



2012 WALNUT CROP INSURANCE OUTLINE

Last day to sign up for the 2012 crop is: January 31, 2012

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

To find out how walnut 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. Acreage must be irrigated and trees must have reached the 7th growing season after being set out (planted in 2006 or before). All 7th leaf trees and older must be insured. 6th leaf walnuts may be insured by a special agreement from the Risk Management Agency (RMA).
- B. Growers must insure all eligible walnut acres in the county in which they receive a share of the crop. When orchards are rented on a crop share, either the landlord or operator, or both, can insure their share in the crop.

2. Insured Causes of Loss:

- A. Any adverse weather resulting in damage to the bloom, poor pollination, lack of production, or damage to the walnuts on the tree or on the ground for harvesting, such as cool wet weather, frost, hail, wind, excessive heat or rain.
- 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.
- D. Wildlife, birds, non-domesticated animals or earthquake.

3. Walnut Production Guarantee:

- A. Guarantee is based on the average of delivered production of total dry in-shell pounds from the insured acreage for the past 10 crop years. Yield adjustments are available for past major loss years to help keep the average yields higher.
- B. For young orchards or those with less than 4 years of production records, the average yield will be established by the RSO Underwriting Department using the orchard inspection report and area average yields for similar age orchards.
- C. The maximum coverage level available is 75% of the approved average yield as established by verifiable production records from the orchard. 50%, 55%, 60%, 65%, and 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 walnut insurance unit.

4. Insurance Units:

- A. Owned or cash rented walnut orchards that are not separated by land owned by other people, will be considered all one unit for insurance.
- B. Walnut 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 separate records of past production have been maintained for each proposed unit.

5. Price Elections Per Pound \$1.15 is the maximum for inshell pounds for 2012

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

6. Coverage Example:

Owner or operator of 40 acres of walnuts

If average yield is 3,620 lbs/acre; 75% coverage = 2,715 lbs. guarantee/acre

2,715 lbs per acre X 40 acres = 108,600 lbs. unit guarantee

Price elected \$1.15 X 108,600 lbs. = \$124,890 protection for total loss

Loss Example: Rain during bloom or sunburn damage

	108,600 lbs. Unit guarantee
minus	<u>46,240</u> lbs. Harvested in-shell lbs.
equals	62,360 lbs. Loss

62,360 lbs. loss X \$1.15 election = \$71,714 loss payment

7. Poor Quality Adjustment:

Walnut production with mold damage in excess of 8% will be adjusted to reflect the loss to the grower by factors based on the amount of mold percentage. For example,

12.5% mold will be adjusted as a 20% reduction in the harvested production.

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.

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