Regional Office — Oklahoma City, Oklahoma

Revised November 2016

Pecans

New Mexico

Crop Insured

The crop insured will be all the pecans in the county for which a premium rate is provided by the actuarial documents:

- In which you have a share;
- That are grown for harvest as pecans;
- That are grown in an orchard that, if inspected, is considered acceptable by us;
- That are grown on trees that have produced at least 600 pounds of pecans in-shell per acre (or an amount provided in the Special Provisions) in at least one of the previous four crop years, unless we inspect and allow insurance by written agreement. This amount of production must be achieved subsequent to any top work that occurs within a unit;
- That are grown in varieties or a grouping of varieties within a unit that are not designated as uninsurable in the Special Provisions;
- That are in an orchard that consists of a minimum of one contiguous acre, unless allowed by written agreement; and
- That are not (unless allowed by Special Provisions or written agreement) grown on trees that are or have been hedged or are direct marketed to consumers.

Counties Available

Pecans are insurable in Chaves, Dona Ana, Eddy, Lea, Luna, and Otero counties. Coverage in other counties may be available by written agreement if certain criteria are met. Please contact your insurance agent for insurance availability.

Causes of Loss

You are protected against the following:

- Adverse weather conditions, including hail, frost, freeze, excess precipitation and drought;
- Fire, unless weeds and other forms of undergrowth have not been controlled or unmulched 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 due to insufficient or improper application of disease control measures;
- Wildlife;
- Earthquake;
- Volcanic eruption;
- Failure of irrigation water supply, if due to an insured cause of loss within the insurance period; or
- Decline in market price.

If damage occurs before the beginning of the crop year, coverage is only provided if and to the extent the crop was insured the previous crop year. In addition to the causes of loss excluded in section 12 of the Basic Provisions, we will not insure against damage or loss of production due to the inability to market the pecans for any reason other than actual physical damage from an insurable cause specified in this section.

Insurance Period

Coverage begins for each crop year on February 1. However, for the year of application we will inspect all pecan acreage and will notify you of the acceptance or rejection of your application not later than 30 days after the sales closing date. For each subsequent two-year coverage module that the policy remains continuously in force, coverage begins on the day immediately following the end of the insurance period for the prior two-year coverage module. The calendar date for the end of the insurance period is January 31 of the crop year.

Important Dates

Sales Closing/Cancellation Dates…….January 31, 2017
Acreage Report Date…………………..March 15, 2017
Premium Billing……..………………….August 15, 2017
End of Insurance…….........................January 31, 2018

Please refer to the Actuarial Information Browser at http://webapp.rma.usda.gov/apps/actuarialinformationbrowser/.

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.

Duties in the Event of Damage or Loss

In addition to the requirements of section 14 of the Basic Provisions, The following will apply:

- You must notify us within 3 days of the date harvest should have started if the crop will not be harvested.
- If the Special Provisions permit or you have a written agreement authorizing direct marketing, you must notify us at least 15 days before harvest begins if any production from any unit will be sold by direct marketing. We will conduct an appraisal that will be used to determine your production to count for production that is sold by direct marketing. If damage occurs after this appraisal, we will conduct an additional appraisal. These appraisals, and any acceptable records provided by you, will be used to determine the dollar value of your production to count. Failure to give timely notice that production will be sold by direct marketing will result in an appraised dollar value of production to count that is not less than the amount of insurance per acre for the direct-marketed acreage if such failure results in our inability to make the required appraisal.
- If you intend to claim an indemnity, you must notify us at least 15 days prior to the beginning of harvest or immediately if a loss occurs during harvest, so we may inspect the damaged production.
- You must not sell, destroy, or dispose of the damaged crop until after we have given you written consent.
- If you fail to meet the requirements of this section, and such failure results in our inability to inspect the damaged production, all such production will be considered undamaged and included as production to count.
- You may be required to harvest a sample, selected by us, to be used for appraisal purposes.

Definitions

Approved average revenue per acre - The total of your average gross sales per acre based on the most recent consecutive four years of sales records building to six years and dividing that result by the number of years of average gross sales per acre. If you provide more than four years of sales records, they must be the most recent consecutive six years of sales records. If you do not provide at least four years of gross sales records, your approved average revenue will be: (1) The average of the two most recent consecutive years of your gross sales per acre and two years of the T-revenue; or (2) If you do not provide any gross sales records, the T-revenue.

Two-year coverage module - A two-crop-year subset of a continuous policy in which you agree to insure the crop for both years of the module, and we agree to offer the same premium rate, amount of insurance per acre, coverage level, terms and conditions of insurance for each year of coverage except for legislatively mandated changes, as long as all policy terms and conditions are met for each year of the coverage module, including the timely payment of premium, and you have not done anything that would result in a revision to these terms, as specified in this policy.

Coverage Levels and Premium Subsidies

Coverage level options range from 50-75 percent of your approved average revenue per acre. The subsidy factor is shown in the table below. For example, if a producer's approved average revenue is $1,000 per acre, the 50 percent coverage level results in a $500 guarantee per acre and the insured premium is 33 percent.

Coverage Level		CAT	0.50	0.55	0.60	0.65	0.70	0.75
	Basic Unit	1.000	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

Loss Example

Assume you have chosen a 65-percent coverage level and you have average gross sales of $1,280. You produced 800 pounds per acre in 2016 with an average price of $1.00 per pound equaling $800 per acre.

65	Coverage level
x $1,280	Average gross sales
$832	Amount of insurance per acre
- $800	Value of production per acre
$32	**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/agents.html.

Contact Us

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