



United States Department of Agriculture
Risk Management Agency

September
2011

2012 COMMODITY INSURANCE FACT SHEET

Avocado Fruit

Florida

Crop Insured

The crop insured will be all the commercially grown avocado types for which a premium rate is provided by the actuarial documents for the county:

- In which you have a share;
- That are grown for harvest as avocados;
- That are grown on trees that, if inspected, are considered acceptable to us; and
- That are grown on trees that have reached at least the fourth growing season after setout and the acreage has produced a minimum of 50 bushels of avocados per acre in one of the three previous crop years. See your insurance agent for additional details.

Counties Available

Avocados are insurable in Miami-Dade County.

Causes of Loss

Adverse weather conditions
 Earthquake
 Failure of irrigation water supply¹
 Fire²
 Insects³
 Plant disease⁴
 Volcanic eruption
 Wildlife⁵

¹If caused by an insured peril during the insurance period. ²Unless weeds and other forms of undergrowth have not been controlled or pruning debris has not been removed from the grove. ³But not damage due to insufficient or improper application of pest control measures. ⁴But not damage due to insufficient or improper application of disease control measures. ⁵Unless control measures have not been taken.

Insurance Period

Coverage begins for each crop year on December 1 of the calendar year, except that for the year of application if your application is received by us after November 21, but prior to December 1, insurance will attach on the 10th day after your properly completed

application is received in our local office, unless we inspect the acreage during the 10-day period and determine that it does not meet the requirements for insurability contained in the policy. You must provide any information we require so we may determine the condition of the grove to be insured. The calendar date for the end of the insurance period is the first November 30th after insurance attaches for early avocados and the second March 31st after insurance attaches for late avocados.

Reporting Requirements

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

Notice of Loss—You must notify us at least 15 days before any production from any unit will be sold by direct marketing. Failure to give timely notice that production will be sold by direct marketing will result in an appraised amount of production to count of not less than the production guarantee per acre if such failure results in our inability to make the required appraisal. See your insurance agent for additional detailed requirements.

Production Report—A production report, by type, is required by the date designated in section 3 of the basic provisions. You must report, by the production reporting date, the number of bearing trees on insurable and uninsurable acreage; any change that may adversely impact yield potential (i.e., tree damage or removal, or changes in practices); the age of the trees; and the planting pattern.

Important Dates

Sales Closing.....	November 30
Acreage/Production Reporting.....	January 31
Premium Billing.....	August 15
Cancellation/Termination.....	November 30

Definitions

Approved Actual Production History (APH)

Yield— The average of the actual production yields, assigned or adjusted yields, or unadjusted transitional yields, calculated and approved by your verifier. There is a one year lag period in reporting production. The latest APH crop year reported is determined by subtracting 2 years from the current crop year. For example, production reports through the 2010 production year are required for determining the 2012 crop year approved APH.

Buckhorn—To prune any limb at a diameter of at least four inches.

Bushel— A unit of measure equal to 55 pounds of avocados.

Crop Year - A period beginning with the date insurance attaches to the avocado crop and extending through the normal harvest time. The crop year is designated by the calendar year after insurance attaches.

Direct Marketing - Sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper or buyer. Examples of direct marketing include selling through an on-farm or roadside stand, farmer's market, and permitting the general public to enter the fields for the purpose of picking all or a portion of the crop.

Harvest— Picking of the avocados from the trees or ground by hand or machine.

Early Variety—232, Arue, Bernecker, Beta, Biondo, Black Prince, Blair, Catalina, Christina, Collinson, Donnie, Dr. Dupuis, Fuchs, Gorham, Hardee, Hickson, K-5, K-9, Lisa, Loretta, Marcus, Miguel, Nadir, Nesbitt, Peterson, Pinelli, Pollock, Ruehle, Simmonds, Simpson, Tonnage, Tower 2, Trapp, and Waldin.

Late Variety—All other varieties not listed as an Early Variety.

Coverage Levels and Premium Subsidies

Coverage level options range from 50 to 75 percent of your approved actual production history yield. As an example, an approved yield of 250 bushels per acre results in a guarantee of 125 bushels per acre at the 50-percent coverage level. Crop insurance premiums are subsidized as shown in the following table. If you select the 50-percent coverage level, your premium share would be 33 percent of the base premium.

Item	Percent					
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 your average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you. There is, however, an administrative fee of \$300 per crop per county, regardless of the acreage.

Loss Example

This example is based on an approved APH yield of 200 bushels per acre, 65-percent coverage level, 100-percent price election, a one acre basic unit, and 50 bushels of production to count due to an insurable cause of loss.

200	Bushels/acre approved yield (APH)
<u>x .65</u>	Coverage level percentage
130	Bushels/acre guarantee
<u>- 50</u>	Bushels/acre production
80	Bushels/acre loss
<u>x \$15.70</u>	Price election
\$ 1,256	Indemnity per acre

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