



2003 CROP INSURANCE FACT SHEET

PROCESSING BEANS

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

All the processing beans (snap and lima) in the county, for which a premium rate is provided, in which you have a share, and that are grown under and in accordance with the requirements of a processor contract executed by the acreage reporting date.

CAUSES OF LOSS

Adverse Weather Conditions (including hail, frost, freeze, drought, and excess precipitation) and specifically: Excessive moisture that prevents harvesting equipment from entering the field or prevents the timely operation of harvesting equipment. Also abnormally hot or cold temperatures that cause an unexpected number of acres over a large producing area to be ready for harvest at the same time, affecting the timely harvest of a large number of acres or processing of such production is beyond the capacity of the processor, either of which causes the acreage to be bypassed.

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: **March 15**
 Final Planting Date (varies by state, county, and type): **July 5 - July 25**
 Acreage Reporting Date:..... **July 31**
 Billing Date :..... **October 1**
 Insurance Begins :..... **Planting**
 Insurance Ends at harvest or: **September 20 (snap),October 5 (lima)**
 Production Reporting Date: **April 29**

DEFINITIONS

APH Yield Actual Production History yield used to determine the production guarantee. The 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 tons guaranteed per unit. Multiply your APH yield per acre x the coverage level percentage you select x number of acres in the unit.

Price Election Price of compensation per ton in case of loss:

• Established Price:	<u>Snap</u>	<u>Lima</u>
	MN \$149/ton	\$354/ton
	WI \$99/ton	\$354/ton

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.

APH COVERAGE OPTIONS

Catastrophic Coverage (CAT) 50% of your APH yield and 55% of the Established Price
Additional Coverage 50, 55, 60, 65, 70, or 75% of your APH yield and up to 100% of the Established Price.

PLAN OF INSURANCE

APH Actual Production History - Production guarantee based on *individual* yield history. Optional or basic units are available (optional units are not allowed with *production* based processor contracts).

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

PREVENTED PLANTING

This provision provides protection on acreage that cannot be planted. Please consult a crop insurance agent for details.

LOSS EXAMPLE - (MN Snap Type)

(Based on Actual Production History (APH) yield of 3.5 tons/ac, 75% coverage level, 100% established price, and one basic unit.)

3.5	tons per acre APH yield
<u>x .75</u>	coverage level
2.6	tons guarantee*
<u>-0.6</u>	tons actually produced
2.0	tons per acre loss
<u>x \$149</u>	price election
\$298	gross indemnity*
<u>- \$ 24</u>	estimated premium per acre (varies by county)
\$274	net indemnity*

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

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.