



United States Department of Agriculture
Risk Management Agency

March 2008

2009 COMMODITY INSURANCE FACT SHEET

Macadamia Nuts

Hawaii

Crop Insured

All macadamia nuts in the county, in which:

- the insured has a share;
- Are adapted to the area;
- Are grown on rootstock that is adapted to the area;
- That are grown on trees that have reached at least the fifth growing season after being set out or grafted; and
- If the orchard is inspected and is considered acceptable by us.

Counties Available

Hawaii Kauai Maui

Macadamia nuts in other counties may be insurable by written agreement if specific criteria are met. Contact an agent for more details.

Causes of Loss

Adverse weather conditions¹
 Failure of irrigation water supply²
 Fire³
 Insects⁴
 Plant disease⁴
 Wildlife⁵

¹Natural perils such as frost, wind, drought, and excess moisture.

²If caused by an insured peril during the insurance period.

³Unless weeds and undergrowth are not controlled or unmulched pruning debris is not removed.

⁴Unless recommended wildlife control measures have not been taken.

⁵But not damage due to insufficient or improper application of control measures.

Insurance Period

Coverage begins on January 1 of each crop year, and ends on June 30th of the second year. You must provide any information that we require for the crop or to determine the condition of the orchard.

Important Dates

Sales ClosingDecember 31
 Acreage Report DueFebruary 15

Coverage Levels and Premium Subsidies

Coverage based on actual production records;
Growers selects

- A coverage level ranging from 50 to 75 percent of their average yield; or
- Catastrophic (CAT) coverage risk protection which offer a producer a 50-percent level of coverage, indemnified at 55 percent of the established price.

Price Election Price used to calculate your premium and indemnity. **\$0.74 per pound.**

Cost of Crop Insurance

CAT coverage:

- Pay an application fee of \$100
- 100 percent of the premiums subsidized.

Higher coverage levels

- Pay an application fee of \$30 and
- Premiums are subsidized at lower rates

For more detailed information about the amounts of coverage and premiums, please contact a crop insurance agent.

Loss Example

Premium based on one acre, 65-percent level of coverage, 100-percent share, and an average yield of 4,000 pounds per acre.

4000	Pounds per acre average yield (APH)
<u>x .65</u>	Coverage level percentage
2600	Pounds per acre guarantee
<u>- 2000</u>	Pounds per acre actually produced
600	Pounds per acre loss
<u>x \$.74</u>	Price election, per pound
\$444.00	Gross indemnity per acre

Where to Purchase Crop Insurance

All multi-peril crop insurance, including CAT coverage insurance policies are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site at:

<http://www3.rma.usda.gov/tools/agents/>

Download Copies from the Web

Visit our online publications/fact sheets page at:
http://www.rma.usda.gov/aboutrma/fields/ca_rso/

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