

If conflict exists among the policy provisions, the order of priority is as follows: (1) the Catastrophic Risk Protection Endorsement, as applicable; (2) the Special Provisions; (3) these Crop Provisions; and (4) the Basic Provisions, with (1) controlling (2), etc.

1. Definitions

Base contract price - The price per hundredweight stipulated in the processor contract executed between you and the processor without regard to discounts or incentives that may apply.

Cabbage - Plants of the family Brassicaceae and the genus *Brassica*, grown for their compact heads and used for human consumption.

Direct marketing - Sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper, or buyer. Examples of direct marketing include selling through an on-farm or roadside stand, farmer's market, and permitting the general public to enter the field for the purpose of picking all or a portion of the crop. A cabbage crop to be sold by direct marketing will not be insurable unless otherwise provided by the Special Provisions.

Harvest - Cutting of cabbage plant to sever the head from the stalk.

Hundredweight - One hundred pounds avoirdupois.

Inspected transplants - Cabbage plants that have been found to meet the standards of the public agency that is responsible for the inspection process within the State in which they are grown.

Local market price - The price per hundredweight for cabbage at the time of harvest offered by buyers in the area in which you normally market the cabbage.

Marketable cabbage - Cabbage that is free from such physical defects or damage that would make it unmarketable or that grades at least United States Commercial for fresh-market cabbage or United States Number 2 for processing cabbage.

Planted acreage - In addition to the definition of "planted acreage" contained in section 1 of the Basic Provisions, cabbage plants and seeds must initially be planted in rows wide enough to permit mechanical cultivation. Acreage planted in any other manner will not be insurable unless otherwise provided by the Special Provisions or the actuarial documents.

Processor - Any business enterprise regularly engaged in processing cabbage for human consumption, that possesses all licenses and permits for processing cabbage required by the State in which it operates, and that possesses facilities, or has contractual access to such facilities, with enough equipment to accept and process the contracted cabbage within a reasonable amount of time after harvest.

Processor contract - A written contract between the producer and the processor, containing at a minimum:
(1) The producer's commitment to plant and grow cabbage, and to deliver the cabbage production to the processor;

(2) The processor's commitment to purchase the production stated in the contract; and

(3) A base contract price at which the cabbage will be purchased.

Timely planted - In lieu of the definition of "timely planted" contained in section 1 of the Basic Provisions, timely planted is defined as cabbage planted during the planting periods designated in the Special Provisions for the insured crop in the county.

Type - Green or red cabbage.

2. Unit Division

Provisions in the Basic Provisions that allow optional units by section, section equivalent, or FSA farm serial number and by irrigated and non-irrigated practices are not applicable. Unless limited by the Special Provisions, optional units may be established for each cabbage type and planting period, if you meet all the requirements of section 34 of the Basic Provisions.

3. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities

In addition to the requirements of section 3 of the Basic Provisions, you may select only one price election for all the cabbage in the county insured under this policy unless the Special Provisions provide different price elections by type, in which case you may select one price election for each cabbage type designated in the Special Provisions. The price elections you choose for each type must bear the same percentage relationship to the maximum price election offered by us for each type. For example, if you selected 100 percent of the price election for one type, you must also select 100 percent of the price election for all other types.

4. Contract Changes

In accordance with section 4 of the Basic Provisions, the contract change dates are the following calendar dates preceding the cancellation dates:

- (a) April 30 in California; Florida; Colquitt County, Georgia; South Carolina; and Texas; and
- (b) November 30 in all other states and counties.

5. Cancellation and Termination Dates

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are:

| <u>State and Counties</u> | <u>Cancellation and Termination Dates</u> |
|--|---|
| Colquitt County, Georgia; South Carolina; Texas | July 1 |
| California | July 31 |
| Florida | August 15 |
| Oregon; Washington | February 1 |
| Rabun County, Georgia; North Carolina | February 28 |
| All other states and counties | March 15. |

6. Insured Crop

In accordance with section 8 of the Basic Provisions, the crop insured will be all the cabbage types in the county that are listed in the Special Provisions, for which a premium rate is provided by the actuarial documents, in which you have a share, and that are:

- (a) Planted with inspected transplants, if required by the Special Provisions;
- (b) Planted with hybrid seed, if direct seeded, unless otherwise permitted by the Special Provisions;
- (c) Planted within the planting periods designated in the Special Provisions;
- (d) Planted for harvest as marketable cabbage for:
 - (1) Fresh-market; or
 - (2) Processing, if they are:
 - (i) Grown under a processor contract executed before the acreage reporting date; and
 - (ii) Not excluded from the processor contract at any time during the crop year; and
- (e) Unless allowed by the Special Provisions:
 - (1) Not interplanted with another crop; and
 - (2) Not sold by direct marketing.

7. Insurable Acreage

In addition to the provisions of section 9 of the Basic Provisions:

- (a) We will not insure any acreage that does not meet the rotation requirements contained in the Special Provisions.
- (b) Any acreage of the insured crop damaged before the end of the planting period, to the extent that a majority of producers in the area would normally not further care for the crop, must be replanted unless we agree that it is not practical to replant.

8. Insurance Period

- (a) In lieu of the provisions of section 11(a) of the Basic Provisions, coverage begins on each unit or part of a unit the date the cabbage is planted in each planting period.
- (b) In accordance with the provisions of section 11 of the Basic Provisions, the end of the insurance period will be the earlier of the applicable calendar date following planting as listed below or the date the crop should have been harvested:
 - (1) January 15 for the fall planting period in South Carolina and Colquitt County, Georgia;
 - (2) February 15 for the fall planting period in Florida;
 - (3) March 1 in Oregon for the fresh market practice;
 - (4) March 31 in California;
 - (5) April 15 for the winter planting period in Florida;
 - (6) May 15 in Texas;
 - (7) May 31 for the spring planting period in Florida;
 - (8) June 15 for the spring planting period in South Carolina and Colquitt County, Georgia;

- (9) July 10 for the spring planting period in North Carolina;
- (10) October 31 in Rabun County, Georgia;
- (11) October 1 in Alaska;
- (12) November 5 in Wisconsin;
- (13) November 25 in Illinois, Michigan, New York, Ohio, Pennsylvania, Virginia; and
- (14) December 31 for the fall planting period in North Carolina; Washington; and in Oregon for the processing practice.

9. Causes of Loss

- (a) In accordance with the provisions of section 12 of the Basic Provisions, insurance is provided only against the following causes of loss that occur during the insurance period:
 - (1) Adverse weather conditions;
 - (2) Fire;
 - (3) Wildlife;
 - (4) Insects, but not damage due to insufficient or improper application of pest control measures;
 - (5) Plant disease, but not damage due to insufficient or improper application of disease control measures;
 - (6) Earthquake;
 - (7) Volcanic eruption; or
 - (8) Failure of the irrigation water supply, if caused by a cause of loss specified in sections 9(a)(1) through (7) that occurs during the insurance period.
- (b) In addition to the causes of loss excluded in section 12 of the Basic Provisions, we will not insure against damage or loss of production due to:
 - (1) Failure to market the cabbage for any reason other than actual physical damage from an insured cause of loss that occurs during the insurance period. For example, we will not pay you an indemnity if you are unable to market due to quarantine, boycott, or refusal of any person to accept production, etc.; or
 - (2) Damage that occurs or becomes evident after the end of the insurance period, including, but not limited to, damage that occurs or becomes evident after the cabbage has been placed in storage.

10. Replanting Payments

- (a) In accordance with section 13 of the Basic Provisions, a replanting payment is allowed if the crop is damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the production guarantee for the acreage and it is practical to replant.
- (b) No replanting payment will be made on acreage initially planted prior to the initial planting date or after the final planting period dates designated by the Special Provisions.

- (c) The maximum amount of the replanting payment per acre will be your actual cost for replanting not to exceed the lesser of:
 - (1) 20 percent of the production guarantee; or
 - (2) 50 hundredweight for reseeding and 40 hundredweight for transplanting, multiplied by your price election, multiplied by your insured share. The fresh-market cabbage price election will be used to determine processing cabbage replant payments in counties with fresh-market and processing practices.
- (d) When the insured crop is replanted using a practice that is uninsurable as an original planting, the liability for the unit will be reduced by the amount of the replanting payment attributable to your share. The premium will not be reduced.

11. Duties In The Event of Damage or Loss

- (a) In lieu of section 14(a)(2) of the Basic Provisions, so that we may inspect the insured crop, you must give us notice:
 - (1) Within 72 hours of your initial discovery of damage and 15 days prior to harvest of the acreage; or
 - (2) Immediately if damage is discovered within 15 days prior to the beginning of harvest or during harvest.
 - (3) You must not dispose of or sell the damaged crop, or store the insured crop, until after we have appraised it and given you written consent to do so. If additional damage occurs after this appraisal, except for stored cabbage, we will conduct another appraisal. These appraisals, and any acceptable records provided by you, will be used to determine your production to count. Failure to meet the requirements of this subsection will result in an appraised amount of production to count of not less than the production guarantee per acre if such failure results in our inability to make the required appraisal.
 - (4) If direct marketing of the insured crop is allowed by the Special Provisions, and if you intend to direct market any of the crop, you must give us notice at least 15 days prior to the beginning of harvest. We will conduct an appraisal that will be used to determine your production. If damage occurs after this appraisal, you must immediately provide notice and we will conduct an additional appraisal. These appraisals, and any acceptable records provided by you, will be used to determine your production to count. Failure to give timely notice that production will be direct marketed to consumers will result in an appraised amount of production to count that is not less than the production guarantee per acre.

- (b) In accordance with the requirements of section 14(a)(3) of the Basic Provisions, if you initially discover damage to any insured cabbage within 15 days of or during harvest, you must leave representative samples of the unharvested crop for our inspection. The samples must be at least 3 rows wide and extend the entire length of each field in the unit and must not be harvested or destroyed until the earlier of our inspection or 15 days after harvest of the balance of the unit is completed. Failure to leave a representative sample will result in an appraised amount of production to count that is not less than the production guarantee per acre.

12. Settlement of Claim

- (a) We will determine your loss on a unit basis. In the event you are unable to provide separate acceptable production records:
 - (1) For any optional units, we will combine all optional units for which such production records were not provided; or
 - (2) For any basic units, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for the units.
- (b) We will determine the extent of any loss by the earlier of the date the cabbage is placed in storage if the production is stored prior to sale, or the date it is delivered to a buyer, wholesaler, packer, processor, or other handler if production is not stored.
- (c) In the event of loss or damage covered by this policy, we will settle your claim by:
 - (1) Multiplying the insured acreage by its respective production guarantee, by type if applicable;
 - (2) Multiplying each result in section 12(c)(1) by the respective price election, by type if applicable;
 - (3) Totaling the results in section 12(c)(2);
 - (4) Multiplying the total production to count of each type, if applicable (see section 12(d)), by its respective price election;
 - (5) Totaling the results in section 12(c)(4);
 - (6) Subtracting the results of section 12(c)(5) from the results of section 12(c)(3); and
 - (7) Multiplying the result in section 12(c)(6) by your share.

For example:

For a basic unit you have 100 percent share in 100 acres of cabbage, 50 acres for fresh market and 50 acres for processing as sauerkraut, with a guarantee of 400 hundredweight per acre for fresh market and 400 hundredweight per acre for processing as sauerkraut and a price election of \$5.00 per hundredweight for fresh market and \$1.90 per hundredweight for processing as sauerkraut. You are only able to harvest 9,000 hundredweight of fresh market cabbage and 9,000 hundredweight of cabbage for sauerkraut

because an insured cause of loss has reduced production. Your total indemnity would be calculated as follows:

- (1) 50 acres x 400 hundredweight = 20,000 hundredweight guarantee for the fresh market acreage
50 acres x 400 hundredweight = 20,000 hundredweight guarantee for the processing as sauerkraut acreage
 - (2) 20,000 hundredweight guarantee x \$5.00 price election = \$100,000 value of guarantee for the fresh market cabbage
20,000 hundredweight guarantee x \$1.90 price election = \$38,000 value of guarantee for processing as sauerkraut
 - (3) \$100,000 + \$38,000 = \$138,000 total value of guarantee
 - (4) 9,000 hundredweight x \$5.00 price election = \$45,000 value of production to count for the fresh market acreage
9,000 x \$1.90 price election = \$17,100 value of production to count for the acreage for sauerkraut
 - (5) \$45,000 + \$17,100 = \$62,100 total value of production to count
 - (6) \$138,000 - \$62,100 = \$75,900 loss
 - (7) \$75,900 x 100 percent share = \$75,900 indemnity payment
- (d) The total production to count (in hundredweight) of marketable cabbage from all insurable acreage on the unit will include:
- (1) All appraised production as follows:
 - (i) Not less than the production guarantee for acreage:
 - (A) That is abandoned;
 - (B) For which you fail to meet the requirements contained in section 11;
 - (C) That is put to another use without our consent;
 - (D) That is damaged solely by uninsured causes; or
 - (E) For which you fail to provide production records that are acceptable to us;
 - (ii) All production lost due to uninsured causes;
 - (iii) All unharvested production;

(iv) All potential production on insured acreage that you intend to put to another use or abandon, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:

(A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us. (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or

(B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and

(2) All harvested production from the insurable acreage.

(e) Harvested production, damaged by an insured cause but marketable, will be adjusted as follows:

(1) Dividing the value per hundredweight of such damaged cabbage by either the local market price or the base contract price; and

(2) Multiplying the result by the number of hundredweight of damaged cabbage.

13. Written Agreements

The written agreement provisions of the Basic Provisions are not applicable.

14. Late and Prevented Planting

The late and prevented planting provisions of the Basic Provisions are not applicable.