

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
WATERMELON PILOT CROP PROVISIONS



If a conflict exists among the policy provisions, the order of priority is as follows: (1) The Catastrophic Risk Protection Endorsement, if applicable; (2) the Special Provisions; (3) these Crop Provisions; and (4) the Basic Provisions with (1) controlling (2), etc.

1. Definitions.

Acre - 43,560 square feet of land when row widths do not exceed six feet, or if row widths exceed six feet, the land area on which 7,260 linear feet of rows are planted.

Direct Marketing - Sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper or buyer. Examples of direct marketing include selling through an on-farm or roadside stand, farmer's market, and permitting the general public to enter the field for the purpose of harvesting all or a portion of the crop.

Excess wind - Wind speed strong enough to cause damage to vines or watermelons.

Harvest - Severing the mature watermelons from the vine.

Marketable production - Watermelons that grade or would grade U.S. Fancy, No. 1 or 2 or satisfy any other standards contained in the Special Provisions.

Planted acreage - Land in which watermelon seeds or plants have been placed at an appropriate depth into a seedbed that has been properly prepared for the production practice. Watermelons must be planted in rows to be considered planted.

Planting period - The period of time designated in the actuarial document during which the watermelons must be planted to be considered fall or spring-planted watermelons.

Type - Plants of the insured crop having common traits or characteristics that distinguish them as a group or class, and that are designated in the actuarial documents.

Watermelon - Field grown watermelon (*Citrullus lanatus*) only, including seedless varieties, unless specified otherwise in the Special Provisions.

2. Unit Division.

The optional unit provisions of the Basic Provisions are not applicable unless otherwise specified in the Special Provisions.

3. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities.

In addition to the requirements of section 3 of the Basic Provisions, you may select only one price election percentage for all the watermelons in the county insured under this policy.

4. Contract Changes.

In accordance with section 4 of the Basic Provisions, the contract change date is November 30 preceding the cancellation date.

5. Report of Acreage.

In addition to the requirements of section 6 of the Basic Provisions, you must report on or before the acreage reporting date contained in the Special Provisions for

each planting period:

- (a) The date the acreage was planted within each planting period; and
- (b) The row width.

6. Life of Policy, Cancellation and Termination Dates.

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are:

<u>State & County</u>	<u>Cancellation and Termination Date</u>
Alabama: Geneva	February 15
Delaware: Sussex;	March 15
Florida: Manatee;	February 1
Florida: Alachua, Jackson;	February 15
Georgia: Crisp, Tift, Turner, Worth;	February 15
Maryland: Wicomico;	March 15
North Carolina: Chowan, Sampson;	February 28
Texas: Duval, Frio, Hidalgo.	January 15

7. Insured Crop.

(a) In accordance with section 8 of the Basic Provisions, the crop insured will be all the field grown watermelons in the county for which a premium rate is provided by the actuarial documents:

- (1) That are planted for harvest as watermelons;
- (2) In which you have a share;
- (3) That are not interplanted with another crop, except that the watermelons may be interplanted with a windbreak crop if the windbreak crop is destroyed within 70 days after completion of seeding or transplanting of the watermelon and is not harvested;
- (4) That are grown by a person who in at least one of the three previous crop years:
 - (i) Grew watermelons for commercial sale; or
 - (ii) Participated in managing a watermelon farming operation.

(b) Any acreage of watermelons that is destroyed and replanted timely to a different insurable type or variety of watermelons will be considered insured acreage. The guarantee and premium for acreage replanted to a different insurable type or variety will be based on the replanted type or variety.

8. Insurable Acreage.

In addition to the provisions of section 9 of the Basic Provisions, we will not insure any acreage of the insured crop that:

- (a) Does not meet the rotation requirements shown in the Special Provisions; or
- (b) Is damaged before the final planting date to the extent that the majority of producers in the area would normally not further care for the crop and is not replanted, unless we agree that it is not practical to replant.

9. Insurance Period.

In accordance with the provisions of section 11 of the Basic Provisions, the calendar date for the end of the insurance period is the date immediately following planting as follows:

- (a) July 15 for spring-planted watermelons in Texas;
- (b) August 1 for watermelons in Alabama, Georgia, and spring-planted watermelons in Florida;
- (c) August 15 for watermelons in North Carolina;
- (d) September 30 for watermelons in Delaware and Maryland;
- (e) November 30 for fall-planted watermelons in Texas; or
- (f) December 1 for fall-planted watermelons in Florida.

10. Causes of Loss.

(a) In accordance with the provisions of section 12 of the Basic Provisions, insurance is provided only against the following causes of loss that occur within the insurance period:

- (1) Adverse weather conditions;
- (2) Excess wind, unless control measures have not been taken;
- (3) Fire;
- (4) Insects, but not damage due to insufficient or improper application of pest control measures;
- (5) Plant disease, but not damage due to insufficient or improper application of disease control measures;
- (6) Wildlife;
- (7) Earthquake;
- (8) Volcanic eruption; or
- (9) Failure of the irrigation water supply, if caused by an insured cause of loss specified in section 10(a)(1) through (8) that occurs during the insurance period.

(b) In addition to the causes of loss excluded in section 12 of the Basic Provisions, we will not insure against damage or loss of production due to:

- (1) Failure to harvest in a timely manner; or
- (2) Inability to market the watermelons for any reason other than actual physical damage from an insurable cause specified in this section. For example, we will not pay you an indemnity if you are unable to market due to low market prices, quarantine, boycott, or refusal of any person to accept production.

11. Duties in the Event of Damage or Loss.

(a) In addition to the provisions of section 14 of the Basic Provisions, if you intend to claim an indemnity on any unit, you must give us notice:

- (1) not later than 72 hours after the earliest of:
 - (i) Occurrence or discovery of the watermelon damage;
 - (ii) Total destruction of the watermelons on the unit;
 - (iii) Discontinuance of harvest of any acreage on the unit; or
 - (iv) The date harvest would normally start if any acreage on the unit is not to be harvested; or
- (2) Immediately if damage is discovered within 15

days prior to the beginning of harvest or during harvest.

(3) You must not dispose of or sell the damaged crop, or store the insured crop, until after we have appraised the crop and have given you written consent to do so. If additional damage occurs after this appraisal, we will conduct another appraisal. These appraisals, and any acceptable records provided by you, will be used to determine your production to count. Failure to meet the requirements of this subsection will result in an appraised amount of production to count of not less than the production guarantee per acre if such failure results in our inability to make the required appraisal.

(b) In addition to section (a) above, if you intend to direct market any of the crop, you must give us notice at least 15 days prior to the beginning of harvest. We will conduct an appraisal that will be used to determine your production. If damage occurs after this appraisal, you must immediately provide notice and we will conduct an additional appraisal. These appraisals, and any acceptable records provided by you, will be used to determine your production to count. Failure to give timely notice that production will be direct marketed to consumers will result in an appraised amount of production to count that is not less than the production guarantee per acre.

(c) In accordance with the requirements of section 14 of the Basic Provisions, if you initially discover damage to any insured watermelons within 15 days of or during harvest, you must leave representative samples of the unharvested crop for our inspection. The samples must be at least 2 representative row widths wide and extend the entire length of each field in the unit and must not be harvested or destroyed until the earlier of our inspection or 15 days after harvest of the balance of the unit is completed. Failure to leave a representative sample will result in an appraised amount of production to count that is not less than the production guarantee per acre.

12. Settlement of Claim.

(a) We will determine your loss on a unit basis. In the event you are unable to provide production records:

- (1) For any optional units, we will combine all optional units for which acceptable production records were not provided; or
- (2) For any basic units, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for the units.

(b) In the event of loss or damage covered by this policy, we will settle your claim by:

- (1) Multiplying the insured acreage by its respective production guarantee;
- (2) Multiplying each result of section 12(b)(1) by the respective price election you selected;
- (3) Totaling the results in section 12(b)(2);
- (4) Multiplying the total production to be counted (see section 12(c)) by the respective price

election you chose;

- (5) Totaling the results of section 12(b)(4);
- (6) Subtracting the result in section 12(b)(5) from the result in 12(b)(3); and
- (7) Multiplying the result in section 12(b)(6) by your share.

For example:

You have a 100 percent share in 100 acres of watermelons with a guarantee of 140 hundredweight per acre and a price election of \$11.00 per hundredweight. Due to a drought, only 5,000 hundredweights are produced. Your indemnity would be calculated as follows:

- (1) 100 acres x 140 hundredweight = 14,000 hundredweight guarantee;
 - (2) 14,000 hundredweight guarantee x 11.00 price election = \$154,000 value of guarantee;
 - (3) 5,000 hundredweight x \$11.00 price election = \$55,000 value of production to count;
 - (4) \$154,000 - \$55,000 = \$99,000 loss; and
 - (5) \$99,000 x 100 percent share = \$99,000 indemnity payment.
- (c) The total production (in hundredweight) to count from all insurable acreage on the unit will include:
- (1) All appraised production as follows:
 - (i) Not less than the production guarantee for acreage:
 - (A) That is abandoned;
 - (B) For which you fail to meet the requirements contained in section 11;
 - (C) Put to another use without our consent;
 - (D) That is damaged solely by uninsured causes; or
 - (E) For which you fail to provide production records that are acceptable to us;
 - (ii) Production lost due to uninsured causes;
 - (iii) Unharvested, marketable watermelon production; and
 - (iv) Potential production on insured acreage that you intend to put to another use or abandon, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the crop, if agreement on the appraised amount of production is not reached:
 - (A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us. (The amount of production to count for such acreage will be based on the harvested watermelon production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or fail

to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or

- (B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the marketable watermelon production harvested, or our reappraisal if additional damage occurs and the crop is not harvested.

- (2) All marketable watermelon production harvested from the insurable acreage.

13. Written Agreements.

Provisions of section 18 of the Basic Provisions do not apply.

14. Replanting Payment.

Provisions of section 13 of the Basic Provisions do not apply.

15. Late Planting.

Provisions of section 16 of the Basic Provisions do not apply.

16. Prevented Planting.

Provisions of section 17 of the Basic Provisions do not apply.