

St. Paul Regional Office — St. Paul, MN

Revised September 2016

Apples

Minnesota and Wisconsin

Crop Insured

You can insure apples if:

- You have a share;
- They are varieties adapted to the area;
- They are grown on acreage has produced at least an average of 150 bushels per acre in at least one of the previous four years;
- They are grown in an orchard that is acceptable by us; and
- They are grown for fresh or processing apple production.

Counties Available

See counties available in the actuarial documents at

<https://webapp.rma.usda.gov/apps/actuarialinformationbrowser2017/CropCriteria.aspx>.

The crop may be insurable in other counties by written agreement if specific criteria are met. Contact an insurance agent for more details.

Causes of Loss

You are protected against the following:

- Adverse weather conditions such as hail, frost, freeze, wind, drought, and excess moisture;
- Failure of irrigation water supply, if caused by an insured cause of loss during the insurance period;
- Fire, if due to natural causes, unless weeds or undergrowth were not controlled or pruning debris was not removed from the orchard;
- Plant disease and insects, but not damage due to insufficient or improper application of pest or disease control measures; or
- Wildlife.

Insurance Period

Insurance coverage begins on the later of:

- 20 days after we accept your application; or
- November 21, 2016.

For carryover policies, coverage begins on the day immediately following the end of the insurance period for the prior crop year.

Coverage ends at the earliest of:

- Total destruction of the crop;
- Harvest of the crop;
- Final adjustment of a loss;
- Abandonment of the crop; or
- November 5, 2017.

Important Dates

Sales Closing/CancellationNovember 20, 2016
 Production ReportingJanuary 4, 2017
 Acreage ReportingJanuary 15, 2017
 Premium BillingAugust 15, 2017

Reporting Requirements

Acreage Report - You must report all of your apple acreage (insurable and non-insurable by type) in the county by the acreage reporting date.

Definitions

Fresh Apple Production - Apples that:

- Are, or could be, sold for human consumption without being changed by peeling, juicing, crushing, etc.;
- Are from acreage designated as fresh apples on your acreage report;
- Follow the cultural practices in use for fresh apples in a manner that agricultural experts recommend for the area; and
- Are from acreage that you certify and have records to support that at least 50 percent of the production was sold as fresh apples in one of the four most recent crop years.

Processing Apple Production - Apples that:

- Are, or could be, sold for the purpose of changing the structure by peeling, juicing, crushing, etc.; or
- Are from acreage designated as processing apples on your acreage report.

Coverage Levels and Premium Subsidies

Crop insurance premiums are subsidized as shown in the following table. For example, if you choose the 75-percent coverage level, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium.

Coverage Level (percent)		50	55	60	65	70	75
Subsidy Factor	Basic Unit	67	64	64	59	59	55
	Optional Unit	67	64	64	59	59	55

You may choose different coverage levels for fresh and processing apple acreage. However, you may only choose one coverage level for all fresh apple acreage and one coverage level for all processing apple acreage.

Price Election

Price you are paid per bushel if you have a loss.

Fresh	\$15.30 per bushel
Processing.....	\$5.00 per bushel
Varietal Group A (Fresh).....	\$47.60 per bushel
Varietal Group B (Fresh).....	\$16.45 per bushel
Varietal Group C (Fresh).....	\$11.80 per bushel

Unit Division

Basic Unit (BU) - A basic unit includes all of your insurable apple acreage in the county by share arrangement and type. Premiums discounts apply.

Optional Unit (OU) - A basic unit may be divided into optional units if certain record keeping requirements are met and each optional unit is:

- Located on non-contiguous land; or
- By varietal group.

Insurance Plans

Actual Production History (APH) - Your production guarantee is based on your yield history. You have a loss when your production falls below your production guarantee.

Catastrophic Coverage (CAT) - Pays 50 percent of your APH yield and 55 percent of the projected price.

Options and Endorsements

Optional Coverage for Quality Adjustment - Pays you based on a quality adjustment if more than 20 percent of your fresh apple production does not grade U.S. Fancy or better due to a covered cause of loss. This option is not available under CAT coverage.

Loss Example

This example assumes an APH yield of 250 bushels per acre, 75-percent coverage level, 100 percent of the established price (fresh), and basic unit coverage.

APH Basic Coverage Example

250	Bushels per acre APH yield
x 0.75	Coverage level
187.5	Bushel guarantee
- 87.5	Actual bushels harvested
100	Bushels per acre loss
x \$15.30	Price election (fresh)
\$1530.00	Indemnity

Figures shown on a per acre basis. Guarantees and losses paid are on a unit basis. Your premium will be deducted from any indemnity payment. See policy provisions.

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 <http://www.rma.usda.gov/tools/agent.html>.

Contact Us

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