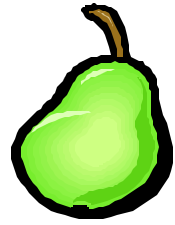




2004 CROP INSURANCE FACT SHEET

PEARS California



THIS FACT SHEET POINTS OUT CERTAIN FEATURES OF CROP INSURANCE AND IS NOT INTENDED TO BE COMPREHENSIVE. THE INFORMATION BELOW NEITHER MODIFIES NOR REPLACES THE TERMS AND CONDITIONS OF THE BASIC POLICY, THE CROP PROVISIONS, OR THE COUNTY ACTUARIAL DOCUMENTS. CONTACT A CROP INSURANCE AGENT FOR FURTHER DETAILS.

INSURED CROP

All pears grown for fresh market or processing that are adapted to the area.

COUNTIES

El Dorado	Lake	Mendocino	Sacramento
San Joaquin	Solano	Sutter	Yolo
Yuba			

CAUSES OF LOSS

Adverse Weather Conditions (including hail, frost, freeze, wind, drought, and excess precipitation)

Failure of Irrigation Supply, if caused by insured peril

Insects and Disease*

Earthquake

Wildlife

Fire

Volcanic Eruption

*But not damage due to insufficient or improper application of pest or disease control measures.

IMPORTANT DATES

Sales Closing Date:
January 31

Acreage Report Due:
January 31

COVERAGE & PREMIUM

Individual amounts of insurance are based on a grower's production history. Each grower's approved-average yield is calculated from a minimum of 4-10 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:
Green Bartlett - \$ 170 per ton
Winter and all other types - \$ 330 per ton

INSURANCE PERIOD

Insurance attaches at time of planting and ends the earliest of:

- Total destruction of pears
- Harvest of pears
- Final adjustment of loss
- September 15 for Bartlett (green and red) and Star Crimson (Crimson Red varietal groups)
- October 15 for all other varietal groups

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 \$100 with 100 percent of the premiums being fully 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 FSA office for an agent listing.

LOSS EXAMPLE - PEARS

(Based on average yield of 25 tons/acre, 75% coverage level, and one basic unit, price election of \$170 per ton and 100% share.)

25	Ton per acre average yield (APH)
<u>x .75</u>	Coverage level
18.8	Ton per acre guarantee
- 10	Ton per acre actually produced
8.8	Ton per acre loss
<u>x \$170</u>	Price election
\$1496	Gross indemnity per acre

For more information, visit the Risk Management Agency web site at www.rma.usda.gov

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