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United States Department of Agriculture
Risk Management Agency

Feb. 2007

2007 COMMODITY INSURANCE FACT SHEET

Crop Revenue Coverage

Utah

Crop Revenue Coverage (CRC),

provides revenue protection against a yield loss, a price decline, or a combination of both. CRC is available for the crop and counties shown below:

Wheat	Beaver, Box Elder, Cache, Carbon, Davis, Duchesne, Emery, Garfield, Iron, Juab, Millard, Morgan, Rich, Salt Lake, San Juan, Sanpete, Sevier, Summit, Tooele, Uintah, Utah, Washington and Weber Counties.

Under CRC, the guarantee is in dollars. A loss results if the calculated revenue falls below the final guarantee. Any indemnity will be the difference between these two values times the insured's share of the crop. Additional CRC features include optional units, enterprise units, and quality adjustment.

Definitions

Coverage Level: Level of protection chosen by producer (50 to 75 percent of approved yield; 85 percent in some states & counties).
Base Price: Initial price used to calculate the premium and the Minimum Guarantee.
Minimum Guarantee: Approved yield times base price times coverage level percentage.
Harvest Price: Final price used to determine calculated revenue and harvest guarantee.
Calculated Revenue: Production to count (actual production) times the harvest price.
Harvest Guarantee: Approved yield times harvest price times coverage level percentage.
Final Guarantee: Dollars guaranteed per acre (higher of minimum or harvest guarantee)

Insurance Period

Coverage begins when insured crop is planted and ends at the earliest of:

- Total destruction of the crop,
- Harvest of the crop,
- Final adjustment of a claim,
- Abandonment of the crop,
- Corn, Dec 10th
- Wheat, Oct 31st

Causes of Loss

Adverse Weather Conditions[1]
Failure of Irrigation Water Supply[2]
Fire[4]
Wildlife[5]
Insects[3]
Plant Disease[3]

[1]Natural perils such as hail, frost, freeze, wind, drought, and excess moisture.
[2]If caused by an insured peril during the insurance period.
[3]But not damage due to insufficient or improper application of control measures.
[4]Unless weeds and undergrowth are not controlled or unmulched pruning debris is not removed.
[5]Unless wildlife control measures have not been taken.

Base Prices

Wheat	**$ 6.27**

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

Wheat Loss Example

Assume approved yield of 100 bushels per acre, base price $6.27, harvest price of $6.00, and 65% coverage level, 100% share.

100	Bushels per acre CRC approved yield
x .65	Coverage level
65	Bushels per acre guarantee basis
x 6.27	Base price per bushel
$408	Minimum guarantee per acre
- $300	Calculated Revenue (50 bu/ac produced X $6.00 harvest price)
$ 108.00	**Gross indemnity per acre**

Where to Purchase Crop Insurance

All MPCI, including CAT coverage insurance policies are available from private insurance agents. A list of crop insurance agents is available on the RMA website at:
http://www3.rma.usda.gov/tools/agents/

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