



# Peanuts— APH

## Alabama, Florida, Georgia, South Carolina

### Crop Insured

All your peanuts in the county, where a premium rate is provided by actuarial documents, are insurable if:

- You have a share in the peanuts;
- They are planted for the purpose of marketing as farmers' stock peanuts; and
- They are of a type designated in the special provisions;

Unless allowed by written agreement, the policy does not cover peanuts that are:

- Planted to harvest as green peanuts;
- Inter-planted with another crop; or
- Planted into an established grass or legume unless the grass or legume is terminated prior to emergence of the insured crop.

### Counties Available

Talk to your crop insurance agent for a listing of eligible counties.

### Causes of Loss

Adverse weather conditions	Insects <sup>2</sup>
Earthquake	Volcanic eruption
Failure of irrigation water supply <sup>1</sup>	Plant disease <sup>3</sup>
Fire	Wildlife

<sup>1</sup>If caused by an insured peril during the insurance period. <sup>2</sup>But not damage due to insufficient or improper application of pest control measures. <sup>3</sup>But not damage due to insufficient or improper application of disease control measures.

### Insurance Period

Coverage begins when the crop is planted and ends at the earliest of:

- 1) Total destruction of the crop;
- 2) Harvest of the crop;
- 3) Final adjustment of a loss;
- 4) Abandonment of the crop; or
- 5) November 30.

### Reporting Requirements

**Acreage Report** - You must report all acres of the crop, in which you have a share in the county, and provide a copy of your sheller contract to your insurance agent by the acreage reporting date.

**Notice of Loss** - In the event of loss, you must:

- 1) Protect the crop from further damage by providing sufficient care;
- 2) Notify your agent within 72 hours of your initial discovery of damage; and
- 3) If required, leave representative unharvested samples intact for each field of the damaged unit.

### Important Dates

Sales Closing.....	February 28
Final Planting .....	(Dates differ by state and county)
Acreage Reporting.....	July 15
Premium Billing.....	August 15
Cancellation/Termination.....	February 28

### Definitions

**Price Election**— The price used to calculate your premium or indemnity. For peanuts, you may choose the price published by RMA or the base price established in your sheller contract, not to exceed 1.20 times the RMA price. Price elections are posted on the RMA website at: <http://webapp.rma.usda.gov/apps/ActuarialInformationBrowser/>

**Production Guarantee**— Pounds guaranteed, per acre, determined by multiplying your approved yield by the coverage level percentage you choose.

**Sheller Contract** — A written agreement between you and sheller or handler containing, at least:

- Your commitment to plant, grow, and deliver peanuts to the sheller or handler;
- The sheller or handler's commitment to purchase all the production stated in the sheller contract; and
- A base contract price.

## Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 85 percent of your approved yield. For example, an approved yield of 3,600 pounds per acre would result in a guarantee of 2,700 pounds per acre at the 75-percent coverage level. Crop insurance premiums are subsidized as shown in the following table. Your share of the premium will be 100 percent minus the subsidy amount. For example, if you select the 75-percent coverage level, the premium subsidy is 55 percent. Your premium share is 45 percent of the base premium for optional or basic units (100-55 = 45 percent).

Coverage Level %	50	55	60	65	70	75	80	85
Premium Subsidy %	67	64	64	59	59	55	48	38
Your Premium Share %	33	36	36	41	41	45	52	62

Catastrophic (CAT) coverage is fixed at 50 percent of your approved yield and 55 percent of the price election. CAT is 100-percent subsidized with no premium cost to you. There is, however, an administrative fee of \$300 per crop per county, regardless of the acreage.

## Units

**Basic Units**—A basic insurance unit includes all your insurable peanut acreage in the county in which you have 100-percent share and includes any cash-rented land. If you also grew peanuts on shares with another entity, that acreage would be a separate basic unit. A 10-percent premium discount applies.

**Optional Units:** If a basic unit consists of two or more FSA farm serial numbers (FSN) and certain record-keeping criteria are met, you may select optional units by FSN. You may also select optional units by irrigated and non-irrigated practice or by organic practice. The 10-percent basic unit premium discount will not apply.

## Late and Prevented Planting

The peanut crop provisions provide a reduced amount of protection on acreage that is planted late or that cannot be planted at all due to insurable causes. Talk to your insurance agent for details.

## Replant Provisions

A replanting payment is allowed if your peanuts are damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90-percent of the production guarantee and it is practical to replant. The maximum amount of the replanting payment per acre will be the lesser of:

- 20 percent of the production guarantee multiplied by your price election and share;
- The actual cost of replanting per acre; or
- \$80 per acre multiplied by your share.

Note: Replanting payments are not available with CAT coverage.

## Loss Example

Assume non-irrigated peanuts with an approved yield of 3,000 pounds per acre, 75-percent coverage level, a 100-percent price election of \$0.25 per pound, 100-percent share, and a one-acre basic unit. Due to an insurable cause of loss, the production to count is 950 pounds.

3,000	Pounds per acre average yield
<u>x .75</u>	Coverage level percentage
2,250	Pounds per acre guarantee
<u>- 950</u>	Pounds actual production
1,300	Pounds loss
<u>x \$ .25</u>	Price election
<b>\$ 325</b>	<b>Indemnity per acre</b>

## Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at all USDA Service Centers and on the RMA web site: <http://www3.rma.usda.gov/tools/agents/>

## Regional Contact

USDA/Risk Management Agency  
 Valdosta Regional Office  
 106 S. Patterson St., Suite 250  
 Valdosta, GA 31601-5673  
 Telephone: (229) 219-2200  
 Fax: (229) 242-3566  
 E-mail: [rsoga@rma.usda.gov](mailto:rsoga@rma.usda.gov)

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