

## Topeka Regional Office — Topeka, KS

April 2014

# Grapes

## Colorado

### Crop Insured

Grapes are insurable if:

- They are irrigated insurable types listed in the Special Provisions;
- Premium rates are provided;
- You have a share;
- Grown for wine, juice, raisins, or canning (if such grapes are put to another use, such as table grapes, they will be counted as production to count);
- Grown in a vineyard that, if inspected, is considered acceptable by us;
- After being set out or grafted, have reached the fourth growing season after being set out and the third growing season after being grafted; and
- They have produced an average of at least two tons of grapes per acre in at least 1 of the 3 crop years immediately preceding the insured crop year, unless we inspect and allow insurance on acreage that has not produced this amount.

### Counties Available

Grapes are insurable in Mesa County. Coverage in other counties may also be available by written agreement if certain criteria are met, including records for at least 3 years of production history.

### Causes of Loss

You are protected against the following:

- Adverse weather conditions;
- Earthquake;
- Failure of irrigation water supply, if caused by an insured peril during the insurance period;
- Fire, unless weeds and other forms of undergrowth have not been controlled or pruning debris has not been removed from the orchard;
- Insects, but not damage due to insufficient or improper application of pest control measures, and Phylloxera, regardless of cause;

- Plant disease, but not damage due to insufficient or improper application of disease control measures;
- Volcanic eruption;
- Wildlife; or
- All other natural causes of loss that cannot be prevented.

### Insurance Period

For the year of application, coverage begins on:

- November 21; or
- For each subsequent crop year that the policy remains continuously in force, the day immediately following the end of the insurance period for the prior crop year.

Coverage ends with the earliest occurrence of one of the following:

- Total destruction of the insured crop;
- Harvest of the insured crop;
- Final adjustment of a loss on a unit;
- November 1; or
- Abandonment of the insured crop.

### Reporting Requirements

**Acreage Report** - A report of all your apple acreage, by type, in the county is due to your crop insurance agent by the Acreage Reporting Date.

### Important Dates

Sales Closing.....November 20, 2013  
 Cancellation Date.....November 20, 2013  
 Production Reporting Date.....January 15, 2014  
 Acreage Report Date.....January 15, 2014  
 Premium Billing.....August 15, 2014  
 End of Insurance.....November 1, 2014

### Definitions

**Type** – A category of grapes designated in the Special Provisions.

**Variety** – A kind of grape that is distinguished from any other by unique characteristics such as, but not limited to, size, color, skin thickness, acidity, flavors and aromas. Insurable Varieties are defined as:

- Group A - Cabernet, Chardonnay, Merlot Pinot and Shiraz-Syrah and Viognier varieties.
- Group B - All Other varieties not contained under Group A.

## Coverage Levels and Premium Subsidies

You may select only one coverage level and price election for each grape type in the county. The coverage level you choose for each grape type is not required to have the same percentage relationship.

The price elections you choose for each type is not required to have the same percentage relationship to the maximum price election offered by us for each type. For example, if you choose 75-percent coverage level and 100 percent of the maximum price election for one type, you may choose 65-percent coverage level and 75 percent of the maximum price election for another type.

The grapes policy guarantees a certain amount of production, depending on the level of coverage selected. Crop insurance premiums are subsidized as shown in the table below. For example, if you select the 75-percent coverage level, the premium subsidy is 55 percent and your premium share is 45 percent of the base premium. For coverage levels above the Catastrophic Risk Protection (CAT) level, in addition to premium costs, administrative fees are \$30 per crop, per county.

Subsidy Factor	Percent								
Coverage Level	CAT	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.85
Basic Unit	1.000	0.670	0.640	0.640	0.590	0.590	0.550	0.480	0.380
Optional Unit		0.670	0.640	0.640	0.590	0.590	0.550	0.480	0.380

## Catastrophic Coverage

If you elect the CAT level of insurance for any grape type, the CAT level of coverage will be applicable to all insured grape acreage in the county. CAT coverage is available at 50 percent of your APH yield and 55 percent of the established price election. The total cost for CAT coverage will be an administrative fee of \$300 per crop per county, regardless of the acreage.

## Price Elections

The price at which you are compensated, per ton, in the event of a loss, based on the percentage of the established price you have selected. Price election percentage choices for this crop year are 55 percent to 100 percent of the prices shown below. The established price for grapes in Colorado is:

Group A ..... \$1,545 per ton  
Group B ..... \$1,245 per ton

The price used to determine your indemnity on unharvested acreage will be the price election minus the harvest cost (\$160 per ton).

## Insurance Units

**Basic Unit** - A basic unit includes all of your insurable apples acreage in the county by share arrangement. Premiums are reduced 10 percent for a basic unit.

**Optional Unit** - A basic unit may be divided into optional units if each optional unit is:

- Located on non-contiguous land; or
- By type.

## Insurance Plans

**Actual Production History** - Production guarantee based on individual yield history, protection is for yield loss only.

## Loss Example

A loss occurs when the crop production falls below the guaranteed tonnage amount as a result of damage from a covered cause of loss.

Assume a mature grape loss at the 65-percent coverage level, a 100 percent price election for Group A of \$1,545.00, and an approved APH yield of 2.5 tons per acre.

2.5	Tons/acre APH yield
<u>x 0.65</u>	Coverage level
1.63	Tons/acre guarantee
<u>x 10.0</u>	Acres
16.3	Ton/acre unit guarantee
<u>- 10.0</u>	Tons harvested production
6.3	Tons loss
<u>x \$1,545.00</u>	Price election
\$9,733.50	Unit indemnity
<u>x 1.000</u>	Share
<b>\$9,734.00</b>	<b>Final indemnity (per unit)</b>

Guarantees and losses are paid by unit. See policy provisions or ask your crop insurance agent for more 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 at all USDA service centers and on the RMA website at: [www3.rma.usda.gov/apps/agents/](http://www3.rma.usda.gov/apps/agents/).

## Contact Us

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