

**SUMMARY OF CHANGES FOR THE
PRUNE CROP PROVISIONS (25-0036)
(Released October 2024)**

The following is a brief description of 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 – Clarified that the Prune Crop Provisions are attached to and made part of the Common Crop Insurance Policy, Basic Provisions;
- Section 1 – Updated the definition “prunes” and “standard prunes” to reflect the transfer of management of the Marketing Order from Agricultural Marketing Service to the Prune Administrative Committee;
- Section 2 – Clarified that optional units are available by land location, and organic and non-organic farming practices;
- Section 3 – In paragraph (c), clarified the specific method and timing of actions that will be taken if any circumstances occur that may reduce yields from previous levels;
- Section 8 – In paragraph (a)(2), updated the dates to reflect where coverage is offered;
- Section 11 – Removed examples from table format and updated type references; and
- Throughout – Removed “contained” and “the provisions of” when they refer to a section in the Basic Provisions.



UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
PRUNE CROP PROVISIONS

In return for your payment of premium and administrative fee for the coverage, these Prune 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 - Picking of mature prunes from the trees or ground either by hand or machine.

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.

Natural condition prunes - The condition of prunes in which they are normally delivered from a dehydrator or dry yard.

Prunes - Any type or variety of plums that is grown in the area for the production of prunes and that meets the requirements defined in the applicable Marketing Order for California Prunes.

Standard prunes - Any natural condition prunes:

- (1) That grade "C," "U.S. Standard," or better in accordance with the United States Standards for Grades of Dried Prunes; or
- (2) That meet or exceed the grade standards in effect for the crop year if a Marketing Order for California Prunes has been established for the area in which the insured crop is grown.

Ton - Two thousand (2,000) pounds avoirdupois.

2. Unit Division

(a) Optional units may be established by:

- (1) Land location as provided in section 34(c)(1) of the Basic Provisions;
- (2) Organic or non-organic farming practices as provided in section 34(c)(3) of the Basic Provisions;
- (3) Combination of land location and organic farming practices as provided in section 34(c)(4) of the Basic Provisions; or
- (4) Non-contiguous land.

(b) Optional units 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 prunes 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 type designated in the actuarial documents. 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 yields 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 pattern; and
 - (4) For the first year of insurance for acreage interplanted with another perennial crop, and any time the planting pattern of such acreage is changed:
 - (i) The age of the interplanted crop, and type, if applicable;
 - (ii) The planting pattern; and
 - (iii) 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 could or would 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 October 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 January 31.

6. Insured Crop

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

- (a) In which you have a share;
- (b) That are grown for the production of natural condition prunes;
- (c) That are grown on trees that:
 - (1) Are listed as insurable types in the Special Provisions;
 - (2) Are grown on rootstock that is adapted to the area;
 - (3) Are irrigated (except where otherwise provided in the Special Provisions);
 - (4) Are grown in an orchard that, if inspected, is considered acceptable by us; and
 - (5) Have reached at least the seventh leaf year.

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, prunes interplanted with another perennial crop are insurable unless we inspect the acreage and determine that it does not meet the insurability requirements contained in your policy.

8. Insurance Period

- (a) In accordance with section 11 of the Basic Provisions:
 - (1) For the year of application, coverage begins on March 1. For each subsequent crop year 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.
 - (2) The calendar date for the end of the insurance period for each crop year is October 1.
- (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.
 - (2) If you relinquish your insurable share on any insurable acreage of prunes on or before the acreage reporting date for the crop year and if the acreage was insured by you the previous 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.
- (c) If your prune 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.

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) Wildlife;
 - (4) Earthquake;
 - (5) Volcanic eruption;
 - (6) Failure of the irrigation water supply, if due to a cause specified in section 9(a)(1) through (5) that occurs during the insurance period;
 - (7) Insects, but not damage due to insufficient or improper application of pest control measures; or
 - (8) Plant disease, but not damage due to insufficient or improper application of disease control measures.
- (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 inability to market the prunes for any reason other than actual physical damage 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

- (a) In accordance with the requirements of section 14 of the Basic Provisions, you must leave representative samples in accordance with our procedures.
- (b) In addition to the requirements of section 14 of the Basic Provisions, the following will apply:
 - (1) You must notify us within 3 days of the date harvest should have started if the crop will not be harvested.
 - (2) If any portion of your crop will be direct marketed, you must notify us at least 15 calendar days before any production will be harvested. We will conduct an appraisal that will be used to determine your production to count for production that is sold by direct marketing or is sold as fresh fruit production. If damage occurs after this appraisal, 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 harvested for direct marketing or sold as fresh fruit 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.
 - (3) If you intend to claim an indemnity on any unit,

you must notify us at least 15 days prior to the beginning of harvest, or immediately if damage is discovered during harvest, so that we may inspect the damaged production.

- (4) You must not destroy the damaged crop until after we have given you written consent to do so. If you fail to meet the requirements of this section and such failure results in our inability to inspect the damaged production, 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 each unit.
- (b) In the event of loss or damage covered by this policy, we will settle your claim by:
 - (1) Multiplying the insured acreage for each type, if applicable, by its respective production guarantee;
 - (2) Multiplying the result of 11(b)(1) by the respective price election for each type, if applicable;
 - (3) Totaling the results of section 11(b)(2);
 - (4) Multiplying the total production to count (see section 11(c)), of each type, if applicable, by its respective price election;
 - (5) Totaling the results of section 11(b)(4);
 - (6) Subtracting the result of section 11(b)(5) from the result of section 11(b)(3); and
 - (7) Multiplying the result of section 11(b)(6) by your share.

Examples for Section 11(b)

Example 1:

You select 75 percent coverage level, 100 percent of the price election, and have a 100 percent share in 50.0 acres of type 1 prunes in the unit. The approved yield is 2.5 tons per acre and your price election is \$1,000 per ton. You harvest 10.0 tons. Your indemnity would be calculated as follows:

- (1) $50.0 \text{ acres} \times 2.5 \text{ tons} \times 0.75 = 93.75\text{-ton}$ production guarantee;
- (2) $93.75\text{-ton guarantee} \times \$1,000 \text{ price election} = \$93,750$ value of production guarantee;
- (3) Not applicable;
- (4) $10.0 \text{ tons} \times \$1,000 \text{ price election} = \$10,000$ value of production to count;
- (5) Not applicable;
- (6) $\$93,750 - \$10,000 = \$83,750$ loss; and
- (7) $\$83,750 \times 1.000 \text{ share} = \$83,750$ indemnity payment.

Example 2:

In addition to the information in the first example, you have an additional 50.0 acres of type 2 prunes with 100 percent share in the same unit. The approved yield is 2.0 tons per acre and the price election is \$900 per ton. You harvest 5.0 tons. Your total indemnity for both types 1 and 2 would be calculated as follows:

- (1) $50.0 \text{ acres} \times 2.5 \text{ tons} \times 0.75 = 93.75\text{-ton}$ production guarantee for type 1 and $50.0 \text{ acres} \times 2.0 \text{ tons} \times 0.75 = 75.0\text{-ton}$ production guarantee for type 2;
- (2) $93.75\text{-ton guarantee} \times \$1,000 \text{ price election} = \$93,750$ value of production guarantee for type 1 and $75.0\text{-ton guarantee} \times \$900 \text{ price election} = \$67,500$ value production guarantee for type 2;
- (3) $\$93,750 + \$67,500 = \$161,250$ total value of production guarantee;
- (4) $10.0 \text{ tons} \times \$1,000 \text{ price election} = \$10,000$ value of production to count for type 1 and $5.0 \text{ tons} \times \$900 \text{ price election} = \$4,500$ value of production to count for type 2;
- (5) $\$10,000 + \$4,500 = \$14,500$ total value of production to count;
- (6) $\$161,250 - \$14,500 = \$146,750$ loss; and
- (7) $\$146,750 \text{ loss} \times 1.000 \text{ share} = \$146,750$ indemnity payment.

End of Examples.

- (c) The total production to count (in tons) 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 sold by direct marketing or sold as fresh fruit if you fail to meet the requirements contained in section 10;
 - (C) That is damaged solely by uninsured causes; or
 - (D) For which you fail to provide acceptable production records;
 - (ii) Production lost due to uninsured causes;
 - (iii) Unharvested production that meets the definition of standard prunes; and
 - (iv) Potential production on insured acreage 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 production from the insurable acreage that:
 - (i) Meets the definition of standard prunes;
 - (ii) Is intended for use as fresh fruit;
 - (iii) Is sold as standard prunes; or
 - (iv) Is damaged due to uninsured causes.
- (d) Any prune production harvested for fresh fruit will be converted to a dried prune weight basis by dividing the total amount (in tons) of fresh fruit production by 3.0.

12. Late and Prevented Planting

The late and prevented planting provisions of the Basic

Provisions are not applicable.