

Regional Office — Oklahoma City, OK

October 2016

Apples

New Mexico

Crop Insured

Apples are insurable if:

- You have a share;
- They are grown on tree types and varieties adapted to the area and have, in at least 1 of the last 4 years, produced 10 bins of apples per acre.
- That are grown in an orchard that, if inspected, is considered acceptable by us; and
- Are grown for fresh apple production or processing apple production.

Counties Available

Apples are insurable in Lincoln, Otero, and Rio Arriba counties. Coverage in other counties may also be available by written agreement if certain criteria are met. Please contact a crop insurance agent for more information.

Causes of Loss

You are protected against the following:

- Adverse weather conditions;
- Earthquake;
- Failure of the irrigation water supply, if caused by an insured peril that occurs 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;
- Plant disease, but not damage due to insufficient or improper application of disease control measures;
- Volcanic eruption;
- Wildlife; and
- All other natural causes of loss that cannot be prevented, including, but not limited to, hail, wind, excess sun causing sunburn, and frost and freeze causing russetting.

Insurance Period

Coverage begins on:

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

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

- Total destruction of the insured crop;
- Harvest of the insured crop;
- November 5;
- Abandonment of the insured crop; or
- As otherwise specified in the special provisions.

Important Dates

Sales Closing/Cancellation Date...November 20, 2016

Acreage Report Date.....January 15, 2017

Premium Billing.....August 15, 2017

Termination.....November 20, 2017

Please refer to the Actuarial Information Browser at

<http://webapp.rma.usda.gov/apps/actuarialinformationbrowser/>.

Reporting Requirements

You must report your acreage to your crop insurance agent for all acreage (insurable and non-insurable) by type of apples in the county in which you have a share.

Definitions

APH Yield - Actual production history (APH) yield is used to determine the production guarantee. The APH yield is based on up to 10 years of actual assigned yields and adjusted and/or unadjusted transitional yields.

Bushel - 42 pounds of apples, except in Colorado.

Direct Marketing - Sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer,

processor, shipper, buyer, or broker.

Fresh Apple Production -

(1) Apples:

- That are sold, or could be sold for human consumption without undergoing any change in the basic from, such as peeling, juicing, crushing, etc.;
- From acreage that is designated as fresh apples on the acreage report;
- That follow the recommended cultural practices generally in use for fresh apple acreage in the area in a manner generally recognized by agricultural experts; and
- From acreage that you certify, and, if requested by us provide verifiable records to support, that at least 50 percent of the production from acreage from each unit, was sold as fresh apples in one or more of the four most recent crop years.

(2) Acreage with production not meeting all the requirements above must be designated on acreage report as processing apple production.

Harvest - The picking of mature apples from the trees or collecting of mature apples from the ground. Apples collected from the ground that cannot be sold for human consumption will not be considered harvested.

Marketable - Apple production that is not damaged apple production.

Processing Apple Production - Apples from insurable acreage failing to meet the insurability requirements for fresh apple production that are:

- (1) Sold, or could be sold for the purpose of undergoing a change to the basic structure such as peeling, juicing, crushing, etc.; or
- (2) From acreage designated as processing apples on acreage report.

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent of your approved yield. Crop insurance premiums are subsidized as shown in the following table. For example, if you select the 70 percent coverage level, your premium share would be 41 percent of the premium. Catastrophic Risk Protection (CAT) coverage is fixed at 50 percent of your approved yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you. There is an administrative fee of \$300 per crop, per county regardless of the acreage.

Coverage Level	CAT	0.50	0.55	0.60	0.65	0.70	0.75
Basic Unit	1.00	0.67	0.64	0.64	0.59	0.59	0.55
Optional unit		0.67	0.64	0.64	0.59	0.59	0.55

Price Election

The established and CAT prices per bushel for the 2017 crop year.

Established Price Group B.....	\$22.80
CAT Price Group B.....	\$12.54
Established Price Group C.....	\$15.45
CAT Price Group C.....	\$8.50
Established Price Fresh.....	\$15.45
CAT Price Fresh.....	\$8.50
Established Price Processing.....	\$4.60
CAT Price Processing.....	\$2.53

Production Guarantee

Production guarantee on a per acre basis is the quantity of apples in boxes or bushels determined by multiplying the approved APH yield per acre by the coverage level percentage you elect. If the production of apples has been measured in bins, the amount must be converted to boxes or bushels.

Loss Example

Assume a 65-percent coverage level for Group B apples with an APH yield of 200 bushels per acre and one basic unit.

ACTUAL PRODUCTION HISTORY (APH)

200	APH yield per acre (bu)
<u>x 0.65</u>	Coverage level
130	Acre guarantee (bu)
<u>- 30</u>	Production-to-count (bu)
100	Loss per acre (bu)
<u>x \$22.80</u>	Price election
\$2,280.00	Indemnity per acre

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 www.rma.usda.gov/tools/agent.html.

Contact Us

USDA/Risk Management Agency
Oklahoma City Regional Office
215 Dean A. McGee Ave Suite 342
Oklahoma City, OK 73102

Phone: (405) 879-2700

Fax: (405) 879-2741

Email: rsook@rma.usda.gov

Download Copies from the Web

Visit our online publications/fact sheets page at
www.rma.usda.gov/aboutrma/fields/ok_rso/.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, complete, sign and mail a program discrimination complaint form, (available at any USDA office location or online at www.ascr.usda.gov), to: United States Department of Agriculture; Office of the Assistant Secretary for Civil Rights; 1400 Independence Ave., SW; Washington, DC 20250-9410. Or call toll free at (866) 632-9992 (voice) to obtain additional information, the appropriate office or to request documents. Individuals who are deaf, hard of hearing, or have speech disabilities may contact USDA through the Federal Relay service at (800) 877-8339 or (800) 845-6136.