September 3, 2009

INFORMATIONAL MEMORANDUM: PM-09-044

TO:       All Approved Insurance Providers
          All Risk Management Agency Field Offices
          All Other Interested Parties

FROM:     Tim B. Witt /s/Tim B. Witt
          Deputy Administrator

SUBJECT:  Actual Revenue History Pilot Plan of Insurance - Citrus Policy
          and Insurance Documents Release

BACKGROUND:

On May 7, 2009 the Federal Crop Insurance Corporation (FCIC) Board of Directors
(Board) approved implementation of an Actual Revenue History Citrus Pilot Program
(ARH-Citrus) specifically for navel oranges beginning with crop year 2011.

The policy structure for ARH-Citrus is similar to the AZ-CA Actual Production History
citrus crop provisions, but under the ARH-Citrus pilot program only navel oranges are
insurable. This ARH-Citrus pilot program for navel oranges is offered in four California
counties: Fresno, Kern, Madera, and Tulare.

The ARH-Citrus pilot program for navel oranges is designed to protect growers against
losses from low yield, low price, low quality, or any combination of these events. The
pilot program utilizes individual producer historical revenues as the basis for the
guarantee, using “packinghouse door” valuation, i.e., after harvest at the point of first
delivery. Revenue to count for the purpose of determining an indemnity is the amount the
grower actually receives, plus an assessment for harvest cost not incurred in the event of a
production loss.

Producers interested in the ARH-Citrus pilot program for navel oranges will need to
contact a crop insurance agent and complete an application. RMA publishes a list of

The sales closing date is November 20, 2009 for the 2011 crop year.
ACTION:

The following 2011 crop year ARH-Citrus pilot program insurance materials will be available by close of business today and may be accessed on the RMA website from the crop policy page at: http://www.rma.usda.gov/pilots/2010pilot.html

Material


DISPOSAL DATE:

This Informational Memorandum is for the purpose of transmitting information and its disposal date is December 31, 2009.