AMERICAN AGCREDIT
MONEY FOR AGRICULTURE

2018 GRAPE CROP INSURANCE COVERAGE

To learn how crop insurance ***can really work for you****, call an American AgCredit Agent today!*

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License #0D48069
Equal Opportunity Provider

PROTECT YOUR INVESTMENT AGAINST

Any unavoidable loss of production, damage or poor quality resulting from:

- Adverse weather—frost, wind, drought, heat, rain
- Bird & wildlife damage
- Diseases & pests
- Smoke taint

INSURABLE CROP QUALIFICATIONS & ELIGIBILITY

- Vines must have reached **4th** growing season or **3rd** after grafting
- Growers can insure select or all grape varieties, but must insure all acres of any one variety selected in the county on which they receive a share of the crop
- When vineyards are leased on a crop share, either the property owner, operator or both can insure their share in the crop

GRAPE PRODUCTION YIELD GUARANTEE

- Based on the average total tons harvested
- Average yield established using harvested tons per acre (APH) rolling average: 4 year minimum – 10 year maximum
- For vineyards with less than 4 years of production records, the average yield will be calculated using county average yields or by Determined Yield Request
- Minimum coverage starts at 50%, increases by 5% increments and maxes out at 85% of the of the approved average yield
- Unit guarantee coverage is by unit, not by acre. The per acre guarantee (coverage percentage times APH) multiplied by the number of acres equals the unit guarantee

INSURANCE UNITS

- Each grape variety is a basic unit. Optional units are available for non-contiguous land.
- Owned or leased vineyards of the same variety that are not separated by land owned by others are considered a basic unit.
- Vineyards of the same variety and leased on a crop share are a basic unit. (Ask your agent for details).

BEGINNING, YOUNG FARMERS

If you are within your first five years of farming, you may be eligible for:

- 10% reduction in premiums
- No administration fees
- Higher yield adjustments

Last day to sign up for the 2018 crop year is January 31, 2018.

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Protect your investment | Manage your risk | Customize your policy

CONTRACT OPTION

All acres of a variety must be under a written contract

Contracts must be dated by May 15 of the growing year

Maximum allowed is double established price

ESTABLISHED GRAPE PRICES* BY VARIETY & CRUSH REPORT DISTRICT

- Price per variety to be paid for each ton of loss below the unit guarantee
- Established Grape Prices* vary by Crush District

CRUSH DISTRICT 3 (Sonoma/Marin Counties, 2017 pricing)

Cabernet Sauvignon	**$2,600**	Petite Sirah	**$2,580**
Chardonnay	**$2,000**	Pinot Noir	**$3,285**
Zinfandel	**$2,565**	Sauvignon Blanc	**$1,540**

** 2018 prices released on Nov. 1, 2018*

VINEYARD OWNER'S CROP INSURANCE WORKSHEET

Total Number of Acres	Average Tons Per Acre Yield	% of Coverage (50%-85%)

TOTAL PROTECTION EXAMPLE

Owner/operator of **40** acres of Chardonnay grapes

Average yield: **4.0** tons per acre; 75% Coverage = **3.0** tons

	3.0	Covered Tons
x	**40**	Total Number of Acres
=	**120**	Tons Unit Guarantee

	$2,000	Established Chardonnay Price
x	**120**	Tons Unit Guarantee
=	**$240,000**	Protection For Total Loss

____ x . ____ = ____

Average Tons Per Acre Yield x % of Coverage (50%-85%) = **COVERED TONS**

____ x ____ = ____

Covered Tons x Total Number of Acres = **TONS UNIT GUARANTEE**

$ ____ x ____ = ____

Established Grape Price (see chart above) x Tons Unit Guarantee = **PROTECTION FOR TOTAL LOSS**

LOSS PAYMENT EXAMPLE

Damage: Rain at bloom, heat in September

	120	Tons Unit Guarantee
–	**92**	Tons Harvested*
=	**28**	Ton Loss

**Appraised Production To Count*

	$2,000	Established Chardonnay Price
x	**28**	Ton Loss
=	**$56,000**	Loss Payment

____ – ____ = ____

Tons Unit Guarantee – Tons Harvested and/or Appraised Production to Count = **TON LOSS**

$ ____ x ____ = ____

Established Grape Price (see chart above) x Ton Loss = **LOSS PAYMENT**

** Example worksheet, calculations subject to change.*

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