

CROP INSURANCE

for

COFFEE

2 TYPES OF COVERAGE AVAILABLE

TREE COVERAGE & CHERRY COVERAGE

CHOOSE EITHER OR BOTH:

- HAWAII TROPICAL TREE policy for Coffee Trees
- HAWAII TROPICAL FRUIT policy for Coffee Cherry

BOTH POLICIES COVER AGAINST UNAVOIDABLE DAMAGE OR LOSS DUE TO

- ADVERSE WEATHER CONDITIONS
- INSECTS AND DISEASE, when sufficient and proper control measures in place
- WILDLIFE, when efforts have been made to control
- FIRE DUE TO NATURAL CAUSES, weeds, undergrowth controlled and debris is removed
- VOLCANIC ERUPTION, EARTHQUAKE, TSUNAMI
- FAILURE OF IRRIGATION WATER SUPPLY due to insured causes

COVERAGE LEVELS AVAILABLE FOR BOTH POLICIES

- CATASTROPHIC (CAT) COVERAGE: 27.5% Coverage
- BUY-UP COVERAGE: 50% - 75% coverage

WHAT IS REQUIRED TO BEGIN COVERAGE?

- Complete application signed and submitted by deadline
- Yield history report for cherry, if available
- Acreage Report
- Report of tree age, spacing, count etc.
- Crop Insurance Company inspection

COFFEE TREE COVERAGE DETAILS

- New Applicants apply by Dec. 1 for Jan. 1 attachment. Final deadline to apply is Dec. 31 prior to the insurance crop year.
- Trees must be set out in the farm before Dec. 31 prior to the Jan. 1 attachment date.
- Covers against death of trees due to insured causes.
- Coverage begins Jan 1 and ends Dec 31.
- Trees are valued at USDA-RMA published prices based upon age, irrigation practice and density.
- Grower must provide evidence of 4 years experience growing coffee, excluding the year of tree set-out.

TREE COVERAGE OPTIONS

OPTIONAL UNITS:

Farm Blocks that are non-contiguous may be listed as separate units for insurance. Contiguous blocks that meet guidelines for Written Unit Agreements may also be separate units.

TREE POLICY: OCCURRENCE LOSS OPTION

Changes deductible to "per tree" once damage exceeds 3%.

COMPREHENSIVE TREE VALUE

Provides an additional benefit for destroyed trees:

- 50% payable at the time land has been cleared
- 50% payable at the time the land has been replanted to coffee trees or any perennial crop.

COFFEE CHERRY COVERAGE DETAILS

- New Applicants apply by Dec. 1 for Jan. 1 attachment. Final deadline to apply is Dec. 31 prior to the insurance crop year.
- Covers crop produced on trees that >24 months on the Jan. 1 attachment date
- Provides Cherry Weight production guarantee based upon approved yield, determined from actual yields, Transitional Yields, or a combination of these. Appraisals of unharvested production and RMA-approved yields may also be used to determine guarantees.
- The coverage period begins Jan. 1 and ends May 31 of the year following the year coverage began (18 month coverage period).

CHERRY COVERAGE OPTIONS

OPTIONAL UNITS:

Farm Blocks that are non-contiguous or certified organic may be listed as separate units for units. Contiguous blocks that meet guidelines for Written Unit Agreements may also be separate units.

YIELD CUPS AND YIELD ADJUSTMENTS:

Approved Yields may be kept at levels higher than historical averages under these options, reducing the affect loss years have on the overall yield history.



**2021 HAWAII COUNTY COFFEE / COFFEE TREE CROP INSURANCE
COST & COVERAGE EXAMPLES**

COFFEE CHERRY EXAMPLE 1 1 acre with 3,000 LB APPROVED YIELD	Coverage Level	75%	70%	65%	60%	55%	50%	CAT
	Dollar Amount of Coverage (3,000 x Coverage Level X \$2.057 Price Election)	\$4,628	\$4,320	\$4,011	\$3,703	\$3,394	\$3,086	\$1,697
Subsidized Premium	\$91	\$62	\$46	\$34	\$26	\$17	\$0	

COFFEE CHERRY EXAMPLE 2 1 acre with 4,000 LB APPROVED YIELD	Coverage Level	75%	70%	65%	60%	55%	50%	CAT
	Dollar Amount of Coverage (4,000 x Coverage Level X \$2.057 Price Election)	\$6,171	\$5,760	\$5,348	\$4,937	\$4,525	\$4,114	\$2,263
Subsidized Premium	\$101	\$69	\$50	\$37	\$28	\$19	\$0	

COFFEE TREE EXAMPLE – 1,000 trees 37+ MONTHS	Coverage Level	75%	70%	65%	60%	55%	50%	CAT
	Dollar Amount of Coverage (1,000 Trees X \$43.25 Price x Coverage Level)	\$32,438	\$30,275	\$28,113	\$25,950	\$23,788	\$21,625	\$32,438
Subsidized Premium	\$75	\$64	\$52	\$42	\$33	\$24	\$0	

Premium Examples shown above reflect USDA Subsidies applicable to growers who are compliant with the USDA's Highly Erodible and Wetland Conservation Certification guidelines and/or have a current certification on file at USDA Farm Service Agency (FSA) by the billing date for the policy. For more information on filing or updating your Conservation Compliance paperwork, please contact the FSA for your county: Hawaii County: (808) 933-8381 Honolulu County: (808) 541-2600 Kauai County: (808) 245-9014 Maui County: (808) 567-6868

Administrative Fees per policy/per crop are not reflected in the above example, and are per crop / per year: CAT: \$655 Buy-up Levels: \$30 Beginning Farmers, Veterans with less than 5 years of farming experience or have been discharged less than 5 years may apply for fee exemption and additional subsidies.

These premium estimates are for example purposes only, using current rates, price elections, and example yields and tree counts. Your premium will be based upon your individual approved yield and tree counts, and will vary from these examples. Please call for a quote specific to your farm showing all available levels and options.

COFFEE CHERRY LOSS EXAMPLE: 1 acre		
Hawaii County, 75% coverage, 100% share, Approved yield of 3,000 lbs/acre		
	3,000	Pounds per acre approved yield
x	75%	Coverage level percentage
=	2,250	Pounds guaranteed
-	1,000	Pounds actually produced
=	1,250	Pounds per acre loss
=	\$ 2.057	*Price election per pound
	\$ 2,571	Gross indemnity

COFFEE TREE LOSS EXAMPLE: 1,000 Trees		
Hawaii County, 75% Coverage 100% Share, Trees 37+ months		
	1,000	Total insured trees
x	\$ 43.25	Tree price at Stage 4
=	\$ 43,250	Value of insured trees
	300	Total dead trees
=	\$ 43.25	Tree price at Stage 4
=	\$ 12,975	Value of dead trees
÷	\$ 43,250	Value of insured trees
=	30%	Damage
-	25%	Deductible(1-75%)
=	5%	Loss
x	\$ 43,250	Value of insured trees
=	\$ 2,162	Gross Indemnity

Manage your risk. Work with an agency trusted by growers.

Lind Insurance Services specializes in crop insurance. Our main focus is offering the programs developed, reinsured and regulated by the **USDA's Risk Management Agency (RMA)**, and we maintain the USDA Risk Management Agency's certifications required to represent its programs.

Agent Bonnie Lind has been working with growers in Hawaii since 1998, demonstrating a long-standing commitment to the stability of Hawaii agriculture. Lind Insurance Services works only with the most established and experienced professionals in the Crop Insurance industry. Our clients deserve the best customer service, efficient field services and prompt claim response, and these values are reflected in the USDA's Approved Insurance Providers that we work with.



888-276-7728 Toll Free | agsecure@sbcglobal.net email | www.HawaiiCropInsurance.com | Hawaii License 118279

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