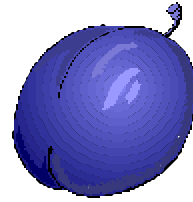


2004 CROP INSURANCE FACT SHEET



PLUMS 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 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

The crop insured will be all the plums in the county for which a premium rate is provided by the actuarial documents. In which you have a share;

- That are irrigated
- That have produced an average of at least 200 lugs per acre in at least one of the three most recent actual production history crop years;
- That has reached at least the fifth growing season after set out.

COUNTIES

Fresno
Merced

Kern
Placer

Kings
Tulare

Madera

CAUSES OF LOSS

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

Failure of irrigation supply, if caused by insured peril

Insufficient number of chilling hours

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:
March 1

COVERAGE & PREMIUM

The individual amount of insurance is based on a grower's production history. Each grower's approved-average yield is calculated from 4-10 years of production records provided to an insurance agent. Producers can select a level of coverage 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: **\$ 4.20** per lug

INSURANCE PERIOD

Coverage begins for each crop year on February 1, following our inspection and determination of acceptability and ends on each area at least one acre in size at the earliest of:

- Total destruction of the insured crop on the unit;
- Harvest on the unit;
- The date harvest would normally start;
- Final adjustment of a loss on a unit;
- September 30 of the crop year
- Abandonment;

2004 California Plums

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 but premiums are 100 percent subsidized. Higher coverage levels are subsidized at lower rates; USDA pays at least 50 percent of the premium. For more detailed information about amounts of coverage and premiums, please contact a crop insurance agent or the county FSA office for an agent listing.

LOSS EXAMPLE - PLUMS

(Based on average yield of 425 lug/acre per varietal group, 75% coverage level, irrigated practice, and one basic unit, 100% share.)

425	Lug per acre average yield (APH)
<u>x .75</u>	Coverage level
319	Lug per acre guarantee
= <u>230</u>	Lug per acre actually produced
89	Lug per acre loss
<u>x \$4.20</u>	Price election
\$ 373.80	Gross indemnity per acre

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

USDA is an equal opportunity provider and employer.