United States Department of Agriculture
Risk Management Agency

May 2012

2012 COMMODITY INSURANCE FACT SHEET

Sweet Cherries

California

Actual Revenue History
Actual Revenue History (ARH) protects you against losses from low yields, low prices, low quality, or any combination of these events. Your coverage is based on your own net revenue history. Your revenue is determined after harvest at the point of first delivery.

Crop Insured
All varieties of sweet cherries are insurable that are adapted to the area; for fresh use only; irrigated; and produced at least 2,300 pounds of cherries per acre in 1 of the 3 previous crop years. You must insure all of your cherry acreage in the county at the same coverage level.

Counties Available
ARH for sweet cherries is available in Contra Costa, Fresno, Kern, Sacramento, San Benito, San Joaquin, Santa Clara, Stanislaus, and Tulare counties.

Causes of Loss
Adverse weather conditions[1]
Failure of irrigation water supply[2]
Fire[3]
Inadequate market price
Insects[4]
Plant disease[4]
Wildlife

[1] Natural perils such as hail, frost, freeze, wind, drought, and excess moisture.
[2] If caused by an insured peril during the insurance period.
[3] Unless weeds and undergrowth are not controlled or unmulched pruning debris is not removed.
[4] But not damage due to insufficient or improper application of control measures.

Important Dates
Sales Closing .... January 31
Acreage Report Date .... March 1

Insurance Period
Insurance attaches the first year you apply for insurance, either on the later of 10 days after we receive your properly completed application in our local office or February 1 unless we inspect the acreage during the 10 day period and determine that it does not meet insurability requirements. For each crop year after that you have continual coverage on the day immediately following the end of the insurance period for physical damage for the crop year before. Insurance attaches no later than August 1.

End of Insurance occurs:
1) July 31;
2) Total destruction of the insured crop;
3) Harvest of the insured crop;
4) Final adjustment of a loss on a unit; or
5) Abandonment of the insured crop.

Coverage Levels and Premium Subsidies
You can choose coverage levels from 50 to 75 percent. Catastrophic Risk Protection (CAT) coverage is unavailable for this plan. You must select a payment factor from .67 to 1.0. This reduces the amount of insurance without changing the point at which indemnities trigger and reduces premium and indemnity payment amounts

Cost of Crop Insurance
USDA pays at least 50 percent of the premium and higher coverage levels are subsidized at lower rates. For more detailed information about the amounts of coverage and premiums, please contact a crop insurance agent..

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

Loss Example

Assume approved revenue of $7,500, 75-percent coverage level, a payment factor of 1.0, 100-percent share, and an insurance amount of $5,625 per acre

$7,500 /acre * .75 * 1.00 *1.00

You market 3,200 lbs. of fresh cherries per acre and receive $1.45 per pound net.

$7,500	Approved revenue
x .75	Coverage level
x 1.00	Payment factor
$5,625	Amount of insurance
3,200	Pounds
x $1.45	Per pound net price
$4,640	Revenue to count
$5,625	Amount of insurance
- $4,640	Revenue to count
$985	
x 1.0	Payment factor
$985	**Indemnity per acre**

Price used above is for example only. Contact a crop insurance agent for current information.

Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT 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/apps/agents/

Regional Contact

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