

**DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
ALMOND CROP PROVISIONS**



If a conflict exists among the Basic Provisions, these Crop Provisions, and the Special Provisions; the Special Provisions will control these Crop Provisions and the Basic Provisions; and these Crop Provisions will control the Basic Provisions.

1. Definitions.

Days - Calendar days.

Good farming practices - The cultural practices generally in use in the county for the crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee, and are those recognized by the Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the county.

Harvest - The removal of mature almonds from the orchard.

Interplanted - Acreage on which two or more crops are planted in any form of alternating or mixed pattern.

Irrigated practice - A method of producing a crop by which water is artificially applied during the growing season by appropriate systems, and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated acreage planted to the insured crop.

Meat pounds - The total pounds of almond meats (whole, chipped and broken, and in-shell meats) and rejects. Unshelled almonds will be converted to meat pounds in accordance with FCIC approved procedures.

Non-contiguous land - Any two or more tracks of land whose boundaries do not touch at any point, except that land separated only by a public or private right-of-way, waterway or an irrigation canal will be considered as contiguous.

Production guarantee (per acre) - The quantity of almonds (total meat pounds per acre) determined by multiplying the approved actual production history (APH) yield per acre by the coverage level percentage you elect.

Set out - Transplanting the tree into the orchard.

Written agreement - A written document that alters designated terms of this policy in accordance with section 12.

2. Unit Division.

- (a) Unless limited by the Special Provisions, a unit as defined in section 1 (Definitions) of the Basic Provisions, (basic unit) may be divided into optional units if, for each optional unit, you meet all the conditions of this section.
- (b) Basic units may not be divided into optional units on any basis other than as described in this section.
- (c) If you do not comply fully with these provisions, we will combine all optional units that are not in compliance with these provisions into the basic unit from which they were formed. We will combine the optional units at any time we discover that you have

failed to comply with these provisions. If failure to comply with these provisions is determined to be inadvertent, and the optional units are combined into a basic unit, that portion of the additional premium paid for the optional units that have been combined will be refunded to you.

- (d) All optional units you selected for the crop year must be identified on the acreage report for that crop year.
- (e) The following requirements must be met for each optional unit:
 - (1) You must have provided records by the production reporting date, which can be independently verified, of acreage and production for each optional unit for at least the last crop year used to determine your production guarantee;
 - (2) You must have records of marketed production or measurement of stored production from each optional unit maintained in such a manner that permits us to verify the production from each optional unit, or the production from each unit must be kept separate until loss adjustment is completed by us; and
 - (3) Each optional unit must be located on non-contiguous land unless otherwise provided by a written agreement.

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

In addition to the requirements of section 3 (Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities) of the Basic Provisions:

- (a) You may select only one price election for all the almonds in the county insured under this policy unless the Special Provisions provide different price elections by type, in which case you may select one price election for each almond 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 (Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities) of the Basic Provisions, by type if applicable:
 - (1) Any damage, removal of trees, 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;

- (2) The number of bearing trees on insurable and uninsurable acreage;
- (3) The age of the trees and the planting patterns;
- (4) For the first year of insurance for acreage interplanted with another perennial crop, and anytime the planting pattern of such acreage is changed, the age of the crop that is interplanted with the almonds, and type if applicable, and the planting pattern; and
- (5) Any other information that we request in order to establish your approved yield.

We will reduce the yield used to establish your production guarantee as necessary, based on our estimate of the effect of the following: interplanted perennial crop; removal of trees; damage; change in practices and any other circumstance on 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.

4. Contract Changes.

In accordance with section 4 (Contract Changes) 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 (Life of Policy, Cancellation, and Termination) of the Basic Provisions, the cancellation and termination dates are December 31.

6. Insured Crop.

In accordance with section 8 (Insured Crop) of the Basic Provisions, the crop insured will be all the almonds in the county for which a premium rate is provided by the Actuarial Table:

- (a) In which you have a share unless allowed otherwise by section 8(b);
- (b) That are grown for harvest as almonds;
- (c) That are irrigated;
- (d) That are grown in an orchard that, if inspected, is considered acceptable to us; and
- (e) On acreage where at least 90 percent of the trees have reached at least the seventh growing season after set out, unless we agree in writing to insure trees not meeting this requirement.

7. Insurable Acreage.

In lieu of the provisions in section 9 (Insurable Acreage) of the Basic Provisions, that prohibit insurance attaching to a crop planted with another crop, almonds interplanted with another perennial crop are insurable unless we inspect the acreage and determine that it does not meet the requirements contained in your policy.

8. Insurance Period.

- (a) In accordance with the provisions of section 11 (Insurance Period) of the Basic Provisions:
 - (1) Coverage begins on January 1 of each crop year, except that for the year of application, if your application is received after December 21, but prior to January 1, insurance will attach on

the 10th 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 orchard.

- (2) The calendar date for the end of the insurance period for each crop year is November 30.

(b) In addition to the provisions of section 11 (Insurance Period) 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. Acreage acquired after the acreage reporting date will not be insured.
- (2) If you relinquish your insurable share on any insurable acreage of almonds on or before the acreage reporting date for the 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.

9. Causes of Loss.

- (a) In accordance with the provisions of section 12 (Causes of Loss) 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 undergrowth have not been controlled or pruning debris has not been removed from the orchard;
 - (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) Failure of the irrigation water supply, if caused by an insured peril that occurs during the insurance period; or
 - (8) Wildlife, unless control measures have not been taken.
- (b) In addition to the causes of loss excluded in section 12 (Causes of Loss) of the Basic Provisions, we will not insure against damage or loss of production due to the inability to market the almonds for any reason other than actual physical damage to the almonds 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.

10. Duties in the Event of Damage or Loss.

In addition to the requirements of section 14 (Duties in the Event of Damage or Loss) of the Basic Provisions, if you intend to claim an indemnity on any unit, you must notify us prior to the beginning of harvest so that we may inspect the damaged production. 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, all such production will be considered undamaged and included as production to count.

11. Settlement of Claim.

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

- (1) For any optional units, we will combine all optional units for which such production records were not provided; or
- (2) For any basic units, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for the units.

(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;
- (2) Multiplying each result in section 11(b)(1) by the respective price election for the type;
- (3) Totaling the results in section 11(b)(2);
- (4) Multiplying the total production to be counted of each type, if applicable, (see subsection 11(c)) by the respective price election;
- (5) Totaling the results in section 11(b)(4);
- (6) Subtracting the result in section 11(b)(5) from the result in section 11(b)(3); and
- (7) Multiplying the result in section 11(b)(6) by your share.

(c) The total production to count, specified in meat 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 damaged solely by uninsured causes; or
 - (C) For which you fail to provide acceptable production records;
 - (ii) Production lost due to uninsured causes;
 - (iii) Unharvested production; and
 - (iv) 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 meat pounds which have been accepted by a buyer and all harvested meat pounds rejected by a buyer unless the meat pounds are rejected due to an insured cause of loss.

12. Written Agreements.

Designated terms of this policy may be altered by written agreement in accordance with the following:

- (a) You must apply in writing for each written agreement no later than the sales closing date, except as provided in section 12(e);
- (b) The application for a written agreement must contain all variable terms of the contract between you and us that will be in effect if the written agreement is not approved;
- (c) If approved, the written agreement will include all variable terms of the contract, including, but not limited to, crop type or variety, the guarantee, premium rate, and price election;
- (d) Each written agreement will only be valid for one year (If the written agreement is not specifically renewed the following year, insurance coverage for subsequent crop years will be in accordance with the printed policy); and
- (e) An application for a written agreement submitted after the sales closing date may be approved if, after a physical inspection of the acreage, it is determined that no loss has occurred and the crop is insurable in accordance with the policy and written agreement provisions.