



United States Department of Agriculture
Risk Management Agency

January 2013

2013 COMMODITY INSURANCE FACT SHEET

Apples

California

Crop Insured

Insurable apples are any variety of apples adapted to the area and located on insurable acreage that has already produced at least 250 boxes (a box is equal to 35 pounds) or 10 bins per acre. An orchard inspection may be required before coverage begins.

Fresh apples or processing apple types are available in the county. For fresh production, at least 50 percent of the production is sold fresh in 1 or more of the 4 most recent crop years.

Counties Available

Apples are insurable in Butte, Contra Costa, El Dorado, Fresno, Kern, Kings, Madera, Mendocino, Merced, Monterey, Sacramento, San Benito, San Bernardino, San Joaquin, San Luis Obispo, Santa Cruz, Solano, Sonoma, Stanislaus, Sutter, Tulare, Tuolumne, Ventura, Yolo and Yuba counties. Apples in other counties may be insurable by written agreement if specific criteria are met. Contact an insurance agent for more details.

Causes of Loss

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

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.

Important Dates

Sales ClosingJanuary 31
Acreage Report.....March 15
Premium Billing August 15

Insurance Period

For the application year, coverage begins on February 1. After the first year, insurance attaches the day after the end of insurance. Coverage ends at the earliest of:

- 1) Total destruction of the crop;
- 2) Harvest of the crop;
- 3) Final adjustment of a claim;
- 4) Abandonment of the crop;
- 5) November 10 for Fuji;
- 6) November 20 for Cripps Pink (Pink Lady); or
- 7) November 5 for all other varieties.

Units

Basic Unit: A basic unit includes all your apple acreage in the county by share arrangement.

Optional Units: A basic unit may be divided into optional units if each optional unit is:

- 1) Located on non-contiguous land, or
- 2) By varietal group.

Varietal Groups are Defined as:

Varietal Group A - Ambrosia, Braeburn, Cameo, Crispin, Fuji, Gala, Honeycrisp, Jonagold, Macoun, Cripps Pink (Pink Lady), and Sommerfeld

Varietal Group B - All other apple varieties not specified in Group A.

Optional Coverage for Fresh Fruit Quality Adjustment

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 catastrophic coverage policy;
- The price used to calculate your premium or indemnity is used to calculate quality loss.

Price Election

The price used to calculate your premium and indemnity

Fresh	\$13.30	per box
Processing	\$3.20	per box
Varietal Group A	\$14.85	per box
Varietal Group B	\$8.55	per box

Coverage Levels and Premium Subsidies

Individual insurance amounts are based on past production and the guarantee is measured in 35-pound boxes. Your insurance agent will ask you to provide up to 5 years of production history from which your average yield can be calculated. You can select coverage levels from 50 to 75 percent average yield and 55 to 100 percent of the price announced by USDA, or Catastrophic Risk Protection (CAT) coverage equal to 50 percent of your approved average yield and 55 percent of the price of each crop.

Cost of Crop Insurance

CAT coverage has an application fee of \$300 with 100 percent of the premiums being subsidized. Higher coverage levels are subsidized at lower rates though USDA pays at least 50 percent of the premium. For more detailed information about coverage and premium amounts, please contact a crop insurance agent or your local county Farm Service Agency office for an agent listing.

Loss Example

Assume a fresh type, 500 boxes per acre average yield at 50 percent coverage level, 100 percent price election of \$13.30, and 100 percent share.

500	Boxes per acre average yield (APH)
x .50	Coverage level percentage
250	Boxes per acre guarantee
- 200	Boxes per acre actually produced
50	Boxes per acre loss
x \$13.30	Price election*
\$665	Gross 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

USDA/Risk Management Agency

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