



United States Department of Agriculture
Risk Management Agency

December 2008

2009 COMMODITY INSURANCE FACT SHEET

Rice — APH

Florida

Crop Insured

The crop insured will be all the rice, that is planted for harvest as grain, in which you have a share, in the county for which a premium rate is provided in the actuarial documents. The crop must be irrigated. Acreage that has been planted to rice the previous year is uninsurable unless allowed by the special provisions.

Counties Available

Glades
Hendry
Palm Beach.

Causes of Loss

Adverse weather conditions (excluding drought)
Earthquake
Failure of irrigation water supply¹
Fire
Insects²
Plant disease³
Volcanic eruption
Wildlife

¹If caused by an insured peril, drought, or the intrusion of saline water during the insurance period. ²But not damage due to insufficient or improper application of pest control measures. ³But not damage due to insufficient or improper application of disease control measures.

Insurance Period

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

- 1) Total destruction of the crop;
- 2) Harvest of the rice;
- 3) Final adjustment of a loss;
- 4) Abandonment of the crop; or
- 5) October 31.

Reporting Requirements

Acreage Report—You must timely report all acres of the crop in which you have a share.

Notice of Loss— (1) Protect the crop from further damage by providing sufficient care; (2) notify your agent within 72 hours of your initial discovery of damage; (3) leave representative samples, at least ten feet wide, of the unharvested crop intact for each field of the damaged unit; and (4) the samples must not be harvested or destroyed until the earlier of the company's written consent to destroy them or 15 days after harvest of the balance of the unit is completed.

Important Dates

Sales Closing.....	February 15
Final Planting.....	May 31
Acreage Reporting.....	June 30
Premium Billing.....	October 1
Cancellation/Termination.....	February 15

Definitions

Price Election— The price per pound set by FCIC each year to be used for premium and indemnity calculations.

Production Guarantee— Number of pounds per acre determined by multiplying your approved yield per acre (based on your production records) times the coverage level percentage you elect.

Replant Provisions

A replanting payment is allowed if the rice is damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the production guarantee for the acreage. Replanted rice must be seeded at the rate that is normal for initially planted rice. The maximum

amount of the replanting payment per acre will be the lesser of 20 percent of the production guarantee or 400 pound, multiplied by your price election, multiplied by your insured share.

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 85 percent of your average yield. For example, an average yield of 3,600 pounds per acre would result in a guarantee of 2,700 pounds per acre at the 75-percent coverage level. Crop insurance premiums are subsidized as shown in the following table. For example, if you select the 75-percent coverage level, your premium share would be 45 percent of the base premium.

Coverage Level %	50	55	60	65	70	75	80	85
Premium Subsidy %	67	64	64	59	59	55	48	38
Your Premium Share %	33	36	36	41	41	45	52	62

Catastrophic (CAT) coverage is fixed at 50 percent of your average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you. There is, however, an administrative fee of \$300 per crop per county, regardless of the acreage.

Insurance Units

Your insurable acreage is grouped into a unit based on one of the following unit arrangements.

Basic Units: A basic insurance unit includes all of your rice acreage in the county in which you have 100-percent share and includes any cash-rented land. If you also grew rice on shares with another entity, that acreage would be a separate basic unit. Premiums are reduced by 10percent if you insure under basic units.

Optional Units: Optional units by irrigation practice are not allowed. If a basic unit consists of two or more sections and certain record-keeping criteria are met, you may select optional units by section. The 10-percent basic unit premium discount will not apply.

Prevented Planting

Prevented planting coverage is 45 percent of your production guarantee for timely planted acreage. If you pay an additional premium, you may increase your prevented planting coverage to a level specified in the actuarial documents.

Loss Example

This example is based on 75-percent coverage level, assumes an average yield of 3,600 pounds per acre, price election of \$.145 per pound, 100 acre operation, 1,500 pounds per acre of production to count, 100 percent share and basic units.

3600	Pounds per acre average yield
<u>x .75</u>	Coverage level percentage
2700	Pounds per acre guarantee
<u>x 100</u>	Acres
270,000	Production guarantee
<u>-150,000</u>	Pounds actual production
120,000	Pounds loss
<u>x \$.145</u>	Price election
\$17,400	Indemnity for 100 acre unit

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