

## **SUMMARY OF CHANGES**

### **2000 FCIC 24090 NURSERY CROP INSURANCE UNDERWRITING GUIDE**

Numerous changes have been made in the 2000 Nursery Crop Insurance Underwriting Guide. Several major change categories are listed below and include several key changes within each category. Users should review the entire guide to get a complete understanding of rules and guidelines applicable beginning with the 2000 crop year.

#### **1 “Lower of Prices”**

The insured must select the “lower of ” wholesale prices from the Eligible Plant List and Plant Price Schedule or from the nursery’s catalog or price list to accurately determine inventory value.

For loss adjustment purposes, the “lower of ” price will always be used.

The “lower of ” wholesale price is defined as the lowest unit price at which a plant is offered for sale. This includes price discounts that are listed on the nursery’s catalog or price list or printed discount schedule.

The selected plant price cannot exceed the plant’s price contained on the Eligible Plant List and Plant Price Schedule.

Prices elected from a catalog or price list are effective for one crop year only and must be redetermined the following year using the catalog or price list in effect for that year

#### **2 Catalogs and Price Lists**

The insured is now required to provide two copies of the nursery’s most recent plant catalog or price list. If the insured fails to provide a catalog or price list with the application and Plant Inventory Value Report, the application will be rejected. If the insured fails to provide a catalog or price list for a carryover policy by September 30, the policy will be canceled.

If the insured publishes multiple catalogs for a year, two copies of each must be submitted to the company.

One copy of the catalog or price listing is retained by the company and one copy is sent to the Regional Service Office.

The catalog or price list applicable at the time of application or on September 30, will be used for all value determinations for the crop year.

### **3 Written Agreements**

Written agreements may be used to insure only plants that are not listed on the Eligible Plant List and Plant Price Schedule. Written agreements requests will not be accepted for missing plant sizes, pricing methods or practices.

### **4 Plant Inventory Value Report**

The Plant Inventory Value Report has been revised with different statements and a remarks section reflecting the “lower of ” pricing requirements and basis for revised inventory reports under expanded revision authority contained in the guide.

The Plant Inventory Value Report may be used to decrease or increase plant inventory values during the crop year for specified reasons.