

Special Provisions of Insurance

2023 and Succeeding Crop Years

| | | |
|-----------------|--|------------------------|
| Year: 2023 | Commodity: Pecan Trees (0284) | State: Texas (48) |
| Date: 1/25/2022 | Plan: Tree Based Dollar Amount Of Insurance (40) | County: San Saba (411) |

Program Dates for Insurable Types and Practices

Sales Closing Date
5/15/2022

Earliest Planting Date

Final Planting Date

End of Late Planting Period Date

Acreage Reporting Date
5/15/2022

Premium Billing Date
3/1/2023

| TP | Type | | | | Practice | | | |
|-------|----------------------|------------------------|---------------------------|-------------------------------|----------------------|------------------------------------|-----------------------------------|---------------------------|
| T/P 1 | Group 1 Improved 791 | | | | Irrigated 002 | | | |
| T/P 2 | Group 2 Improved 792 | | | | Irrigated 002 | | | |
| T/P 3 | Native 794 | | | | Irrigated 002 | | | |
| | Type Information | | | | Practice Information | | | |
| TP | Commodity Type | Class | Sub Class | Intended Use | Irrigation | Cropping | Organic | Interval |
| T/P 1 | Group 1 Improved 791 | No Class Specified 997 | No Subclass Specified 997 | No Intended Use Specified 997 | Irrigated 002 | No Cropping Practice Specified 997 | No Organic Practice Specified 997 | No Interval Specified 997 |
| T/P 2 | Group 2 Improved 792 | No Class Specified 997 | No Subclass Specified 997 | No Intended Use Specified 997 | Irrigated 002 | No Cropping Practice Specified 997 | No Organic Practice Specified 997 | No Interval Specified 997 |
| T/P 3 | Native 794 | No Class Specified 997 | No Subclass Specified 997 | No Intended Use Specified 997 | Irrigated 002 | No Cropping Practice Specified 997 | No Organic Practice Specified 997 | No Interval Specified 997 |

Statement

General

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

INSURABLE VARIETIES:

Group I

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| | |
|---------------|--------------|
| Amling | Headquarters |
| Apalachee | Kiowa |
| Avalon | Lakota |
| Baby B | Mahan |
| Byrd | Mandan |
| Caddo | McMillan |
| Carter | MoneyMaker |
| Creek | Moreland |
| Cunard | Morrill |
| Curtis | Nacono |
| Eclipse | Oconee |
| Elliott | Schley |
| Ellis | Shoshoni |
| Excel | Stuart |
| Farley | Success |
| Forkert | Sumner |
| Frotscher | Surprize |
| Gafford | Van Deman |
| Giftpack | Zinner |
| Gloria Grande | |
| Kanza | |

Group II

| |
|-----------|
| Cape Fear |
| Desirable |
| Pawnee |

Any improved tree variety not listed in Groups I - II which is recommended for commercial pecan production by agricultural experts will be insurable under Group I. Any seedling trees contained in a commercial orchard will be insurable under Group I.

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In accordance with section 2(b)(2) of the Pecan Tree Crop Provisions, the minimum distance and acreage to qualify a separate orchard as an optional unit are one (1) mile and five (5) acres (for Group I . Al, including seedling trees) and 20 acres (for the Native type). The distance requirement between optional units will be established based on the closest location of between separate orchards. Any orchards that are within a one-mile distance of each other will be combined into a single optional unit.

A separate orchard meeting the distance requirement but with less than the minimum acreage will be combined with the nearest optional unit. Additional optional units for separate orchard locations may be established in accordance with FCIC approved procedures.

Limb Adjustment Percentage: 10 percent.

ADJUSTMENT FACTORS

Adjustment Factor - Partially and Fully Damaged Trees (Restoration Method 1)

| Canopy Loss Percent | Stage 1 | Stage 2 | Stage 3 |
|------------------------|---------|---------|---------|
| Partially Damaged | | | |
| 1% - 10% | .006 | .052 | .055 |
| 11% - 20% | .024 | .063 | .063 |
| 21% - 30% | .043 | .073 | .071 |
| 31% - 40% | .061 | .084 | .079 |
| 41% - 50% | .079 | .094 | .087 |
| 51% - 60% | .097 | .105 | .094 |
| 61% - 70% | .116 | .115 | .102 |
| 71% - 80% | .134 | .126 | .110 |
| 81% - 89% | .152 | .136 | .118 |
| Fully Damaged | | | |
| Dehorning | 0.170 | 0.147 | 0.126 |

Adjustment Factor - Reset Trees (Restoration Method 2)

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| Stage | AR | KS | MO | NM | OK | TX (E) | TX (W) |
|-------|-------|-------|-------|-------|-------|--------|--------|
| I | 0.648 | 0.526 | 0.498 | 0.508 | 0.522 | 0.508 | 0.529 |
| II | 0.641 | 0.494 | 0.476 | 0.492 | 0.490 | 0.489 | 0.515 |

Removal Cost Factors - Native Trees

| Stage | AR | KS | MO | NM | OK | TX (E) | TX (W) |
|-------|------|------|------|------|------|--------|--------|
| I | 0.19 | 0.19 | 0.19 | 0.16 | 0.18 | 0.21 | 0.15 |
| II | 0.18 | 0.18 | 0.18 | 0.15 | 0.17 | 0.19 | 0.13 |
| III | 0.28 | 0.30 | 0.29 | 0.27 | 0.29 | 0.30 | 0.23 |

Price

Use 55% of the reference maximum price for the appropriate stage, round up to the next cent when calculating the amount of protection per unit and the unit value for catastrophic coverage (CAT) policies.

Insurance Availability

In accordance with section 11 of the Pecan Tree Crop Provisions, drought is an insurable cause of loss for pecan trees insured under a non-irrigated practice if:

1. The insured's Pecan Tree Insurance Policy is in force for three crop years including the crop year of application. For example: The crop year of application is the 2020 crop year. Drought will be a cause of loss on insured acreage listed on the insured's 2023 crop year acreage report beginning with the 2023 crop year of the insured's policy.
2. Insurable pecan tree acreage added to the insured's operation in any crop following the crop year of application will be subject to a three crop year waiting period beginning with the crop year the acreage is added before drought will be a cause of loss for such acreage.
3. The trees in the unit have a trunk diameter not less than 20.01 inches.
4. For each insurable block, the number of trees per acre for the stage does not exceed the maximum number of trees shown in the following table:

| Western Region* | |
|-----------------|--------------|
| | Trees/Acre** |
| Stage III | 13 |

*Includes Arkansas, Kansas, Missouri, Oklahoma, Texas, New Mexico

**Includes native and seedling blocks

5. We inspect the trees before July 1 and determine the trees are not damaged due to drought or any other cause and we accept the trees.

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In accordance with the Pecan Tree Crop Provisions as contained in:

1. Section 8(a)(6), an insurable orchard will be a commercial orchard:
 - a. Containing at least 5 acres of an insurable pecan tree variety including seedling trees; or
 - b. Native pecan trees containing at least 20 acres of insurable pecan trees.
2. Section 9(b), an insurable block, as defined in section 1 of the Crop Provisions, must contain a number of insurable trees per acre equal to or greater than the minimum number of trees shown in the table below for each stage.

| Variety (improved) - Seedling Trees | Trees/Acre | Native Trees | Trees/Acre |
|---|------------|--------------|------------|
| Stage I | 18 | Stage I | 10 |
| Stage II | 18 | Stage II | 10 |
| Stage III | 7 | Stage III | 7 |

If the block contains more than one stage, the minimum number trees for the block will be a weighted average of the minimum tree number shown in the table for each stage (rounded to the nearest whole tree). For example, the block contains 1,000 native trees: 600 stage III trees (60%); 300 stage II trees (30%); and 100 stage I trees (10%). The minimum number of trees/acre for the block is 8 $[(7 \times .60) + (10 \times .30) + (10 \times .10) = 8.2]$.