



United States Department of Agriculture
Risk Management Agency

November 2009

2010 COMMODITY INSURANCE FACT SHEET

Peppers Florida

Crop Insured

The crop insured will be all the bell peppers in the county for which a premium rate is provided by actuarial documents—

- in which you have a share;
- that are planted for harvest as fresh market bell peppers;
- that are planted within periods designated on the actuarial documents;
- that are irrigated; and
- that are grown on acreage covered by plastic mulch.

The insured must have grown bell peppers for commercial sale or have participated in the management of the pepper farming operation in at least one of the previous three crop years. The soil must be fumigated, or properly treated, if tomatoes, eggplants, tobacco or peppers (except under replant provisions) have previously been grown. See policy provisions for more detailed information.

Counties Available

Broward	Charlotte	Collier
Glades	Hardee	Hendry
Hillsborough	Lee	Manatee
Martin	Palm Beach	St. Lucie
Sarasota		

Causes of Loss

Excess rain
 Failure of irrigation water supply¹
 Fire
 Freeze
 Hail
 Tornado
 Tropical depression

¹If caused by an insured cause of loss that occurs during the insurance period.

Note: Causes of loss that are not covered include (1) disease or insect infestation, unless no effective control measure exists for such disease or insect infestation, and (2) inability to market the peppers for any reason other than actual physical damage from an insurable cause of loss that occurs during the insurance period.

Insurance Period

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

- (1) total destruction of the peppers on the unit,
- (2) the date harvest should have started on the unit on any acreage that will not be harvested,
- (3) abandonment of the crop,
- (4) final harvest, or
- (5) final adjustment of a loss on the unit.

The calendar date for the end of the insurance period as follows: (a) 165 days after the date of direct-seeding or replanting with seed; and (b) 150 days after the date of transplanting or replanting with transplants.

Reporting Requirements

Acreage Report—You must report to your insurance provider on or before the acreage reporting date. See your insurance agent for detailed requirements.

Notice of Loss—See your insurance agent for detailed requirements.

Important Dates

Sales Closing.....July 31
 Premium Billing.....May 1
 Cancellation/TerminationJuly 31
 Contact your insurance agent for final planting and acreage reporting dates specific to your county.

Definitions

Box—One and one-ninth (1-1/9) bushels of the insured crop.

Harvest—The picking of the peppers on the unit.

Cancellation Date—The calendar date specified in the crop provisions on which coverage for the crop will automatically renew unless canceled in writing by either you or us or terminated in accordance with the policy terms.

Reference Maximum Dollar Amount—The dollar amount set in the actuarial tables that is used in calculating the dollar coverage amount per acre for the insurance guarantee.

Insurance Guarantee—A dollar amount of insurance per acre that is determined by multiplying the reference maximum dollar amount by the coverage level. The percent of the insurance guarantee that is in force will depend on the plant growth stage in table below.

Stage	Percent of amount of insurance per acre selected	Length of Time (Direct Seeded)	Length of Time (Transplanted)
1	65	Planting until 75 th day after planting	Planting until 45 th day after planting
2	85	From 75 th day after planting until stage 3	From 45 th day after planting until stage 3
3	100	Earlier of 110 days after planting or the beginning of harvest	Earlier of 80 days after planting or the beginning of harvest

Coverage Levels and Premium Subsidies

Coverage level options range from 50 to 75 percent of the reference maximum dollar amount per acre shown on the FCI-35 coverage and rate table. Premiums are subsidized as shown in the table below. As an example, if the reference maximum dollar amount is \$6,735, the 65-percent coverage level results in an \$4,378 guarantee per acre.

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

Catastrophic (CAT) coverage is fixed at 27.5 percent of the reference maximum dollar amount stated in the applicable actuarial document. 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.

Replant Provisions

A replant payment may be allowed if, due to an insured cause of loss, more than 50 percent of the plant stand will not produce peppers and it is still practical to replant. See your insurance agent for more information.

Loss Example

This loss example is based on one acre of peppers in Florida with a reference maximum dollar amount of \$6,735, 100-percent share, and a loss occurring in the final stage of production.

At the 65-percent coverage level, there is a \$4,378 insurance guarantee per acre. The example assumes an average producer sale price of \$13.00 per box and average production of 500 boxes per acre.

\$ 5.30 Allowable cost per 1-1/9 bushel box

\$4,378 Amount of coverage elected per acre
 - \$3,850 Production to count is 500 boxes sold at
 \$7.70 each (\$13.00 price - \$5.30 allowable cost)

\$ 528 Indemnity per acre

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