



## 2010 ALMOND CROP INSURANCE OUTLINE

***Last day to sign up for the 2010 crop is: December 31, 2009***

**Protect your hard earned investments in growing almonds!  
Insure against poor weather and grow with peace of mind!**

To find out how almond crop insurance can really work for you, [click here](#) to contact us or call us at 1-877-573-1122 or 209-668-6788.

### 1. **Insurable Crop and Eligibility Requirements:**

- A. NOTE - All acreage must be irrigated and must have reached the 6<sup>th</sup> growing season (planted 2005 or before). All almonds 6<sup>th</sup> leaf or older must be insured. 5<sup>th</sup> leaf almonds may be insured by a special agreement from the Risk Management Agency (RMA). No insurance is available for 4<sup>th</sup> leaf or younger trees.
- B. You must have an insurable interest in the ranch you want to insure. Insurable interest means you either own, lease or share in the operation.
- C. Growers must insure all eligible almond acres in the county in which they receive a share of the crop. When orchards are rented on a crop share, the landlord and/or operator, or both, can insure their share in the crop. It is also possible for the operator to insure the landlord's interest if granted by the landlord.

### 2. **Insured Causes of Loss:**

- A. Any adverse weather resulting in damage to the bloom, poor pollination, lack of production, or damage to the almonds on the tree or on the ground for harvesting, such as cool, wet weather, frost, hail, wind, excessive heat or rain, etc.
- B. Insects and plant disease, if proper application of control measures are done and the insect or plant disease problem is due to adverse weather conditions.
- C. Failure of the irrigation water supply source occurring after insurance attaches for newly insured orchards.
- D. Damage from wildlife, birds, non-domesticated animals or earthquake.

### 3. **Almond Production Guarantee:**

- A. Guarantee is based on the average of delivered production of total good meat pounds from the insured acreage for up to the past 10 crop years. Total good meat pounds (TGM). Rejects are not counted in your average production figure. They are also not counted when computing a loss. Yield adjustments for past major loss years are available to help keep average yields higher.
- B. For young orchards or those with less than 4 years of production records, the average yield will be established by orchard inspection and considering area average yields for similar orchards. Approval is made by the Regional Service Underwriting Office.

- C. The maximum coverage level available is 75% of the approved average yield established by verifiable production records from the orchard or an assigned yield. 50%, 55%, 60%, 65%, 70% coverage levels also available.
- D. Unit guarantee: Insurance coverage is by unit, not by acre. The unit guarantee is the per acre average yield multiplied by the coverage level % multiplied by the number of acres in the almond insurance unit.

**4. Insurance Units:**

- A. A basic unit consists of almond orchards, owned or cash rented, that are not separated by land owned by other people.
- B. Almond orchards rented on a crop share, and orchards that are separated by land owned by other people, will be considered as separate insurance coverage units, provided records of past production have been maintained for each proposed unit. We will explain and determine your units for you.

**5. Price Elections Per Pound:** \$1.65 is maximum per pound for 2010 crop year.

- A. Grower chooses one price election per policy at application. This will be the amount paid for each pound of almond loss below the unit guarantee.

**6. Coverage Example:**

Owner or operator of 40 acres of almonds  
 If 10 year average yield is 1,800 lbs. per acre  
 75% coverage = 1,350 lbs. per acre guarantee

1,350 lbs. per acre X 40 acres = 54,000 lbs unit guarantee.

Price elected \$1.65 X 54,000 lbs. = \$89,100 protection for total loss

**Loss Example:** Rain during bloom or frost in March

54,000 lbs. - Unit guarantee  
 minus 13,691 lbs. - Harvested meat lbs.  
 equals 40,309 lbs. loss X \$1.65 election = \$66,510 loss payment

**7. Yield Adjustments and Coverage Period:**

Growers with severe loss years in their past 10 year history can request a yield adjustment which replaces loss year history with a factored county yield. This can help keep the coverage adequate even after several loss years in the past. Also, coverage for almonds is now “year around” to protect you from no matter what Mother Nature throws at you anytime of year.

**8. For premium quotes, [click here](#).**

The premium for Federal Crop Insurance is standard throughout the United States. In order for private insurance companies to have the protection and reinsurance of the USDA, no one may deviate from published rates. If a private company does deviate, then they would not have the reinsurance from the USDA. This would not be good. So, therefore, no private insurance company offers a crop insurance policy of their own. An exception to this is Names Peril insurance. It is available for raisins and tomato policies.

If you would like a personal crop insurance premium calculated for your operation, fill out the form below and submit it to us. We will get right back to you as soon as we can. Thanks!!