

FEDERAL CROP INSURANCE CORPORATION GROUP RISK PLAN CROP PROVISIONS – SUGARCANE

1. Definitions.

Expected county yield - In lieu of the definition in section 1 of the Group Risk Plan of Insurance Basic Provisions, the yield shown on the county Actuarial Documents on which your coverage for the crop year is based. The Expected County Yield may be for a single county or multiple counties which constitute the Expected Risk Area. If multiple counties, then the average of those counties will be used to determine the Expected Risk Area Yield.

Expected risk area yield - The average pounds of sugar per acre determined for the Risk Area from the most recent five Risk Area Annual Yields available after eliminating the highest and lowest yields.

Harvest - Cutting and removing the mature sugarcane from the field.

Payment yield - In lieu of the definition in section 1 of the Group Risk Plan of Insurance Basic Provisions, the Payment Yield for each county determines whether an indemnity is due. The Payment Yield for each county is equals the Risk Area Annual Yield for the crop year.

Plant cane - The insured crop which grows from seed planted for the crop year.

Planted acreage - Land in which sugarcane seed stalks have been placed by a machine appropriate for the insured crop and planting method, at the correct depth, into a seedbed that has been properly prepared for the planting method and production practice in accordance with generally recognized good farming practices.

Risk Area - An area comprised of one or more counties in which Expected County Yield and Payment Yield apply to all counties included in the Risk Area. Your Risk Area is shown on the Actuarial Table for each county.

Risk Area Annual Yield - The annual average yield of sugar per acre for a risk area determined by calculating the following for each specific year:

- multiplying NASS reported tons of harvested sugarcane by the percent sucrose for each county in the Risk Area to determine the tons of sucrose per county;
- totaling the result of step 1 for all counties to determine the tons of sucrose for the risk area;

- multiplying the result of step 2 by 2,000 to determine the tons of sucrose for the risk area; and
- 4) dividing the result of step 3 by the total planted sugarcane acres reported in the FSA Acreage and Yield Report to determine the sucrose per acre for the Risk Area for the same year.

Stubble cane - The insured crop which grows from the stubble of sugarcane that was harvested the previous crop year.

Sugarcane - The grass, Saccharum officinarum, which is grown to produce sugar or seed.

2. Insured Crop.

The crop insured will be all sugarcane:

- (a) Grown on insurable acreage in the county listed in the accepted application;
- (b) Properly planted and reported by the acreage reporting date;
- (c) Planted with the intent to be harvested for processing for sugar or for seed; and
- (d) That is not interplanted with another crop, unless allowed by a written agreement.
- (e) That does not exceed the age limitations contained in the Special Provisions, unless we agree in writing to insure such acreage. An agreement in writing will not be provided unless, after an appraisal, we determine that the crop is able to produce at least the yield used to establish the production guarantee for the unit for the current crop year.

3. Payment.

- (a) A payment will be made only if the payment yield for the insured crop year is less than your trigger yield.
- (b) Payment yields will be determined prior to July 31 following the crop year.
- (c) We will issue any payment to you prior to the August 31 immediately following our determination of the payment yield.
- (d) The payment is equal to the payment calculation factor multiplied by your policy protection for each insured crop practice and type specified in the actuarial documents.
- (e) The payment will not be recalculated even though the NASS yield, NASS sucrose percent, and FSA certified acres may be subsequently revised.

4. Annual Premium.

In lieu of the first sentence of section 8(f) of the Group Risk Plan of Insurance Basic Provisions, annual premium is earned and payable at the time sugarcane is planted for plant cane or the day following harvest of the previous crop for insured stubble cane.

5. Program Dates.

Cancellation and Termination Dates:

- (a) In accordance with section 18(i) of the Group Risk Plan of Insurance Basic Provisions, the cancellation and termination date is September 30.
- (b) Contract Change Date: In accordance with section 19 of the Group Risk Plan of Insurance Basic Provisions, the contract change date is June 30 preceding the cancellation date.