



*Presented By Valley Wide Ag  
Insurance Services, Inc.  
www.ValleyWideAg.com*

## ***A New Approach To Managing Your Farming Risks.***

Are you looking for a comprehensive risk management program to address your price and production risks. Our agency specializes in crop insurance, we can create a program to address your price and production risks.

The Benefits of Choosing a Comprehensive Risk Management Program.

- Price protection for multiple agricultural commodities is packaged into one product.
- Your actual farm revenue and production is used as the basis for coverage.
- Coverage for loss of production type losses is on a crop basis.
- Premium payments are deferred for 6 - 12 months.

This program was designed for specialty and high value crops (organic, unique variety or market). Coverage for animals, animal products and aqua culture is available on a limited basis.

### ***Sample Coverage Example (Farm Overview)***

<b>Year</b>	<b>Revenue</b>	<b>Expenses</b>	<b>Almond Production</b>	<b>Grape Production</b>	<b>Lemon Production</b>
1	\$750,000	\$620,000	200,000 pounds	100 tons	40,000 cartons
2	\$760,000	\$640,000	220,000 pounds	110 tons	45,000 cartons
3	\$770,000	\$650,000	250,000 pounds	120 tons	42,000 cartons
4	\$740,000	\$650,000	175,000 pounds	120 tons	44,000 cartons
5	\$800,000	\$670,000	240,000 pounds	100 tons	49,000 cartons
<b>Annual Projection</b>	\$790,000		240,000 pounds	115 tons	45,000 cartons
<b>Average</b>	\$764,000	\$646,000	217,000 pounds	110 tons	44,000 cartons

- \*Revenue is based on actual farm receipts reported on the insureds schedule F or equivalent Tax Form.
- \*Expenses are based on actual farm expenses reported on the insureds schedule F or equivalent Tax Form.
- \*Almond production is based on insureds net good meat pounds.
- \*Grape production is based on insureds net received weight minus material other than grapes (MOG).
- \*Lemon production is based on insureds packed standardized cartons for fresh market.
- \*Annual projection is based on grower estimated production and price.

### **Types of Coverage**

- Production History Coverage  
Basis average production history by crop by field and coverage level (selected by insured).  
(Average Production History 2000 pounds x 65% coverage = Production Guarantee)
- Farm Revenue Coverage  
Basis average revenue history, projected revenue, indexing factors and coverage level (selected by insured)

\*All premiums deferred 6 - 12 months without penalty and interest, actual premium due dates vary by type of coverage.

Coverage Type and Method		Field One	Field Two	Revenue
Lemon Production	Actual Production History @ 65% / 100%	14,320 cartons	14,320 cartons	
Almond Production	Actual Production History @ 70% / 100%	60,760 pounds	91,140 pounds	
Grape Production	Actual Production History @ CAT	55 tons		
Farm Revenue	Adjusted Gross Revenue @ 80% / 90%			\$632,000
Farm Revenue Coverage requires at least \$489,280 in annual farm related expenses				

### Production Indemnity Example

Almond field two has a production guarantee of 91,140 pounds. This field's actual production was 81,250 pounds. This resulted in a production deficiency of 9,890 pounds. The indemnity would be \$19,780 (9,890 pounds x \$2.00).

### Farm Revenue Indemnity Example

Total farm revenue was \$502,105 plus the \$19,780 production indemnity results in an adjusted farm revenue of \$521,885. The farm revenue guarantee was \$632,000 minus \$521,885 adjusted farm revenue equals \$110,115 revenue deficiency which would be reimbursed at 90% or \$99,104 farm revenue indemnity.

**Total Indemnity \$119,081.**

Loss Example (Current Production and Revenue)					
	Field One	Field Two	Revenue	Production Indemnity	Total Indemnity
Lemons	20,100 cartons	21,250 cartons	\$165,400		\$118,884
Almonds	70,010 pounds	81,250 pounds	\$264,705	\$19,780	
Grapes	120 tons		\$72,000		
Revenue Indemnity			\$99,104		

Limitations apply, contact Valley Wide Ag Insurance Services Inc for further information. The above information is intended as a sales tool only.

This policy is part of the United States Department of Agriculture's Federal Crop Insurance Corporation (FCIC). Federal crop insurance programs are administered by the Risk Management Agency (RMA), which underwrites crop insurance policies for hundreds of crops and livestock in the United States. Crop insurance policies are sold and serviced by private insurance companies and agents.

This handout contains generalized descriptions of available insurance coverage and is not intended as an offer to issue the described insurance. Issuance of any policy of insurance described in this handout is subject to satisfying underwriting criteria filed with the insurance department of the applicable jurisdiction. The coverage afforded is subject to the terms, conditions and exclusions stated in the actual policy as issued and may vary from the general coverage descriptions in this brochure.