United States Department of Agriculture
Risk Management Agency

January 2007

2007 COMMODITY INSURANCE FACT SHEET

Corn

Wisconsin

Crop Insured

The crop insured will be all corn grown in the county on insurable acreage, for which premium rates are provided, in which you have a share, and planted for harvest as grain or silage. The revenue plan of insurance (CRC) insures corn for grain only. Corn insured includes yellow dent or white corn, including mixed yellow and white, waxy or high-lysine corn. Other corn, such as high-amylose, high oil, high-protein, flint, flour, Indian, or blue corn, or a variety genetically adapted to provide forage for wildlife, or any open pollinated corn is not insurable unless the Special Provisions or a written agreement provides for such insurance. Contact a crop insurance agent for further explanation.

Causes of Loss

Adverse weather conditions[1]
Failure of irrigation water supply[2]
Fire[3]
Insects[4]
Plant disease[4]
Wildlife

[1]Including hail, frost, freeze, drought, and excess precipitation.
[2]If caused by an insured cause of loss.
[3]If due to natural causes.
[4]But not damage due to insufficient or improper application of pest or disease control measures.

Insurance Period

Insurance coverage begins on the later of the date we accept your application or the date when the corn is planted, and will end at the earliest of: (1) total destruction of the crop, (2) harvest of the unit, (3) final adjustment of a loss, (4) September 30, 2007 (**silage**), December 10, 2007 (**grain**) or, (5) abandonment of the crop.

Reporting Requirements

Acreage Report — You must give a report of all your corn acreage in the county by the acreage reporting date.

Important Dates

Sales Closing/Cancellation Date	March 15
Earliest Planting Date	April 11
Final Planting Date (**grain**)(most counties)	May 31
Final Planting Date (**grain**)(northern counties)	May 25
Final Planting Date (**silage**)(most counties)	June 5
Final Planting Date (**silage**)(northern counties)	May 31
Acreage Reporting Date	July 15
Premium Billing Date	October 1
Production Reporting Date	April 29

Definitions

APH Yield — Actual production history (APH) yield used to determine the production guarantee. The APH yield is based on up to 10 years of actual and/or assigned yields.

Unit — The insurable acreage used to determine the APH yield, the production guarantee, and any indemnity (loss payment).

Production Guarantee — Number of bushels or tons guaranteed per unit. Multiply your APH yield per acre *x* the coverage level percentage you select *x* the number of acres in the unit.

High Risk Land (HRL) — Land designated on a map in the actuarial documents with a high risk rate classification, requiring a higher premium rate due to higher risk.

HRL Exclusion Option — An agreement to exclude from crop insurance coverage **all** high risk land by crop and county, as signed on our form by the sales closing date. Catastrophic coverage is still available when this option is in effect.

Coverage Levels and Premium Subsidies

Corn may be insured at the coverage levels shown in the table. Crop insurance premiums are subsidized as shown. If you select the 75-percent coverage level, your coverage will be 75 percent of your approved APH yield, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium. Catastrophic coverage (CAT) is available at 50 percent of your APH yield and 55 percent of the

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.

price election. The total cost for CAT coverage will be an administrative fee of $100 per crop per county, regardless of the acreage. Administrative fees, in addition to premium costs, for coverage levels above CAT are $30 per crop per county.

(80 percent and 85 percent coverage levels not available in all counties)

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

Price Elections (APH plan)

Price of compensation per bushel/ton in case of loss:
Additional price: Grain — $ 3.50 per bushel
Established price: Silage — $25.00 per ton

Insurance Units

Basic Unit: A basic unit includes all of your insurable corn acreage in the county by share arrangement. Premiums are reduced 10 percent for a basic unit.

Optional Unit: If a basic unit consists of two or more sections of land, and certain record keeping requirements are met, you may apply for optional units by section. The 10-percent premium discount will not apply.

Enterprise Unit: Generally, all the insured crop acreage in a county. Premium discounts apply.

Plans of Insurance

Actual Production History (APH) — Production guarantee based on **individual** yield history. Optional and basic units are available.

Crop Revenue Coverage (CRC) — APH plus price protection with option, basic, and enterprise units.

Group Risk Plan (GRP) — Insures against **widespread** loss of production based on **county average** yields. No individual loss protection available.

Group Risk Income Protection (GRIP) — Combines GRP with price protection to insure against **widespread** loss of revenue due to a combination of low yields and/or low prices. No individual protection available.

Replant Provision

(not available under catastrophic coverage, GRP, or GRIP)

A replanting payment is allowed only if the crop is damaged by a covered cause of loss to the extent that the remaining stand will not produce at least 90 percent of your production guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 20 percent of the production guarantee or 8 bushels (for grain) or 1.0 ton (for silage), times your price election. No **replanting** payment will be made on acreage initially planted prior to the **earliest planting date**.

Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. Not available for all plans of insurance. Please consult a crop insurance agent for details.

Loss Example (Grain)

APH Example: A loss occurs when the bushels of corn produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. This example assumes a 130 bushels per acre APH yield, 70-percent coverage level, 100 percent of the additional price, and basic unit coverage.

140	bushels per acre APH yield
x .75	coverage level
98.0	bushel guarantee*
- 50.0	bushels per acre actually produced
48.0	bushels per acre loss
x 3.50	price election
$168.00	gross indemnity*
- $8.50	estimated premium per acre (varies)
$159.50	**net indemnity***

Revenue Product Example:

98.0	bushels* (see prior example)
x $3.75	base price (est. - announced in March)
$367.50	guarantee*
50	bushels per acre actually produced
x $3.30	harvest price (est. - announced in Nov.)
$165.00	revenue
$202.50	gross indemnity ($367.50 - $165.00)
- $12.00	estimated premium (varies)
$190.50	**net indemnity***

* Figures shown on a per acre basis; guarantees and losses paid are on a unit basis. See policy provisions.

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