



United States Department of Agriculture
Risk Management Agency

February 2009

2009 COMMODITY INSURANCE FACT SHEET

Fresh Freestone Peaches

Utah

Crop Insured

- All acreage of fresh freestone peaches
- Must produce at least 200 lugs per acre (22 pounds per lug) in at least one of the last three years; and
- Must have reached at least the fifth growing season after set out; or
- If the orchard doesn't meet these criteria then the company can inspect and agree in writing to insure.

Counties Available

Utah county.

Fresh freestone peaches in other counties may be insurable by written agreement if specific criteria are met.

Causes of Loss

Adverse weather conditions¹
 Failure of irrigation water supply²
 Fire³
 Insects⁴
 Plant disease³
 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 begins for each crop year on November 21. The calendar date for the end of the insurance period for each crop year is September 30.

Important Dates

Sales Closing November 20
 Acreage Report Due January 15

Coverage Levels and Premium Subsidies

Coverage is:

- Measured in lugs of fresh fruit.
- Based on a grower's production history.

Growers selects:

- a coverage level ranging from 50 to 75 percent of their approved average yields and
- 55 to 100 percent of a price announced by USDA, or
- catastrophic risk protection (CAT) based on 50 percent of their approved yield and 55 percent of the price.

Price Election: Price used to calculate your premium and indemnity: **\$5.35 per lug**

Cost of Crop Insurance

CAT coverage:

- Pay an application fee of \$300
- 100 percent of the premiums subsidized.

Higher coverage levels

- Pay an application fee of \$30 and
- Premiums are subsidized at lower rates

For more detailed information about the amounts of coverage and premiums, please contact a crop insurance agent.

Loss Example

A claim can be filed whenever production falls short of the guarantee selected by the insured. The amount of a loss is determined by multiplying the production shortfall by the preselected price.

Based on average yield of 230 lugs per acre, 65-percent coverage level and one basic unit, 100-percent share

230	Lugs per acre average yield (APH)
<u>x .65</u>	Coverage level percentage
150	Lugs per acre guarantee
<u>- 100</u>	Lugs per acre actually produced
50	Lugs per acre loss
<u>x \$5.35</u>	Price election
\$268	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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