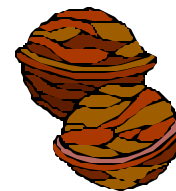# 2004 CROP INSURANCE FACT SHEET
WALNUTS
California

RMA

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 varieties of English walnuts (excluding black walnuts) adapted to the area are insurable, when 90 percent of the trees have reached at least the ninth growing season after being set out. The insurance provider may insure acreage that does not meet the age requirement after an approved inspection and acceptance. Growers must insure all their walnuts in a county at the same coverage level.

COUNTIES

Amador	Butte	Calaveras	Colusa	Contra Costa	Fresno
Glenn	Kern	Kings	Lake	Madera	Merced
Placer	San Benito	San Joaquin	Santa Barbara	Santa Clara	San Luis Obispo
Shasta	Solano	Stanislaus	Sutter	Tehama	Tulare
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:
April 30

COVERAGE & PREMIUM

The production for the insurance guarantee is measured in pounds of whole in-shell walnuts. Individual amounts of insurance are based on the grower's production history. An insurance agent calculates each grower's approved-average yield from 4-10 years of production records.

Producers can select a level of coverage ranging from 50 to 75 percent of their approved average yield and 55 to 100 percent of a price announced by USDA. Catastrophic Risk (CAT) coverage based on 50 percent of their approved yield and 55 percent of the price.

Price Election   Price used to calculate indemnity, the grower can select 50 to 100 percent of the price for coverage. Only one price election can be selected for all walnuts in the county: **$ .56**

INSURANCE PERIOD

Producers must apply for coverage with a crop insurance agent by January 31 to insure the crop they plan to harvest that year. Insurance coverage begins February 1st. Coverage ends when the crop is harvested and removed form the .orchard, a claim is finalized when the crop is abandoned or no later than November 15th.

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 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. A listing of crop insurance agents is available at your local Farms Service Agency office or by calling the Risk Management Agency Regional Office in Davis California at (530)792-5870.

LOSS EXAMPLE - WALNUTS

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 Actual Production History (APH) yield of 2200 lbs/ac, 65% coverage level, selected price of $.56 per pound, 100% share.)

2200	Pounds per acre average yield (APH)
x **.56**	Coverage level
1232	Pounds per acre guarantee
- 300	Pounds per acre actually produced
932	Pounds per acre loss
x $ .56	Price election
$ 521.98	**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.