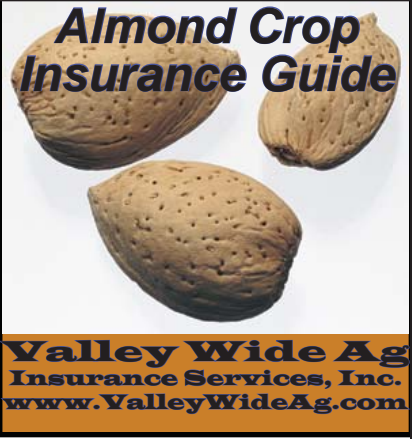


**A**lmond crop insurance can protect your operation when disaster strikes. This policy will cover almond growers against the unavoidable loss of production caused by an insurable cause of loss occurring during the insurance period. Indemnities are paid when the total good meat pounds are below the unit guarantee.



**Insurability Requirements**

- The orchard must be irrigated
- Acreage must be at least six years old.

**Covered Causes of Loss**

Adverse weather      Fire\*                      Plant Disease\*                      Wildlife\*  
 Insect Infestation\*      Earthquake                      Volcanic eruption                      Failure of Irrigation water supply\*

\* Limitations apply

**Excluded Causes of Loss**

Quarantine                      Boycott.

**Upcoming Time Line of Events**

Event	Due	Notes
Policy purchase and renewal	December 31, 2008	Application and Renewal completed Annually
Production Reporting	January 31, 2009	Report or update all prior production history
Acreage Reporting	January 31, 2009	Report insurable and uninsurable acreage
Insurance Period	January 1, 2009 through December 31, 2009	
Premium Due	October 1, 2009	

**Selecting Coverage & Policy Options**

Your policy liability and loss inception point are effected by the coverage level you select, Your Actual Production History (APH) and Unit Structure. Each insured may select one coverage level per county. The APH is based on the number of years of actual production history supplied, you can supply up to ten years of production history. Unit structure determines how insurable acreage is grouped for loss settlement. Basic unit structure groups cash leased and owned acreage into one unit. Any acreage farmed under a crop share agreement is grouped into a separate basic unit by share holder. If you elect optional units large basic units are sub divided into smaller optional units by Non-contiguous land and farming practice (Organic & Transitional or Conventional).

**Guide of Almond Crop Insurance Coverage Options**

Policy Type	CAT	Buy Up
Coverage Levels	CAT (50% at 55% price)	50%, 55%, 60%, 65%, 70% , 75%
Unit Structure	Basic	Basic or Optional
Policy Options	OC, OT and YA	BU, HFE, OC, OT, OU, and YA

**Description of Coverage Options**

- **Basic Unit Discount (BU)** - 10% discount for not electing optional units.
- **Hail & Fire Exclusion (HFE)** - Premium discount for excluding hail and fire as an insured causes of loss.
- **Organic (OC / OT)** - Provides coverage for organic acreage and provides optional unit structure if buy up is purchased.
- **Optional Unit Structure (OU)** - Allows Buy Up policy holders to subdivide basic units into optional units.
- **Yield Adjustment (YA)** - Allows insureds to substitute 60 percent of the applicable T-Yield for actual yields that are less than 60 percent of the applicable T-Yield to mitigate the effect of catastrophic year.

## Actual Production History Calculation Example

Unit Structure: Optional		Policy Options: YA		T-Yield: 1550		Price Election: \$2.00	
Field: Westside Ranch				Field: Home Ranch			
Year	Production To Count	Acres	Per Acre	Production To Count	Acres	Per Acre	
1	195,600 pounds	100.0	1,956	85,600 pounds	40.0	2,140	
2	216,000 pounds	100.0	2,160	92,400 pounds	40.0	2,310	
3	217,200 pounds	100.0	2,172	107,200 pounds	40.0	2,680	
4	85,300 pounds	100.0	930 YA	50,300 pounds	40.0	1,258	
5	216,500 pounds	100.0	2,165	99,700 pounds	40.0	2,493	
<b>Average Production Per Acre (APH)</b>			1,877	<b>Average Production Per Acre (APH)</b>			2,176

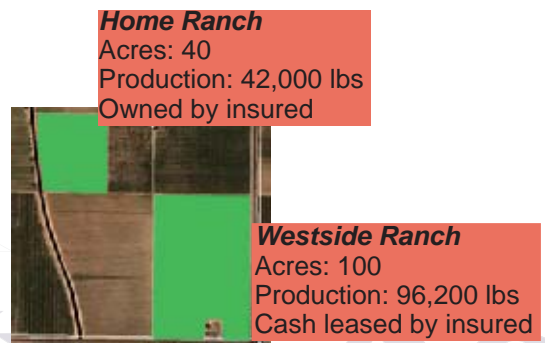
**Acres** - Total insurable acreage of the unit harvested.

**Production To Count** - All harvested production marketed as good meat pounds plus any appraisals.

**Per Acre** - Production to divided by Acres.

### Almond Crop Insurance Loss Example

Claims are settled on a unit basis, the unit guarantee is based on the units average production history per acre, coverage level and acres insured. This policy will pay an indemnity when the unit guarantee is greater than your production to count. The total production to count is the sum of good meat pounds harvested from the unit plus any appraisal.



### Loss Example with 70% Coverage Level and Optional Units

Item	How it's calculated	Unit 1 (Westside Ranch)	Unit 2 (Home Ranch)
<i>Unit Guarantee</i>	APH times coverage level times insured acres.	<b>131,400 Pounds</b>	<b>60,920 Pounds</b>
		(1,877 x 70% x 100)	(2,176 x 70% x 40)
<i>Total Production To Count</i>	Harvested production plus any appraisal.	<b>96,200 Pounds</b>	<b>42,200 Pounds</b>
		(96,200 + 0)	(42,200 + 0)
<i>Indemnity Due</i>	Unit guarantee minus total production to count times price election times insured share.	<b>\$70,400</b>	<b>\$37,440</b>
		(131,400 - 96,200 x \$2.00)	(60,920 - 42,200 x \$2.00)

### Loss Example with CAT Coverage Level and Basic Units

Item	How it's calculated	Unit 1 (Home & Westside Ranch)
<i>Unit Guarantee</i>	Actual production history times coverage level times insured acres.	<b>136,570 Pounds</b>
		(1,951 x 50% x 140)
<i>Total Production To Count</i>	Harvested production marketed as fresh packed fruit plus any appraisal.	<b>138,400 Pounds</b>
		(138,400 + 0)
<i>Indemnity Due</i>	Total unit guarantee minus total production to count times price election times insured share equals indemnity.	<b>\$0</b>
		No Indemnity Due Total Production greater than Unit Guarantee

This handout contains generalized descriptions of available insurance coverage and is not intended as an offer to issue the described insurance. Issuance of any policy of insurance described in this brochure is subject to satisfying underwriting criteria filed with the insurance department of the applicable jurisdiction. The coverage afforded is subject to the terms, conditions and exclusions stated in the actual policy as issued and may vary from the general coverage descriptions in this brochure.