination must have been unknowingly introduced into the CE operation at no fault of the operation, resulting in a destruction order that requires destruction of the plants.
- Grower must have appropriately executed the self-certified bio security plan.

To value the plants grown in the permanent, enclosed structure which may have outside ventilation, the following process is used:

Amount of insurance for a Basic Unit (BU) is:

- Designated by the producer.
- Limited by the highest declared monthly inventory value for that BU.

Ten Plant Categories Include:

Cut flowers and greenery, vegetable and food crops, food and flower seed plants, annual bedding and garden plants, perennial bedding and garden plants, bulbs, rhizomes, corms and tubers, foliage and tropical plants, trees and shrubs (seedlings and grafts), propagative horticultural materials, cuttings and tissue cultured plantlets, and all other plant groupings included in Actuarials.

Catastrophic Risk Protection (CAT) coverage establishes a unit that contains all plant categories in the practice. The three practices include:

- Soil
- Hydroculture
- All other growing media

Value for loss is (in order of precedence) based on availability of:

- Sales Receipts: Previous 60 days, then previous 12 months, if there is no sales receipt(s).
- Contract prices for future delivery (not to exceed 1.5 times catalog price).
- Patent designated price, then catalog price, less the greatest discount offered to any customer.

SALES CLOSING

December 1

Coverage attaches on January 1, 2024 (31-day attachment). Growers may apply at any time if there is no active policy. Coverage will attach on the 31st day after all documents have been received.

AVAILABILITY

Select counties in Alabama, California, Colorado, Delaware, Florida, Hawaii, Iowa, Kentucky, Maine, Maryland, Michigan, Minnesota, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, Tennessee, Texas, Utah, Virginia, Washington, West Virginia and Wisconsin.

COVERAGE LEVELS

CAT 50-55%

50%, 55%, 60%, 65%, 70%, 75%

CAT policies are subsidized at 100%.

Additional coverage policies have a subsidy of 65% for all coverage levels.

POLICY RENEWAL DATE

May 1st, 2024

This is a continuous policy unless canceled. Policy renewals must contain updated documentation to reflect CE policy requirements.

BU Determination and Fees

	CAT	BUY-UP
UNITS	BU for each plant production practice. No other units allowed.	BU by plant production practice and plant category.
FEES	Admin fee per basic unit is \$655.	Admin fee per each plant category within each BU is \$30.
EXAMPLE	Soil practice at CAT.	Hydroculture practice six plant categories at BU.
FEES BY PRACTICE	Pays \$655 per CAT policy. \$655 X 1 BU = \$655	Pays \$30 for BU. \$30 X 6 BU = \$180

IMPORTANT Policy Loss Information

Insured must report all potential damage immediately to their agent. A notice of loss must be filed within 72 hours of the loss event.

The insured(s) will be required to provide the following to finalize the loss:

- Detailed plant listing
- Most recent inventory
- Acceptable/verifiable sales records, including specific plants sold in the previous 60 days or 12 months as applicable. This is used to determine sales value.
- A copy of the state or federal destruction order.

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