



2003 CROP INSURANCE FACT SHEET FORAGE SEEDING Iowa, Minnesota and Wisconsin

THIS FACT SHEET POINTS OUT CERTAIN FEATURES OF CROP INSURANCE AND IS NOT INTENDED TO BE COMPREHENSIVE. THE INFORMATION BELOW NEITHER MODIFIES NOR REPLACES TERMS AND CONDITIONS OF THE BASIC PROVISIONS, CROP PROVISIONS, OR COUNTY ACTUARIAL DOCUMENTS. CONTACT A CROP INSURANCE AGENT FOR FURTHER DETAILS.

CROP INSURED

The crop insured will be all the current year spring planted perennial alfalfa, alfalfa grass mixtures (at least 25% of the ground cover is alfalfa), or red clover you have in the county in which you have a share. Acreage planted with the intention of grazing is not insurable.

CAUSES OF LOSS

Adverse Weather Conditions (including hail, frost, freeze, drought, and excess precipitation)

Insects* Plant Disease* Wildlife Fire Failure of Irrigation Water Supply**

*But not damage due to insufficient or improper application of pest or disease control measures.

**If caused by an insured peril that occurs during the insurance period.

IMPORTANT DATES

Sales Closing/Cancellation Date: **March 15, 2003**
Final Planting Date: **(Varies by County)**
Acreage Reporting Date: **June 30, 2003 (IA & MN)**
Acreage Reporting Date: **July 15, 2003 (WI)**
Billing Date : **October 1, 2003**
Insurance Begins: **Planting**
Insurance Ends (at harvest if done after August 15 of the seeding year or): **May 21, 2004**

DEFINITIONS

- Dollar Plan of Insurance** This plan offers the producer the opportunity to select one of several dollar amounts of insurance per acre. The available coverage elections and the rates are indicated on the actuarial table.
- Normal Stand** A population of live plants per square foot that meets the minimum required number of plants as shown in the Special Provisions.
- 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.
- Unit** The insurable acreage used to determine the dollar guarantee and any indemnity (loss payment).

AMOUNT OF INSURANCE

Shown below are maximum dollar amounts of coverage per acre available at each coverage level for crop year 2003 based on \$185.00 reference maximum amount. Lesser dollar amounts of coverage are also available at the 55 - 75% levels of coverage.

Coverage Levels	CAT	50%	55%	60%	65%	70%	75%
IA, MN, and WI	\$51	\$93	\$102	\$111	\$120	\$130	\$138

PLAN OF INSURANCE

Dollar Amount of Insurance Coverage is based on a dollar amount per acre selected by the insured.
Optional Unit Generally, all the insured crop acreage in a section by share.
Basic Unit Generally, all the insured crop acreage in a county by share. *
 * Reduced Premium

LOSS EXAMPLE

(Assume one basic unit at 65% level of coverage and 100 planted acres with 30 acres fully established and 70 acres at 50% stand*.)

Liability:	100 acres x \$120 amount of insurance per acre =	\$12,000
Total Established Stand:	30 acres established x \$120 insurance per acre =	\$3,600
Amount of Loss:	\$12,000 liability - \$3,600 value-to-count =	\$8,400
Net Indemnity to Grower:	\$8,400 - \$500 (estimated premium) =	\$7,900

*The amount of indemnity on any spring planted acreage will be reduced 50 percent if the stand is less than 75 percent but more than 55 percent of a normal stand. A stand less than 56 percent will be indemnified at 100 percent.

ADMINISTRATIVE FEES

These fees are charged in addition to the insurance premium. The insurance premium is subsidized by USDA.
Catastrophic (CAT) Coverage: \$100/crop/county. (No insurance premium is charged for CAT coverage.)
Additional Coverage: \$30/crop/county.