1. In return for payment of the required additional premium as contained in the actuarial documents, this endorsement is attached to and made part of your Florida Fruit Tree Pilot Crop Provisions (Crop Provisions) subject to the terms and conditions described herein. In the event of a conflict between the Crop Provisions and this endorsement, this endorsement will control.

2. You must elect this endorsement at the time of application, or on or before the sales closing date if you are a carryover policyholder. This endorsement:
   (a) Will continue in effect until canceled.
   (b) May be canceled by either you or us for any succeeding crop year by giving written notice to the other party on or before the sales closing date.

3. To be eligible for this endorsement, you must have a Florida Fruit Tree Pilot insurance policy in force and have not elected coverage under the Catastrophic Risk Protection Endorsement. If at any time your Florida Fruit Tree Pilot insurance policy is canceled or terminated, this endorsement is automatically canceled or terminated as of the same date.

4. All eligible insurable trees within the county of each crop and type that you elect to cover under this endorsement will be insured.

5. Definitions:
   (a) **Block** – In lieu of the definition in section 1 of the Crop Provisions, a stand of trees of the same crop, and subtype if designated on the actuarial documents, on acreage sharing a common boundary with no discernable change in the planting pattern.
   (b) **Citrus tree subtype - As specified on the actuarial document**, Any of the following: early and mid-season oranges; navel oranges; late oranges, including Valencia; Temple oranges; white grapefruit; colored grapefruit; Murcotts (honey tangerines); tangelos; or tangerines.
   (c) **CTV amount of insured damage** – The dollar amount determined by multiplying the CTV damage value by the coverage level.
   (d) **CTV amount of protection** – The dollar amount (by unit) calculated by multiplying the number of insurable trees reported by you in each stage II- and stage III-block times the applicable maximum CTV reference price for the stage, adding these values, and then multiplying the result by the coverage level selected by you.
   (e) **CTV damage value** – The dollar amount determined by multiplying the actual number of fully damaged trees and the actual number of fully damaged trees in each stage II- and stage III-block in all the stands of damaged trees (SDT) identified as a result of the most recent cause of loss times the applicable CTV reference price, and then adding these values. The applicable CTV reference price will be the maximum CTV reference price for trees destroyed and the minimum CTV reference price for trees fully (100-percent) damaged.
   (f) **CTV underreport factor** (unit) – The result of dividing the CTV amount of protection by the CTV unit value, rounded to three decimal places, not to exceed 1.000.
   (g) **CTV unit deductible** – The dollar amount determined by multiplying the actual number of insurable trees in each stage II- and stage III-block in the unit on the day before the loss (but not reduced for any insured damage that occurred during the crop year) times the maximum CTV reference price, adding these values, and then multiplying the result by the deductible.
   (h) **CTV unit value** – The amount determined by multiplying the number of insurable trees in each stage II- and stage III-block in the unit, as determined by us, on the day before the loss (but not reduced for any insured damage that occurred during the crop year) times the maximum CTV reference price for the stage, adding these values, and then multiplying the result by the coverage level selected by you.
   (i) **Maximum CTV reference price** – The price per tree by subtype listed on the actuarial documents for CTV that is used in calculating the CTV unit value, the CTV amount of protection, and the portion of the CTV damage value for destroyed trees for this endorsement.
   (j) **Minimum CTV reference price** – The price per tree by subtype listed on the actuarial documents for CTV that is used in calculating the portion of the CTV damage value for fully (100-percent) damaged trees for this endorsement.
Example of Additional Coverage and Premium

Assume that a grove owner:
- Buys 75-percent coverage level (25-percent deductible).
- Insures two crops under the endorsement: orange trees and grapefruit trees.
- Reports the following numbers and subtypes of trees: 600 early orange trees and 3,000 white grapefruit trees.
- Reports one unit each for orange and grapefruit trees and reports the actual stages as follows:
  - early orange trees – 200 stage III; 200 stage II; 200 stage I
  - white grapefruit trees – 1,400 stage III; 800 stage II; 800 stage I
- Holds 100-percent interest in all crops.
- Is charged an additional premium rate of 3 percent for each crop.
FCIC’s actuarial documents show the following CTV reference prices:

- **Maximum – early orange trees:** $20/tree stage II; $38/tree stage III
- **Minimum – early orange trees:** $10/tree stage II; $20/tree stage III
- **Maximum – white grapefruit trees:** $19/tree stage II; $28/tree stage III
- **Minimum – white grapefruit trees:** $12/tree stage II; $20/tree stage III

The CTV amount of protection provided by the endorsement for each crop will be calculated as follows:

- **early orange trees:** $8,700 = \[200 \times (20 \times 38) + (200 \times 20)\] x 75-percent coverage level;
- **white grapefruit trees:** $40,800 = \[(1,400 \times 28) + (800 \times 19)\] x 75-percent coverage level.

The additional premium due on each insured crop is:

- **early orange trees:** $261 = \$8,700 \times 100\%-\text{share} \times 3\%-\text{premium rate};
- **white grapefruit trees:** $1,224 = \$40,800 \times 100\%-\text{share} \times 3\%-\text{premium rate}.

**Loss Example:**
Assume that the grapefruit trees have 100-percent damage to 600 stage-III trees and 600 stage-II trees due to freeze in January. Three hundred (300) of the stage III and 300 of the stage II trees were considered destroyed, and the remaining 600 trees were considered fully (100-percent) damaged. The CTV unit value is determined to be the same as the CTV amount of protection, and the CTV URF is 1.000. The indemnity will be calculated as follows:

- The CTV unit deductible is $13,600 = \[(1,400 \times 28) + (800 \times 19)\] x 25-percent deductible.
- The CTV damage value for the destroyed trees is $14,100 = \[(300 \times 19) + (300 \times 28)\].
- The CTV damage value for the fully damaged trees is $9,600 = \[(300 \times 12) + (300 \times 20)\].
- The CTV damage value for the most recent cause of loss is $23,700 = $14,100 + $9,600.
- Multiplied by CTV URF is $23,700 = $23,700 \times 1.000.
- The total CTV damage value for the unit since the beginning of the crop year is $23,700.
- Subtracting from the CTV damage value the CTV unit deductible is $10,100 = $23,700 – $13,600.
- Multiplying by your share $10,100 = $10,100 \times 1.00.
- The percent of the indemnity that is attributed to the destroyed trees is 59 percent = $14,100 + $23,700.
- The percent of the indemnity that is attributed to the fully damaged trees is 41 percent = $9,600 + $23,700.
- One-hundred percent of the indemnity for the fully damaged trees ($4,141 = $10,100 \times 41\%) and fifty percent of the indemnity for the destroyed trees ($2,980 = $10,100 \times 59\% \times 50\%) will be paid within 30 days of the time of claim and is equal to $7,121.
- The remaining 50 percent of the indemnity for the destroyed trees will be paid upon verification that you have met the requirements specified in section 11 and is equal to $2,980 = $10,100 \times 59\% \times 50\%.

**Loss Example– Occurrence Loss Option:**
Now assume that the remaining grapefruit trees have 100-percent damage to 400 Stage III trees and 400 Stage II trees due to freeze in January. Two hundred (200) of the Stage III and 200 of the Stage II trees were considered destroyed, and the remaining 400 trees were considered fully (100-percent) damaged. The CTV unit value is determined to be the same as the CTV amount of protection, and the CTV URF is 1.000. The indemnity will be calculated as follows:

- The CTV damage value for the destroyed trees is $9,400 = \[(200 \times 19) + (200 \times 28)\].
- The CTV amount of insured damage for the destroyed trees is $7,050 = $9,400 \times 75\%-\text{coverage level}.
- The CTV amount of insured damage for the destroyed trees multiplied by the CTV URF is $7,050 = $7,050 \times 1.000.
- The CTV damage value for the fully damaged trees is $6,400 = \[(200 \times 12) + (200 \times 20)\].
- The CTV amount of insured damage for the fully damaged trees is $4,800 = $6,400 \times 75\%-\text{coverage level}.
- The CTV amount of insured damage for the fully damaged trees multiplied by the CTV URF is $4,800 = $4,800 \times 1.000.
- The total indemnity is $11,850 = ($7,050 + 4,800) \times 1.00, your share.
- One-hundred percent of the indemnity for the fully damaged trees ($4,800) and fifty percent of the indemnity for the destroyed trees ($3,525 = ($7,050 \times 50\%)) will be paid within 30 days of the time of claim and is equal to $8,325.
- The remaining 50 percent of the indemnity for the destroyed trees will be paid upon verification that you have met the requirements specified in section 11: $3,525 = $7,050 \times 50\%. 

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