

**SUMMARY OF CHANGES FOR THE SWEET POTATO CROP PROVISIONS (14-0156)**  
(Released November 2013)

The following is a brief description of changes to the Sweet Potato Crop Provisions that will be effective for the 2014 crop year. Please refer to the Sweet Potato Crop Provisions for more complete information.

Section 1 – Definitions

- Removed the definitions of "Certified G-1 seed," "Certified seed," and "Certifying agency."
- Added the definition of "Generation one (G1) through generation three (G3) seed."
- Revised the definitions of "Approved yield for Fresh Market Sweet Potatoes" and "Approved yield for Processing Sweet Potatoes" by removing language regarding yield substitution. These provisions were duplicative of those contained in the Basic Provisions.
- Clarified the definition of "Price for unharvested production" by specifying that the "costs not incurred" are those associated with harvest.

Section 2 – Unit

- Clarified section 2 by indicating enterprise units are determined as specified in the Basic Provisions.

Section 6 – Insured Crop

- Revised the outline format in section 6. The provisions previously in paragraphs 6(a) and (b) are now all in section 6(a). The provisions previously in section 6(c) are now in section 6(b).

Section 7 – Insurable Acreage

- Revised the outline format in section 7 by moving the provisions in paragraph (c) to paragraph (b), and redesignating paragraphs (d) and (e) as paragraphs (c) and (d), respectively.
- Revised redesignated paragraph (b) to specify insurable acreage must be planted using generation one (G1) through generation three (G3) seed.

Section 10 – Duties in the Event of Damage or Loss

- Removed paragraph (a)(1). The requirement to give notice within 72 hours of discovery of damage was duplicative of the requirement in the Basic Provisions.
- Removed paragraph (a)(3) which required documents identifying seed and its source. Since certified seed is no longer required, producers may produce their own seed. Documents identifying the seed source would not be available in these situations.
- Redesignated paragraphs (a)(2), (a)(4) and (a)(5) as paragraphs (a)(1) - (3), respectively.
- Revised redesignated paragraph (a) to clarify that the listed duties are in addition to those in section 14 of the Basic Provisions.

Added an Addendum for Dedicated Processing Acreage (Addendum) to provide provisions for insuring acreage from which all production is to be used for processing. This Addendum is made a part of the Sweet Potato Crop Provisions when insurable acreage is subject to a processor contract which requires 100 percent of the production from the acreage to be delivered to the processor.



**UNITED STATES DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation  
SWEET POTATO CROP PROVISIONS**

**1. Definitions.**

**Approved yield for Fresh Market Sweet Potatoes**— In lieu of the definition of approved yield contained in the Basic Provisions, your approved yield is determined by summing the yearly actual yields of fresh market sweet potatoes and dividing the sum by the number of yields contained in the database. The database must contain at least four actual yields and may contain up to 10 consecutive crop years of actual or assigned yields.

**Approved yield for Processing Sweet Potatoes** - In lieu of the definition of approved yield contained in the Basic Provisions, your approved yield is determined by summing the yearly yields of processing sweet potatoes and dividing the sum by the number of yields contained in the database. The database must contain at least four actual or assigned yields and may contain up to 10 consecutive crop years of actual or assigned yields. If an insured does not have at least four years of records showing processing sweet potato production the fresh market actual yield for the same year will be multiplied by .67 and the applicable t-yield percentage to obtain an approved yield for processing sweet potatoes.

**Basic unit** - In lieu of the definition contained in the Basic Provisions, all of the insurable sweet potato acreage in the county in which you have a share on the date coverage begins for the crop year.

**Direct marketing** – Any sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper, buyer, or broker. Examples of direct marketing include selling through an on-farm or roadside stand, or a farmer's market, and permitting the general public to enter the field for the purpose of picking all or a portion of the crop.

**Field production (of seed)** - Propagation of seed outside a controlled environment such as a greenhouse.

**Fresh market sweet potatoes** - Sweet potatoes grown for harvest and grade U.S. Number 1 or U.S. Extra Number 1 in accordance with the United States Standards for Grades of Sweet Potatoes, effective April 21, 2005.

**Generation one (G1) through generation three (G3) seed** - Vine cuttings or roots produced in the first through the third year of field production used to create slips.

**Harvest** - Removal of the marketable sweet potato tuberous roots from the soil, and placement in a container.

**Hundredweight** - One hundred pounds avoirdupois (cwt).

**Jumbos** - Sweet potato tuberous roots that weigh more than 36 ounces avoirdupois.

**Marketable** – Sweet potatoes that comply with the definition of either fresh market sweet potatoes or processing sweet potatoes.

**Maturity** - A condition in which the tuberous roots are typical of the production normally harvested in the area.

The insured crop will not be considered to have achieved maturity before the conclusion of the number of days after planting specified in the Special Provisions.

**Maximum allowable acreage** – The number of acres equal to 110 percent of the greatest number of acres of planted sweet potatoes in which you had a share in any of the previous three crop years except that any acreage planted solely to fulfill a sweet potato processor contract for the current crop year will be excluded from the calculation of maximum allowable acreage. You must provide us with a copy of the processor contract to exclude the acreage.

**Over-planting factor** – A factor which is always 1.000 or less and that is used to adjust your production guarantee when you plant more acres of sweet potatoes than your maximum allowable acreage. This factor is determined in accordance with section 3. Acreage planted solely for processing under contract will have an overplanting factor of 1.000.

**Planted acreage** - In lieu of the definition contained in the Basic Provisions, planted acreage means land on which slips have been transplanted into a properly prepared bed at the correct depth and in rows sufficiently wide to permit mechanical cultivation. Acreage planted in any other manner will not be insurable, unless allowed by the Special Provisions.

**Price for unharvested production** - In accordance with paragraph 15(d) of the Basic Provisions, your price election will be reduced by the factor contained in the Special Provisions, or any addendum thereto, that takes into account costs not incurred for harvest and the result will be used to compute the amount of any indemnity in the event of a crop loss on unharvested acres.

**Processor** - Any business enterprise regularly engaged in processing sweet potatoes for human consumption, that possesses all licenses and permits for processing sweet potatoes required by the State in which it operates, and that possesses facilities, or has contractual access to such facilities, with enough equipment to accept and process the contracted sweet potatoes within a reasonable amount of time after harvest.

**Processor contract** - A written contract between the producer and a processor, containing at a minimum:

- (a) The producer's commitment to plant and grow sweet potatoes, and to sell and deliver the sweet potatoes to the processor;
- (b) The processor's commitment to purchase all the production stated in the processor contract; and
- (c) A price per hundredweight that will be paid for the production.

You must submit a copy of the processor contract to exclude acreage for the current crop year from the maximum allowable acreage calculation.

**Processing sweet potatoes** - Sweet potatoes that are grown for harvest and grade U.S. No. 1 Petite, U.S. No. 2 (including jumbos), or U.S. Commercial in accordance with the United States Standards for Grades of Sweet Potatoes, effective April 21, 2005.

**Production Guarantee (per acre)** - In lieu of the definition in the Basic Provisions, your production guarantee is calculated in accordance with section 3(d).

**Seed** - Tuberous sweet potato roots planted to produce slips.

**Slips** - Shoots or vine cuttings produced from sweet potato seed that are planted to establish a new sweet potato crop.

**Sweet Potato** - A plant of the species *Ipomoea batatas*, grown for tuberous roots primarily used for human consumption. The sweet potato plants will produce both the fresh market sweet potato type and the processing sweet potato type.

**Types** - A category of sweet potatoes identified as a type in the Special Provisions.

## 2. Unit.

A basic unit, as defined in section 1 of these Crop Provisions, and enterprise units as specified in the Basic Provisions are applicable. The provisions in the Basic Provisions regarding optional units are not applicable.

## 3. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities.

- (a) In addition to the requirements of section 3 of the Basic Provisions, you may select only one price election for each type insured under this policy. The price election you choose for each type must have the same percentage relationship to the maximum price offered by us for each type. For example, if you choose 100 percent of the maximum price election for one type, you must also choose 100 percent of the maximum price election for the other type.
- (b) For the purposes of determining the indemnity for unharvested acreage the price for unharvested production will be used.
- (c) Both the fresh market sweet potato type and the processing sweet potato type grown on the same acreage in the same county in the same year will be insured under this policy. Each type will have a separate approved yield.
- (d) If your insurable acreage of the insured sweet potatoes in this county for the current crop year exceeds 110 percent of the greatest number of insurable acres of the insured sweet potatoes that you produced in the county for any one of the three previous crop years, your production guarantee (per acre) is calculated as follows:
  - (1) Multiply the greatest number of insurable acres of the insured sweet potatoes that you produced in the county in any one of the three previous crop years by 1.10;
  - (2) Divide the result by the number of insurable acres of the crop produced by you in the county in the current crop year, to obtain the overplanting factor;

- (3) Multiply the resulting overplanting factor (rounded to two decimal places and not to exceed 1.00) by the production guarantee (per acre) for the current crop year; and

- (4) Multiply the result of paragraph 3 by your coverage level.

- (e) Instead of reporting your sweet potato production for the previous crop year as required by subsection 3(f) of the Basic Provisions, there is a lag period of one year and you are required to report production from two crop years previously, e.g., 2012 crop year production must be reported by the required date for the 2014 crop year.

## 4. Contract Changes.

In accordance with section 4 of the Basic Provisions, the contract change date is November 30 preceding the cancellation date.

## 5. Cancellation and Termination Dates.

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are February 28.

## 6. Insured Crop.

Insured sweet potatoes include:

- (a) All the sweet potatoes in the county:
  - (1) In which you have a share;
  - (2) That are planted for harvest as marketable sweet potatoes;
  - (3) For which premium rates are provided by the actuarial documents;
  - (4) For which you have an approved yield as required in section 1; and
  - (5) That are a variety specified in the Special Provisions.
- (b) Sweet potatoes that are not insured include, but are not limited to, those that are:
  - (1) Interplanted with another crop; or
  - (2) Sold or used for the production of seed or slips.

## 7. Insurable Acreage.

In addition to the provisions of section 9 of the Basic Provisions:

- (a) We will not insure any acreage that:
  - (1) Is sold by direct marketing;
  - (2) Does not meet the rotation requirements shown in the Special Provisions, if applicable;
  - (3) Is identified as uninsurable in the actuarial documents;
  - (4) Is subject to planting restriction orders issued by the official in the state responsible for the control of the sweet potato weevil, witchweed, or other controlled insect, disease, or weed. A copy of these orders must be placed in your file by the acreage reporting date;
  - (5) During either of the previous two years, was planted to any other crop that was damaged by fungal, bacterial or viral diseases or insects or nematodes that can affect sweet potatoes. Your acreage report certifies that the acreage you report as insurable was not damaged by fungal, bacterial or viral diseases or insects or nematodes that can affect sweet potatoes; or

- (6) In the preceding crop year was pasture. Your acreage report certifies that the acreage you report as insurable was not pasture in the preceding crop year.
- (b) To be insurable, the sweet potato acreage:
  - (1) Must be planted using generation one (G1) through generation three (G3) seed; and
  - (2) Must initially be planted with a sufficient number of slips to achieve a plant density of not less than the number specified in the Special Provisions (we will make an appraisal for uninsured causes of loss if a sufficient number of slips were not planted);
- (c) Any acreage of the insured crop damaged before the final planting date to the extent that a majority of producers in the area would not normally further care for the crop, must be replanted unless we agree that it is not practical to replant; and
- (d) If you plant more acres of sweet potatoes than the maximum allowable acreage, your production guarantee (per acre) will be determined in accordance with section 3(d).

#### 8. Insurance Period.

In accordance with section 11 of the Basic Provisions, the calendar date for the end of the insurance period is November 15 following planting.

#### 9. Causes of Loss.

- (a) In accordance with the provisions of section 12 of the Basic Provisions, insurance is provided only against the following causes of loss which occur during the insurance period:
  - (1) Adverse weather conditions;
  - (2) Fire;
  - (3) Insects, plant disease, or weed infestation if:
    - (i) Adverse weather conditions prevented application of control measures or caused control measures to be ineffective after application, and reapplication was not possible or permitted before damage occurred or worsened;
    - (ii) No legal effective chemical or non-chemical product intended to control weeds, fungi, insects, or disease is available and labeled for use on sweet potatoes; and
    - (iii) You have complied with all instructions or orders issued by the official in your state responsible for the control of the sweet potato weevil, witchweed, or other controlled insect, disease or weed, if applicable;
  - (4) Wildlife;
  - (5) Earthquake;
  - (6) Volcanic eruption; or
  - (7) Failure of the irrigation water supply due to a cause specified in section 9(a)(1) through (6) that also occurs during the insurance period.
- (b) In addition to the causes of loss excluded in section 12 of the Basic Provisions, we will not insure against damage or loss of production due to:

- (1) Damage that occurs after the sweet potatoes have been harvested; or
- (2) Your inability to market part or all of the production:
  - (i) Unless inability to market is caused by damage that is directly due to an insured cause of loss specified in section 9(a); or
  - (ii) For any other reason including but not limited to:
    - (A) Quarantine;
    - (B) Boycott; or
    - (C) Refusal of any buyer to accept your undamaged production.

#### 10. Duties in the Event of Damage or Loss.

- (a) Your duties (in addition to those in section 14 of the Basic Provisions):
  - (1) In accordance with the requirements of section 14 of the Basic Provisions, you must leave representative samples of unharvested production in all harvested fields or subfields for which you have provided a "Notice of Loss or Damage." You may not harvest or destroy the representative samples until we have inspected the field or 15 days after the date you notify us that you have finished harvesting.
  - (2) You must sort and grade a sample of the crop in a storage facility, as designated by us, according to the definitions of fresh sweet potatoes and processing sweet potatoes, under the supervision of our representative, to determine the stored production to count.
  - (3) You must continue to care for the harvested crop during curing and storage until loss adjustment is completed.
- (b) Our duties (in addition to those in section 14 of the Basic Provisions):
  - (1) We will perform an appraisal of production of any damaged sweet potatoes provided the sweet potatoes have reached maturity. If maturity has not been achieved, we may defer our appraisal until such time as the insured crop achieves maturity.
  - (2) We will perform an appraisal of the number of surviving plants prior to sweet potatoes reaching maturity for acreage that you intend to abandon or put to another use. We will use the ratio of surviving plants to the original plant population to establish the amount of production to count for such acreage.
  - (3) We will complete our appraisal of any sweet potato production in a storage facility by December 15 of the crop year.

#### 11. Settlement of Claim.

- (a) We will determine your loss on a unit basis. Acres referenced below do not include acres identified as uninsurable in the actuarial documents; likewise, production from such acres is not included in the following computations.

- (b) In the event of loss or damage covered by this policy, we will settle your claim by:
  - (1) Multiplying the insured harvested acreage by its respective production guarantee (per acre), by type if applicable;
  - (2) Multiplying the insured unharvested acreage by its respective production guarantee (per acre), by type if applicable;
  - (3) Multiplying the result in section 11(b)(1) by the respective price election, by type if applicable;
  - (4) Multiplying the result in section 11(b)(2) by the respective price election, by type if applicable;
  - (5) Totaling the results in section 11(b)(3) and 11(b)(4);
  - (6) Multiplying the total production to count of harvested acreage of each type, if applicable, by its respective price election;
  - (7) Multiplying the total production to count of unharvested acreage of each type, if applicable, by its respective price election;
  - (8) Totaling the results in sections 11(b)(6) and 11(b)(7);
  - (9) Subtracting the results in section 11(b)(8) from the results of section 11(b)(5);
  - (10) Summing the results of section 11(b)(9); and,
  - (11) Multiplying the result in section 11(b)(10) your share.

(c) The total production to count (in hundredweight) from all insurable acreage on the unit will include:

- (1) All appraised production as follows:
  - (i) Not less than the production guarantee for acreage:
    - (A) That is abandoned;
    - (B) On which the unharvested representative samples required by section 10(a)(2) are not left or maintained as required in section 10(a)(2);
    - (C) Put to another use without our consent;
    - (D) Damaged solely by uninsured causes;
    - (E) For which you fail to provide records of production that are acceptable to us (we will use our appraisals of the representative samples and other information to make this determination);
    - (F) That was harvested later than the calendar date for the end of the insurance period; and
    - (G) When identified samples were processed or altered by you before being appraised by us;
  - (ii) Production lost due to uninsured causes;
  - (iii) Unharvested production; and
  - (iv) Potential production on insured acreage that you intend to put to another use or abandon, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for

that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:

- (A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (The amount of production to count for such acreage will be based on the harvested marketable production or appraisals from the samples at the time harvest should have occurred.) If you do not leave the required samples intact, or fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or
- (B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested marketable production, or our reappraisal if additional damage occurs and the crop is not harvested; and

- (2) All harvested marketable production from the insurable acreage.
- (3) For fresh market sweet potatoes, when sweet potatoes are appraised in the field, the result of section 11(c)(1) will be reduced by 5 percent to simulate the weight of the crop lost to shrinkage during curing and storage.
- (4) Any marketable sweet potato production in excess of the guarantee (for either the fresh market type or the processing type) will reduce any shortage of sweet potato production to count (from either the fresh market type or the processing type) by the same amount.

(d) Example 1:

1	Your APH Average Yield	200.0
2	Your Coverage Level	75%
3	Your Fresh Market Production Guarantee per acre	150
4	Your Fresh Market Price Election	\$25.00
5	Your Processing Production Guarantee per Acre	100.5
6	Your Processing Price Election	\$7.00
7	Your Maximum Allowable Acres	110.0
8	Your Acres planted	125.0
9	Your Overplanting Factor	0.880
10	Reduced Fresh Market Production Guarantee	132.0
11	Reduced Processing Production	

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	Guarantee		88.4
12	Your Harvested Acres		115.0
13	Your Unharvested Acres		10.0
14	Unharvested Acre Price Factor		80%
15	Your Share		1.000
16	Your harvested fresh market sweet potato production to count		9,488
17	Your harvested processing sweet potato production to count		6,935
18	Your unharvested fresh market sweet potato production to count		180.0
19	Your unharvested processing sweet potato production to count		160.8

9		Result 11(b)(5)		Result 11(b)(8)	
	Frsh	405,900	-	240,800	= \$165,100
	Proc	76,112	-	49,447	= \$26,665
10		Result 11(b)(9) for Fresh Market		Result 11(b)(9) for Processing	
		165,100	+	26,665	= \$191,765
11		Result 11(b)(10)		Share	
		191,765	X	1	= \$191,765

Your claim will be calculated as follows:

1		Harvested Acres		Production Guarantee	
	Frsh	115.0	x	132.0	= 15,180.0
	Proc	115.0	x	88.4	= 10,166.0
2		Unharvested Acres		Production Guarantee	
	Frsh	10.0	x	132.0	= 1,320.0
	Proc	10.0	x	88.4	= 884.0
3		Result 11(b)(1)		Price Election	
	Frsh	15,180.0	x	\$25.00	= \$379,500
	Proc	10,166.0	x	\$7.00	= \$71,162
4		Result 11(b)(2)		Price for unharvested acres	
	Frsh	1,320.0	x	\$20.00	= \$26,400
	Proc	884.0	x	\$5.60	= \$4,950
5		Result 11(b)(3)		Result 11(b)(4)	
	Frsh	379,500	+	26,400.00	= 405,900
	Proc	71,162	+	4,950.00	= 76,112
6		Production to Count		Price Election	
	Frsh	9,488	x	\$25.00	= \$237,200
	Proc	6,935	x	\$7.00	= \$48,545
7		Unharvested Production to Count		Price for unharvested acres	
	Frsh	180	x	\$20.00	= \$3,600
	Proc	161	x	\$5.60	= \$902
8		Result 11(b)(6)		Result 11(b)(7)	
	Frsh	\$237,200	+	\$3,600	= \$240,800
	Proc	\$48,545	+	\$902	= \$49,447

Example 2:

1	Your APH Average Yield	200.0
2	Your Coverage Level	75%
3	Your Fresh Market Production Guarantee per acre	150
4	Your Fresh Market Price Election	\$25.00
5	Your Processing Production Guarantee per Acre	100.5
6	Your Processing Price Election	\$7.00
7	Your Maximum Allowable Acres	110.0
8	Your Acres planted	125.0
9	Your Overplanting Factor	0.880
10	Reduced Fresh Market Production Guarantee	132.0
11	Reduced Processing Production Guarantee	88.4
12	Your Harvested Acres	115.0
13	Your Unharvested Acres	10.0
14	Unharvested Acre Price Factor	80%
15	Your Share	1.000
16	Your harvested fresh market sweet potato production to count	14,421
17	Your harvested processing sweet potato production to count	17,384
18	Your unharvested fresh market sweet potato production to count	0.0
19	Your unharvested processing sweet potato production to count	0.0

Your claim will be calculated as follows:

1		Harvested Acres		Production Guarantee		
	Frsh	115.0	x	132.0	=	15,180.0
	Proc	115.0	x	88.4	=	10,166.0
2		Unharvested Acres		Production Guarantee		
	Frsh	10.0	x	132.0	=	1,320.0
	Proc	10.0	x	88.4	=	884.0
3		Result 11(b)(1)		Price Election		
	Frsh	15,180.0	x	\$25.00	=	\$379,500
	Proc	10,166.0	x	\$7.00	=	\$71,162
4		Result 11(b)(2)		Price for unharvested acres		
	Frsh	1,320.0	x	\$20.00	=	\$26,400
	Proc	884.0	x	\$5.60	=	\$4,950
5		Result 11(b)(3)		Result 11(b)(4)		
	Frsh	379,500	+	26,400.00	=	405,900
	Proc	71,162	+	4,950.00	=	76,112
6		Production to Count		Price Election		
	Frsh	14,421	x	\$25.00	=	\$360,525
	Proc	17,384	x	\$7.00	=	\$121,688
7		Unharvested Production to Count		Price for unharvested production		
	Frsh	0	x	\$20.00	=	\$0
	Proc	0	x	\$5.60	=	\$0
8		Result 11(b)(6)		Result 11(b)(7)		
	Frsh	\$360,525	+	\$0	=	\$360,525
	Proc	\$121,688	+	\$0	=	\$121,688
9		Result 11(b)(5)		Result 11(b)(8)		
	Frsh	405,900	-	360,525	=	\$45,375
	Proc	76,112	-	121,688	=	-\$45,576
10		Result 11(b)(9) for Fresh Market		Result 11(b)(9) for Processing		
		45,375	+	-45,576	=	\$0
11		Result 11(b)(10)		Share		
		0	X	1	=	\$0

## 12. Written Agreements.

The written agreement provisions of the Basic Provisions are not applicable.

## 13. Late Planting.

A late planting period is not applicable. Any sweet potatoes planted after the final planting date will not be insured but must be reported as uninsurable on the acreage report.

## 14. Prevented Planting.

The prevented planting provisions of the Basic Provisions are not applicable.

## SWEET POTATO CROP PROVISIONS - ADDENDUM FOR DEDICATED PROCESSING ACREAGE

1. This addendum is applicable only to insurable acreage that is subject to the terms of a processor contract that requires 100 percent of the production from the acreage to be delivered to the processor. Subject to the terms and conditions described herein, this addendum is automatically made part of your Sweet Potato Crop Provisions whenever you have insured acreage that is subject to such processor contract. This addendum applies to both catastrophic risk protection and additional coverage policies. In the event of a conflict between the Sweet Potato Crop Provisions and this addendum, this addendum will control.

### 2. Definitions.

**Approved yield** - In lieu of the definition of approved yield contained in the Basic Provisions and in the Sweet Potato Crop Provisions, your approved yield is determined by summing the yearly actual yields of marketable production, and dividing the sum by the number of yields contained in the database. The database must contain at least four actual yields and may contain up to 10 consecutive crop years of actual or assigned yields.

**Base contract price** - The price per hundredweight stipulated in the processor contract (without regard to discounts or incentives) and that is used to determine your price election.

**Basic unit** - In lieu of the definitions contained in the Basic Provisions and the Sweet Potato Crop Provisions, all of the sweet potato acreage in which you have a share on the date coverage begins for the crop year, and that is insurable under the terms of this addendum.

**Marketable** - In lieu of the definition contained in the Sweet Potato Crop Provisions, production that meets the standard contained in the processor contract, and is commonly referred to as "usable potatoes" on your settlement or delivery documents.

### 3. Unit.

Acreage insured under the terms of this addendum will be one basic unit (acreage not insured under this addendum is one basic unit, and acreage insured under this addendum is an additional basic unit). The provisions in the Basic Provisions regarding optional units are not applicable.

**4. Insurance Guarantees, Coverage Levels, and Prices.**

- (a) In lieu of the provisions in section 3(e) of the Basic Provisions and section 3(a) of the Sweet Potato Crop Provisions, your price election will be the base contract price multiplied by the percentage of price you elect. However, in no case will the price election exceed any price election maximum amount contained in the Special Provisions or an addendum thereto.
- (b) If there is more than one base contract price (e.g., you produce two sweet potato cultivars under the terms of a processor contract and each cultivar has a different base contract price), the amount used to determine your price election will be the weighted average of the base contract prices. For example, if 20,000 cwt. have a base contract price of \$7.00 per cwt., and 10,000 cwt. have a base contract price of \$8.00 per cwt., the weighted average base contract price is \$7.33 per cwt ( $(20,000 \times \$7.00) + (10,000 \times \$8.00) = \$220,000$ ) and  $\$220,000 \div 30,000 \text{ cwt.} = \$7.33$ ). For acreage only based processor contracts, and acreage and production based processor contracts which specify a maximum number of acres, the number of cwt. considered to be under contract is the maximum number of acres specified in the processor contract multiplied by your approved yield.
- (c) In lieu of section 3(c) of the Sweet Potato Crop Provisions, acreage insured under this addendum will have only one approved yield.
- (d) Any actual yield used to calculate your approved yield will include all marketable sweet potato production.
- (e) Section 3(d) of the Sweet Potato Crop Provisions is not applicable to acreage covered under this addendum.

**5. Report of Acreage.**

In addition to the provisions in section 6 of the Basic Provisions, you must provide a copy of all processor contracts to us on or before the acreage reporting date.

**6. Insured Crop.**

- (a) In addition to section 6 of the Sweet Potato Crop Provisions, the insured crop must be grown in accordance with the requirements of a processor contract executed on or before the acreage reporting date.
- (b) You will be considered to have a share in the insured crop if, under the processor contract, you retain control of the acres on which the sweet potatoes are grown, and your income from the insured crop is dependent on the amount of production delivered.
- (c) A sweet potato producer who is also a processor may establish an insurable interest if the following requirements are met:
- (1) The producer must comply with all policy provisions;
  - (2) Prior to the sales closing date, the Board of Directors or officers of the processor must execute and adopt a resolution that contains the same terms as an acceptable processor contract.

Such resolution will be considered a processor contract under this policy; and

- (3) Our inspection reveals the processing facilities comply with the definition of "processor" contained in the Sweet Potato Crop Provisions.

**7. Insurable Acreage.**

In addition to the provisions of section 9 of the Basic Provisions and section 7 of the Sweet Potato Crop Provisions, the maximum number of insurable acres is the number of acres grown under a processor contract. Only for the purposes of this addendum, the number of acres considered to be grown under a processor contract is determined as follows:

- (a) For acreage only based processor contracts, and acreage and production based processor contracts which specify a maximum number of acres, the lesser of:
  - (1) The maximum number of acres specified in the processor contract; or
  - (2) The number of planted acres; or
- (b) For production only based processor contracts, the lesser of:
  - (1) The number of acres determined by dividing the amount of production stated in the processor contract by the approved yield; or
  - (2) The number of planted acres.

**8. Duties in the Event of Damage or Loss**

In lieu of section 10(a)(2) of the Sweet Potato Crop Provisions, you must sort and grade a sample of the crop in a storage facility, as designated by us, according to the definition of marketable sweet potatoes, under the supervision of our representative, to determine the stored production to count. This provision does not extend the time by which you are required to notify us of any crop damage.

**9. Settlement of Claim.**

- (a) For the purposes of section 11(c)(1)(iii) of the Sweet Potato Crop Provisions, unharvested production will include all lots of sweet potatoes which, except for size, grade U.S. Extra No. 1, U.S. No. 1, U.S. Commercial, or U.S. No. 2 (including jumbos), in accordance with the United States Standards for Grades of Sweet Potatoes, effective April 21, 2005, or a successor document. With respect to size, lots of production in which 85.1 percent or more of the sweet potatoes meet the size requirement specified in the processor contract for marketable potatoes will be included as production to count.
- (b) In accordance with section 11(c)(2) of the Sweet Potato Crop Provisions, production to count will include all harvested marketable production from the insurable acreage. In addition, any lot of production rejected by the processor due to a cause not covered under this policy will be included as production to count. Such production includes, but is not limited to lots that are rejected due to:



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- (1) An excessive amount of tare or foreign material (e.g., dirt, rocks, glass, wood, metal or other foreign objects or substances);
  - (2) The presence of any chemical or pesticide; or
  - (3) Your failure to follow the requirements in the processor contract.
- (c) Sections 11(c)(3) and (4) of the Sweet Potato Crop Provisions are not applicable.
- (d) Claim example:

1	Your APH Average Yield	200.0
2	Your Coverage Level	75%
3	Your Production Guarantee per acre	150.0
4	Your Price Election	\$7.00
5	Unharvested Acre Price Factor	80%
6	Your Share	1.000
7	Your harvested sweet potato production to count from 115 acres	9,488
8	Your unharvested sweet potato production to count from 10 acres	161

10	Total Results 11(b)(9)			
	\$61,832	=	\$61,832	
11	Result 11(b)(10) X Share =			
	\$61,832	X	1.000	= \$61,832

Your claim will be calculated as follows:

1	Harvested Acres	x	Production Guarantee	=	17,250.0
	115.0		150		
2	Unharvested Acres	x	Production Guarantee	=	1,500.0
	10.0		150		
3	Result 11(b)(1)	x	Price Election	=	\$120,750
	17,250.0		\$7.00		
4	Result 11(b)(2)	x	Price for unharvested acres	=	\$8,400
	1,500.0		\$5.60		
5	Result 11(b)(3)	+	Result 11(b)(4)	=	\$129,150
	\$120,750		\$8,400.00		
6	Harvested Production to Count	x	Price Election	=	\$66,416
	9,488		\$7.00		
7	Unharvested Production to Count	x	Price for unharvested acres	=	\$902
	161		\$5.60		
8	Result 11(b)(6)	+	Result 11(b)(7)	=	\$67,318
	\$66,416		\$902		
9	Result 11(b)(5)	-	Result 11(b)(8)	=	\$61,832
	\$129,150		\$67,318		