



United States Department of Agriculture
Risk Management Agency

March 2008

2008 COMMODITY INSURANCE FACT SHEET

Processing Sweet Corn Illinois

Crop Insured

The crop insured will be processing sweet corn on insured acreage grown under contract executed with a processor.

Causes of Loss

Adverse weather conditions
Earthquake
Failure of irrigation water supply, if applicable, due to an unavoidable cause of loss occurring within the insurance period
Fire
Insects*
Plant disease*
Volcanic eruption
Wildlife

All specified causes of loss must be due to a naturally occurring event.
*But not damage due to insufficient or improper application of pest or disease control measures.

Insurance Period

Insurance attaches at the time of planting and ends the earliest of: (1) total destruction of the crop, (2) completion of harvest, (3) final adjustment of loss, (4) date the processor contract is fulfilled, (5) the date by which crop should have been harvested, or (6) September 20.

Reporting Requirements

Acreage Report - You must report to your insurance provider all acreage of the insured crop in the county in which you have a share, the practice, and your share at the time of planting.

Important Dates

Sales Closing March 15
Final Planting Varies by county
Acreage Report July 15
Cancellation March 15

Definitions

Production Guarantees - Number of tons guaranteed per acre, determined by multiplying your average yield per acre times the coverage level percentage you elect. Yields are based on actual production history (APH) records reported to your insurance provider.

Coverage Levels and Premium Subsidies

The processing sweet corn policy guarantees a certain amount of production, depending on the level of coverage selected. Crop insurance premiums are subsidized as shown below. For example, if you select the 75-percent coverage level, the premium subsidy is 55 percent and your premium share is 45 percent of the base premium.

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Share	33	36	36	41	41	45

The total cost for CAT coverage will be an administrative fee of \$100 per crop per county, regardless of the acreage. All other coverage levels require a \$30.00 administrative fee.

Prevented Planting

This provision provides protection on eligible acreage that cannot be planted by the final planting date. Please consult your crop insurance provider for further details.

Price Elections

Price at which you are compensated per ton in the event of a loss, based on the percentage of established price you have selected. Price election percentage choices for this crop year are 55 percent to 100 percent of the price shown below.

Established Price:

\$85.00 per ton

Loss Example

A loss occurs when crop production falls below the guaranteed tonnage amount as a result of damage from a covered cause of loss. This example assumes 65-percent coverage level and a 100-percent price election of \$85.00 and an average yield of 10 tons per acre with .667 share.

APH yield x coverage level x unit acres - production x price election x share

	10	Ton APH yield
x	<u>.65</u>	Coverage level
	6.5	Ton per acre guarantee
x	<u>10</u>	Acres
	65	Ton unit guarantee
-	<u>40</u>	Ton production
	25	Ton loss
x	<u>\$85</u>	Price election
	\$2,125	Unit indemnity
x	<u>.667</u>	Share
	\$1,417	Final indemnity

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