



United States Department of Agriculture  
Risk Management Agency

January 2008

## 2008 COMMODITY INSURANCE FACT SHEET

# Sugarcane/APH Plan

## Louisiana

### Crop Insured

The crop insured will be sugarcane grown for processing for sugar or seed. In parishes where premium rates are not provided by an actuarial table, the crop may be insurable by written agreement if specific criteria are met.

### Parishes Available

Acadia, Ascension, Assumption, Avoyelles, Calcasieu, Cameron, East Baton Rouge, Evangeline, Iberia, Iberville, Jefferson Davis, Lafayette, Lafourche, Point Coupee, Rapides, St. Charles, St. James, St. John Baptist, St. Landry, St. Martin, St. Mary, Terrebonne, Vermillion, and West Baton Rouge.

### Causes of Loss

Adverse weather conditions (including hail, frost, freeze, drought, and excess precipitation)  
Earthquake  
Failure of the 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

Coverage usually begins when the crop is planted. In addition, insurance attaches:

- (1) On the later of the day we accept your application or at the time of planting for plant cane;
- (2) On the first day following harvest of the previous crop for stubble cane with the following exception:

On the later of April 30 or 30 days following harvest of the previous crop for stubble cane damaged during the previous crop year in Louisiana. The end of the insurance period is January 31, 2009.

### Important Dates

Sales Closing ..... **September 30, 2007**  
Cancellation Date ..... **September 30, 2007**  
Final Planting Date ..... **November 15, 2007**  
Acreage Report Date..... **July 15, 2008**

### Definitions

**Cancellation date** - The calendar date specified in the crop provisions on which coverage for the crop will automatically renew unless canceled in writing by either you or us or terminated in accordance with the policy terms.

**Production Guarantee** - Number of pounds of sugar guaranteed per acre, determined by multiplying your average yield per acre (based on your production records) times the coverage level percentage you elect.

**Price Election** - Price of compensation per pound of sugar in case of loss.

### Coverage Levels and Premium Subsidies

**Catastrophic Coverage:** 50 percent of your average yield and 55 percent of the market price.

**Additional Coverage:** 50, 55, 60, 65, 70, or 75 percent of your average yield and up to 100 percent of the price election.

**Premium Subsidies:** varies based on coverage level.

### Late and Prevented Planting

Late and prevented planting provisions of the basic provisions are not applicable.

### Loss Example – Sugarcane)

(Based on actual production history (APH) yield of 6000 pounds per acre, 65-percent coverage level, 100-percent market price, and one basic unit.)

6000	Pounds per acre average yield (APH)
x .65	Coverage level
3900	Pounds per acre guarantee
- 2000	Pounds per acre actually produced
1900	Pounds per acre loss
x .11	Price election
<b>\$209.00</b>	<b>Gross indemnity per acre</b>

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