



United States Department of Agriculture
Risk Management Agency

February 2013

2013 COMMODITY INSURANCE FACT SHEET

Peanuts

Virginia

Crop Insured

Peanuts planted for marketing as farmers' stock peanuts and of a type designated as insurable on the actuarial documents may be insurable, whether or not they are grown under a sheller contract.

Unless allowed by the special provisions, the policy does not cover peanuts that are planted for harvest as green peanuts or inter-planted with another crop or into an established grass or legume.

Counties Available

Peanuts are insurable in Brunswick, Chesterfield, Dinwiddie, Greensville, Isle of Wight, Prince George, Southampton, Surry, Sussex, and Suffolk City Counties. Peanuts may be insurable in other counties if specific criteria are met. Contact an agent for more details.

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply²
Fire
Insects³
Plant disease³
Wildlife

¹Natural perils such as hail, freeze, frost, drought, wind, and excess precipitation.

²If caused by an insured peril during the insurance period.

³Except for insufficient or improper application of control measures.

Insurance Period

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

- 1) Total destruction of the crop;
- 2) Removal of peanuts from the field;
- 3) Abandonment of the crop;
- 4) Final adjustment of a claim; or
- 5) November 30.

Reporting Requirements

Acreage Report: You must report all acres of your peanuts in which you have a share by June 30. In addition, if any acreage is being grown under contract, a copy of the contract must be provided.

Important Dates

Sales Closing Date March 15, 2013
Initial Planting Date April 11, 2013
Final Planting Date..... June 10, 2013
Acreage Reporting Date July 15, 2013

Duties in the Event of Damage or Loss

- 1) Protect the crop from further damage by providing sufficient care;
- 2) Notify your agent within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period); and
- 3) Leave representative samples intact for each field of the damaged unit.

Definitions

Base Contract Price: The price that is stipulated in the sheller contract, not to exceed the Price Election times the price factor of 1.20.

Production Guarantee: Number of pounds guaranteed determined by multiplying your average yield (based on your records) times the coverage level you elect times your planted acres.

Price Election: The price used to calculate your premium or indemnity.

State	Established Price	CAT Price
Virginia	\$.2500	\$.1375

Coverage Levels and Premium Subsidies

Coverage level options range from 50 to 85 percent of your average APH yield and are subsidized as shown in the table below. As an example, an average peanut yield of 3,000 pounds per acre would result in a guarantee of 2,250 pounds per acre at the 75 percent coverage level. From the table, if you selected the 75 percent coverage level, your premium share would be 45 percent of the base premium:

Item	Percent							
	50	55	60	65	70	75	80	85
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 Risk Protection (CAT) coverage is fixed at 50 percent of your average yield and 55 percent of the price election. The cost for CAT coverage is an administrative fee of \$300.

Insurance Units

If all of your insurable peanut acreage in the county (for example, one or more farm numbers) is insured as one basic unit, you will be eligible for a 10-percent premium discount. Optional units by farm numbers are available (for both contracted and non-contracted peanuts) if you maintain separate records by unit and meet all the guidelines as specified in the basic provisions.

Replant Provisions

A replanting payment is allowed if your peanut 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 guarantee and it is practical to replant. The maximum replanting payment per acre will be the lesser of:

- 1) Your price election multiplied by 20-percent of your per acre production guarantee; or
- 2) \$80 per acre.

Note: Replanting payments are not available with CAT coverage.

Prevented Planting

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

Loss Example

This example is based on peanuts on a non-irrigated average yield of 3,000 pounds per acre, 75-percent coverage level, and one basic unit.

3,000	Approved Yield per acre
x .75	Coverage level
2,250	Acre guarantee
- 950	Production-to-Count
1,300	Loss per acre
x \$.250	Price election
\$325	Indemnity per acre
- \$26	Estimated Premium
\$299	Indemnity/Acre

Regional Contact

USDA/Risk Management Agency

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