



United States Department of Agriculture  
Risk Management Agency

April 2007

## 2007 COMMODITY INSURANCE FACT SHEET

# Corn

## Missouri

### Crop Insured

The crop insured will be all corn grown in the county on insurable acreage, for which premium rates are provided, in which you have a share, and planted for harvest as grain under the CRC and RA plans of insurance, or either grain or silage under the APH plan of insurance. Corn insured includes yellow dent or white corn, including mixed yellow and white, waxy, high-lysine corn, high-oil corn blends containing mixtures of at least 90-percent high yielding yellow dent female plants with high-oil male pollinator plants, and commercial varieties of high-protein hybrids. Other corn, such as high-amylose, high-oil (except as defined above), flint, flour, Indian, blue corn, a variety genetically adapted to provide forage for wildlife, a variety of corn adapted for silage use when the corn is reported for insurance as grain, or any open pollinated corn are not insurable unless a written agreement provides for such insurance.

### Counties Available

Corn is insurable in 102 counties throughout Missouri.

### Causes of Loss

Adverse weather conditions<sup>1</sup>  
Failure of irrigation water supply<sup>3</sup>  
Fire<sup>2</sup>  
Insects<sup>4</sup>  
Plant disease<sup>4</sup>  
Wildlife

<sup>1</sup>Including hail, frost, freeze, excess precipitation and drought.

<sup>2</sup>If due to natural causes.

<sup>3</sup>If due to an insured cause of loss within the insurance period.

<sup>4</sup>But not damage due to insufficient or improper application of pest or disease control measures.

### Insurance Period

Insurance coverage begins on the later of the date we accept your application or the date when the corn is planted, and will end at the earliest of: (1) total destruction of the crop, (2) harvest of the unit, (3) final adjustment of a loss, (4) December 10, 2007 or, (5) abandonment of the crop.

### Reporting Requirements

**Acreage Report**—You must give a report of all your corn acreage in the county by the acreage reporting date.

### Important Dates

Sales Closing/Cancellation Date..... March 15, 2007  
Earliest Planting Date<sup>1</sup> ..... April 6, 2007  
Final Planting Date<sup>1</sup> ..... June 5, 2007  
Acreage Report Date..... July 15, 2007  
Premium Billing ..... October 1, 2007  
End of Insurance ..... December 10, 2007

<sup>1</sup>Excluding Butler, Dunklin, Mississippi, New Madrid, Pemiscot, Ripley, Scott, and Stoddard Counties, which have an earliest planting date of March 21, 2007, and a final planting date of May 20, 2007; and excluding Barry, Barton, Christian, Dade, Greene, Jasper, Lawrence, McDonald, and Newton Counties, which have an earliest planting date of March 25, 2007, and a final planting date of May 25, 2007.

### Definitions

**APH Yield** — Actual production history (APH) yield used to determine the production guarantee. The APH yield is based on up to 10 years of actual, assigned yields, adjusted and/or unadjusted transitional yields.

**Production Guarantee** — Number of bushels guaranteed per unit. Multiply your APH yield per acre  $x$  the coverage level percentage you select  $x$  the number of acres in the unit.

**High Risk Land (HRL)** — Land designated on a map in the actuarial documents with a high risk rate classification, requiring a higher premium rate due to higher risk.

**HRL Exclusion Option** — An agreement to exclude from crop insurance coverage all high risk land by crop and county, as signed on our form by the sales closing date. Catastrophic coverage is still available when this option is in effect.

### Coverage Levels and Premium Subsidies

Corn may be insured at the coverage levels shown in the table on the reverse. Crop insurance premiums are subsidized as shown.

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

\*Where applicable.

For example, if you select the 75-percent coverage level, your coverage will be 75 percent of your approved APH yield, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium.

Catastrophic coverage (CAT) is available at 50 percent of your APH yield and 55 percent of the price election. The total cost for CAT coverage will be an administrative fee of \$100 per crop per county, regardless of the acreage. Administrative fees, in addition to premium costs, for coverage levels above CAT are \$30 per crop per county.

### Price Elections (APH plan)

Price of compensation per bushel in case of loss:  
Market price is \$3.50 per bushel.

### Insurance Units

**Basic Unit:** A basic unit includes all of your insurable corn acreage in the county by share arrangement. Premiums are reduced 10 percent for a basic unit.

**Optional Unit:** If a basic unit consists of two or more sections of land, and certain record keeping requirements are met, you may apply for optional units by section. The 10-percent premium discount will not apply.

**Enterprise Unit:** Generally, all the insured crop acreage in a county. Premium discounts apply (CRC and RA).

**Whole Farm Unit:** Generally, all the insured crops in the county that are covered by the insurance plan. Premium discounts apply (RA only).

### Plans of Insurance

**Actual Production History (APH)** — Production guarantee based on individual yield history, and protection is for yield loss only.

**Crop Revenue Coverage (CRC)** — APH with both upside and downside price protection.

**Revenue Assurance (RA)** — APH with downside price protection, option to add upside price protection.

### Replant Provisions (not available under CAT)

A replanting payment is allowed only if the crop is damaged by a covered cause of loss to the extent that the remaining stand will not produce at least 90 percent of your bushel guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 20 percent of the bushel guarantee, or 8 bushels times your price election. No replanting payment will be made on acreage initially planted prior to the earliest planting date.

### Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. Not available for all plans of insurance. Please consult a crop insurance agent for details.

### Loss Example

A loss occurs when the bushels of corn produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. This APH example assumes a 140 bushel per acre APH yield, 75-percent coverage level, 100 percent of the established price, and basic unit coverage.

$$\begin{array}{r}
 140 \text{ bushels per acre APH yield} \\
 \times .75 \text{ coverage level} \\
 \hline
 105 \text{ bushel guarantee*} \\
 - 50.0 \text{ bushels per acre actually produced} \\
 \hline
 55.0 \text{ bushels per acre loss} \\
 \times 3.50 \text{ price election} \\
 \hline
 \mathbf{\$193.00 \text{ gross indemnity*}}
 \end{array}$$

\*Figures shown are on a per acre basis; guarantees and losses paid are on a unit basis. See policy provisions.

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