

SUMMARY OF CHANGES FOR THE SWEETPOTATO PILOT CROP PROVISIONS (2008-0085)

The following is a brief description of changes to the Sweetpotato Pilot Crop Provisions that will be effective for the 2008 crop year. Please refer to the crop provisions for more complete information.

The crop provisions have been modified to accommodate the following changes.

- (a) The definition of "Field-pack production" was revised in Section 1 (Definitions).
- (b) The definition of "Marketable" was revised in Section 1 (Definitions).
- (c) The date for the end of insurance period in Section 9 was changed to November 15.
- (d) Removed the word "firm" from the language in Section 10(b)(2)(A).
- (e) The word "production" was replaced with the words "production to count (see 12(c))" in Section 12(b)(3).
- (f) The words "production guarantee" were replaced with "appraised production" in Section 12(c)(1)(i).
- (g) A revision was made to the language in Section 12(d)(1) regarding the example for settlement of claim.

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
SWEETPOTATO PILOT CROP PROVISIONS
For the 2008 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

Agricultural expert - In addition to the definition contained in the Basic Provisions, an agricultural expert may be a person who regularly derives income by selling services related to scouting sweetpotatoes, but is considered a "disinterested third party" as defined in the basic provisions and must not have any investment in the insured crop or any family relationship with the insured person.

Certified G-1 seed - Vine cuttings and roots produced during the first year of field production by a producer of certified seed.

Certified seed - Sweetpotato seed that was produced and handled under procedures acceptable to a certifying agency within the state where the seed was produced and that was found to maintain satisfactory genetic purity and identity, and that are identified by a document, tag, label, or certificate attesting such.

Certifying agency - A State Department of Agriculture or other state agency authorized to regulate the production of seed.

Contemporaneous record - Written documentation produced at the time a scouting activity is performed, including the date of that activity, the number of plants inspected for subterranean damage and progress toward maturity, and statements of the factors regarding the condition of the growing plants and their environment as identified in the definition of scouting (a sample form is provided in the scouting manual).

Curing - A process immediately following harvest during which the sweetpotatoes are held at a temperature of approximately 85 degrees Fahrenheit (F), with a relative humidity of approximately 85 to 90 percent, and with adequate ventilation for the purpose of healing the ends of the roots and any wounds or bruises, and allowing the formation of a protective cork layer and the deposit of a waxy substance over the entire surface of the root.

Disposition - Selling, curing, storing, or destroying field-pack production.

Family relationship - An individual who: 1) is a parent, brother, sister, child, spouse, grandchild, or grandparent; or 2) either resides in the household of, or engages in business with respect to a farming operation with, the person in question regardless of whether or not the individual is related by blood, adoption or marriage.

Field-pack production - The quantity of sweetpotato roots harvested, or that we determine could have been harvested, that are at least one and one-half inches in diameter and that are firm as defined by the standards.

Field production (of seed) - Propagation of seed outside a controlled environment such as a greenhouse.

Fresh market crop - Sweetpotatoes grown with the intent of sale by you to a person who will market or use the crop in the form as harvested. A portion of the fresh market crop may be culled by the insured as part of normal handling activities and converted into a form that differs from the fresh appearance by means of canning, freezing, or other process.

Good farming practices - In addition to the definition contained in the Basic Provisions, good farming practices for sweetpotatoes require scouting of the crop and following the practices required by the certifying agency with respect to seed production.

Harvest - Removal of the marketable tuberous sweetpotato roots from the soil, placement of the marketable roots in a container, and prompt removal from the field.

Hundredweight - One hundred pounds avoirdupois (cwt).

Jumbo - A tuberous sweetpotato root that weighs more than 36 ounces avoirdupois.

Marketable - A tuberous sweetpotato root meeting the definition of field pack production.

Maturity - A condition in which the tuberous roots are typical of the production normally harvested in the area. The roots will not be considered to have achieved maturity before the conclusion of the number of days after planting specified in the Special Provisions.

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 slips have been transplanted by hand or an appropriate machine, at the correct depth, into a properly prepared bed. Slips must be placed in rows of sufficient width to permit mechanical cultivation.

Pesticide - Any chemical or non-chemical product intended to control weeds, fungi, insects, or disease, whether or not registration of the product with the Environmental Protection Agency is required before it may be used on sweetpotatoes.

Price election - In lieu of the definition contained in the Basic Provisions, an amount contained in the Special Provisions, or an addendum thereto, expressed as dollars per cwt., that is used to compute the amount of liability and premium and also to compute the amount of any indemnity in the case of harvested acres.

Price for computing certain indemnities - In accordance with section 15(d) of the Basic Provisions, an amount specified in the Special Provisions, or an addendum thereto, expressed as dollars per cwt. or as a percentage of the price election that is used to compute the amount of any indemnity in the case of unharvested acres.

Qualified person - A person who has grown sweetpotatoes for commercial sale in three of the previous five calendar years; who certifies at least three years of production history on the production report; and who provides copies of the verifiable records (see 7 C.F.R. part 400, subpart G).

Scouting - The visual and physical assessment (including the digging of appropriate sample plants), by an agricultural expert, of the condition of the growing sweetpotatoes, including growth stage, progress toward maturity, crop vigor, nutrient deficiencies, pesticide injury, and any infestation by disease, insects, or weeds, and in adherence with sweetpotato good farming

practices; performed at times specified in the Special Provisions.

Seed - Tuberous sweetpotato roots planted to produce slips.

Slips - Shoots or vine cuttings produced from sweetpotato seed that in turn are planted to establish a new sweetpotato crop.

Standards - The United States Standards for Grades of Sweetpotatoes effective July 1, 1963 or a successor document

(see <http://www.ams.usda.gov/standards/sweetpot.pdf>).

Storage - A process, typically following curing, in which the sweetpotatoes are held at a temperature of approximately 55 to 60 degrees F., with a relative humidity of approximately 60 percent, and with adequate ventilation to control the concentration of carbon dioxide.

Sweetpotato - A plant of the species *Ipomoea batatas*, grown for tuberous roots that are used primarily for human consumption.

Transitional yield - In lieu of the definition contained in 7 C.F.R. part 400, subpart G (7 CFR 400.52), a yield determined as the simple average of the three most recent years of actual yields that you certified on the production report to be used in the APH yield calculation process when fewer than four consecutive crop years of actual or assigned yields are available, or the average of all actual yields certified on the production report for the purposes of yield substitutions.

Tuberous Root - Thickened roots with an expanded cortex devoted primarily to starch storage.

2. Unit Division

The provisions in section 34 of the Basic Provisions relating to optional units are not applicable.

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 sweetpotatoes in the county insured under these Crop Provisions. For the purposes of determining the indemnity for unharvested acreage, there is a separate price for computing certain indemnities contained in the Special Provisions.

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. Report of Acreage

In addition to the requirements of section 6 of the Basic Provisions:

- (a) Acreage of sweetpotatoes, up to 110 percent of the largest number of acres of sweetpotatoes (all varieties) in which you had a share that were harvested in one of the three previous crop years that sweetpotatoes were planted, may be reported as insured;
- (b) All acreage of sweetpotatoes planted in the current crop year that exceeds 110 percent of the largest number of acres of sweetpotatoes in which you had a share that were harvested in one of the three previous crop years that sweetpotatoes were planted, must be reported as uninsured; and
- (c) The location of all acreage planted to sweetpotatoes in the current crop year must be identified.

7. 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:

- (a) In which you have a share;
- (b) In which a qualified person has a share of 50 percent or more;
- (c) That are planted for harvest as a fresh market crop;
- (d) That are planted using slips you purchased from a certified seed producer, produced by you from certified seed, or produced by you from seed that you propagated from certified G-1 seed the previous crop year, and that is properly treated with a fungicide;
- (e) That are of a variety specified in the Special Provisions;
- (f) That initially are planted with a sufficient number of slips to achieve a plant density not less than the number specified in the Special Provisions (we will make an appraisal for uninsured causes of loss if a sufficient number of slips was not planted);
- (g) That are scouted by an agricultural expert at the times specified in the Special Provisions (the scouting must include uninsured acreage that you reported) documented by a contemporaneous record of the findings as well as any additional remarks deemed relevant by that expert;
- (h) For which you have submitted a copy of the scouting report to us within 7 calendar days after the latest date that scouting can be performed as specified in the Special Provisions; and
- (i) That are not:
 - (1) Interplanted with another crop;
 - (2) Sold to a processor; or
 - (3) Sold or used for the production of seed or slips.

8. Insurable Acreage

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

- (a) We will not insure any acreage that:
 - (1) Does not meet the rotation requirements shown in the Special Provisions, if applicable;
 - (2) Is identified as uninsurable in the actuarial documents, except by written agreement;
 - (3) Is subject to restrictions on planting of sweetpotatoes under orders issued by the official in the state responsible for the control of the sweetpotato weevil, Witchweed, or other controlled insect or weed;
 - (4) Was planted to any other crop that was damaged by fungal, bacterial or viral diseases, or insects or nematodes that can affect sweetpotatoes during either of the previous two years; or
 - (5) Was planted into a field that had been pasture in the preceding crop year.
- (b) The number of acres that you may insure cannot exceed 110 percent of the largest number of acres of sweetpotatoes (all varieties) in which you had a share and that were harvested in any of the most recent three crop years that you planted sweetpotatoes.
- (c) 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.

9. Insurance Period

In accordance with section 11 of the Basic Provisions, the calendar date for the end of the insurance period is November 15 following planting.

10. 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, plant disease, or weed infestation provided that:
 - (A) Adverse weather conditions prevented application of control measures or caused control measures to be ineffective after application, and reapplication was not possible or permitted before damage occurred or was worsened;
 - (B) If no legal effective pesticide is available for use on the insect, plant disease, or weed infestation and labeled for use on sweetpotatoes; and
 - (C) You have complied with all instructions or orders issued by the official in your state responsible for the control of the sweetpotato weevil, Witchweed, or other controlled insect or weed, if applicable;
- (4) Wildlife;
- (5) Earthquake;
- (6) Volcanic eruption; or
- (7) Failure of the irrigation water supply, but only if resulting directly from an insured peril that occurred 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 roots have been harvested or after the calendar date for the end of the insurance period;
- (2) Inability to market part or all of the production because:
 - (A) It does not exhibit similar varietal characteristics, is not smooth, fairly clean or fairly well shaped as defined by the Standards;
 - (B) It is damaged as defined in the Standards unless such damage is the direct consequence of an insured cause of loss specified in this section; or
 - (C) For any other reason including but not limited to a quarantine that affects your production, a boycott, or the refusal of any buyer to accept your production.

11. Duties In The Event of Damage or Loss

(a) Your duties (in addition to those stated in the Basic Provisions):

- (1) 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, or immediately if harvest has begun when damage has occurred, so that we may inspect the damaged production;
- (2) In accordance with the requirements of section 14 of the Basic Provisions, you must leave representative samples of unharvested

production in all harvested fields in the manner that we direct. We will tell you the number of representative samples and their location when we receive your notice of loss. You may not harvest or destroy the representative samples until we have inspected the field. We will appraise an amount of production that is at least equal to the production guarantee if you do not leave the representative samples as directed or if you harvest or destroy those representative samples before our appraisal.

(3) In addition to the other duties specified in section 14 of the Basic Provisions:

- (i) You must place the production from each unit into separate curing or storage facilities or you must mark all containers before being placed into curing or storage facilities with your name, the names of other persons sharing in the production, the location from which the contents were harvested, and the date the contents were harvested;
- (ii) Upon our demand, you must provide payroll records that document the number and size of containers for which hired or contract labor was compensated; and
- (iii) You must provide documents that identify the seed that was planted, including its source.

(b) Our duties in addition to those stated in section 14 of the Basic Provisions:

- (1) We will perform an appraisal of production of any damaged sweetpotatoes provided the sweetpotatoes have achieved maturity. If maturity has not been achieved, we may defer our appraisal of production until such time as the insured crop achieves maturity; and
- (2) We will perform an appraisal of the number of surviving plants prior to maturity for acreage that you intend to abandon or put to another use. We will use the ratio of surviving plants to the original plant population to establish the amount of production to count for such acreage.

12. Settlement of Claim

(a) We will determine the amount of loss for each unit you defined on your acreage report or that we find to exist. If you do not or cannot provide acceptable records of production for the crop year for any basic unit, we will allocate all commingled production to each basic unit in proportion to our liability on the harvested acreage for each unit.

(b) In the event of loss or damage covered by this policy, we will settle your claim as follows (see examples at the end of this section):

- (1) Multiply the insured acreage that was harvested by the production guarantee (per acre);
- (2) Multiply the insured acreage that was not harvested by the production guarantee (per acre), as applicable;
- (3) Subtract the total production to count (see 12 (c)) for all acreage from the result of paragraph (1), not resulting in an amount less than zero;
- (4) Subtract the production remaining, if any, after the calculation in paragraph (3) from the result of paragraph (2), as applicable;
- (5) If the result from paragraph (3) is above zero, multiply it by the price election;

- (6) If the result from paragraph (4) is above zero, multiply it by the price for computing certain indemnities;
 - (7) Total the results of paragraphs (5) and (6); and
 - (8) Multiply the result of paragraph (7) by your share.
- (c) The total production to count, specified in hundredweight of field pack production, will include:
- (1) All appraised production as follows:
 - (i) Not less than the appraised production for acreage:
 - (A) Abandoned;
 - (B) For which you did not provide us with a copy of an acceptable scouting report;
 - (C) On which the mandatory unharvested representative samples are not maintained until the time of our appraisal;
 - (D) Put to another use without our consent;
 - (E) Damaged solely by uninsured causes, including an insufficient number of plants as defined in section 7(f); and
 - (F) For which you fail to provide records of disposition that are acceptable to us (we will use our appraisals of the representative samples and other information to make this determination);
 - (ii) 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 will be the harvested production, or the appraised production at the time the crop reaches maturity, whichever is greater; and
 - (2) All harvested production, and
 - (3) In the event that you have reported uninsured acres due to planting in excess of the number permitted to be insured as described in section 6, multiplying the sum of the harvested and appraised production by the ratio of the insured acres to the total acres planted.
- (d) Examples:
- (1) You have a 75 percent share in 100 acres of sweetpotatoes, a number that does not exceed the largest number of acres you harvested in the three most recent crop years. The acreage

has an average APH yield of 120 cwt. per acre. You have selected the 70 percent coverage level and a price election of \$10.00 per cwt. Your production to count is 5,000 cwt. from the 100 acres due to a drought that reduced your yields. Your indemnity will be calculated as follows:

- (i) $120 \text{ cwt.} \times 0.70 \text{ coverage level} = 84 \text{ cwt. production guarantee (per acre)}$;
 - (ii) $100 \text{ acres} \times 84 \text{ cwt. per acre} = 8,400 \text{ cwt. total production guarantee}$;
 - (iii) $8,400 \text{ cwt.} - 5,000 \text{ cwt.} = 3,400 \text{ cwt. production deficiency}$;
 - (iv) $3,400 \text{ cwt.} \times \$10.00 \text{ per cwt.} = \$34,000$;
 - (v) $\$34,000 \times 0.75 \text{ share} = \$25,500 \text{ indemnity}$.
- (2) The situation is the same, except that you have planted 120 acres of sweetpotatoes but the largest number of acres harvested in the three most recent crop years in which you have had a share is only 100 acres. The production to count from all 120 acres is 6,000 cwt. Your indemnity will be calculated as follows:
- (i) $120 \text{ cwt.} \times 0.70 \text{ coverage level} = 84 \text{ cwt. production guarantee (per acre)}$;
 - (ii) $110 \text{ insured acres} \times 84 \text{ cwt. per acre} = 9,240 \text{ cwt. total production guarantee}$;
 - (iii) $6,000 \text{ cwt. total production} \times 110 \text{ acres} / 120 \text{ acres} = 5,500 \text{ cwt.}$;
 - (iv) $9,240 \text{ cwt.} - 5,500 \text{ cwt.} = 3,740 \text{ cwt. production deficiency}$;
 - (v) $3,740 \text{ cwt.} \times \$10.00 \text{ per cwt.} = \$37,400$;
 - (vi) $\$37,400 \times 0.75 \text{ share} = \$28,050 \text{ indemnity}$.
- (3) The situation is the same as scenario 1, but you did not harvest 40 acres of the 100 insured acres. Production to count is 6,000 cwt. from all acreage. The price for computing certain indemnities for unharvested acres is \$6.00 per cwt. Your indemnity would be calculated as follows:
- (i) $120 \text{ cwt.} \times 0.70 \text{ coverage level} = 84 \text{ cwt. production guarantee (per acre)}$;
 - (ii) $60 \text{ acres harvested} \times 84 \text{ cwt.} = 5,040 \text{ cwt.}$;
 - (iii) $40 \text{ acres unharvested} \times 84 \text{ cwt.} = 3,360 \text{ cwt.}$;
 - (iv) $5,040 \text{ cwt. guarantee for harvested acres} - 6,000 \text{ cwt. production to count} = 0 \text{ cwt.}$;
 - (v) $3,360 \text{ cwt. guarantee for unharvested acres} - 960 \text{ production to count} = 2,400 \text{ cwt.}$
 - (vi) $0 \text{ cwt.} \times \$10.00 \text{ per cwt.} = \0 ;
 - (vii) $2,400 \text{ cwt.} \times \$6.00 \text{ per cwt.} = \$14,400$;
 - (viii) $\$0 + \$14,400 = \$14,400$;
 - (ix) $\$14,400 \times 0.75 \text{ share} = \$10,800 \text{ indemnity}$

13. Written Agreements

In accordance with the requirements in section 18 of the Basic Provisions, written agreements will be issued solely for the purpose of allowing insurance to attach in areas otherwise identified as uninsurable in the actuarial documents. In lieu of the provisions in the Basic Provisions regarding any other type of written agreement, written agreements may not be issued for any other purpose, including an offer of insurance in counties for which actuarial documents are not provided.

14. Late Planting

A late planting period is not applicable to sweetpotatoes. Any sweetpotatoes planted after the final planting date will not be insured but must be reported as uninsurable

on the acreage report together with the location of that acreage.

15. Prevented Planting

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