

**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**Risk Management Agency**  
**CRANBERRY CROP INSURANCE**

CFR 457.132  
FCIC 99-058  
NCIS-1999-742

FACT SHEET  
2000 Crop Year  
September 1999

The **Cranberry** 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 four growing seasons after the vines were set out, unless otherwise provided by the actuarial documents or by written agreement.

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**Cranberry Insurance is Available in:**

**OREGON STATE:** Coos and Curry counties

**WASHINGTON STATE:** Grays Harbor and Pacific counties

**Important Dates:**

*Sales Closing Date for 2000 Crop Year* - **November 22, 1999**

*Acreage Reporting for 2000 Crop Year* - **January 17, 2000**

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**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). Policy holders should contact their insurance agent for specific details.

**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, we 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: we will not pay an indemnity if insured is unable to market due to quarantine, boycott or refusal of any person to accept production.)*

**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% coverage level and **55% of maximum price election**. See your crop insurance agent for specific details.

**Price Election:** Price at which you are compensated per pound 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. Maximum price for 2000 is \$45.00/Barrel. Contact your insurance agent for details.

**Late or Prevented Planting & Replant Payments:** Not applicable to cranberry insurance policies.

### 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.

**The calendar date for the end of the insurance period** for each crop year is November 20.

- ❖ **In addition:** If you acquire an insurable share in any insurable acreage after coverage begins but on or before the acreage reporting date for the crop year, and after an inspection we consider the acreage acceptable, insurance will be considered to have attached to such acreage on the calendar date for the beginning of the insurance period.
- If you relinquish your insurable share on any insurable acreage of cranberries on or before the acreage reporting date for the crop year, insurance will not be considered to have attached to, and no premium or indemnity will be due for, such acreage that crop year unless: 1) a transfer of coverage and right to an indemnity or a similar for approved by us, is completed by all affected parties; 2) we are notified by you or the transferee in writing of such transfer on or before the acreage reporting date; and 3) the transferee is eligible for crop insurance.

### Commonly Used Definitions

**Barrel** - 100 pounds of cranberries.

**Harvest** - Removal of the cranberries from the bog.

**Cranberry Loss Example:** *Assuming a 65% level of coverage; 100% price election of \$45/Barrel (2000 Price Election); an average yield of 100 barrels per acre; one acre bog; 100% share; short crop claims (40 barrel yield) would be:*

### LOSS

|              |                                   |
|--------------|-----------------------------------|
| 100          | Barrels/Acre (APH)                |
| <u>X 65%</u> | Coverage Level                    |
| 65           | Barrels Acre Guarantee            |
| 1            | Acres                             |
| <u>40</u>    | Harvested Barrels/Acre Production |
| 25           | Barrel/Acre Loss                  |
| x \$45.00    | Price Election \$/Barrel          |

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**\$1125 Indemnity Due Policy Holder (Less Insurance Premium Due)**

**DISCLAIMER:** This summary is for general illustration purposes only.

**DETAILED INFORMATION:** Producers should consult their crop insurance agent to obtain specific information and refer to Crop Provisions and Actuarial Materials (e.g., practices, options, planting dates, and appropriate deadlines).

**Advantages as Risk Management Tools:** Protects crop investment, borrowed capital and current savings. Provides a favorable credit rating, collateral and guaranteed production. Stabilizes income, transfers risk and provides an **ADDED PEACE OF MIND**.

**Where to Purchase:** All MPC, including CAT coverage insurance policies are available from private insurance agents. A list of crop insurance agents is available at all County Farm Service Agency (FSA) Offices throughout the United States.

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