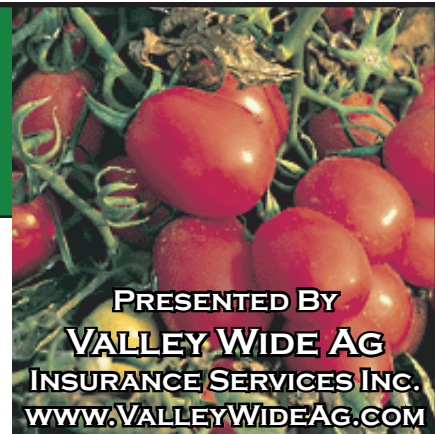


MPCI Crop Insurance Processing Tomato



Last year in California over 250,000 acres of processing tomatoes were insured with crop insurance. This policy is a production risk management tool designed to pay an indemnity when actual production is less than the policy guarantee. All policy guarantees are based on actual production history and coverage level.

Covered Causes of Loss

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

* Limitations apply

Covered Types of Loss

Loss of production (below unit guarantee) caused by a covered cause of loss.

Bypassed acreage caused by a covered cause of loss.

Replanting payment for acreage damaged by a covered cause of loss (Buy Up Coverage Only!).

Available Coverage Levels - CAT 50% 55% 60% 65% 70% 75%

Each insured can select on coverage level per county. Coverage is based on your actual production history (APH) and coverage level selected. Losses must be the result of an insurable cause of loss occurring during the insurance period. Loss of production and Bypass Indemnities are paid when the total production to count is below the production guarantee.

Processor Contract Requirements

This policy requires that the insured tomatoes be grown under, and in accordance with, the requirements of a processor contract executed on or before August 20 in all counties with an acreage reporting date of July 15, or on or before the acreage reporting date in all other counties. In addition any indemnity payments are limited to the maximum tonnage allowed under the processor contracts.

Coverage Options

Organic (OC / OT) - Provides coverage for organic acreage, Available with CAT coverage.

Loss Settlement

Losses are settled on a unit basis, acreage is grouped into basic units according to the categories listed below, policies with coverage greater than CAT can subdivided basic units into optional units.

Basic

Cash Lease & Owner
 Crop Share

Optional

Section or Section Equivalent
 Organic / Non Organic
 40 Acre Blocks of Tomato Fields.

Price Election

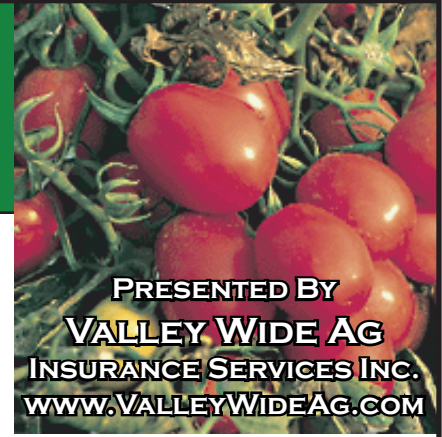
The price election used to determine the amount of an indemnity is progressive by stage and increases, at Specified interval. Stages are determined on an acre basis. The stages and applicable price elections are:

(1) First stage - from planting until first fruit set. The percentage of price election used in this stage to establish the amount of any indemnity owed will be 50%

(2) Second stage - From the first fruit set until harvest. The percentage of price election used in this stage to establish the amount of any indemnity owed will be 80%

(3) Third stage - harvested acreage. The percentage of price election used in this stage to establish the amount of any indemnity owed will be 100%

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Coverage & Loss Example

50 Acre Processing Tomatoes
2250 Ton Production History
500 Tons Appraised 2nd Stage



70 Processing Tomatoes
3150 Ton Production History
4515 Tons Harvested
20 Acres Replanted

85 Acres of Processing Tomatoes
3825 Ton Production History
3520 Tons Harvested

Example with CAT coverage Price Election is \$52.00 Per Ton

Unit 0100

Guarantee \$228,150

Production History times coverage level times price election $(6,975 \times 50\% \times 52.00) + (2250 \times 50\% \times 41.60) =$

Total Production to Count \$454,480

Harvested + Appraised = Total Production to Count $(8340 \times 52.00) + (500 \times 41.60) = \$454,480$

Indemnity = \$0

Guarantee minus Production to count times price election times 55% (CAT Price Reduction) times insured share.

Replanting Payment = \$0 (Not Available On CAT)

Example with 70% Price Election is \$52.00 Per Ton

Unit 0101

Guarantee \$65,520

Production History times coverage level times price election
 $2250 \times 70\% \times 41.60$

Total Production to Count \$20,800

Appraised = Total Production to Count (500×41.60)

Indemnity = \$44,720

Guarantee minus Production to count times insured share.

Unit 0102

Unit 0102

Guarantee \$139,230

Production History times coverage level times price election
 $3825 \times 70\% \times 52.00$

Total Production to Count \$183,040

Harvested = Total Production to Count (3520×52.00)

Indemnity = \$0

Guarantee minus Production to count times insured share.

Unit 0103

Guarantee \$114,660

Production History times coverage level times price election $(3150 \times 70\% \times 52.00)$

Total Production to Count \$234,780

Harvested + Appraised = Total Production to Count (4515×52.00)

Indemnity = \$0

Guarantee minus Production to count times insured share.

Replant Payment \$5,200

The replanting payment per acre will be the lesser of 25 percent of the production guarantee or five tons, multiplied by your third stage (final) price election, multiplied by your share. This amount can not exceed your actual replanting costs.

$(45 \text{ ton APH} \times 70\% \times 25\%) = 7.875$ is greater than 5.0 ton payment will be 5.0 ton $\times 52 \times 20 = \$5,200$

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.