



United States Department of Agriculture  
Risk Management Agency

January 2010

## 2010 COMMODITY INSURANCE FACT SHEET

# Hybrid Seed Corn

## South Dakota

### Crop Insured

The crop insured will be all the female parent corn plants grown in the county on insurable acreage for which premium rates are provided, in which you have a share, and grown under a hybrid seed corn processor contract to be harvested as commercial hybrid seed corn.

### Counties Available

Hybrid seed corn insurance is only available in Union County, South Dakota: However, in counties where premium rates are not published, hybrid seed corn may be insurable by written agreement.

### Causes of Loss

Adverse weather conditions<sup>1</sup>  
Failure of irrigation water supply<sup>2</sup>  
Fire<sup>3</sup>  
Insects<sup>4</sup>  
Plant disease<sup>4</sup>  
Wildlife

<sup>1</sup>Natural perils such as hail, frost, freeze, wind, drought, and excess moisture, but not frost or freeze damage after the designated frost/freeze date.

<sup>2</sup>If caused by an insured peril during the insurance period.

<sup>3</sup>If due to natural causes.

<sup>4</sup>But not damage due to insufficient or improper application of control measures.

### Insurance Period

Coverage begins on the date when the female and male plants are planted, and ends at the earliest of:  
1) total destruction of the unit, 2) harvest of the unit, 3) abandonment of the unit, 4) final adjustment of a unit, or 5) October 31 which is the end of insurance period.

### Reporting Requirements

**Acreage Report** - You must report to your insurance company all insurable and uninsurable acreage of the insured crop in the county in which you have a share.

**Notice of Claim**-You must give notice to your agent within 72 hours of your initial discovery of damage and **obtain consent** before destroying any of the crop that is not harvested or before putting the crop or acreage to another use, but not later than 15 days after the end of the insurance period.

### Important Dates

Sales Closing/Cancellation .....	March 15
Final Planting .....	May 25
Acreage Reporting .....	June 30
Frost/freeze coverage ends .....	September 30*
Premium Billing .....	October 1

\*See county special provisions of insurance.

### Definitions

**Adjusted Yield** - An amount determined by multiplying the county yield by the coverage level factor on the coverage and rate table.

**Amount of Insurance (\$/A)** - A dollar amount determined by multiplying the adjusted yield by the price election for field corn minus any guaranteed payment (not to exceed the total compensation in the processor contract).

**Approved Yield** - An amount RMA determines to be representative of the expected yield of the female parent when grown under a specific production practice based on records provided by the seed company and credibility of the records.

**Dollar Value per Bushel** - An amount that determines the value of any seed production to count. It is determined by dividing the dollar amount of insurance by the result of multiplying the approved yield by the coverage level selected.

**Unit** - Insurable acreage used to determine the guarantee and indemnity. Optional units will not be established for processor contracts stipulating the amount of production to be delivered.

## Coverage Levels

Instead of guaranteeing an amount of production, the policy guarantees a dollar amount of coverage, depending on the level of coverage selected (choice of 50, 55, 60, 65, 70, and 75 percent.)

## Price Elections

The APH price election for field corn is used for seed corn unless you select the hybrid seed price endorsement. Contact your crop insurance agent for the price election changes for the current crop year.

## Options

### Hybrid Seed Price Endorsement

The price election will be the higher of the APH price election for field corn, or the February average daily settlement price for the Chicago Board of Trade December corn futures contract price, rounded to the nearest cent.

## Insurance Units

**Basic Unit:** If the processor contract specifies the number of acres to be planted, a basic unit consists of all your insurable hybrid seed corn acreage in the county by share arrangement. If the processor contract specifies the amount of production to be delivered, a basic unit consists of all acreage planted to the insured crop in the county that will be used to fulfill contracts with each processor.

**Optional Unit:** Optional units are not available.

## Replant Provisions

No replanting payment is available. If either the male or female parent plants are damaged before the final planting date and it was practical to replant and it was not replanted, the acreage will not be insured. It will not be considered practical to replant unless production from the replanted acreage can be delivered under the terms of the hybrid seed corn processor contract or the seed company agrees that it will accept the production from the replanted acreage.

## Loss

A loss occurs when crop production falls below the guaranteed dollar amount as a result of damage from a covered cause of loss.

## Where to Purchase

All multi-peril crop insurance, including CAT coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site at: <http://www3.rma.usda.gov/tools/agents/companies/>

## Regional Contact for RMA

### USDA/Risk Management Agency

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