



United States Department of Agriculture
Risk Management Agency

February 2009

2009 COMMODITY INSURANCE FACT SHEET

Apples

Arizona

Crop Insured

Insurable apples will be any variety of apples adapted to the area and located on insurable acreage that has already produced at least 250 boxes (10 bins) per acre. An orchard inspection may be required before coverage begins.

Counties Available

Apples are insurable in Cochise and Graham counties. Apples in other counties may be insurable by written agreement if specific criteria are met. Contact an agent for more details.

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply²
Fire³
Insects⁴
Plant disease⁴
Wildlife⁵

¹Natural perils such as hail, frost, freeze, wind, drought, and excess moisture.

²If caused by an insured peril during the insurance period.

³Unless weeds and undergrowth are not controlled or unmulched pruning debris is not removed.

⁴But not damage due to insufficient or improper application of control measures.

⁵Unless wildlife control measures have not been taken.

Insurance Period

Coverage normally begins on November 21 for the first year of insurance and on November 6 in subsequent years. Coverage ends the earliest of:

- Total destruction of the crop
- Harvest of the crop
- Final adjustment of a claim
- Abandonment of the crop
- November 10-Fuji
- November 20-Cripps Pink (Pink Lady)
- November 5-All other varieties

Important Dates

Sales ClosingNovember 20
 Acreage Report Due January 31
 Premium BillingSeptember 15

Definitions

Varietal Group A: Braeburn, Cameo, Crispin, Fuji, Gala, Honeycrisp, Jonagold, Macoun, Cripps Pink (Pink Lady), Royal Gala and Sommerfeld.
Price election: **\$12.40 per box**

Varietal Group B: All other apple varieties not specified in Group A.
Price election: **\$7.50 per box**

Optional Coverage for Fresh Fruit– Additional Protection is available for loss of quality (as result of natural perils) to apples grown for fresh fruit that do not grade U.S. Fancy or better:

- This option may be applied only to apple acreage designated and certified for fresh fruit production on your acreage report;
- This option is not available under a CAT policy

Price Election: The price used to calculate your premium or indemnity:
Fresh - **\$10.75** Processing - **\$2.30**

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent of your average yield. For example, an average apple yield of 500 boxes per acre would result in a 250 boxes per acre guarantee at the 50-percent coverage level.

Catastrophic (CAT) coverage is fixed at 50 percent of average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you except for an administrative fee of \$300 regardless of the acreage.

Loss Example

This example is based on 500 boxes per acre average yield at 50-percent coverage level and 100-percent share.

500	Boxes per acre average yield (APH)
<u>x .50</u>	Coverage level percentage
250	Boxes per acre guarantee
<u>- 200</u>	Boxes per acre actually produced
50	Boxes per acre loss
<u>x \$10.75</u>	Price election **
\$538.00	Gross indemnity per acre

Where to Purchase Crop Insurance

All multi-peril crop insurance, including CAT coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site at: <http://www3.rma.usda.gov/tools/agents/>

Download Copies from the Web

Visit our online publications/fact sheets page at: http://www.rma.usda.gov/aboutrma/fields/ca_rso/

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