

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
SWEETPOTATO PILOT CROP PROVISIONS
For the 1998 and succeeding crop years



If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Catastrophic Risk Protection Endorsement, as applicable; (2) the Special Provisions; (3) these Crop Provisions; and (4) the Basic Provisions with (1) controlling (2), etc.

1. Definitions

Direct marketing - Sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper or buyer. Examples of direct marketing include selling through an on-farm or roadside stand, farmer's market, and permitting the general public to enter the field for the purpose of picking all or a portion of the crop. A sweetpotato crop to be sold by direct marketing will not be insurable unless otherwise provided by the Special Provisions or by written agreement.

Harvest - Digging the sweetpotatoes for the roots.

Hundredweight - One hundred pounds avoirdupois.

Jumbo - In all states except California, sweetpotatoes that meet the quality standards for U. S. Number 1 or 2, and weigh more or are larger in size than a U. S. Number 1.

Planted acreage - In lieu of the definition of "Planted acreage" contained in section 1 of the Basic Provisions, planted acreage is defined as land in which plants or vine cuttings have been transplanted by hand or a machine appropriate for the insured crop and planting method, at the correct depth, into a bed that has been properly prepared for the planting method and production practice. Sweetpotato plants and vine cuttings must initially be placed in rows unless otherwise provided by the Special Provisions, actuarial documents, or by written agreement.

Replanting - In lieu of the definition of "Replanting" contained in section 1 of the Basic Provisions, replanting is defined as performing the cultural practices necessary to prepare the land to replace the sweetpotato plants or vine cuttings of the damaged or destroyed crop and then replacing the sweetpotato plants or vine cuttings of the same crop in the insured acreage.

Sweetpotatoes - Plants of the genus and species *Ipomoea batatas*, grown for roots that are used primarily for human consumption. In California, only sweetpotatoes that grade as California Number 1, California Medium or California Jumbo will be considered sweetpotatoes for purposes of these crop provisions. In all other states, sweetpotatoes that grade as Jumbo, U.S. Extra Number 1, U.S. Number 1, U.S. Commercial or U. S. Number 2 will be considered sweetpotatoes for purposes of these crop provisions.

2. Unit Division

In addition to the requirements of section 34(b) of the Basic Provisions, in addition to, or instead of, optional units by section, section equivalent or FSA farm serial number and by irrigated and non-irrigated practices, optional units may be established in California only, by type, if type is designated on the Special Provisions.

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

In addition to the requirements of section 3 of the Basic Provisions, you may select only one price election for all the

sweetpotatoes in the county insured under this policy unless the Special Provisions provide different price elections by type. The percentage of the maximum price election you choose for one type will be applicable to all other types insured under this policy.

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

In accordance with section 8 of the Basic Provisions, the crop insured will be all the sweetpotatoes in the county for which a premium rate is provided by the actuarial documents:

- (a) In which you have a share;
- (b) That are planted for harvest as roots for human consumption;
- (c) That are not (unless allowed by the Special Provisions or by written agreement):
 - (1) Interplanted with another crop; or
 - (2) Sold by direct marketing.

7. Insurable Acreage

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

- (a) We will not insure any acreage that does not meet the rotation requirements shown in the Special Provisions, if applicable.
- (b) 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.

8. Insurance Period

In accordance with the provisions of section 11 of the Basic Provisions, the calendar date for the end of the insurance period is the calendar date following planting as follows:

- (a) October 31 in California, North Carolina and South Carolina; and
- (b) November 30 in Alabama and Louisiana.

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 that occur during the insurance period:

- (1) Adverse weather conditions;
- (2) Fire;
- (3) Insects, but not damage due to insufficient or improper application of pest control measures;
- (4) Plant disease, but not damage due to insufficient or improper application of disease control measures;

- (5) Wildlife;
- (6) Earthquake;
- (7) Volcanic eruption; or
- (8) Failure of the irrigation water supply, if caused by an insured peril that 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 or becomes evident after the end of the insurance period, including but not limited to damage that occurs or becomes evident after sweetpotatoes have been placed in storage; or
- (2) Inability to market the sweetpotatoes for any reason other than actual physical damage from an insurable cause specified in this section. For example, we will not pay you an indemnity if you are unable to market due to quarantine, boycott, or refusal of any person to accept production.

10. Duties In The Event of Damage or Loss

- (a) In lieu of section 14(a)(2) of the Basic Provisions, in case of damage to any sweetpotatoes you must give us notice within 72 hours of your initial discovery of damage, and prior to the beginning of harvest if damage has occurred, so that we may inspect the damaged production. You must not dispose of or sell the damaged crop, or store the crop, until after we have given you written consent to do so, or 15 days after the notice of damage, whichever is later. If you fail to meet the requirements of this subsection, all such production will be considered undamaged and included as production to count;
- (b) In accordance with the requirements of section 14 of the Basic Provisions, any representative samples of the unharvested crop that we may require must be at least 10 feet wide and extend the entire length of each field in the unit. The samples must not be harvested or destroyed until the earlier of our inspection or 15 days after harvest of the balance of the unit is completed. Failure to leave a representative sample will result in an appraised amount of production to count that is not less than the production guarantee per acre; and
- (c) If direct marketing of the insured crop is allowed by the Special Provisions or by written agreement with us, you must notify us at least 15 days before any production from any unit will be marketed directly to consumers. We will conduct an appraisal that will be used to determine your production. If damage occurs after this appraisal, we will conduct an additional appraisal. These appraisals, and any acceptable records provided by you, will be used to determine your production to count. Failure to give timely notice that production will be marketed directly to consumers will result in an appraised amount of production to count that is not less than the production guarantee per acre.
- (d) In addition to all other notice requirements, if you are a broker, packer, processor, wholesaler, buyer or other handler of sweetpotatoes, you must notify us at least 15 days before harvest or the end of insurance period, whichever is earlier. We will conduct an appraisal that will be used to determine your production to count. If damage occurs after this appraisal, we will conduct an additional appraisal. These appraisals, and any

acceptable records provided by you, will be used to determine your production to count. Failure to give timely notice will result in an appraised amount of production to count that is not less than the production guarantee per acre.

11. Settlement of Claim

(a) We will determine your loss on a unit basis. In the event you are unable to provide separate acceptable production records:

- (1) For any optional units, we will combine all optional units for which such production records were not provided; or
- (2) For any basic units, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for the units.

(b) We will defer appraisals until the earlier of the date the crop reaches maturity or the calendar date for the end of the insurance period.

(c) The extent of any loss must be determined no later than the time sweetpotatoes are placed in storage, if the production is stored prior to sale, or the date they are delivered to a buyer, wholesaler, packer, broker, processor or other handler if production is not stored, whichever is earlier.

(d) In the event of loss or damage covered by this policy, we will settle your claim by:

- (1) Multiplying the insured acreage by its respective production guarantee, by type if applicable;
- (2) Multiplying each result in section 11(d)(1) by the respective price election, by type if applicable;
- (3) Totaling the results in section 11(d)(2) if there is more than one type;
- (4) Multiplying the total production to count of each type, if applicable, (see section 11(e)) by its respective price election;
- (5) Totaling the results in section 11(d)(4), if there is more than one type;
- (6) Subtracting the results of section 11(b)(4) from the results of section 11(b)(2) if there is only one type or subtracting the results of section 11(d)(5) from the results of section 11(d)(3), if there is more than type; and
- (7) Multiplying the result in section 11(d)(6) by your share.

For example:

In all states except California, you have a 100 percent share in 100 acres of sweetpotatoes in the unit with a guarantee of 91 hundredweight per acre and a price election of \$7.00 per hundredweight. You are only able to harvest 3,000 hundredweight. Your indemnity would be calculated as follows:

- (1) 100 acres X 91 hundredweight = 9,100 hundredweight guarantee;
- (2) 9,100 hundredweight guarantee X \$7.00 price election = \$63,700 value of guarantee;
- (3) 3,000 hundredweight X \$7.00 price election = \$21,000 value of production to count;
- (4) \$63,700 - \$21,000 = \$42,700 loss; and
- (5) \$42,700 X 100 percent share = \$42,700 indemnity payment.

In California, you have a 100 percent share in 100 acres of Type I sweetpotatoes and 100 acres of Type IV sweetpotatoes in the same unit, with a guarantee of

300 hundredweight per acre and a price election of \$15.00 for Type I and with a guarantee of 200 hundredweight per acre and a price election of \$28.00 for Type IV. You are only able to harvest 20,000 hundredweight for Type I and 10,000 hundredweight for Type IV. Your total indemnity for both Types I and IV sweetpotatoes would be calculated as follows:

- (1) 100 acres X 300 hundredweight = 30,000 hundredweight guarantee for the Type I, and 100 acres X 200 hundredweight = 20,000 hundredweight guarantee for Type IV;
 - (2) 30,000 hundredweight guarantee X \$15.00 price election = \$450,000 value of guarantee for Type I, and 20,000 hundredweight guarantee X \$28.00 price election = \$560,000 value of guarantee for Type IV;
 - (3) \$450,000 + \$560,000 = \$1,010,000 total value of guarantee;
 - (4) 20,000 hundredweight X \$15.00 price election = \$300,000 value of production to count for Type I, and 10,000 hundredweight X \$28.00 price election = \$280,000 value of production to count for Type IV;
 - (5) \$300,000 + \$280,000 = \$580,000 value of production to count;
 - (6) \$1,010,000 - \$580,000 = \$430,000 loss; and
 - (7) \$430,000 X 100 percent share = \$430,000 indemnity payment.
- (e) The total production to count, specified in hundredweight, from all insurable acreage on the unit will include:
- (1) In California, all sweetpotatoes that grade as California Number 1, California Medium and California Jumbo;
 - (2) In all other states, all sweetpotatoes that grade as Jumbo, U. S. Extra Number 1, U. S. Number 1, U. S. Commercial and U. S. Number 2;
 - (3) All appraised production as follows:
 - (i) Not less than the production guarantee for acreage:
 - (A) That is abandoned;
 - (B) That is sold by direct marketing if you fail to meet the requirements contained in section 10;
 - (C) If you are a buyer, wholesaler, packer, processor, broker or other handler and you fail to meet the requirements contained in section 10;
 - (D) That is put to another use without our consent;
 - (E) That is damaged solely by uninsured causes; or
 - (F) For which you fail to provide production records that are acceptable to us;
 - (ii) Production lost due to uninsured causes;
 - (iii) Unharvested production;
 - (iv) Potential production on insured acreage that you intend to put to another use or abandon with our consent.
 - (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 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, the amount of production to count will not be less than the production guarantee per acre; 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 production, or the appraised production at the time the crop reaches maturity; and

- (4) All harvested production from the insurable acreage.

12. Written Agreements

In addition to the requirements in section 18 of the Basic Provisions, written agreements will be written only in counties for which actuarial documents are provided.

13. Late Planting

A late planting period is not applicable to sweetpotatoes. Any sweetpotatoes planted after the final planting date will not be insured.

14. Prevented Planting

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