



Member Accounting Services Policies

The Sunsweet Membership Committee and the Central Board have both approved several changes to the services offered to members and assignees and, specifically, the cost of some of those services. A small number of members require additional services for a variety of reasons, but those additional services come at a cost to the entire membership. As the implementation of the new grower accounting system is being rolled out, those additional exceptions to the normal service offerings have to be included in the programming of the new system. Each exception to the standard, out-of-the-box features causes an increase in the cost of the total package. You should note that by adjusting to a system of individual members paying for the additional services they use, Sunsweet has been able to eliminate the administrative services fee from all memberships. Most memberships will not be affected by these changes. Please read them over and feel free to call your Field Representative, or the Member Services Department, if you have questions or need interpretation.

Administrative Service Fee/Extra Lots and/or Codenames Fee

The flat per membership administration fee has been dropped (\$1000.00 for active and \$500.00 for inactive). The cost for extra codenames or extra lot numbers over the number allowed by membership acreage will still be charged at \$250.00 per extra lot, or codename, per year. There will be further study done on the extra codename issue due to the crop insurance policy of segregating non-contiguous parcels.

Contingent crop assignments

Each contingent crop assignment carries a fee of \$250.00 and can still be used for harvesting, hauling or drying only.

Lot assignments

Members are now allowed only one lot assignment per lot number. This has no effect on financial assignments to banks. If a member requests a second lot assignment for any lot number, they will be charged a one-time fee of \$250.00. If they request a change to one of those assignments in the future, they will be assessed \$250.00 for that change unless that change is the cancellation of an assignment for that lot number. The small number of members who currently have lots with more than one assignee may continue that practice without any fees until they request a change to one of their assignments, at which time they will be charged \$250.00.

Deferred payments

Members may still elect to defer delivery and progress payments until after the first of the new year but they will no longer collect interest on the deferred amounts. Once a member submits the completed deferral form, the payout date is locked in to the first business day of the new year. If a member needs to change the payout date of their deferral, they will be charged a fee of \$250.00 for that service. The deferral form has also been changed and will no longer offer the choice of a flat amount of proceeds to be deferred.

Lost checks

If a member loses a payment check and requests a replacement, they will be charged a fee of \$50.00 per check. In the future, it is anticipated that automatic deposit will be an available option for members. If so, any member requesting reversals of automatic deposits will also face the \$50.00 fee per reversal.

Equity transfers

The sale of grower or dryer equities will no longer be allowed due to potential issues with the Securities and Exchange Commission rules. Divisions, splits or re-allocations of equity after they have originally been allocated will no longer be allowed, unless accompanied by a court order. Sunsweet will comply with court ordered splits, but will still levy the \$250.00 fee for that service. Transfers of full equity balances between memberships will be allowed from old memberships to one new or existing membership. Any membership requesting an equity transfer and having outstanding charges on their account, will have a reduced amount of equity transferred; the transferred amount will be reduced by no more than the outstanding balance plus any applicable fees.

Crop insurance documentation

The current grower accounting system does not have a single page report that gives crop insurance adjusters all the information they would like to have. The new system will deliver a one page printout that can be supplied to members and their crop insurance agents. That service will be free of charge and members will be able to access the information on the web. If a member or insurance agent specifically needs copies of P-1's, and the member is unable to supply them, the member will be charged a fee of \$250.00 to be deducted from the next available funds to be paid to the member or assignee. That fee will be charged each time copies are requested irregardless of how many P-1's are being copied.

The service fees for these requested services will be charged to the members account and collected from the next available proceeds by Sunsweet without regard to crop year. Requested services may be refused by Sunsweet if member has no prune income, or has

excessive outstanding charges.

The following are services that are no longer offered to members:

Accelerated payments

Cash flow projections

Grower Store charges

Pre-payment of expenses for members deferring payments

Ex-Member requests

Requests by ex-members (no longer vested in equity pool) for past information will also carry a charge of \$250.00.

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