

Agricultural Insurance Corporation Livestock Insurance Agreement 2023



Canada



***Prince Edward Island
Agricultural Insurance Corporation***

***2023/24
Livestock Insurance Agreement***

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Agricultural Insurance Corporation
(AIC)***

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AGRICULTURAL INSURANCE ACT

LIVESTOCK INSURANCE REGULATIONS

Pursuant to section 16 of the *Agricultural Insurance Act* R.S.P.E.I. 1988, Cap. A-8.2, the Board of the Prince Edward Island Agricultural Insurance Corporation, with the approval of the Lieutenant Governor in Council, made the following regulations:

1. In these regulations

	Definitions
(a) "Act" means the <i>Agricultural Insurance Act</i> R.S.P.E.I. 1988, Cap. A-8.2;	Act
(b) "Agreement" means the Livestock Insurance Agreement consisting of these regulations and Schedules, which have been approved by the Board for insurance coverage offered by the Corporation;	Agreement
(c) "agricultural product" means	agricultural product
(i) an animal, a plant or an animal or plant product, or	
(ii) a product, including any food or drink, that is wholly or partly derived from an animal or a plant;	
(d) "Appeal Board" means the Appeal Board established under section 14 of the Act;	Appeal Board
(e) "Board" means the Board of Directors of the Corporation;	Board
(f) "Corporation" means the Prince Edward Island Agricultural Insurance Corporation established under section 2 of the Act;	Corporation
(g) "coverage level" means the percentage of the total production, insured value or livestock numbers on any farm enterprise that is insured under an insurance scheme and has the same meaning as set out in the Act;	coverage level
(h) "coverage period" means that period of time in respect of each insurable livestock commencing from the date an application for an insurance plan is filed to the final date for filing a Proof of Loss, as stated in the Schedules;	coverage period
(i) "crop year" means any 12 month period which represents the birth, growing, harvesting, production and marketing of livestock or livestock products, as stated in the Schedules;	crop year
(j) "declared production" means any livestock or livestock product that the insured declares on an Inventory and Production Report for that crop year;	declared production
(k) "deductible" means that portion of the insured value for which no indemnity is payable;	deductible
(l) "Department" means the Department of Agriculture;	Department
(m) "destruction" means the disposal of insured livestock or livestock products by any means acceptable to the Corporation;	destruction
(n) "financial independence" means that the insured has resources in place to finance the insured livestock and livestock products thus allowing the insured to manage, sell and pay for operation expenses incurred to produce the livestock or livestock products and shall be evaluated based on the following criteria:	financial independence
(i) operating credit,	
(ii) farm income and expense statements for income tax purposes,	
(iii) invoices for inputs purchased,	
(iv) a bill of sale for any livestock or livestock product insured,	
(v) a valid HST rebate tax number;	

guaranteed yield	(o) “guaranteed yield” means that production of livestock or livestock products which the contract of insurance guarantees and for which an insurance indemnity is available, subject to any deductible portion or adjustments that are allowed by the Corporation;
insurable livestock	(p) “insurable livestock” means farm animals owned by the insured and housed in the province and includes any animal designated for insurance purposes and identified in the Schedules;
insurance plan	(q) “insurance plan” means a set of insurance features for a livestock group or livestock product insured under an insurance scheme and has the same meaning as set out in the Act and contains details that are set out in the Schedules;
insured	(r) “insured” means an individual, partnership or corporation insured under a policy issued by the Corporation;
insured value	(s) “insured value” means the maximum value of insurable livestock or livestock products for which an indemnity can be paid, as established for insurance purposes and stated on a per unit, insurable crop or insurance plan basis;
laboratory	(t) “laboratory” means an accredited Veterinary Pathology Laboratory and one which can provide diagnostic results on diseases or diseased livestock;
livestock building	(u) “livestock building” means any building owned or leased by an insured and used to house livestock insured under an insurance plan;
livestock product	(v) “livestock product” means any livestock product produced in the province and includes any agricultural product designated for insurance purposes and identified in the Schedules;
loss ratio	(w) “loss ratio” means the ratio between the total indemnity paid to an insured for an insurable crop during a preceding time period, and the total premiums collected from the insured and the Government of Canada and the Government of Prince Edward Island on the same insurable crop and for the same time period;
non-arm’s length relationship	(x) “non-arm’s length relationship” means a working relationship between <ul style="list-style-type: none"> (i) a husband and wife (including common-law spouses), (ii) a grandparent or parent and child (including step-parents and step-children), (iii) siblings (including step-siblings), (iv) a person and his or her brother-in-law or sister-in-law, (v) a partnership and its partners, or (vi) a corporation and its shareholders;
operationally dependent	(y) “operationally dependent” means that the applicant does not own or lease sufficient equipment to feed, manage, grow, handle and harvest livestock or livestock products, but instead depends on custom work or other services to the extent that it affects management control of the crop;
optional coverage	(z) “optional coverage” means the level of coverage, the unit price or any other option offered for each insurance plan and chosen by the insured to apply to the insured’s policy;
policy	(aa) “policy” means a contract for insurance coverage issued to the insured by the Corporation, and includes <ul style="list-style-type: none"> (i) the completed application form, (ii) a signed Agreement or contract of insurance, (iii) the Inventory and Production Report of the insured, (iv) these regulations, (v) the Schedules, (vi) the statement of account, and (vii) any amendment to any document referred to in subclause (i), (ii), (iii), or (vi), and agreed to in writing by the Corporation and the insured;
premium	(bb) “premium” means the cost to insure an insurable crop or insurance plan that is established using the insured value, the premium rates approved by the Board and those adjustments that are included and expressed on a per unit, insurable crop or insurance plan basis;

(cc) “production” means the total units of livestock or livestock products reported by the insured in the Final Inventory and Production Report; production

(dd) “rider” means any rider issued by the Corporation and forming part of the policy; rider

(ee) “Schedules” means the documents approved by the Board containing the specific descriptions, terms and conditions for each insurable crop or insurance plan and listed as part of the Agreement; Schedules

(ff) “unit price” means the maximum price per unit of the insurable crop or any product thereof, as established by the Board and approved by Agriculture and Agri-Food Canada by means of their Unit Price Test. unit price

2. (1) For the purposes of these regulations, “crop” includes livestock and livestock products. crop, defined

(2) The purpose of the livestock insurance program is to provide insurance coverage for losses to livestock or livestock products, as described in the Schedules, resulting from one or more of the insurable perils listed in subsection 7(1). Purpose

(3) Insurable crops are those livestock or livestock products that have been approved for insurance coverage by the Board and for which Schedules have been prepared and approved. Insurable crop

(4) All livestock or livestock products must be offered for insurance coverage in order to have a valid contract of insurance. Idem

(5) Those insurable livestock and livestock products identified in the Schedules are eligible for coverage under an individual insurance contract. Coverage

3. (1) For the purposes of the livestock insurance program, an applicant for a contract of insurance must be financially and operationally independent of all other farm businesses growing the same insurable livestock or livestock products. Independent applicant

(2) Before separate insurance contracts can be issued for a farm operation with multiple partners or owners, or before insurable livestock or livestock products on a farm unit can be split, the insured must provide documents to prove financial independence, as defined in clause 1(n). Documents to prove financial independence

(3) All criteria defined for financial independence must be met or the Corporation shall deem the insured to be one insured and the applications shall be combined as a single insured for the purposes of subsection 6(1). Idem

(4) If, at any time, an insured who claims to be financially independent of another insured is found by the Corporation not to be financially independent of the other insured, the Corporation shall deem the insured to be one insured, for the purposes of subsection 6(1), for the crop year and for any subsequent crop years for which the insured apply for insurance. Deemed to be one insured

(5) Where applications for contracts of insurance are made by corporations and partnerships, the financial independence of the shareholders or partners from other farm businesses growing the same insurable crop will be factors in deciding eligibility. Eligibility

(6) If an applicant
 (a) is operationally dependent on another insured; and
 (b) has a non-arm’s length relationship with that insured, Operational dependence

the records of the Corporation relating to both the applicant and the other insured may be used to determine the coverage and to determine the premium discount or surcharges and, where such a relationship exists, that person and the other insured will be deemed to be operationally dependent.

Identification	4. (1) All insurable livestock and livestock products shall be properly identified and declared to the Corporation.
Idem	(2) The insurable livestock and livestock products referred to in subsection (1) shall be subject to an inventory count by the Corporation, at any time during the crop year.
Premium	5. The premium prescribed under any Agreement shall be reduced by such payments as may be made by the Government of Canada under the <i>Farm Income Protection Act</i> (Canada) and by the Government of Prince Edward Island.

OBLIGATION TO INSURE

Insurance coverage	6. (1) The insured shall offer for insurance all livestock and livestock products identified under an insurance plan which are produced by the insured in the province, and the policy shall apply to all livestock and livestock products produced in facilities owned or leased by the insured.
Criteria	(2) The criteria for financial independence, as outlined in clause 1(n), and operational independence, as outlined in section 3, shall define a single insured and subsection 6(1) shall apply to each insured as a single insured.

PERILS COVERED

Perils	7. (1) Subject to the terms and conditions thereof, a livestock insurance agreement covers a production loss of livestock or livestock products during the crop year caused by one or more of the following designated perils which pertain to the insurable livestock, livestock products or insurance plan: <ul style="list-style-type: none"> (a) reportable diseases that are designated pursuant to the <i>Health of Animals Act</i> (Canada); (b) pasteurella pneumonia (shipping fever); (c) infectious bovine rhinotracheitis (respiratory form).
Exclusions, control programs	(2) Notwithstanding clause 1(a), a livestock insurance agreement does not insure against a loss resulting from <ul style="list-style-type: none"> (a) disease or death losses unless the insured establishes that the insured followed a control program acceptable to the Department and the Corporation; or (b) disease or death losses where compensation is provided from another source, as outlined in section 27.

EXTENT OF COVERAGE

Contract period	8. (1) Subject to the Act and these regulations, a livestock insurance agreement is valid from the date those conditions outlined in clause 1(aa) are met until the date identified in the Schedules for submitting a Proof of Loss, unless an additional period of coverage is approved, in writing, by the Corporation.
Coverage	(2) All livestock or livestock products will be insured for losses from those designated perils listed in subsection 7(1) and in the Schedules, up to and including the final date as listed in subsection (1).
Extended coverage	(3) Those livestock or livestock products for which extended coverage is prescribed and permitted will be insured for losses from a designated peril from the prescribed final date for coverage to the final date for filing a Proof of Loss, or as otherwise stated in the Schedules.
Obligation to declare losses	(4) The insured shall declare all losses of livestock or livestock products by the final date for filing a Proof of Loss.

EXCLUDED COVERAGE

- 9.** (1) An Agreement does not insure against, and no indemnity shall be paid, in respect of a loss resulting from
- (a) the negligence, misconduct, or poor farming practices of the insured or of agents or employees of the insured;
 - (b) a peril other than the designated perils listed in subsection 7(1) or in the Schedules;
 - (c) livestock or livestock products contaminated with diseases or conditions considered unacceptable by the insurer that existed prior to the date of application for insurance coverage; or
 - (d) a shortage of labour or machinery.
- (2) Subject to section 17, the insured must notify the Corporation of any problems with an insured crop by completing a Notice of Loss.
- (3) Failure by an insured to notify the Corporation of any problems with an insured crop shall eliminate all insurance coverage on that crop.
- Exclusions
Notice of Loss
Elimination of coverage

INSURABLE INTEREST AND ASSIGNMENT

- 10.** Notwithstanding that a person other than the insured holds an interest of any kind in an insurable crop,
- (a) the interest of the insured is deemed to be the insured value of the livestock or livestock products which are covered by the contract of insurance; and
 - (b) subject to section 11, no indemnity shall be paid to any person other than the insured.
- 11.** The insured may assign all or part of the insured's right to an indemnity under a livestock insurance agreement in respect of the livestock or livestock products, but an assignment is not binding on the Corporation and no payment of an indemnity shall be made to an assignee, unless
- (a) the assignment is made on a form acceptable to the Corporation; and
 - (b) the Corporation gives its consent to the assignment in writing.
- Insurable interest
Assignment

APPLICATION AND PREMIUMS FOR LIVESTOCK INSURANCE

- 12.** (1) An application for livestock insurance or livestock products insurance shall be accepted, and a livestock insurance agreement shall be entered into and signed by the Corporation and the insured, if:
- (a) the Corporation receives a signed application before the application deadline for each program;
 - (b) the required deposit accompanies the application;
 - (c) the Corporation receives a copy of the signed agreement;
 - (d) after the initial review, the application appears to meet all the regulations stated in the Agreement.
- (2) An Inventory and Production Report shall form part of the application for livestock insurance or livestock products insurance.
- (3) A signed copy of the Agreement must be received by the Corporation no later than the deadline, as stated in the Schedules, in order for a valid contract of insurance to exist.
- (4) An application for livestock insurance or livestock products insurance shall not be accepted unless
- (a) it is accompanied by a deposit of 15 per cent of the estimated premium; and
 - (b) all premiums and interest owing on livestock insurance or livestock product insurance from any previous year have been paid in full.
- Application for insurance
Application documents
Idem
Deposit

Total premium	(5) The total premium shall be calculated by applying Board approved premium rates to the insured value of each insurable crop, subject to adjustments, pursuant to sections 12, 13, 14 and 15 of these regulations.
Insured's premium	(6) The insured's premium cost is calculated by applying the insured's share of total premiums to the total premium costs.
Idem	(7) The insured's share of premiums may be adjusted by Provincial Government incentives, subject to the insured's eligibility, as established by the Corporation.
Deposit	(8) The deposit, required with the application for livestock insurance or livestock products insurance, is calculated by applying the deposit requirement, as outlined in subsection (4), to the insured's share of total premiums, calculated at the time the application is prepared.
Idem	(9) Failure to provide the required deposit by the application deadline shall result in cancellation of the Agreement.
NSF	(10) NSF (Non Sufficient Funds) bank charges of \$40 shall be charged to the insured when NSF cheques are submitted as payment of the required deposit or premiums.
Date premium balance due	(11) The remainder of the premium owing, after the deposit has been paid, is due and payable by the date stated in the Schedules for each insurable crop or insurance plan to which the Agreement applies.
Interest on premium balance outstanding	(12) Interest, at a rate determined by the Board, shall be calculated and applied to the premium balance at the end of the month following the premium payment due date as stated in the Schedules, and interest charges shall be applied on the outstanding balance at the end of any subsequent month, until the premium balance and interest charges have been paid by the insured.
Early payment discount	(13) The Corporation shall provide discounts for the early payment of premiums above the required deposit, and these discounts shall be applied as follows: (a) only the insured's share of premiums identified on the application form shall be eligible for the early payment discount; (b) a discount rate shall be set by the Board for premium payments received before June 1st of the crop year and a separate discount rate shall be set by the Board for premium payments received within 30 days of June 1st of the crop year.
Idem	(14) The discount shall only apply to that portion of the outstanding premiums, above the required deposit, that are received by the deadlines identified in subsection (13).
Termination	(15) The insured has 30 days after the application deadline to reconsider the policy and if an insured chooses to terminate the policy, a written request must be received by the Corporation prior to the expiry of the 30-day period, and on receipt of the written request, the Agreement will be cancelled and any deposit paid by the insured shall be forfeited to the Corporation.
Premiums	(16) Premiums or any other moneys due to the Corporation shall be deducted from any indemnity payment made after the due date for payment of the premiums.
Premium discount or surcharge	13. (1) The Corporation may apply a premium discount or a premium surcharge to an insured's total premium costs based on the insured's relative loss ratio (RLR) for insurable livestock or insurable livestock products.
Relative loss ratio	(2) The relative loss ratio (RLR) used to establish the discount or surcharge is the ratio between an insured's loss ratio for livestock or livestock products and the loss ratio for the province as a whole for the same livestock or livestock products over the same period of time.
Calculation	(3) The loss ratio discount or surcharge will be calculated as follows: (a) for insureds with a loss ratio based on fewer than five years of insurance history, the discount or surcharge percentage will be equal to $(RLR - 1) \times N \times .1$ (where N = number of years insured); Discount and surcharges shall be capped at 10% per year, for the first five years;

(b) for insureds with a loss ratio based on five or more years of insurance history, the discount or surcharge percentage will be equal to
 $(RLR - 1) \times 5 \times .1$.

(4) In the calculations described in subsection (3), a result less than zero represents a discount from the base premium rate, and a result greater than zero represents a surcharge on the base premium rate. Idem

(5) In no case may the discount or surcharge calculated under subsection (3) exceed Maximum discounts or surcharge
(a) 10% of the base premium amount, in the case of an insured with a loss ratio based on one year of insurance history;
(b) 20% of the base premium amount, in the case of an insured with a loss ratio based on two years of insurance history;
(c) 30% of the base premium amount, in the case of an insured with a loss ratio based on three years of insurance history;
(d) 40% of the base premium amount, in the case of an insured with a loss ratio based on four years of insurance history; or
(e) 50% of the base premium amount, in the case of an insured with a loss ratio based on five or more years of insurance history.

PRODUCTION REPORTING

14. (1) The insured shall complete and file with the Corporation an Inventory and Production Summary Production summary
(a) by the application deadline;
(b) at any other time as stated in the Schedules;
(c) at any time required by the Corporation; and
(d) that states the total inventory and production of livestock or livestock products.

(2) The Corporation has the right to check and verify inventory and production information submitted by the insured. Idem

(3) The Corporation or an agent of the Corporation shall provide to the insured and Corporation an Inventory and Production Summary by the final date for filing a Proof of Loss, as stated in the Schedules for each insurable crop or insurance plan. Idem

(4) The insured may meet the obligations of clause (1)(a) by signing the Inventory and Production Report prepared by the Corporation or an agent of the Corporation. Idem

(5) The insured's signature on the Inventory and Production Report prepared by the Corporation or an agent of the Corporation shall indicate acceptance Idem
(a) of the inventory and production for each insurable crop, as stated therein; and
(b) of the inventory and production to be used by the Corporation to determine indemnity payments.

(6) The Corporation reserves the right to adjust the inventory and production declared by the insured or an agent of the Corporation for insurable and non-insurable perils. Idem

15. (1) An insured value shall be calculated annually for each livestock or livestock product described in the Schedules and for which a separate contract of insurance is offered. Insured value

(2) Deductibles selected by the insured shall be applied to the insured value for each insurable group of livestock or livestock products to determine the insured value for each insurable unit. Idem

(3) Coverage levels greater than 70% may only be offered for new insurable livestock, livestock products or insurance plans if they receive approval from Agriculture and Agri-Food Canada and the Board prior to being offered. Coverage levels

(4) Coverage levels up to 80% may be offered to those established insurable livestock, livestock products or insurance plans with fully loaded premium rates which are calculated to be greater than 9%. Idem

Idem (5) Coverage levels up to 90% may be offered to those established insurable livestock, livestock products or insurance plans with fully loaded premium rates which are calculated to be less than 9%.

Total Insured Value (6) Insured value for livestock, livestock products or insurance plans shall be the product of the insured's inventory or production history, the coverage level selected by the insured, expressed as a percentage, and the unit price established for livestock, livestock products or insurance plans.

INVENTORY AND PRODUCTION REPORT

Inventory and Production Report **16.** (1) The insured shall complete and file with the Corporation an Inventory and Production Report and this report shall state the insured's declaration of inventory and livestock and any other information that the Corporation may require.

Idem (2) The Inventory and Production Report shall be submitted at the time the insured applies for insurance coverage and this report shall form part of the application for insurance.

Idem (3) An application for insurance shall not be accepted by the Corporation unless an Inventory and Production Report accompanies the application.

Adjustments (4) Where, after audits carried out by the Corporation or an agent of the Corporation, the livestock or livestock products listed on the Inventory and Production Report are less than or greater than those declared on the report, the Corporation shall adjust the insured value to reflect the verified inventory and production and a new statement of account will be issued to reflect the changes in insured value and premium charges.

Verification (5) The Corporation reserves the right to check or measure, by any means acceptable to the Corporation, any livestock inventory or livestock products which have been offered for insurance.

Adjustment (6) The Corporation reserves the right to adjust the final insured inventory or livestock products pursuant to subsection (5), and to adjust the insured value and premiums for this insurance coverage.

NOTICE OF LOSS

Notice of Loss **17.** (1) Where any loss or damage to an insurable crop results from one or more of the perils insured against and the damage was occasioned at a readily ascertainable time, the insured shall notify the Corporation, in writing, within five days of such time.

Idem (2) The notification referred to in subsection (1), may be filed with the Corporation on a Notice of Loss form provided by the Corporation or by any other means considered acceptable to the Corporation.

Inspection (3) Upon receipt of such Notice of Loss form, the Corporation shall respond to the insured with an inspection of the loss in order to verify the extent of the losses or damage and to evaluate the losses with respect to all insurable and non-insurable perils.

Offsetting (4) Payment of an indemnity for individual losses shall not be made until a Proof of Loss has been filed for all insurable crops and all offsetting adjustments have been applied.

Inspection after notice (5) Where loss or damage to an insurable crop results from one or more of the perils insured against and it appears to the insured that losses could trigger an indemnity payment, the insured shall notify the Corporation, to enable the Corporation to inspect the losses.

No indemnity for loss after the deadline (6) Where the insured has failed to notify the Corporation of any loss by the date for filing a Proof of Loss, whether the failure to notify is to the prejudice of the Corporation and whether the loss is apparent by that date, no indemnity shall be payable and no premium shall be refunded.

PROOF OF LOSS

- 18.** (1) A claim for an indemnity in respect of an insurable crop shall be made by an insured on a Proof of Loss form provided by the Corporation or by any other means considered acceptable to the Corporation, and, unless the Corporation gives written permission to delay filing, a Proof of Loss shall be filed with the Corporation by the final date for filing a Proof of Loss. Proof of Loss
- (2) Subject to subsection (3), a claim for indemnity shall be made by the insured. Claim for indemnity
- (3) A claim for indemnity may be made Idem
- (a) in the case of the absence or inability of the insured, by the agent of the insured; or
- (b) in the case of the absence or inability of the insured or the failure or refusal of the insured to do so, by an assignee under an assignment made in accordance with section 11.

INDEMNITY

- 19.** (1) The indemnity payable for loss or damage to livestock or livestock products shall be determined in the manner prescribed in these regulations or in the Schedules. Indemnity
- (2) The Corporation may cause the production of livestock or livestock products to be appraised according to guidelines outlined in the Schedules or by any method that the Corporation considers proper. Appraisal
- (3) The loss with respect to insured livestock or livestock products and the amount of indemnity payable shall be determined separately for each contract of insurance. Each contract determined separately
- (4) No indemnity shall be paid for a loss in respect of livestock or livestock products unless the insured establishes to the satisfaction of the Corporation that Conditions
- (a) the losses occurred and were reported to the Corporation as outlined in sections 17 and 18;
- (b) the loss resulted directly from one or more of the perils set out in subsection 7(1) or in the Schedules; and
- (c) the insured discovered and reported the loss, as required under section 17.
- 20.** (1) For the purposes of determining losses during a crop year and the indemnity payable, the insured value of the livestock or livestock products shall progress through the steps described in sections 19, 20 and 21. Evaluation of loss
- (2) The insured shall use all reasonable procedures available to the insured in order to mitigate losses in all stages of production and marketing. Mitigation
- (3) The Corporation may limit its liability, at any stage of production, if it determines that the loss has been established and that extending the management of the insured crop will only increase the losses. Limitation of liability
- (4) An Inventory and Production Report submitted by the insured to apply for insurance coverage and a Proof of Loss filed by the insured shall be used by the Corporation to establish the maximum liability and the indemnity payment. Maximum liability
- (5) For all livestock insurance plans, a final indemnity occurs where the losses exceed the deductible portion of the insurance coverage and indemnity payments shall be calculated by multiplying the excess losses by the unit price. Final indemnity
- (6) No indemnity shall be payable for losses which do not exceed the deductible portion of the insurance contract or where the insured has not met the requirements for filing a Proof of Loss. Indemnity

PAYMENT OF INDEMNITY

Time for payment	21. (1) Except as otherwise provided in the endorsement for an insurable crop, an offer of indemnity under an Agreement shall be made by the end of the crop year in which the loss or damage was sustained.
Idem	(2) The Corporation may pay, in part or in full, an indemnity under an Agreement before the date on which it is due.
Monies owed	(3) The Corporation reserves the right to deduct all monies owed to the Corporation from an indemnity payment before it is issued to the insured.
Total payments	(4) Total indemnity payments shall never exceed 100% of the insured value.

MISREPRESENTATION

Misrepresentation	22. (1) Where, in respect of livestock or livestock products, the insured (a) wilfully makes a false statement or provides documents that wrongfully state the financial or operational independence of the insured; (b) in the application for insurance or in other documentation provided to the Corporation, gives false particulars on the livestock or livestock products to be insured, to the prejudice of the Corporation or knowingly misrepresents or fails to disclose any fact required to be stated therein; (c) contravenes a term or condition of the Agreement; (d) commits a fraud; or (e) wilfully makes a false statement in respect of a claim under the Agreement, the policy shall be deemed to be terminated, all premiums shall be deemed to have been earned by the Corporation, any claim for indemnity by the insured shall be invalid, and the right to recover thereunder shall be forfeited.
Claim for repayment	(2) Where the Corporation finds, at a later date, that an insured falsely stated or misrepresented the insured's position with respect to a contract of insurance or an indemnity payment, the Corporation shall file a claim for repayment of all indemnities deemed to be unearned.

WAIVER OR ALTERATION

Alterations	23. (1) No term or condition of the Agreement or a rider shall be waived or altered in whole or in part by the Corporation, unless the waiver or alteration is clearly expressed in writing and signed by the Board or a representative authorized for that purpose by the Corporation.
Idem	(2) The Corporation reserves the right to change the terms and conditions of the Agreement from year to year without obtaining the consent of the insured.
Notice	(3) Notwithstanding subsection (2), the insured will be notified of any changes to the Agreement before the enrolment deadline for the crop year in which the changes are to be in effect, and those changes are deemed to be part of the policy for that crop year.
Adjustments	(4) The Corporation reserves the right to make adjustments for insured and non-insured perils.

APPEAL OF A DECISION

- 24.** Where the Corporation and the insured fail to resolve any dispute respecting the adjustment of a loss under the Agreement, the insured may appeal the decision of the Corporation in accordance with the Act and these regulations. Appeal
- 25.** (1) Where any person is aggrieved by a decision of the Corporation or its officers or agents in respect of a dispute arising out of the adjustment of losses, that person may, within 30 days after the final coverage date for a contract of insurance or within 30 days after the date of a written decision, whichever is later, appeal to the Board by serving a written notice of the appeal on the Board. Notice of appeal
- (2) Within 30 days of a written notice of appeal being served on the Board, the Board shall hear the appeal and make a decision. Hearing
- (3) A decision made by the Board under subsection (2) is deemed to be a final order or finding of the Board. Final order
- 26.** (1) Where any person is aggrieved by a final order or finding of the Board, that person may, within 30 days after the issuance of such final order or finding, appeal to the Appeal Board by serving a written notice of the appeal on the Appeal Board. Appeal to Appeal Board
- (2) Every notice of appeal served under subsection (1) shall Content of notice of appeal
- (a) contain a statement of the matter being appealed;
 - (b) indicate the date that the notice of appeal is sent as well as the signature of the person making the appeal;
 - (c) specify any error of fact in a final order or finding of the Board to which the appellant takes issue;
 - (d) specify any reason why the final order or finding of the Board is not appropriate;
 - (e) specify any other evidence that might affect the decision of the Appeal Board; and
 - (f) provide any other information the Appeal Board may require.
- (3) On receipt of a notice of appeal served under subsection (1), the Appeal Board shall Materials
- (a) notify the Corporation and the Board that the notice of appeal has been received and the Board shall provide the Appeal Board and the person making the appeal with all relevant final orders, findings, regulations, documents and other material in its possession; and
 - (b) require the Corporation, on behalf of the Board, to submit to the Appeal Board and the appellant a report which shall be in writing, signed by the General Manager of the Corporation or the chairperson of the Board and delivered to the Appeal Board members.
- (4) The report referred to in clause (3)(b) shall include Report
- (a) the text of the complaint;
 - (b) a summary statement of the findings of the Board indicating whether or not the Board has properly carried out its mandate under the Act and these regulations;
 - (c) a summary statement of the facts that establishes that the Board was carrying out its mandate properly;
 - (d) a statement of the position of the Board; and
 - (e) any other information the Appeal Board may require.
- (5) In any appeal under subsection (1), the Appeal Board shall, within seven days after the notice of appeal referred to in subsection (1) is received, serve notice upon the person making the appeal of the date, time and place at which the appeal will be heard. Notice of hearing
- (6) The Appeal Board shall hear and decide any appeal under subsection (1) within 30 days after the notice of appeal is received, but the Appeal Board may, at the request of the person making the appeal, adjourn the hearing from time to time for such period or periods of time as the Appeal Board considers necessary. Decision within 30 days

- Rights of appellant (7) At any hearing of an appeal under this section, the person making the appeal has the right to attend and make representations and to give evidence respecting the appeal either by himself or herself or through legal counsel.
- Rights of Board (8) At any hearing of an appeal under this section, the Board has the right to attend and make representations and to give evidence respecting the appeal either by its directors, the General Manager of the Corporation or through legal counsel.
- Decision binding (9) The decision of the Appeal Board is final and binding on all parties and no appeal lies therefrom.
- Notice of decision (10) The Appeal Board shall, within 10 days after the hearing is completed, serve notice of its decision and provide its decision to all parties involved in the appeal.

SUBROGATION

- Subrogation **27.** (1) Where the Corporation has paid a claim under the Agreement, the Corporation is subrogated to the extent thereof of all rights of recovery of the insured against any person, and may bring an action in the name of the insured for the full amount of the claim to enforce those rights.
- Third party payments (2) Where the Corporation is liable to pay a claim under the Agreement but the insured has been compensated for the loss by another party, the Corporation, being subrogated to the rights of the insured, may take such third party compensation into account when determining the Corporation's liability for compensation to the insured.

RECORDS AND ACCESS

- Right of entry **28.** (1) The insured agrees that the Corporation has a right of entry to the premises of the insured, which right may be exercised by the Corporation or its agents at any reasonable time, and on reasonable grounds, to inspect or monitor livestock or livestock products or for any purpose related to the policy.
- Offence (2) No person shall obstruct, hinder or knowingly make any false or misleading statements either orally or in writing to an officer or agent of the Corporation engaged in the performance of their duties or while lawfully carrying out the enforcement of the Act or these regulations.
- Assistance (3) An insured shall give an officer or agent of the Corporation all reasonable assistance to enable the officer or agent to carry out the duties or functions described in the Act or these regulations and shall furnish all information reasonably required to administer the Act or these regulations.
- Termination (4) When an insured refuses to provide assistance, fails to furnish required information or obstructs an officer or agent of the Corporation to the extent that final losses cannot be determined for an insured crop, the Corporation shall complete an Inventory and Production Report and assign values equal to the insurance coverage for all affected crops and terminate the contract of insurance.
- Records **29.** (1) The Corporation may, at any time, require the insured to keep or cause to be kept such records as the Corporation may prescribe for any livestock or livestock products insured under the insurance plan.
- Access (2) The Corporation may, at any time, require the insured to produce or make available such records the Corporation considers pertinent to the policy, and any person designated by the Corporation shall have access to such records at any reasonable time for the purpose of determining matters related to the policy.
- Information (3) The insured shall, within 15 days of being requested to do so by the Corporation, provide the information to the Corporation requested in subsection (1) or (2).
- Idem (4) Information collected for the purpose of this program may be used by the Corporation to verify or cross-reference relevant information required for, or from, other programs that are administered and delivered by the Corporation.

SERVICE

30. (1) Any written notice to the Corporation shall be served by personal delivery to an agent of the Corporation or to the office of the Corporation, or by sending it by mail to the address of the Corporation. Service

(1.1) Service shall be deemed to have occurred when the notice is received by the agent or the Corporation, as the case may be.

(2) Any written notice to the insured shall be served by hand delivery to the insured, or by sending it by mail addressed to the insured at the last mailing address for the insured on file with the Corporation and service shall be deemed to have occurred three days after the date of mailing. Idem

Changes for 2023/2024

- Application deadline for bee coverage for the 2023/24 winter changed from November 30th to September 30th.

SCHEDULE A
Dairy Cattle Mortality

This **Schedule A** -- Dairy Cattle Mortality -- forms an integral part of the LIVESTOCK INSURANCE AGREEMENT and as such, contains supplementary information specific to loss of a milking herd, individual cows or heifers due to a defined peril.

DATE	TOPIC	REQUIREMENT and/or EFFECTS
Insurable Crop		Dairy cattle
March 25 to March 24		Crop Year
March 25	Application deadline	
	Required deposit due	15% as per <i>Section 12(4)</i>
	Signed Agreement	Required for valid contract; <i>Section 12(1)</i>
	Perils insured against	See Section 7 – Livestock Regulations
	Coverage levels	99 & 98% of the insured value of the animals
	Coverage Period	Begins when application is processed Ends at the end of the crop year
June 30	Premium due date	As per <i>Section 12</i>
March 25	Inventory & Production Report	Declare livestock inventory - # of milking cows & bred heifers Penalty – required for application <i>Section 16</i>
July 01	Interest charges begin	Monthly interest charged on unpaid premiums; as per <i>Section 12(12)</i>
	Indemnity Payments	Maximum indemnity is: - 100% of the value of the animal (less deductible)
March 24	Final date to declare a loss	<i>Section 17</i>
March 24	Final date for coverage	<i>Section 8</i>
	Final date for filing a Proof of Loss, in writing 15 days after the death of the animal	<i>Section 18</i>
April 24	Final date for appeal	<i>Section 24, 25, 26</i>

This contract of insurance shall apply for the 12-month crop year, as identified in the Schedule, and shall cover losses which occur during this time period.

The intent of this policy is to cover the value of animals lost due to one or more of the insurable perils identified herein.

Dairy cows insured under this plan shall be those animals that have completed their first lactation (both milking and dry cows). Bred heifers shall be those young animals that have been bred and shall include those animals that have not completed their first lactation. (The first lactation for a heifer will be complete once the heifer has been milked for more than 180 days.)

To Qualify for Coverage:

- A) The insured shall declare the number of milking cows (including dry cows) and bred heifers owned by the producer at the time of sign up and declared on an Application and Production and Inventory Form by the application deadline and these numbers shall be subject to verification by an agent of the Corporation.

Coverage:

- A) The number of cattle declared on the Application form shall form the basis for the contract of insurance.
- B) The insured can select a 99% or 98% coverage level on those animals insured under the plan.
- C) Per head values established for the federal/provincial AgriStability program or those established by the Corporation shall be used to establish the value for all animals insured.
- D) The Corporation shall establish an average value for all cows and heifers insured under the plan.
- E) The number of head insured, the value per head, and the total insured value shall be stated on the Statement of Account.
- F) The insured value of all cattle insured shall be used to calculate premium costs.
- G) Premiums shall be charged based on the total insured value of the milking herd and bred heifers insured under the plan. Deposit requirements are those stated in *Section 12* of the regulations.
- H) The maximum payment per animal shall be assigned at the time the application was completed and signed off by the insured.

Perils Covered:

- A) For the purposes of this plan, the following designated perils shall be included for the Dairy Cattle Mortality benefit:
- perils listed in *Section 7* of the Livestock Regulations;
 - and includes Pasteurella Pneumonia of Mannheimia Haemolytica (shipping fever); Infectious Bovine Rhinotracheitis (respiratory form – IBR) ; reportable diseases (Brucellosis, Tuberculosis, Blue Tongue, Mange, Vesicular Stomatitis or other diseases designated as reportable; Foot and Mouth Disease (Aphlae epizooticae); BSE (Bovine Spongiform Encephalopathy) and Bovine Leukosis.
- B) Loss of animals from starvation, neglect, poor management, abuse, or poor quality feeds shall not be covered under this plan.
- C) The insured or a veterinarian employed by the insured may terminate the suffering and euthanize insured animals, if in the opinion of the veterinarian the animal is suffering and has no chance of recovery due to an insurable peril. Those animals that have been euthanized shall qualify for insurance coverage provided a veterinarian states in a letter the reason the animal was euthanized, provides any laboratory test results to verify the perils, and provides proof of death.

Verifying Losses:

- A) The insured must notify the Corporation when a death occurs, from an insurable peril, to any cows and heifers insured under the Plan.
- B) Animal deaths not reported to the Corporation, shall not be included in the deductible calculations.
- C) When the insured experiences a loss of any animal, due to one or more of the insured perils identified herein, the insured shall notify the Corporation, as soon after the death as possible, Notice of Loss form.
- D) The agent shall visit the farm to verify any insurable losses prior to disposal of the animal. Where an agent visit is not possible, receipts from deadstock, or a certificate from the veterinarian will be required.
- E) The type of animal lost (dairy cow or bred heifer) shall be identified at the time of death.
- F) The insured must provide a letter from a veterinarian and any laboratory tests results, as proof of death.

Indemnities:

- A) The final date for filing a Proof of Loss, in writing, is 15 days after the death of the animal.
- B) The Corporation shall track the insurable losses to determine the deductible and to establish the trigger for indemnity payments.
- C) Indemnity payments shall be paid when the number of dairy cows or bred heifers lost exceeds the deductible selected by the insured.
- D) Indemnity payments shall be made for each animal lost in excess of the deductible to the maximum number identified at the time of application and as reported on the Production and Inventory Form.
- E) The type of animal lost (dairy cow or bred heifer) identified at the time of death shall be paid at the unit price selected at the time of application.
- F) For those diseases which are identified and are reportable to Agriculture and Agri-Food Canada (AAFC) under the Health of Animals Act, all procedures and regulations outlined by AAFC must be followed and no insurance benefits shall be paid until those benefits payable by AAFC have been made. This program shall pay any shortfall between the AAFC proceeds and the insured value of the animals, as stated on the Statement of Account. (*Section 27*).

SCHEDULE B

Beef Cattle Mortality

This **Schedule B** -- Beef Cattle Mortality -- forms an integral part of the LIVESTOCK INSURANCE AGREEMENT and as such contains supplementary information specific to loss of a beef herd, individual cows or heifers due to a defined peril.

<i>DATE</i>	<i>TOPIC</i>	<i>REQUIREMENT and/or EFFECTS</i>
	Insurable Crop	Beef cattle
	March 25 to March 24	Crop Year
March 25	Application deadline	
	Required deposit due	15% as per <i>Section 12(4)</i>
	Signed Agreement	Required for valid contract; <i>Section 12(1)</i>
	Perils insured against	See Section 7 – Livestock Regulations
	Coverage levels	99 & 98% of the insured value of the animals
	Coverage Period	Begins when application is processed Ends at the end of the crop year
June 30	Premium due date	As per <i>Section 12</i>
March 25	Inventory & Production Report	Declare livestock inventory - # of beef cows & beef heifers Penalty – required for application <i>Section 16</i>
July 01	Interest charges begin	Monthly interest charged on unpaid premiums; as per <i>Section 12(12)</i>
	Indemnity Payments	Maximum indemnity is: 100% of the insured value of the animal (less deductible).
March 24	Final date to declare a loss	<i>Section 17</i>
March 24	Final date for coverage	<i>Section 8</i>
	Final date for filing a Proof of Loss, in writing 15 days after the death of the animal	<i>Section 18</i>
April 24	Final date for appeal	<i>Section 24, 25, 26</i>

This contract of insurance shall apply for the 12-month crop year, as identified in the Schedule, and shall cover losses which occur during this time period.

The intent of this policy is to cover the value of animals lost due to one or more of the insurable perils identified herein.

Beef cows insured under this plan shall be those animals that have had at least one calf. Beef heifers shall be those young animals that have been bred and are a minimum of 15 months of age at the time of sign-up.

To Qualify for Coverage:

- A) The insured shall declare the actual number of beef cows and beef heifers owned by the producer at the time of sign up and declared on an Application, and Production and Inventory Form by the application deadline and these numbers shall be subject to verification by an agent of the Corporation.

Coverage:

- (A) The number of cattle declared on the Application form shall form the basis for the contract of insurance.
- (B) The insured can select a 99% or 98% coverage level on those animals insured under the plan.
- (C) Per head values established for the federal/provincial AgriStability program or those established by the Corporation shall be used to establish the value for all animals insured.
- (D) The Corporation shall establish an average value for all cows and heifers insured under the plan.
- (E) The number of head insured, the value per head, and the total insured value shall be stated on the Statement of Account.
- (F) The insured value of all cattle insured shall be used to calculate premium costs.
- (G) Premiums shall be charged based on the total insured value of the beef cows and beef heifers insured under the plan. Deposit requirements are those stated in *Section 12* of the regulations.
- (H) The maximum payment per animal shall be assigned at the time the application was completed and signed off by the insured.

Perils Covered:

- A) For the purposes of this plan, the following designated perils shall be included for the Beef Cattle Mortality benefit:
- perils listed in *Section 7* of the Livestock Regulations;
 - and includes Pasteurella Pneumonia of Mannheimia Haemolytica (shipping fever); Infectious Bovine Rhinotracheitis (respiratory form – IBR) ; reportable diseases (Brucellosis, Tuberculosis, Blue Tongue, Mange, Vesicular Stomatitis or other diseases designated as reportable; Foot and Mouth Disease (Aphlae epizooticae); BSE (Bovine Spongiform Encephalopathy) and Bovine Leukosis.
- B) Loss of animals from starvation, neglect, poor management, abuse, or poor quality feeds shall not be covered under this plan.
- C) The insured or a veterinarian employed by the insured may terminate the suffering and euthanize insured animals, if in the opinion of the veterinarian the animal is suffering and has no chance of recovery due to an insurable peril. Those animals that have been euthanized shall qualify for insurance coverage provided a veterinarian states in a letter, the reason the animal was euthanized, provides any laboratory tests results to verify the perils, and provides proof of death.

Verifying Losses:

- A) The insured must notify the Corporation when a death occurs, from an insurable peril, to any cows and heifers insured under the Plan.
- B) Animal deaths not reported to the Corporation shall not be included in the deductible calculations.
- C) When the insured experiences a loss of any animal, due to one or more of the insured perils identified herein, the insured shall notify the Corporation as soon after the death of possible using a Notice of Loss form.
- D) The agent shall visit the farm to verify any insurable losses prior to disposal of the animal. Where an agent visit is not possible, receipts from deadstock, or a certificate from the veterinarian will be required.
- E) The type of animal lost (beef cow or heifer) shall be identified at the time of death.
- F) The insured must provide a letter from a veterinarian and any laboratory tests results, as proof of death.

Indemnities:

- A) The final date for filing a Proof of Loss, in writing, is 15 days after the death of the animal.
- B) The Corporation shall track the insurable losses to determine the deductible and to establish the trigger for indemnity payments.
- C) Indemnity payments shall be paid when the beef cows and/or heifers losses exceed the deductible selected by the insured.
- D) Indemnity payments shall be made for each animal lost in excess of the deductible to the maximum number identified at the time of application and as reported on the Production and Inventory Form.
- E) The type of animal lost (dairy cow or bred heifer) identified at the time of death shall be paid at the unit price selected at the time of application.
- F) For those diseases which are identified and are reportable to Agriculture and Agri-Food Canada (AAFC) under the Health of Animals Act, all procedures and regulations outlined by AAFC must be followed and no insurance benefits shall be paid until those benefits payable by AAFC have been made. This program shall pay any shortfall between the AAFC proceeds and the insured value of the animals, as stated on the Statement of Account. (*Section 27*)

SCHEDULE C

Overwinter Bee Mortality

This **Schedule C** -- Overwinter Bee Mortality -- forms an integral part of the LIVESTOCK INSURANCE AGREEMENT and as such contains supplementary information specific to loss of honey bees due to a defined peril.

<i>DATE</i>	<i>TOPIC</i>	<i>REQUIREMENT and/or EFFECTS</i>
Insurable Crop		Honey Bees
November 30 to May 15		Crop Year
September 30	Application deadline	
	Required deposit due	15% as per <i>Section 12(4)</i>
	Signed Agreement	Required for valid contract; <i>Section 12(1)</i>
	Perils insured against	See Section 7 – Livestock Regulations
	Coverage levels	70% of the insured value
	Coverage Period	Begins when application is processed Ends May 15 of the crop year
June 30	Premium due date	As per <i>Section 12</i>
January 10	Bee Hive Inventory Form	Number of viable hives to be insured; declared by insured Inventory to be verified and inspected
May 15	Bee Hive Inventory Form	Verified death losses – Apiary to be inspected by a person appointed by AIC.
May 31	Interest charges begin	Monthly interest charged on unpaid premiums; as per <i>Section 12(12)</i>
	Indemnity Payments	Maximum indemnity is: 70% of the insured value.
May 15	Final date to declare a loss	<i>Section 17</i>
May 15	Final date for coverage	<i>Section 8</i>
May 15	Final date for filing a Proof of Loss, in writing	<i>Section 18</i>
June 15	Final date for appeal	<i>Section 24, 25, 26</i>

This contract of insurance shall apply for the crop year as identified in the Schedule and shall cover losses which occur during this time period.

The intent of this policy is to cover winter losses to honey bee colonies. The program is designed to offer assistance to re-establish bee colonies lost over the winter months due to weather, diseases, or pests.

Definitions:

Apiary – means a commercial beekeeping enterprise having at least twenty five (25) colonies that use the bees within such colonies for the purpose of pollination or honey production;

Bee Hive Inventory Form – means a form used on November 30th to apply for coverage, the form used on January 10th to declare final insured inventory, and the form used by an inspector in the spring to record death losses on those hives covered by the contract of insurance;

Bees – mean insects designated as honey bees;

Colony or Hive– means a structure that contains frames with three classes of bees, namely, the Queen bee, a number of female workers and a number of male drones;

Colony Guarantee – means the number of colonies approved for insurance coverage, less the deductible;

Designated Perils – means adverse weather, disease and pests identified in the peril list or within this plan;

Eligible Colonies – means those viable colonies that have been identified and recorded on the Bee Hive Inventory Form on January 10th as those eligible for insurance coverage;

Frame of Brood – means a frame with at least two-thirds (2/3) of the cells on each side of the frame filled with brood or eggs or covered with live bees or a combination thereof;

Inspector – is an agent of the Corporation or a person identified by the Corporation as an expert and one who can carry out hive inspections and evaluate the viability of hives, on behalf of the Corporation;

Non-Viable Colony – means a Queen right or Queenless colony which has less than four (4) Standard Langstroth frames covered with bees, with or without viable brood, when inspected in the spring;

Nuclear Colony – means a colony that is managed for expansion of colony numbers and is operated as such and has a minimum of four frames of bees, when placed in to winter storage;

Overwinter Colonies – means all of the eligible colonies under the ownership, management and control of an insured to be overwintered by that insured and reported on the Beehive Inventory Form by the insured, verified and accepted by the Corporation, as those colonies to be covered under the contract of insurance;

Standard Langstroth Frames - means a deep body frame measuring 9 9/16 inches (234 mm) in depth * 19 inches (480 mm) in length * 1 1/8 inches in width or a medium super measuring 6 5/8 inches (170 mm) in depth * 19 inches (480 mm) in length * 6 1/4 inches in width;

Viable Colony – means a Queen right colony consisting of four (4) or more Standard Langstroth frames covered by bees and containing viable brood when inspected in the spring.

To Qualify for Coverage:

- A) Only apiaries with 25 colonies or more shall be eligible for insurance coverage.
- B) Eligible colonies are subject to inspection in the Fall and shall be those viable colonies stated on a Bee Hive Inventory Form completed by the insured, Insurance Officer, or inspector before January 10th of the crop year.
- C) In the Fall, all hives must be provided with adequate food, must be treated for mites and other diseases, and must be covered or wrapped before being eligible for insurance coverage. These activities must be noted on the Bee Hive Inventory Form completed by January 10th.
- D) The insured shall inform the Corporation of any movement of hives, to or from the apiary or winter storage site, after the Bee Hive Inventory Report has been completed on or before January 10th so the Corporation can track the movement of hives and adjust the coverage. Failure to notify the Corporation shall result in the termination of the insurance coverage.

Coverage:

- A) The number of eligible colonies declared on the Application Form shall form the basis for the contract of insurance.
- B) The Corporation shall offer 70% coverage and the insured must select this coverage for the entire inventory to be insured.
- C) The Corporation shall establish a unit price or prices to be offered by the program.
- D) The unit price selected by the insured shall be used to establish the insured value for each insurance contract and this will be the price used to calculate the indemnity payments.
- E) The number of hives insured, the coverage level, the unit price and the total insured value shall be stated on the Statement of Account.
- F) The total insured value of all hives insured shall be used to calculate premium costs.
- G) Premiums shall be charged based on the total insured value of the hives insured under the plan.

Perils Covered:

- A) For the purposes of this plan, the following designated perils shall be included for the Overwintering Bee Mortality benefit:
- perils listed in *Section 7* of the Livestock Regulations;
 - cold or other weather-related losses; and
 - losses from Varroa mites, tracheal mites, and foul brood, provided reasonable treatment measures were applied before winter.
- B) Loss of hives from starvation, neglect or poor management shall not be covered under this plan.

Verifying Losses:

- A) When the insured experiences a loss to one or more of the hives insured, due to an insured peril identified herein, the insured shall notify the Corporation using a Notice of Loss form as early as possible, and no later than May 15th.
- B) The insured must report all death losses and colonies cannot be destroyed without prior permission from the Corporation.
- C) The insured shall notify the Corporation or an agent of the Corporation prior to colonies being moved, combined, or destroyed.
- D) When high death losses are expected or reported or upon request of the insured, an inspector, appointed by the Corporation, shall complete an inspection on the colonies insured and shall file the Bee Hive Inventory Report with the Corporation identifying and stating the status of each hive/colony as either viable or non-viable.

Indemnities:

- A) The Corporation shall track the insurable losses to determine the deductible and to establish the trigger for indemnity payments.
- B) The Bee Hive Inventory Report shall form the basis for any claim for losses. A Proof of Loss cannot be filed until the inspector's report is received by the Corporation.
- C) For claim purposes the following criteria shall be used when identifying losses:
- Viable hives shall be counted as one to one; and
 - Non-viable hives shall be considered as a loss.