

Special Provisions of Insurance 2012 and Succeeding Crop Years

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|----------------|---------------------------------------|------------------------|
| Year: 2012 | Commodity: Processing Apricots (0219) | State: California (06) |
| Date: 8/4/2011 | Plan: APH (90) | County: Kings (031) |

Program Dates for Insurable Types and Practices

| Sales Closing Date | Earliest Planting Date | Final Planting Date | Acreage Reporting Date | Premium Billing Date |
|-----------------------|------------------------|-----------------------------------|------------------------|----------------------|
| 1/31/2012 | | | 3/1/2012 | 8/15/2012 |
| Type | | Practice | | |
| No Type Specified 997 | | Irrigated 002 | | |
| No Type Specified 997 | | Organic(Certified) Irr. 702 *4 | | |
| No Type Specified 997 | | Organic(Transitional) Irr. 712 *4 | | |

Statement

General

In lieu of Section 24(a) of the Basic Provisions, interest will begin to attach on unpaid premium on the first of the month following the first billing date provided that a minimum of 30 days have passed from the first billing date.

SET OUT YEAR AND LEAF YEAR

The SET OUT YEAR for APH reporting purposes is the actual calendar year for acreage planted before July 1st. For acreage planted on or after July 1st, the SET OUT YEAR shall be the year following the calendar year in which set out actually occurred.

To determine LEAF YEAR subtract the set out year from the calendar year of insurance (or APH crop year for the yield substitution purposes), then add one year.

Contact your agent regarding possible premium discounts, options, and/or additional coverage that may be available.

Practice

*4 Acreage and production history from certified organic or transitional acreage will be contained in separate APH databases. Each APH database will include production and acreage from any applicable buffer zone. Any yearly average APH yields, for the most recent four crop years only, from the transitional acreage database will be used in place of Transitional Yields (T-yields) to establish the certified organic APH database. A variable T-yield will be used to complete the database, if required.

Price

In addition to section 11(c)(4) of the Stonefruit Crop Provisions, for harvested processing apricot production subtract \$155.00 per ton from the price received by the insured to adjust for costs incurred for harvest and delivery. The cost adjustment for harvest and delivery shall not be deducted from the fruit's value when the insured does not incur such expense or if such costs are not customary for the insured stonefruit crop.

Quality

In accordance with section 1 of the Stonefruit Crop Provisions for Grade Standards, production must meet California Department of Food and Agriculture (CDFA) minimum standards for processing apricots and will include all production, which is acceptable to a processor.