UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
PILOT CALIFORNIA CITRUS DOLLAR CROP PROVISIONS

If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Catastrophic Risk Protection Endorsement, if applicable; (2) the Special Provisions; (3) these Crop Provisions; and (4) the Basic Provisions with (1) controlling (2), etc.

1. Definitions.

In addition to the definitions in section 1 of the Basic Provisions:

Adapted - Varieties of the insured crop that are recognized by the Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the county.

Allowable Cost - The dollar amount per pound for harvesting and hauling that is shown in the Special Provisions.

Amount of insurance - The amount shown on the actuarial documents; calculated using the reference maximum dollar amount in accordance with section 3(d).

Carton - The standard container as shown below for marketing the fresh-packed citrus fruit. In the absence of marketing records on a carton basis, production will be converted to cartons on the basis of the following average net pounds of packed fruit in a standard packed carton.

Fruit Crop	Pounds	Standard Carton
Navel oranges	38	Container #58
Valencia oranges	38	Container #58
Sweet oranges	38	Container #58
Lemons	40	Container #58
Grapefruit	32	Container #59
Tangerines	25	Container #63
Tangelos	25	Container #63
Mandarins	25	Container #63

Crop - Citrus fruit as shown in the Special Provisions.

Crop Year - The period beginning with the date insurance attaches to the citrus crop and extending through normal harvest time. It is designated by the calendar year following the year in which the bloom is normally set.

Direct marketing - Sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper, or buyer. Examples of direct marketing include selling through an on-farm or roadside stand, or a farmer's market, and permitting the general public to enter the field for the purpose of picking all or a portion of the crop.

Harvest - The severance of mature citrus fruit from the tree by pulling, picking, or any other means, or by collecting marketable fruit from the ground.

Marketable production - Citrus production that meets or exceeds the applicable fresh-market grading standards: Rules and Regulations Governing Fruit Packed for Marketing by Sunkist Growers, Citrus Regulations issued by the California Department of Agriculture or by the Arizona Department of Agriculture as applicable.

Minimum value - A dollar amount per pound shown in the Special Provisions that we will use to value marketable production.

Net price received - The dollar amount received by the insured for all fresh-packed citrus fruit sold, after adjustment for handling charges and related activities.

Reference Maximum Dollar Amount - The amount shown on the actuarial documents that is multiplied by the coverage level to determine the amount of insurance.

2. Unit Division.

(a) A basic unit, as defined in section 1 of the Basic Provisions, will also be divided into additional basic units by each citrus crop designated in the Special Provisions and for which a premium rate is provided by the actuarial documents; and

(b) In lieu of the requirements to establish optional units in section 34(b) of the Basic Provisions, each optional unit must be located on non-contiguous land.

3. Insurance Guarantees and Coverage Levels.

In addition to the requirements of section 3 of the Basic Provisions:

(a) You may select only a single coverage level percentage and the corresponding amount of insurance for each citrus fruit crop designated in the Special Provisions that you insure.

(b) You must report, by the acreage reporting date designated in section 3 of the Basic Provisions:

(1) Any damage, removal of trees, change in practices, or any other circumstance that may reduce the quantity or quality of citrus fruits produced on insured acres and the number of affected acres;

(2) Production of citrus crops in prior years from insurable and uninsurable acreage;

(3) The ages of the trees, number of bearing trees, and planting patterns on insurable acreage; and,

(4) For acreage interplanted with another perennial crop, before the first year of insurance and any time the planting pattern of such acreage is changed:

(i) The age of the interplanted crop and type if applicable;

(ii) The planting pattern; and

(iii) Any other information that we request.

(c) We will reduce your amount of insurance as necessary, based on our estimate of the effects of the conditions listed in section 3(b)(1) on the quantity or quality of citrus fruit produced. If you fail to notify us of any circumstance that may affect your citrus production, we will reduce your guarantee as necessary at any time that we become aware of such circumstances.

(d) We will limit your amount of insurance based on your prior production.

(i) If you have produced at least 750 cartons per acre in one of the most recent three years, your amount of insurance will be equal to the reference maximum dollar amount times your selected coverage level.

(ii) If your highest level of production per acre in one of the most recent three years has been less than 750 cartons but greater than 300 cartons, your amount of insurance will be equal to the reference maximum dollar amount times the ratio of your highest per acre production divided by 750, times your selected coverage level.

4. Contract Changes.

In accordance with section 4 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 of the Basic Provisions, the cancellation and termination dates are November 20.

6. Insured Crop.

(a) In accordance with section 8 of the Basic Provisions, the crop insured will be all acreage in the county of each citrus crop designated in the Special Provisions that you elect to insure and for which a premium rate is provided by the actuarial documents:

(1) In which you have a share;

(2) That is adapted to the area;

(3) That is irrigated;

(4) That has produced at least 300 cartons per acre in one of the three previous crop years.

(5) That is grown in a grove that, if inspected, is considered acceptable by us, and

(6) That is not sold by direct marketing, unless allowed by the Special Provisions.

7. Insurable Acreage.

In lieu of the provisions in section 9 of the Basic Provisions that prohibit insurance attaching to a crop planted with another crop, a citrus crop interplanted with another perennial crop is 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 of the Basic Provisions:

(1) For the year of application, coverage begins on November 21 unless your application is received after November 11 but prior to November 21. In such cases, 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.

(2) For each subsequent crop year that the policy remains continuously in force, coverage begins on the day immediately following the end of the insurance period for the prior crop year. Policy cancellation as a result of transferring to a different insurance provider for the subsequent crop year will not be considered a break in continuity of coverage.

(3) The calendar date for the end of the insurance period for each crop year is the date during the calendar year in which the fruit are normally harvested as follows:

(i) August 31 for navel oranges and southern California lemons;

(ii) November 20 for Valencia oranges; and

(iii) July 31 for all other citrus.

(b) In addition to the provisions of section 11 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.

(2) If you relinquish your insurable interest on any insurable acreage of fruit on or before the acreage reporting date of any crop year, insurance will not be considered to have attached to, and no premium will be due, and no indemnity paid, 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 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 of the Basic Provisions, insurance is provided for a decline in price or unavoidable loss of production or quality due to the following causes of loss that occur within the insurance period:

(1) Adverse weather conditions;

(2) Fire, unless undergrowth has not been controlled or pruning debris has not been removed from the orchard;

(3) Insects and disease but not damage due to insufficient or improper application of control measures;

(4) Wildlife;

(5) Earthquake;

(6) Volcanic eruption; or

(7) Failure of the irrigation water supply, if caused by a cause of loss specified in section 9(a)(1) through (6) that occurs during the insurance period.

(b) In addition to the causes of loss excluded in section 12 of the Basic Provisions, we will not insure against damage or loss due to:

(1) Mechanical damage;

(2) Failure to harvest in a timely manner; or

(3) The inability to market the fruit for any reason other than actual physical damage 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 of the Basic Provisions, the following will apply:

(a) If the Special Provisions permit direct marketing, you must notify us at least 15 days before any production from any unit will be sold by direct marketing. We will conduct an inspection, and appraisal if needed, that will be used to determine your production to count for production that will be sold by direct marketing. If damage occurs after this inspection, we will conduct an additional inspection. These inspections, and any acceptable records provided by you, will be used to determine your production value to count. Failure to give timely notice that production will be sold by direct marketing will result in an appraised amount of not less than the dollar amount of insurance per acre if such failure results in our inability to make the required inspection or appraisal.

(b) If you intend to claim an indemnity on any unit, you must notify us at least 15 days prior to the beginning of harvest, or immediately if damage is discovered during harvest.

(c) You must not destroy the damaged crop until after we have given you written consent to do so. If you fail to meet the requirements of this section and such failure results in our inability to inspect the damaged production, you will receive not less than the guarantee 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 marketing records:

(1) For any optional unit, we will combine all optional units for which such marketing records were not provided;

(2) For any basic unit, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for each unit.

(b) In the event of loss or damage covered by this policy, we will settle your claim by:

(1) Multiplying the insured acreage by the amount of insurance per acre;

(2) Total the results of section 11(b)(1);

(3) Determine the total value of production;

(i) For other than catastrophic risk protection coverage, the total value of production to count described in section 11(c); or

(ii) For catastrophic risk protection coverage, the result of multiplying the total value of production to count from section 11(c) by fifty-five percent; and

(4) Total the results of section 11(b)(3);

(5) Subtracting the result of 11(b)(4) from the result of section 11(b)(2).

(6) Multiplying the result of section 11(b)(5) by your share.

For example on a unit:

You have 100 percent share in 10 acres of fruit with an amount of insurance of $1,050 per acre. The total value of your production to count is $7,500. Your indemnity will be calculated as follows:

(i) 10 acres x $1,050 = $10,500 amount of insurance;

(ii) $10,500 amount of insurance - $7,500 production value = $3,000 loss; and

(iii) $3,000 x 100 percent share = $3,000 indemnity payment.

(c) The total value of production to count from all insurable acreage on the unit will include:

(1) Not less than the amount of insurance per acre for any acreage:

(i) That is abandoned;

(ii) Put to another use without our consent;

(iii) From which production is directly marketed and you fail to meet the requirements contained in section 10(a).

(iv) That is damaged solely by uninsured causes; or

(v) For which you fail to provide acceptable marketing records.

(2) The value of the appraised production will not be less than the dollar amount obtained by multiplying the cartons of appraised fruit by the minimum value per carton shown in the Special Provisions for:

(i) Unharvested production that is determined to be marketable as fresh-packed fruit;

(ii) Production damaged or defective lost due to uninsured causes; and

(iii) Potential production on insured acreage that you intend not to harvest, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:

(A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or

(B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and

(3) The total value of all harvested production marketed as fresh-packed fruit from the insurable acreage. The value of such harvested production will be the dollar amount obtained by subtracting the allowable cost contained in the Special Provisions from the average net price received per carton of fresh-packed fruit (this result may not be less than the minimum value shown in the Special Provisions), and multiplying this result by the cartons of marketable fruit. Harvested production that is damaged or defective due to insurable causes and is not marketable as fresh-packed fruit, will not be counted as production.

12. Minimum Value Option.

(a) The provisions of this option, if provided in the Special Provisions, are continuous and will be attached to and made a part of your insurance policy, if:

(1) You elect either Option I or Option II of the Minimum Value Option (listed on the special provisions) on your application, or on a form approved by us, on or before the sales closing date for the initial crop year in which you wish to insure fruit under this option, and pay the additional premium indicated in the actuarial documents for this optional coverage; and

(2) You have not elected coverage under the Catastrophic Risk Protection Endorsement.

(b) In lieu of the provisions contained in section 11(c)(3), the total value of harvested production will be determined as follows:

(1) The total value of harvested production will be as follows:

(i) For sold production, the dollar amount obtained by subtracting the allowable costs contained in the Special Provisions from the average net price received for each carton of fruit (this result may not be less than the applicable minimum value option contained in the Special Provisions that you chose for any carton of fruit), and multiplying this result by the cartons of fruit sold; and

(ii) For marketable production that is not sold, the dollar amount obtained by multiplying the cartons of such fruit on the unit by the minimum value shown in the Special Provisions that applies without regard to the choice of the minimum value option. Harvested production that is damaged or defective due to insurable causes and is not marketable **as fresh-packed fruit** will not be counted as production.

(c) This option may be canceled 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 option is to be effective.

13. Late and Prevented Planting, Replanting.

The late and prevented planting and replanting provisions of the Basic Provisions are not applicable.

14. Written Agreements.

The written agreement provision of the Basic Provisions are not applicable.