



United States Department of Agriculture
Risk Management Agency

September 2008

2009 COMMODITY INSURANCE FACT SHEET

Cranberry

Oregon and Washington

Crop Insured

The crop insured will be all the **cranberries** in the county for which a premium rate is provided by the actuarial documents in which you have a share; that are grown for harvest as cranberries; that are grown in a bog that, if inspected, is considered acceptable; and that are grown on vines that have completed three growing seasons after the vines were set out, as provided by the actuarial documents or by written agreement.

Counties Available

Oregon: Coos and Curry counties

Washington: Grays Harbor and Pacific counties

Causes of Loss

Adverse weather conditions (including hail, frost, freeze, wind, extreme cold temperatures, excess moisture); fire, unless weeds and other forms of undergrowth have not been controlled or pruning debris has not been removed from the bog; wildlife; earthquake; volcanic eruption; or failure of the irrigation water supply, if caused by an insured peril that occurs during the insurance period; or failure or breakdown of irrigation equipment facilities due to direct damage to the irrigation equipment or facilities from an insurable cause of loss if the cranberry crop is damaged by freezing temperatures within 72 hours of such failure or breakdown and repair or replacement was not possible before damage occurred.

In addition to the causes of loss excluded in the basic provisions of insurance, the insurance provider will not insure against damage or loss of production due to: Disease or insect infestation, unless adverse weather: 1) prevents the proper application of control measures or causes properly applied control measures to be ineffective; or 2) causes disease or insect infestation for which no effective control mechanism

is available; or inability to market the cranberries for any reason other than actual physical damage from an insurable cause of loss specified. (Example: No indemnity paid if insured is unable to market due to quarantine, boycott or refusal of any person to accept production.)

Insurance Period

Coverage begins on November 21 of each crop year, except that for the year of application. If your application is received after November 11, but prior to November 21, insurance will attach on the 10th day after your properly completed application is received by the insurance agent, unless we inspect the acreage during the 10-day period and determine that it does not meet insurability requirements. You must provide any information that we require for the crop or to determine the condition of the bog. **Note:** For each subsequent crop year the policy remains continuously in force, coverage begins on the day immediately following the end of the insurance period for the prior crop year. **The calendar date for the end of the insurance period** for each crop year is November 20.

Reporting Requirements

Acreage Report: You must report to your insurance agent all of the acreage of the insured crop which you have a share (your share at the time insurance attaches). Policyholders should contact their insurance agent for specific details.

Important Dates

| | |
|---------------------------------|-------------|
| Sales Closing | November 20 |
| Production Reporting Date | January 15 |
| Acreage Report Date..... | January 15 |

Dates shown above will apply to all Oregon and Washington counties where cranberry insurance is available.

Production Guarantees

Yields are based on actual production records reported to your insurance agent and/or company. There is also an optional adjustment of low yields in your actual production history. Contact your insurance agent for specific details.

Price Elections

Price at which you are compensated per barrel in the event of a loss. An insured can only select one price election for all the cranberries in the county insured under a cranberry policy. Contact your insurance agent for details.

Guarantee Options

Choice of variable percentages of your approved average yield, from 50 percent up to 75 percent.

Catastrophic Coverage

Catastrophic (CAT) coverage is available at the 50-percent coverage level and 55 percent of maximum price election. See your crop insurance agent for specific details.

Administrative Fees

Catastrophic Coverage: \$300 per crop per county.
Additional Coverage: \$30 per crop per county.
Waivers of administrative fees for **all** coverage levels (CAT and additional) are available for limited resource farmers.

Late or Prevented Planting and Replant Payment

Not applicable to cranberry insurance policies.

Loss Example

Cranberries: (Assume: 65-percent level of coverage; 100-percent price election of \$38 per barrel (price election); an average yield of 100 barrels per acre; one acre bog; 100-percent share; short crop claims (40 barrel yield) would be:

$$\begin{array}{r} 100 \\ \times 65\% \\ \hline 65 \\ 1.0 \\ \hline 40 \\ \\ 25 \\ \times \$38.00 \\ \hline \$950.00 \end{array}$$

Barrels per acre (APH)
Coverage level
Barrels acre guarantee
Acres
Harvested barrels per acre production
Barrel per acre loss
Price election \$ per barrel
Indemnity due policy holder (less insurance premium due)

Where to Purchase

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

**Regional Contact for RMA
USDA/Risk Management Agency
Spokane Regional Office**
11707 E Sprague Ave #201
Spokane Valley, WA 99206
Telephone 509-228-6320
Fax 509-228-6321
E-mail: warso@rma.usda.gov

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