



United States Department of Agriculture  
Risk Management Agency

April 2010

## 2010 COMMODITY INSURANCE FACT SHEET

# Prunes

## California

### Crop Insured

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

- In which you have a share
- That are grown for the production of natural condition prunes
- That are grown in an orchard that, if inspected, is considered acceptable by us
- That are grown on trees that have reach at least the seventh growing season

### Counties Available

Prunes are insurable in Butte, Colusa, Fresno, Glenn, Madera, Merced, Santa Clara, Solano, Sonoma, Sutter, Tehama, Tulare, Yolo and Yuba counties. Prunes 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<sup>1</sup>  
 Failure of irrigation water supply<sup>2</sup>  
 Fire<sup>3</sup>  
 Insects<sup>4</sup>  
 Plant disease<sup>4</sup>  
 Wildlife<sup>5</sup>

<sup>1</sup>Natural perils such as hail, frost, freeze, wind, drought, and excess moisture.

<sup>2</sup>If caused by an insured peril during the insurance period.

<sup>3</sup>Unless weeds and undergrowth are not controlled or unmulched pruning debris is not removed.

<sup>4</sup>But not damage due to insufficient or improper application of control measures.

<sup>5</sup>Unless wildlife control measures have not been taken.

### Insurance Period

Insurance attaches for each crop year on March 1. The calendar date for the end of the insurance period for each crop year is October 1.

### Important Dates

Sales Closing .....January 31  
 Acreage Report Due .....March 1

### Coverage Levels and Premium Subsidies

Individual amounts of insurance are based on a grower's production history. Each grower's approved-average yield is calculated from 4 to 10 years of production records provided to an insurance agent. Producers can select a level of coverage ranging from 50 to 75 percent of their approved average yield and 50 to 100 percent of a price announced by USDA, or catastrophic (CAT) coverage based on 50 percent of their approved yield and 55 percent of the price.

**Price Election** - Price used to calculate your premium and indemnity:

**Prunes.....\$1000 per ton**

### Cost of Crop Insurance

The Agricultural Risk Protection Act of 2000 raised the subsidies for federal crop insurance premiums substantially. For CAT coverage, growers pay an application fee of \$300 with 100 percent of the premiums being subsidized. Higher coverage levels are subsidized at lower rates; USDA pays at least 50 percent of the premium. For more detailed information about the amounts of coverage and premiums, please contact a crop insurance agent or your local county Farm Service Agency office for an agent listing.

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## Loss Example

A claim can be filed whenever production falls short of the guarantee selected by the insured. The amount of a loss is determined by multiplying the production shortfall by the pre-selected price.

Based on average yield of 2 tons per acre, 65-percent coverage level, and 100-percent share.

2.0	Tons per acre average yield (APH)
x .65	Coverage level
1.3	Tons per acre guarantee
- .5	Tons per acre actually produced
0.8	Tons per acre loss
x \$1000	Price election per ton (at 100 percent)
<b>\$800</b>	<b>Gross indemnity per acre</b>

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## Where to Purchase Crop Insurance

All multi-peril crop insurance, including CAT coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site at: <http://www3.rma.usda.gov/tools/agents/>

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