



United States Department of Agriculture
Risk Management Agency

February 2011

2011 COMMODITY INSURANCE FACT SHEET

Processing Sweet Corn Delaware

Crop Insured

Processing sweet corn grown under the requirements of a processor contract executed on or before July 15, and not excluded from the contract at any time during the year, may be insurable. Sweet corn interplanted with another crop or planted into an established grass or legume will not be insurable.

Counties Available

Processing sweet corn is insurable in all counties.

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply²
Fire
Insects³
Plant disease³

¹Includes excessive moisture that prevents timely harvesting and abnormal temperatures that result in bypassed acreage because too much acreage was ready for harvest than could be feasibly harvested, or the processing of such production was beyond the capacity of the processor. ²If due to insurable causes. ³Not due to insufficient or improper application of control measures.

Note: This policy does not cover any loss of production due to bypassed acreage because of the breakdown or non-operation of equipment or facilities, or your failure to follow the requirements contained in the processor contract.

Insurance Period

Coverage usually begins when the sweet corn is planted and ends the earliest of: (1) destruction of the crop, (2) abandonment of the crop, (3) completion of harvest, (4) the date the sweet corn should have been harvested but was not harvested, (5) final adjustment of a claim, (6) the date the sweet corn should have been harvested but was not harvested, (7) the date sufficient production is harvested that fulfills an amount stipulated by contract, or (8) September 2011.

Reporting Requirements

Acreage Report— An acreage report is due to your agent no later than July 15 for all your sweet corn acreage in the county, including a copy of your processor contract.

Production Report— A production report for the previous crop year is due to your agent before April 30. A yield will be assigned if this information is not timely provided.

Important Dates

Sales Closing March 15, 2011
Final Planting Date..... June 30, 2011
Acreage Report Date July 15, 2011

Definitions

Average APH Yield—Your average yield per acre based on your actual production history (APH), county yields, or other adjusted yields if appropriate.

Bypassed Acreage— Land on which production is ready for harvest but the processor elects not to accept production from the acreage.

Harvest— Removal of the ears from the stalk for the purpose of delivery to the processor.

Price Election— The price used to calculate your premium and any indemnity (see next page).

Production Guarantee— Number of tons guaranteed per acre determined by multiplying your average APH yield (based on your yields) by the coverage level percentage you select.

Duties in the Event of Damage or Loss

- If crop damage occurs, give notice within 72 hours of initial discovery of damage, or immediately if damage is first discovered during harvest.
- If crop is totally destroyed or harvest is prematurely discontinued, give notice within 48 hours.
- If you previously gave notice of damage, you must also provide notice at least 15 days prior to harvest if you intend to claim an indemnity.
- For any acreage that will not be harvested, give notice within 3 days after date harvest should have started.

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent of your average yield and are subsidized as shown below. For example, an average yield of 5 tons per acre results in a guarantee of 3 tons per acre at the 60-percent coverage level.

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

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

Price Election

\$93 per ton

Price elections are posted on the RMA Web site at:

<http://webapp.rma.usda.gov/apps/ActuarialInformationBrowser/Default.aspx>

Prevented Planting

This provision provides a coverage amount of 40 percent of your production guarantee on acreage that cannot be planted by the final planting date as a result of an insurable cause. Certain restrictions and criteria will apply. Contact an agent for more details.

Late Planting

A late planting period is not applicable to processing sweet corn.

Loss Example

This example assumes a 65-percent coverage level, an average yield of 5 tons per acre, non-irrigated, and basic units.

| | |
|---------------|------------------------------------|
| 5 | Tons per acre average yield (APH) |
| <u>x .65</u> | Coverage level |
| 3.3 | Tons per acre guarantee |
| <u>- 1</u> | Ton per acre produced |
| 2.3 | Tons per acre loss |
| <u>x \$93</u> | Price election |
| \$214 | Indemnity per acre |
| <u>- \$3</u> | Estimated premium cost to producer |
| \$211 | Net indemnity per acre |

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