



United States Department of Agriculture  
Risk Management Agency

April 2007

## 2007 COMMODITY INSURANCE FACT SHEET

# Corn - APH

## Alabama, Florida, Georgia, South Carolina

### Crop Insured

The crop insured will be all the corn in the county for which a premium rate is provided by actuarial documents:

- In which you have a share;
- That is adapted to the area based on days to maturity and is compatible with agronomic and weather conditions in the area;
- That is planted for harvest as grain; and
- That is not interplanted with another crop or planted into an established grass or legume.

Insurable corn includes 1) commercial varieties of high-protein hybrids, and 2) high-oil corn blends containing mixtures of at least 90-percent high yielding yellow dent female plants with high-oil male pollinator plants.

### Counties Available

More than one insurance plan is offered for corn in some locations. Contact your crop insurance agent for more details on plans offered in your state and county.

### Causes of Loss

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

<sup>1</sup>If caused by an insured peril during the insurance period. <sup>2</sup>But not damage due to insufficient or improper application of pest control measures. <sup>3</sup>But not damage due to insufficient or improper application of disease control measures.

### Insurance Period

Coverage begins when the crop is planted and ends at the earliest of:

- 1) Total destruction of the crop;
- 2) Harvest of the crop;
- 3) Final adjustment of a loss;
- 4) Abandonment of the crop; or
- 5) December 10.

### Reporting Requirements

**Acreage Report**—You must timely report all acres of the crop in which you have a share to your insurance agent by the acreage reporting date.

**Notice of Loss**— (1) Protect the crop from further damage by providing sufficient care; (2) notify your agent within 72 hours of your initial discovery of damage; and (3) leave representative samples intact for each field of the damaged unit.

### Important Dates

Sales Closing.....	February 28
Acreage Reporting.....	June 30
Premium Billing.....	October 1
Cancellation/Termination.....	February 28

### Definitions

**Price Election**— The price used to calculate your premium or indemnity. Only one price election may be made for all your corn in a county. Price elections are posted on the RMA Web site at:

<http://www3.rma.usda.gov/apps/pricesinquiry/>

**APH Yield**— Your 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.

**Production Guarantee**— Number of bushels guaranteed determined by multiplying your average APH yield times the coverage level percentage you elect times your planted acres.

### Replant Provisions

A replanting payment is allowed if the corn is damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90-percent of the production guarantee and it is practical to replant. The maximum amount of the replanting payment per acre will be the lesser of:

- 20-percent of the production guarantee multiplied by your price election and share; or
- Eight bushels multiplied by your price election and share.

Note: Replanting payments are not available with CAT coverage.

### Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75-percent of your average yield. Crop insurance premiums are subsidized as shown in the following table. For example, if you select the 65-percent coverage level, your premium share would be 41-percent of the base premium..

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

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. There is, however, an administrative fee of \$100 per county, regardless of the acreage.

### Insurance Units

Your insurable acreage is grouped into a unit based on one of the following unit arrangements.

**Basic Units:** A basic insurance unit includes all of your corn acreage in the county in which you have 100-percent share and includes any cash-rented land. If you also grew corn on shares with another entity, that acreage would be a separate basic unit. Premiums are reduced 10-percent if you insure under basic units.

**Optional Units:** If a basic unit consists of two or more farm serial numbers (FSN) and certain record-keeping criteria are met, you may select optional units by FSN. The 10-percent basic unit premium discount will not apply.

### Prevented Planting

Prevented planting coverage will be 60 percent of your production guarantee for timely planted acreage. Please consult a crop insurance agent for details on increasing this coverage.

### Loss Example

This example is based on non-irrigated corn with an average yield of 85 bushels per acre, 65-percent coverage level, 12 bushels of production to count, a \$3.30 per bushel price election, 100-percent share and a one acre basic unit.

85	Bushels per acre average yield
<u>x .65</u>	Coverage level percentage
55	Bushels per acre guarantee
<u>- 12</u>	Bushels actual production
43	Bushel loss
<u>x \$ 3.30</u>	Price election
<b>\$ 142</b>	<b>Indemnity/acre</b>

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