

Special Provisions of Insurance

2014 and Succeeding Crop Years

| | | |
|-----------------|--------------------------|------------------------|
| Year: 2014 | Commodity: Apples (0054) | State: Washington (53) |
| Date: 8/21/2013 | Plan: APH (90) | County: Columbia (013) |

Program Dates for Insurable Types and Practices

Sales Closing Date
11/20/2013

Earliest Planting Date

Final Planting Date

Acreage Reporting Date
1/15/2014

Premium Billing Date
8/15/2014

| TP | Type | Practice |
|--------|---------------------------------|-----------------------------------|
| T/P 01 | Varietal Group B (Fresh) 115 *4 | Irrigated 002 |
| T/P 02 | Varietal Group A (Fresh) 114 *5 | Irrigated 002 |
| T/P 03 | Fresh 111 | Irrigated 002 |
| T/P 04 | Processing 112 | Irrigated 002 |
| T/P 05 | Varietal Group B (Fresh) 115 *4 | Organic(Certified) Irr. 702 *6 |
| T/P 06 | Varietal Group A (Fresh) 114 *5 | Organic(Certified) Irr. 702 *6 |
| T/P 07 | Fresh 111 | Organic(Certified) Irr. 702 *6 |
| T/P 08 | Processing 112 | Organic(Certified) Irr. 702 *6 |
| T/P 09 | Varietal Group B (Fresh) 115 *4 | Organic(Transitional) Irr. 712 *6 |
| T/P 10 | Varietal Group A (Fresh) 114 *5 | Organic(Transitional) Irr. 712 *6 |
| T/P 11 | Fresh 111 | Organic(Transitional) Irr. 712 *6 |
| T/P 12 | Processing 112 | Organic(Transitional) Irr. 712 *6 |

Statement

General

SET OUT YEAR AND LEAF YEAR

The SET OUT YEAR for APH reporting purposes is the actual calendar year for acreage planted before July 1; for acreage planted after June 30, the SET OUT YEAR shall be the year following the calendar year in which set out actually occurred (i.e., planted September 2003 enter 2004).

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; e.g., if 2004 is the year insurance is in effect and the tress/vines were set out in April of 1997, then the leaf year is derived as follows: 2004 minus 1997 plus 1 equals 8.

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Grafted acreage will have the following percentages of the applicable T-Yield corresponding to the LEAF YEAR and SET OUT YEAR of initial planting:

| Density (trees/acres) | 1st year after grafting | 2nd year after grafting | 3rd year after grafting | 4th year after grafting | 5th year after grafting |
|-----------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| 0-299 | 0% | 30% | 60% | 90% | 100% |
| 300 & greater | 10% | 50% | 70% | 100% | 100% |

In lieu of the second sentence of Section 24(a) of the Basic Provisions, for the purpose of premium amounts owed to us or administrative fees owed to FCIC, interest will start to accrue on the first day of the month following the issuance of the notice by us, provided that a minimum of 30 days have passed from the premium billing date specified in the Special Provisions.

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

Type

- *4 Varietal Group B insurable varieties: All other Apple varieties not specified in Group A.
- *5 Varietal Group A insurable varieties: Ambrosia, Braeburn, Cameo, Cripps Pink, Crispin, Fuji, Gala, Honeycrisp, Jonagold, Macoun, and Sommerfeld. Each specified variety within Varietal Group A will include all commercially recognized selections and brand names, mutations, or sports; but, does not include hybrids created by crosses between the stated variety and any other varieties.

Practice

- *6 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.

Date

In accordance with section 9(a)(3), the calendar date for the end of insurance period for each crop year is November 10 for the Fuji variety.

The production reporting date will be the acreage reporting date.

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Price

If a contract price is available as shown in the actuarial documents, you may elect to have your price election determined in accordance with the Contract Price Addendum (CPA). If the crop provisions or special provisions provide a method to determine a contract price your price election will be determined in accordance with the crop provisions or special provisions and the CPA does not apply.

Quality

In accordance with the definition of Grade Standards contained in section 1 of the Apple Crop Provisions, a Washington Fancy Grade or better in accordance with the Washington State Standards for apples shall be used in lieu of US Fancy Grade or better when the optional coverage for quality adjustment is selected.