SUMMARY OF CHANGES FOR THE
HAWAII TROPICAL TREES CROP INSURANCE
COMPREHENSIVE TREE VALUE (CTV) ENDORSEMENT (2019-0265A)

The following is a brief description of changes to the Hawaii Tropical Trees Crop Insurance Comprehensive Tree Value (CTV) Endorsement that will be effective for the 2019 crop year. Please refer to the endorsement provisions for more complete information. These modifications include, but are not limited to:

Removed designation of Pilot.

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
HAWAII TROPICAL TREES CROP INSURANCE
COMPREHENSIVE TREE VALUE (CTV) ENDORSEMENT
(This is a Continuous Endorsement)

The Comprehensive Tree Value (CTV) Endorsement is an endorsement to the Hawaii Tropical Trees Crop Provisions (Crop Provisions) and the Common Crop Insurance Policy Basic Provisions. The following provisions are applicable for purposes of this Endorsement only.

1. Definitions:

CTV amount of insurance – The dollar amount (by unit) calculated by multiplying the number of insurable trees of each crop reported by tree age times the CTV reference price for the age of the trees, totaling these values, multiplying the result times the coverage level selected by you under the Crop Provisions, and then multiplying this result times your share.

CTV reference price – The price per tree by tree age listed on the actuarial documents for tree value replacement that is used in calculating the CTV unit value, the CTV amount of insurance, and the indemnity.

CTV underreport factor – The result of dividing the CTV amount of insurance by the CTV unit value, rounded to two decimal places and not to exceed 1.00.

CTV unit value – The amount determined by multiplying the number of insurable trees in the unit on the day before the loss (but not reduced for any insured loss that occurred during the crop year) times the CTV reference prices listed in the actuarial documents for the applicable tree ages, totaling these values, multiplying the result times the coverage level selected by you under the Crop Provisions, and then multiplying this result times your share.

2. In return for payment of the required additional premium, as contained in the actuarial documents, this CTV Endorsement is attached to and made part of your Crop Provisions and the Common Crop Insurance Policy Basic Provisions subject to the terms and conditions described herein. In the event of a conflict between the Crop Provisions and this endorsement, this endorsement will control.

3. The coverage under this endorsement is limited to the following crops:

(a) Coffee Trees
(b) Papaya Trees

4. To be eligible for this endorsement, you must have a Hawaii Tropical Trees insurance policy in force and have not elected coverage under the Catastrophic Risk Protection Endorsement. The coverage level elected by you for your Hawaii Tropical Trees insurance policy will apply to this endorsement.

5. You must elect this endorsement on your application on or before December 31 if you are a carryover policyholder.

6. This endorsement may be cancelled by either you or us for any succeeding crop year by giving written notice on or before the cancellation date preceding the crop year for which the cancellation of this endorsement is to be effective. If at any time your Hawaii Tropical Trees insurance policy is cancelled, this endorsement is automatically terminated as of the same date.

7. A claim under this endorsement will be triggered only by an indemnity owed under the Crop Provisions. If no indemnity is due under the Crop Provisions, no payment will be due under this endorsement.

8. We will settle your claim for this endorsement by:

   (a) Multiplying the total number of insurable trees (by age) in the unit times the CTV reference price for the age of the tree and totaling the results;

   (b) Multiplying the result of (a) times the percent of loss determined under Section 13(a)(4) of the Crop Provisions;

   (c) Multiplying the result of (b) times your share;

   (d) Multiplying the result of (c) times the CTV underreport factor; and

   (e) Subtracting any CTV indemnity previously paid for the current crop year from the result of (d) to determine the indemnityas a result of the most recent insurable cause of loss.

   (f) The total amount of CTV indemnities payable on a unit for the crop year is limited to the lesser of the CTV amount of insurance for the unit or the CTV unit value.

   (g) To receive the full indemnity under this endorsement, coffee trees must be replanted to coffee trees, another tropical tree, or another perennial crop.

      (1) Notwithstanding the provisions in section 8(g), in the event the destruction of the coffee trees was due to nematode infestation, the land must be fallowed for a period of time as specified in the Special Provisions if the acreage is replanted to coffee trees.

      (2) Fifty percent (50%) of the indemnity will be payable at the time you certify to us

         (i) That the land has been cleared; and

         (ii) The required soil treatment as specified on the Special Provisions has been completed if the acreage is replanted to coffee trees.

      (3) The remaining fifty percent (50%) of the indemnity will be payable at the time you certify to us that the land has been replanted to coffee trees, another tropical tree, or another perennial crop.

      (4) The replant must be completed within two years from the date of the claim for full payment. If the replant is not completed, there will be no refunding or discounting of premium.

9. If you have elected the Occurrence Loss Option, section 15 of the Crop Provisions, and paid the additional premium indicated on the actuarial documents for this optional coverage we will settle your CTV claim in accordance with this endorsement and Section 15 of the Crop Provisions except as follows:

   (a) Section 13(a) of the Crop Provisions and Section 8(b) through (f) of this endorsement do not apply to CTV claims determinations for the Occurrence Loss Option.

(b) Section 15(b)(1)(i) of the Crop Provisions is revised to read: Multiplying the number of dead or destroyed trees (by age) in the unit (since the beginning of the crop year) times the CTV reference price for the age of the tree and totaling the results.

(c) Section 15(b)(1)(iv) if the Crop Provisions is revised to read: Multiplying the result of 15(b)(1)(iii) times the CTV underreport factor.