United States Department of Agriculture
Risk Management Agency

February 2013

2013 COMMODITY INSURANCE FACT SHEET

Dry Beans

Minnesota

Crop Insured

The crop insured will be all the dry beans grown in the county on insurable acreage, for which premium rates are provided, in which you have a share, and planted for harvest as dry beans. Other types or practices are not insurable unless a written agreement provides for such insurance. Contact your crop insurance agent for details on requesting a written agreement.

Counties Available

Dry beans are insurable in 38 counties in Minnesota. In counties where premium rates are not published, dry beans may be insurable by written agreement.

Causes of Loss

Adverse weather conditions[1]
Failure of irrigation water supply[2]
Fire[3]
Insects[4]
Plant disease[4]
Wildlife

[1]Including hail, frost, freeze, drought, and excess precipitation.
[2]If caused by an insured cause of loss.
[3]If due to natural causes.
[4]But not damage due to insufficient or improper application of pest or disease control measures.

Insurance Period

Insurance coverage will begin on the date when the dry beans are 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) October 31, 2013 or, (5) abandonment of the crop.

Reporting Requirements

Acreage Report -You must give a report of all your dry bean acreage in the county by the acreage reporting date.

Important Dates

Sales Closing/Cancellation Date	March 15
Earliest Planting Date	April 26
Final Planting Date	June 10
Acreage Reporting Date	July 15
Premium Billing Date	August 15
Production Reporting Date	April 29

Definitions

APH Yield -Actual production history (APH) yield used to determine the production guarantee. APH yield is based on up to 10 years of actual and/or assigned yields.
Unit -The insurable acreage used to determine the APH yield, the production guarantee, and any indemnity (loss payment).
Production Guarantee -Number of pounds 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

Dry beans may be insured at the coverage levels shown in the table. Crop insurance premiums are subsidized as shown. 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 established price election. Total cost for CAT coverage will be an administrative fee of $300 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.

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.

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

Price Elections

Price of compensation per pound in case of loss:

Types with true revenue coverage:

Projected prices and harvest prices for Black, Dark Red Kidney, Navy, and Pinto types will be determined as shown in Section 7(e) of the Dry Bean Revenue Endorsement.

Projected Prices for Types not covered under Section 7(e) of the Revenue Endorsement:

Great Northern	$0.35/lb
Pink	$0.36/lb
Small Red	$0.36/lb
Cranberry	$0.43/lb
Light Red Kidney	$0.43/lb
White Kidney	$0.43/lb

Insurance Units

Basic Unit: A basic unit includes all of your insurable dry bean 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. In addition to, or instead of, establishing optional units by section, optional units may be established for each dry bean type insurable in the county. The 10-percent premium discount will not apply to optional units.

Plans of Insurance

One policy provides the choice of Plans (01)-(03):

Yield Protection (01) -Production guarantee based on **individual** yield history. Optional and basic units are available.

Revenue Protection (02) -Revenue protection including price protection. Optional and basic units are available.

Revenue Protection with Harvest Price Exclusion (03) -Revenue protection with harvest price exclusion. Optional and basic units are available.

Replant Provisions

(not available under catastrophic coverage)

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 production guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 10 percent of the production guarantee or 120 pounds, 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. Please consult a crop insurance agent for details.

Loss Example

Yield Protection Example: A loss occurs when the pounds of dry beans produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. This example assumes a 1,600 pounds per acre APH yield for Navy type, 65-percent coverage level, and basic unit coverage.

1,600	pounds per acre APH yield
x .65	coverage level
1,040	pound guarantee*
- 700	pounds per acre actually produced
340	pounds per acre loss
x $0.36	projected price (est.- announced in March)
$122.40	gross indemnity*
- $20.00	estimated premium per acre (varies)
$102.40	**net indemnity***

Revenue Protection Example:

1040	pounds* (see prior example)
x $0.36	projected price (est.- announced in March)
$374.40	guarantee*
700	pounds per acre actually produced
x $0.33	harvest price (est. - announced in Nov.)
$231.00	revenue
$143.40	gross indem. ($374.40 -$231.00=$143.40)
- $26.00	est. producer premium per acre (varies)
$117.40	**net indemnity***

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

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