United States Department of Agriculture
Risk Management Agency

February 2011

2011 COMMODITY INSURANCE FACT SHEET

Soybeans

Arkansas, Kentucky, Louisiana, Mississippi and Tennessee

Crop Insured
The crop insured will be soybeans planted for harvest as beans and for which premium rates are provided by an actuarial table. In counties for which premium rates are not available, soybeans may be insurable by written agreement if specific criteria are met.

Counties Available
See your Crop Insurance Agent for a listing of eligible counties.

Causes of Loss
Adverse weather conditions
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 and ends at the earliest of:
1. Total destruction of the crop;
2. Harvest of the soybeans;
3. Final adjustment of a loss;
4. Abandonment of the crop; or
5. December 10, 2011

Reporting Requirement
You must timely report to your agent all acres of the crop in the county in which you have a share.

Important Dates

Sales Closing (**AR, LA, MS**)	February 28, 2011
Cancellation Date (**AR, LA, MS**)	February 28, 2011
Sales Closing (**KY & TN**)	March 15, 2011
Cancellation (**KY & TN**)	March 15, 2011
Final Planting Date (**AR, KY, LA, MS & TN**)	
NFAC Irr & NFAC Non Irr	June 15, 2011
FAC Irr & FAC Non Irr	June 25, 2011
Acreage Report Date (**AR, KY, LA, MS & TN**)	July 15, 2011

Definitions
Catastrophic Coverage (CAT) - A plan of insurance established by FCIC that provides coverage comparable to a level for a single crop that is equal to 50 percent of the approved yield indemnified at 55 percent of the established price.
Production Guarantee - Number of bushels guaranteed per acre determined by multiplying your approved yield per acre times the coverage level percentage you elect.
Projected Price– The price for this crop determined in accordance with the Commodity Exchange Price Provisions. The applicable projected price is used for each crop for which revenue protection is available, regardless of whether you elect to obtain revenue protection or yield protection for such crop.

Coverage Levels and Premium Subsidies
Catastrophic Coverage: 50 percent of your average yield and 55 percent of the projected price.
Additional Coverage: 50, 55, 60, 65, 70, 75, (80 or 85 percent KY only) of your average yield and up to 100 percent of the projected price.
Premium Subsides: Varies based on coverage level.

Replant Provisions
(Not available under catastrophic (CAT) coverage.
A replanting payment is allowed if an insurable cause of loss damages your soybean crop to the extent that the remaining stand will not produce at least 90 percent of production guarantee and it is practical to replant. The maximum payment will be the lesser of

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

20 percent of the production guarantee or 3 bushels, multiplied by the price election, multiplied by your insured share.

Loss Example

You have 100-percent share in 50 acres of soybeans in the unit with a production guarantee (per acre) of 35 bushels (54 bushels approved yield x 65-percent coverage level), your projected price is $13.00, your harvest price is $13.50, and your production to count is 500 bushels.

Yield Protection

- 50 acres x (35 bushel production guarantee) x $13.00 = $22,750 value of the production guarantee
- 500 bushel production to count x $13.00 projected price = $6,500 value of the production count
- $22,750 - $6,500 = $16,250
- $16,250 x 1.000 share= $16,250 indemnity

Revenue Protection

- 50 acres x (35 bushel production guarantee) x $13.50 = $23,625 value of the production guarantee
- 500 bushel production to count x $13.50 projected price = $6,750 value of the production count

$23,625 - $6,750 = $16,875

$16,875 x 1.000 share = $16,875 indemnity

Download Copies from the Web

Visit our online publications/fact sheets page at:
http://www.rma.usda.gov/aboutrma/fields/ms_rso/