United States Department of Agriculture
Risk Management Agency

October 2010

2011 COMMODITY INSURANCE FACT SHEET

Peaches

North Carolina

Crop Insured

Peaches (including nectarines) may be insurable if they are grown within the county:

- For the production of fresh or processing peaches
- From tree varieties having a chilling hour requirement appropriate for the area
- From a rootstock adapted to the area
- In an orchard that is considered acceptable
- On trees that have reached at least the **fourth** growing season after being set out.

Note: If trees have not reached the fourth year, the acreage **may** still be insurable by written agreement if the trees have produced at least 100 bushels per acre.

Counties Available

Alexander, Anson, Burke, Cleveland, Cumberland, Gaston, Henderson, Hoke, Johnston, Lincoln, Montgomery, Moore, Nash, Polk, Richmond, Rowan, Rutherford, Sampson, Surry, Wake, Watauga, Wilkes. Peaches in other counties may be insurable by written agreement if specific criteria are met. Contact an agent for more details.

Causes of Loss

Adverse weather conditions[1]
Failure of irrigation water supply[2]
Fire[3]
Insects[4]
Insufficient number of chilling hours[5]
Plant disease[4]
Wildlife[6]

[1]Natural perils such as hail, frost, freeze, drought, excess moisture. [2]If caused by an insured peril during the insurance period. [3]Unless undergrowth is not controlled or unmulched pruning debris is not removed. [4]Unless due to insufficient or improper application of control measures. [5]To effectively break dormancy. [6]Unless control measures not taken.

Note: This policy does **not** cover damage or loss of production resulting from **split pits** (regardless of cause) or **inability to market** the peaches for any reason other than actual damage from an insurable cause (for example, events such as quarantine, boycott, or refusal to accept production are not covered).

Insurance Period

Coverage begins on November 21, 2010, and ends 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, or (5) September 30, 2011.

Reporting Requirements

You must give at least 15 days notice before any production is sold by direct marketing (unless records verify weighing/grading through a packing shed) so that an appraisal can be made.

Acreage Report—An acreage report is due to your agent by the date shown under Important Dates to include all acreage (insurable and uninsurable) in which you have a share.

Notice of Claim

- If crop damage occurs, you must give notice within 72 hours of initial discovery of damage
- If you intend to claim an indemnity, you must give notice at least 15 days prior to the beginning of harvest so that the acreage may be inspected
- If the crop will not be harvested, you must give notice within 3 days of the date harvest should have started.

Production Report—Required by the date shown under Important Dates and must include the following information:

- A report of the previous year's production
- Tree information such as numbers, ages, varieties
- Any changes that may adversely impact yield potential (for example, tree removal or change in cultural practices)
- Other information as required by the policy.

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.

Important Dates

Sales Closing	November 20, 2010
Production Report Date	January 31, 2011
Acreage Report Due Date	January 31, 2011
Premium Billing	September 15, 2011

Definitions

Bushel—Fifty pounds of peaches (ungraded).

Production Guarantee—Number of bushels guaranteed per acre determined by multiplying your average yield (based on your records) times the coverage level percentage you elect.

Price Election—An established price used to calculate your premium or indemnity (see below).

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent of your average yield and are subsidized as shown below. For example, an average APH yield of 250 bushels per acre would result in a guarantee of 125 bushels per acre at the 50-percent coverage level.

Coverage Level % →	**50**	**55**	**60**	**65**	**70**	**75**
Premium Subsidy %	67	64	64	59	59	55
Your Premium Share %	33	36	36	41	41	45

Catastrophic (CAT) coverage is fixed at 50 percent of average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you except for an administrative fee of $300, regardless of the acreage.

Price Elections

Fresh	**$18.75**
Processing	**$4.75**

Loss Example

This example is based on 50-percent coverage level, fresh price election, and average yield of 250 bushels per acre.

250	Bushels per acre APH yield
x .50	Coverage level percentage
125	Bushels per acre guarantee
– 25	Bushels per acre production
100	Bushels per acre loss
x $18.75	Price election (fresh)
$1,875	Indemnity per acre
– $110	Estimated producer cost
$1,765	**Net indemnity per acre**

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