

**SUMMARY OF CHANGES FOR THE
ALMOND CROP PROVISIONS (25-028)
(Released August 2024)**

The following is a brief description of the changes to the Crop Provisions that will be effective for the 2025 crop year. Please refer to the Crop Provisions for more complete information.

- Introductory paragraph –
 - Removed the paragraph that referred to the order of priority in the event of conflict because this information is contained in the Basic Provisions; and
 - Clarified that the Almond Crop Provisions are attached to and made part of the Common Crop Insurance Policy, Basic Provisions.
- Section 1 –
 - Clarified that the definition of “interplanted” overrides the definition in the Basic Provisions by adding the statement, “In lieu of the definition contained in section 1 of the Basic Provisions”; and
 - Revised the definition of “production guarantee (per acre).”
- Section 2 – Allowed optional units by organic and non-organic farming practices while also authorizing enterprise units for organic farming practices in the Basic Provisions.
- Section 3 –
 - Aligned the section title with the corresponding section in the Basic Provisions by removing “for Determining Indemnities”;
 - Clarified that the price elections are found in the actuarial documents; and
 - Clarified the specific method and timing of actions that will be taken if any circumstances occur that may reduce yields from previous levels.
- Section 6 –
 - Replaced the phrase “growing season” with “leaf year” to match how the minimum age requirement is shown in the actuarial documents; and
 - Reduced the insurable age requirements for almond trees from the 6th leaf year after being set out to the 5th leaf year after being set out.
- Section 8 – Corrected a reference in paragraph (a)(3).
- Section 9 – Removed the parenthetical reference to the section name in the Basic Provisions.
- Section 11 – Updated the example with current prices.
- Throughout –
 - Removed periods after the section titles; and
 - Removed the phrase “the provisions of.”



**DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
ALMOND CROP PROVISIONS**

In return for your payment of premium and administrative fee for the coverage, these Almond Crop Provisions will be attached to and made part of the Common Crop Insurance Policy, Basic Provisions (Basic Provisions) subject to the terms and conditions in your policy.

1. Definitions

Harvest - The removal of mature almonds from the orchard.

Interplanted - In lieu of the definition in section 1 of the Basic Provisions, acreage on which two or more crops are planted in any form of alternating or mixed pattern.

Meat pounds - The total pounds of almond meats (whole, chipped and broken, and in-shell meats). In-shell almonds will be converted to meat pounds in accordance with FCIC approved procedures.

Production guarantee (per acre) - In addition to the definition in section 1 of the Basic Provisions, the number of pounds is total meat pounds per acre of almonds.

Set out - Transplanting the tree into the orchard.

2. Unit Division

(a) Optional units may be established by:

- (1) Organic farming practices as provided in section 34(c)(3) of the Basic Provisions; or
- (2) Non-contiguous land.

(b) Optional units by land location as provided in section 34(c)(1) of the Basic Provisions and by irrigation practice as provided in section 34(c)(2) of the Basic Provisions are not applicable.

3. Insurance Guarantees, Coverage Levels, and Prices

In addition to the requirements of section 3 of the Basic Provisions:

(a) You may select only one price election for all the almonds in the county insured under this policy unless the actuarial documents provide different price elections by type, in which case you may select one price election for each almond type designated in the Special Provisions. The price elections you choose for each type must have the same percentage relationship to the maximum price offered by us for each type. For example, if you choose 100 percent of the maximum price election for one type, you must also choose 100 percent of the maximum price election for all other types.

(b) You must report, by the production reporting date designated in section 3 of the Basic Provisions, by type if applicable:

- (1) Any damage, removal of trees, change in practices, or any other circumstance that may reduce the expected yield below the yield upon which the insurance guarantee is based, and the number of affected acres;
- (2) The number of bearing trees on insurable and uninsurable acreage;
- (3) The age of the trees and the planting patterns;
- (4) For the first year of insurance for acreage interplanted with another perennial crop, and anytime the planting pattern of such acreage is changed, the age of the crop that is interplanted

with the almonds, and type if applicable, and the planting pattern; and

(5) Any other information that we request in order to establish your approved yield.

(c) We will reduce the approved yield, as necessary, based on our estimate of the effect of any circumstance listed in section 3(b) that may reduce your yields from previous levels. If you fail to notify us of any circumstance that may reduce your yields from previous levels, we will reduce your approved yield at any time we become aware of the circumstance. If the circumstance occurred:

- (1) Before the beginning of the insurance period and you notify us by the production reporting date, the approved yield will be reduced for the current crop year regardless of whether the circumstance was due to an insured or uninsured cause of loss;
- (2) After the beginning of the insurance period and you notify us by the production reporting date, the approved yield will be reduced for the current crop year only if the potential reduction in the approved yield is due to an uninsured cause of loss; or
- (3) Before or after the beginning of the insurance period and you fail to notify us by the production reporting date, an amount equal to the reduction in the approved yield will be added to the production to count calculated in section 11(c)(1)(ii) due to uninsured causes. We will reduce your approved yield for the subsequent crop year to reflect any reduction in the productive capacity of the trees or in the yield potential of the insured acreage.

(d) You may not increase your elected or assigned coverage level or the ratio of your price election to the maximum price election if a cause of loss that would or could reduce the yield of the insured crop has occurred prior to the time that you request the increase.

4. Contract Changes

In accordance with section 4 of the Basic Provisions, the contract change date is August 31 preceding the cancellation date.

5. Cancellation and Termination Dates

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are December 31.

6. Insured Crop

In accordance with section 8 of the Basic Provisions, the crop insured will be all the almonds in the county for which a premium rate is provided by the actuarial documents:

- (a) In which you have a share unless allowed otherwise by section 8(b);
- (b) That are grown for harvest as almonds;

- (c) That are irrigated;
- (d) That are grown in an orchard that, if inspected, is considered acceptable to us; and
- (e) On acreage where at least 90 percent of the trees have reached at least the 5th leaf year after being set out, unless otherwise allowed by the Special Provisions.

7. Insurable Acreage

In lieu of the provisions in section 9 of the Basic Provisions that prohibit insurance attaching to a crop planted with another crop, almonds interplanted with another perennial crop are insurable unless we inspect the acreage and determine that it does not meet the requirements contained in your policy.

8. Insurance Period

(a) In accordance with section 11 of the Basic Provisions:

- (1) Coverage begins on January 1 of each crop year, except that for the year of application, if your application is received after December 21, but prior to January 1, insurance will attach on the 10th day after your properly completed application is received in our local office unless we inspect the acreage during the 10 day period and determine that it does not meet insurability requirements. You must provide any information that we require for the crop or to determine the condition of the orchard.
- (2) The calendar date for the end of the insurance period for each crop year is November 30.
- (3) Notwithstanding section 8(a)(1), for each subsequent crop year that the policy remains continuously in force, coverage begins on the day immediately following the end of the insurance period for the prior crop year. Policy cancellation that results solely from transferring to a different insurance provider for a subsequent crop year will not be considered a break in continuous coverage.
- (4) If your almond policy is canceled or terminated for any crop year, in accordance with the terms of the policy, after insurance attached for that crop year but on or before the cancellation and termination dates whichever is later, insurance will not be considered to have attached for that crop year and no premium, administrative fee, or indemnity will be due for such crop year.

(b) In addition to section 11 of the Basic Provisions:

- (1) If you acquire an insurable share in any insurable acreage after coverage begins but on or before the acreage reporting date for the crop year, and after an inspection we consider the acreage acceptable, insurance will be considered to have attached to such acreage on the calendar date for the beginning of the insurance period. Acreage acquired after the acreage reporting date will not be insured.
- (2) If you relinquish your insurable share on any insurable acreage of almonds on or before the acreage reporting date for the crop year, insurance will not be considered to have attached to, and no premium or indemnity will be due for such acreage for that crop year unless:

- (i) A transfer of coverage and right to an indemnity, or a similar form approved by us, is completed by all affected parties;
- (ii) We are notified by you or the transferee in writing of such transfer on or before the acreage reporting date; and
- (iii) The transferee is eligible for crop insurance.

9. Causes of Loss

- (a) In accordance with 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, unless weeds and undergrowth have not been controlled or pruning debris has not been removed from the orchard;
 - (3) Insects, but not damage due to insufficient or improper application of pest control measures;
 - (4) Plant disease, but not damage due to insufficient or improper application of disease control measures;
 - (5) Earthquake;
 - (6) Volcanic eruption;
 - (7) Failure of the irrigation water supply, if caused by an insured peril that occurs during the insurance period; or
 - (8) Wildlife, unless control measures have not been taken.
- (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 the inability to market the almonds for any reason other than actual physical damage to the almonds from an insurable cause specified in this section. 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.

10. Duties in the Event of Damage or Loss

In addition to the requirements of section 14 of the Basic Provisions, if you intend to claim an indemnity on any unit, you must notify us prior to the beginning of harvest so that we may inspect the damaged production. You must not sell or dispose of the damaged crop until after we have given you written consent to do so. If you fail to meet the requirements of this section, all such production will be considered undamaged and included as production to count.

11. 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) 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;
 - (2) Multiplying each result in section 11(b)(1) by the respective price election for the type;
 - (3) Totaling the results in section 11(b)(2);

- (4) Multiplying the total production to be counted of each type, if applicable, (see subsection 11(c)) by the respective price election;
- (5) Totaling the results in section 11(b)(4);
- (6) Subtracting the result in section 11(b)(5) from the result in section 11(b)(3); and
- (7) Multiplying the result in section 11(b)(6) by your share.

Example for Section 11(b)

You have a 100 percent share in 100 acres of almonds in the unit, with a guarantee of 1,200 pounds per acre and a price election of \$1.30 per pound. You are only able to harvest 100,000 pounds. Your indemnity would be calculated as follows:

- (1) 100 acres × 1,200 pounds = 120,000 pound insurance guarantee;
- (2) 120,000 pounds × \$1.30 price election = \$156,000 total value of insurance guarantee;
- (3) Not applicable;
- (4) 100,000 pounds production to count × \$1.30 price election = \$130,000 total value of production to count;
- (5) Not applicable;
- (6) \$156,000 total of value guarantee - \$130,000 total value of production to count = \$26,000 loss; and
- (7) \$26,000 × 100 percent share = \$26,000 indemnity payment.

End of Example.

- (c) The total production to count, specified in meat pounds, from all insurable acreage on the unit will include:

- (1) All appraised production as follows:
 - (i) Not less than the production guarantee per acre for acreage:
 - (A) That is abandoned;
 - (B) That is damaged solely by uninsured causes; or
 - (C) For which you fail to provide acceptable production records;
 - (ii) Production lost due to uninsured causes;
 - (iii) Unharvested production; and
 - (iv) Potential production on insured acreage that you intend to abandon or no longer care for, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end. If you do not agree with our appraisal, we may defer the claim only if you agree to continue to care for the crop. We will then make another appraisal when you notify us of further damage or that harvest is general in the area unless you harvested the crop, in which case we will use the harvested production. If you do not continue to care for the crop, our appraisal made prior to deferring the claim will be used to determine the production to count; and
- (2) All harvested meat pounds, including meat pounds damaged due to uninsured causes of loss.

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

12. Late and Prevented Planting