SUMMARY OF CHANGE FOR THE DRY PEA CROP PROVISIONS (22-0067)
(Released June 2021)

The following is a brief description of the changes to the Dry Pea Crop Provisions that are effective for the 2022 and succeeding crop years. Please refer to the Crop Provisions for more complete information.

- Throughout the policy – removed the reference to United States Standards for Split Peas.
- Section 2 – Designated the undesignated paragraph in section 2 as paragraph (b) and added a new paragraph (a) to allow enterprise and optional units by type, regardless of whether the type is listed in the actuarial documents or the type is insured by written agreement.
- Section 3 – Revised paragraphs (c)(1) and (c)(2) to replace the phrase “insured fall-planted dry pea acreage” with the phrase “insurable fall-planted dry pea acreage.”

22-0067
(Released June 2021)

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
DRY PEA CROP PROVISIONS

1. **Definitions**

Adequate stand - A population of live plants per acre that will produce at least the yield used to establish your production guarantee.

Base contract price - The price per pound stipulated in the processor/seed company contract without regard to discounts or incentives that may apply, and that will be paid to the producer for at least 50 percent of the total production under contract with the processor/seed company.

Combining - A mechanical process that separates dry peas from the pods and other vegetative matter and places dry peas into a temporary storage receptacle.

Conditioning - A process that improves the quality of production by screening or any other operation commonly used in the dry pea industry to remove dry peas that are deficient in quality.

Contract seed types - Peas (*Pisum sativum* L.) or other categories of dry peas identified in the Special Provisions grown under the terms of a processor/seed company contract for the purpose of producing seed to be used in planting a future year's crop.

Dry peas - Peas (*Pisum sativum* L.), Austrian Peas (*Pisum sativum spp arvense*), Fava or Faba beans (*Vicia faba* L.), Lentils (*Lens culinaris* Medik.), Chickpeas (*Cicer arietinum* L.), and other types as listed in the Special Provisions or insured by written agreement.

Harvest - Combining of dry peas. Dry peas that are swathed prior to combining are not considered harvested.

Latest final planting date -

(a) The final planting date for spring-planted acreage in all counties for which the Special Provisions designate a spring-planted type only;

(b) The final planting date for fall-planted acreage in all counties for which the Special Provisions designate a fall-planted type only; or

(c) The final planting date for spring-planted acreage in all counties for which the Special Provisions designate both spring-planted and fall-planted types.

Local market price - The cash price per pound for the U.S. No. 1 grade of dry peas as determined by us. This price will be considered the prevailing dollar amount buyers are willing to pay for dry peas containing the maximum limits of quality deficiencies allowable for the U.S. No. 1 grade. Moisture content and factors not associated with grading under the United States Standards for Whole Dry Peas, Beans (Chickpeas, Fava or Faba beans), and Lentils will not be considered, unless otherwise specified in the Special Provisions.

Nurse crop (companion crop) - A crop planted into the same acreage as another crop to improve the growing conditions for the crop with which it is grown, and that is intended to be harvested separately.

Planted acreage - In addition to the definition contained in the Basic Provisions, dry peas must initially be planted in rows to be considered planted. Acreage planted in any other manner will not be insurable unless otherwise provided by the Special Provisions or by written agreement.

Practical to replant - In addition to the definition contained in the Basic Provisions, it will be considered practical to replant:

(a) Contract seed types only if the processor/seed company will accept the production under the terms of the processor/seed company contract.

(b) Fall-planted types 25 days or less after the final planting date for the corresponding spring-planted type of dry peas.

Prevented planting - As defined in the Basic Provisions, except that the references to "final planting date" contained in the definition in the Basic Provisions are replaced with the "latest final planting date."

Price election - In addition to the definition contained in the Basic Provisions, the price election for contract seed types will be the percentage you elect (not to exceed 100 percent) of the base contract price and used for the purposes of determining premium and indemnity for contract seed types under this policy.

Processor/seed company - Any business enterprise regularly engaged in the processing of contract seed types, that possesses all licenses and permits for marketing contract seed types required by the state in which it operates, and that owns, or has contracted, sufficient drying, screening, and bagging or packaging equipment to accept and process the contract seed types within a reasonable amount of time after harvest.

Processor/seed company contract - A written agreement between the producer and the processor/seed company, executed by the acreage reporting date, containing at a minimum:

(a) The producer's promise to plant and grow one or more specific varieties of contract seed types, and deliver the production from those varieties to the processor/seed company;

(b) The processor/seed company's promise to purchase all the production stated in the contract; and

(c) A fixed price, or a method to determine such price based on published information compiled by a third party, that will be paid to the producer for at least 50 percent of the production stated in the contract.

Swathed - Severance of the stem and pods from the ground without removal of the seeds from the pods and placing them into windrows.

Type - A category of dry peas identified as a type in the Special Provisions or insured by written agreement.

Windrow - Dry peas where the plants are cut and placed in a row.

2. **Unit Division**

(a) In addition to enterprise units provided in section 34(a) of the Basic Provisions, you may elect separate enterprise units by type, as provided in this section, if allowed by the actuarial documents. If you elect enterprise units by type, you may not elect enterprise or optional units by irrigation practices.

(1) You may elect separate enterprise units by type unless otherwise specified in the Special Provisions. For example, if you have Spring Austrian Peas and Spring Desi Chickpeas types, you may elect one enterprise unit for the Spring Austrian Peas type or one enterprise unit for the Spring Desi Chickpeas type, or separate enterprise units for both types. Any acreage which is not reported and insured as an enterprise unit will be insured as basic or optional units if requirements are met. For example, if you only have Spring Austrian Peas and Spring Desi Chickpeas types, you may have an enterprise unit for the Spring Austrian Peas type acreage and basic or optional units for the Spring Desi Chickpeas type acreage.

(2) You must separately meet the requirements in section 34(a)(4) of the Basic Provisions for each enterprise unit.

(3) If you elected separate enterprise units for multiple types and we discover enterprise unit qualifications are not separately met for all types in which you elected enterprise unit and such discovery is made:

   (i) On or before the acreage reporting date, you may elect to insure:

      (A) All types in which you elected an enterprise unit for meeting the requirements in section 34(a)(4) as separate enterprise units, and basic or optional units for any acreage that is not reported and insured as an enterprise unit, whichever you report on your acreage report and for which you qualify;

      (B) One enterprise unit for all acreage of the crop in the county provided you meet the requirements in section 34(a)(4); or

      (C) Basic or optional units for all acreage of the crop in the county, whichever you report on your acreage report and for which you qualify; or

   (ii) At any time after the acreage reporting date, your unit structure will be one enterprise unit for all acreage of crop in the county provided you meet the requirements in section 34(a)(4). Otherwise, we will assign the basic unit structure for all acreage of crop in the county.

(4) If you elected an enterprise unit for only one type and we discover you do not qualify for an enterprise unit for that type and such discovery is made:

   (i) On or before the acreage reporting date, your unit division for all acreage of the crop in the county will be based on basic or optional units, whichever you report on your acreage report and for which you qualify; or

   (ii) At any time after the acreage reporting date, we will assign the basic unit structure for all acreage of the crop in the county.

(b) In addition to, or instead of, establishing optional units as provided in section 34(c) in the Basic Provisions, separate optional units may be established for each dry pea type (designated in actuarial documents and including any type insured by written agreement).

(c) Enterprise and optional units by type may be further divided by acreage of contract seed types and dry pea types not grown under a processor/seed company contract even if they share a common variety provided each dry pea type is grown on separate acreage and the production is kept separate.

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

(a) In accordance with the requirements of section 3(b) of the Basic Provisions, you may select only one coverage level for each type. However, if you elect the Catastrophic Risk Protection (CAT) level of insurance for any dry pea type, the CAT level of coverage will be applicable to all insured dry pea acreage in the county.

(b) In addition to the requirements of section 3 of the Basic Provisions:

   (1) If the actuarial documents do not designate separate price elections by type, you may select only one price election for all dry peas in the county insured under this policy.

   (2) If the actuarial documents designate separate price elections by type, you may select one price election for each dry pea type even if the prices for each type are the same. The price elections you choose for each type are not required to have the same percentage relationship to the maximum price offered by us for each type. For example, if you choose 100 percent of the maximum price election for one type, you may choose 75 percent of the maximum price election for another type.

(c) In addition to the requirements of section 3 of the Basic Provisions, in counties with both a fall and spring sales closing date for the insured crop:

   (1) If you do not have any insurable fall-planted dry pea acreage covered under the Winter Coverage Option, you may change your coverage level or percentage of price election until the spring sales closing date; or

   (2) If you have any insurable fall-planted dry pea acreage covered under the Winter Coverage Option, you may not change your coverage level or percentage of price election after the fall sales closing date.

(d) If a dry pea type is added after the sales closing date, we will assign:

   (1) A coverage level equal to the lowest coverage level you selected for any other dry pea types; and

   (2) A price election percentage equal to:

      (i) 100 percent of the price election if you elected additional coverage; and

      (ii) 55 percent of the price election if you elected catastrophic level of coverage.

4. Contract Changes

In accordance with section 4 of the Basic Provisions, the contract change date is June 30 preceding the cancellation date for counties with an October 31 cancellation date, or November 30 preceding the cancellation date for counties with a March 15 cancellation date.

5. **Cancellation and Termination Dates**

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

State & County	Cancellation Date	Termination Date
All counties in California and Arizona Counties: La Paz, Maricopa, Mohave, Pima, Pinal, and Yuma	10/31	10/31
All other Arizona counties and all other states.	3/15	3/15

6. **Report of Acreage**

In addition to the provisions of section 6 of the Basic Provisions, you must submit a copy of the processor/seed company contract to us on or before the acreage reporting date if you are insuring contract seed types.

7. **Insured Crop**

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

(1) In which you have a share;

(2) That are planted for harvesting once maturity is reached as:

(i) Dry peas; or

(ii) Contract seed types, if the processor/seed company contract is executed on or before the acreage reporting date;

(3) That are not planted to plow down, graze, harvest as hay, or otherwise not planted for harvest as a mature dry pea crop; and

(4) That are not (unless allowed by the Special Provisions or by written agreement):

(i) Interplanted with another crop;

(ii) Planted into an established grass or legume; or

(iii) Planted as a nurse crop.

(b) You will be considered to have a share in the insured crop if, under the processor/seed company contract, you retain control of the acreage on which the dry peas are grown, you are at risk of loss (i.e., if there is a reduction in quantity or quality of your dry pea production, you will receive less income under the contract), and the processor/seed company contract is in effect for the entire insurance period.

(c) In counties for which the actuarial documents provide premium rates for the Winter Coverage Option (see section 15), coverage is available for dry peas between the time coverage begins and the spring final planting date. Coverage under the option is effective only if you qualify under the terms of the option and you elect the option by its sales closing date.

8. **Insurable Acreage**

In addition to the provisions of section 9 of the Basic Provisions:

(a) We will not insure any acreage that does not meet the rotation requirements, if applicable, contained in the Special Provisions; or

(b) Any acreage of the insured crop damaged before the final planting date, to the extent that producers in the surrounding area would normally not further care for the crop, must be replanted unless we agree that it is not practical to replant.

(c) When the Special Provisions designate both fall- and spring-planted types, and the Winter Coverage Option is not in force for the acreage:

(1) Any fall-planted dry pea acreage that is damaged before the spring final planting date, to the extent that producers in the area would normally not further care for the crop, must be replanted to a fall-planted type of dry peas to obtain insurance based on the fall-planted type unless we agree that replanting is not practical. If it is not practical to replant to a fall-planted type of dry peas but it is practical to replant to a spring-planted type, you must replant to a spring-planted type to obtain insurance coverage based on the fall-planted type.

(2) Any fall-planted dry pea acreage that is replanted to a spring-planted type when it was practical to replant the fall-planted type will be insured as the spring-planted type and the production guarantee, premium and price election applicable to the spring-planted type will be used. In this case, the acreage will be considered initially planted to the spring-planted type.

(d) When the Special Provisions designate both fall-planted and spring-planted types, and the Winter Coverage Option is in force for the acreage, insurance will be in accordance with the Winter Coverage Option (see section 15).

(e) Whenever the Special Provisions designate only a spring-planted type, any acreage of a fall-planted dry pea crop is not insured unless you request such coverage on or before the spring sales closing date, and we inspect and determine that the acreage has an adequate stand in the spring to produce the yield used to determine your production guarantee.

(1) The fall-planted dry pea crop will be insured as a spring-planted type for the purpose of the production guarantee, premium and price election.

(2) Insurance will attach to such acreage on the date we determine an adequate stand exists or on the spring final planting date if we do not determine adequacy of the stand prior to the spring final planting date.

(3) Any acreage of such fall-planted dry peas that is damaged after it is accepted for insurance but before the spring final planting date, to the extent that producers in the area would normally not further care for the crop, must be replanted to a spring-planted type of dry pea unless we agree it is not practical to replant. No replanting payment will be made.

(4) If fall-planted acreage is not to be insured it must be recorded on the acreage report as uninsured

fall-planted acreage.

9. Insurance Period

In accordance with the provisions of section 11 of the Basic Provisions, and subject to the provisions provided by the Winter Coverage Option (see section 15) if you elect such option, the insurance period is as follows:

(a) If the Special Provisions designate both fall-planted and spring-planted types, and the Winter Coverage Option is not in force for the acreage, you must report fall-planted acreage to your crop insurance agent on or before the spring sales closing date. Fall-planted types are only insurable if there is an adequate stand in the spring. Insurance will attach to such acreage on the date we determine an adequate stand exists or on the spring final planting date if we do not make that determination prior to the spring final planting date, unless otherwise specified in the Special Provisions. Fall-planted acreage must be reported and insured if it meets the requirements of section 8.

(b) The calendar date for the end of the insurance period for all insurable types of dry peas in the county is September 30 of the crop year in which the crop is normally harvested unless otherwise specified in the Special Provisions.

10. Causes of Loss

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

(a) Adverse weather conditions;
(b) Fire;
(c) Insects, but not damage due to insufficient or improper application of pest control measures;
(d) Plant disease, but not damage due to insufficient or improper application of disease control measures;
(e) Wildlife;
(f) Earthquake;
(g) Volcanic eruption; or
(h) Failure of the irrigation water supply, if due to a cause of loss contained in section 10(a) through (g) that occurs during the insurance period.

11. Replanting Payments

(a) A replanting payment is allowed as follows:

(1) In lieu of provisions in section 13 of the Basic Provisions that limit the amount of a replant payment to the actual cost of replanting, the amount of any replanting payment will be determined in accordance with these Crop Provisions;

(2) You must comply with all requirements regarding replanting payments contained in section 13 of the Basic Provisions (except as allowed in section 11(a)(1)) and in the Winter Coverage Option (see section 15), if applicable;

(3) The insured crop must be 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 for the acreage;

(4) The acreage must have been initially planted to a spring type of the insured crop in those counties with only a spring type designated in the Special Provisions;

(5) When the Winter Coverage Option is in effect for the acreage, damage must occur after the fall final planting date in those counties where both fall and spring types are designated in the Special Provisions;

(6) Replanting payments are not available for damaged fall-planted types if you have not elected to cover such acreage under the Winter Coverage Option; and

(7) The replanted crop must be seeded at a rate sufficient to achieve a total (undamaged and new seeding) plant population that will produce at least the yield used to determine your production guarantee.

(b) The maximum amount of the replanting payment per acre will be the lesser of 20.0 percent of the production guarantee or 200 pounds, multiplied by your price election, multiplied by your share, unless otherwise stated in the Special Provisions.

(c) When the crop is replanted using a practice that is uninsurable for an original planting, the liability on the unit will be reduced by the amount of the replanting payment. The premium amount will not be reduced.

(d) Replanting payments will be calculated using the price election and production guarantee for the dry pea type that is replanted and insured. For example, if damaged smooth green and yellow pea acreage is replanted to lentils, the price election and production guarantee applicable to lentils will be used to calculate any replanting payment that may be due. A revised acreage report will be required to reflect the replanted type. Notwithstanding the previous two sentences, the following will have a replanting payment based on the guarantee and price election for the crop type initially planted:

(1) Any damaged fall-planted type of dry peas replanted to a spring-planted type that retains insurance based on the production guarantee and price election for the fall-planted type; and

(2) Any acreage replanted at a reduced seeding rate into a partially damaged stand of the insured crop.

12. Duties in the Event of Damage or Loss

Representative samples are required in accordance with section 14 of the Basic Provisions.

13. Settlement of Claim

(a) We will determine your loss on a unit basis. In the event you are unable to provide records of production that are acceptable to us for any:

(1) Optional units, we will combine all optional units for which acceptable records of production were not provided; or

(2) 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 to your dry pea crop covered by this policy, we will settle your claim by:

(1) Multiplying the insured acreage of each dry pea type, if applicable, excluding contract seed types, by its respective production guarantee;

(2) Multiplying each result of section 13(b)(1) by the respective price election;

(3) Totaling the results of section 13(b)(2) if there is

more than one type;

(4) Multiplying the insured acreage of each contract seed type variety by its respective production guarantee;
(5) Multiplying each result of section 13(b)(4) by the applicable base contract price;
(6) Multiplying each result of section 13(b)(5) by your selected price election percentage;
(7) Totaling the results of section 13(b)(6) if there is more than one type;
(8) Totaling the results of section 13(b)(3) and section 13(b)(7);
(9) Multiplying the total production to be counted of each dry pea type, excluding contract seed types, if applicable (see section 13(d)), by the respective price elections;
(10) Totaling the value of all contract seed type production (see section 13(c));
(11) Totaling the results of section 13(b)(9) and section 13(b)(10);
(12) Subtracting the result of section 13(b)(11) from the result in section 13(b)(8); and
(13) Multiplying the result of section 13(b)(12) by your share.

Example 1:

In this example, you have not elected optional units by type. You have a 100 percent share in 100 acres of spring-planted smooth green dry edible peas in the unit, with a production guarantee of 4,000 pounds per acre and a price election of $0.09 per pound. Your selected price election percentage is 100 percent. You are only able to harvest 200,000 pounds. Your indemnity would be calculated as follows:

(1) 100 acres x 4,000 pounds = 400,000-pound guarantee;
(2) 400,000–pound guarantee x $0.09 price election = $36,000 value of guarantee;
(9) 200,000-pound production to count x $0.09 price election = $18,000 value of production to count;
(12) $36,000 value of guarantee - $18,000 value of production to count = $18,000 loss; and
(13) $18,000 x 100 percent share = $18,000 indemnity payment.

Example 2:

Assume the same facts in example 1. Also assume you have a 100 percent share in 100 acres of contract seed types in the same unit, with a production guarantee of 5,000 pounds per acre and a base contract price of $0.40 per pound. Your selected price election percentage is 100 percent. You are only able to harvest 450,000 pounds. Your total indemnity for both spring-planted smooth green dry edible peas and contract seed types would be calculated as follows:

(1) 100 acres x 4,000 pounds = 400,000-pound guarantee for the spring-planted smooth green dry edible pea type;
(2) 400,000-pound guarantee x $0.09 price election = $36,000 value of guarantee for the spring-planted smooth green dry edible pea type;
(3) $36,000 (only one spring-planted smooth green dry edible pea type; no other types in this example to total);
(4) 100 acres x 5,000 pounds = 500,000-pound guarantee for the contract seed type;
(5) 500,000-pound guarantee x $0.40 base contract price = $200,000 gross value of guarantee for the contract seed type;
(6) $200,000 x 1.00 price election percentage = $200,000 value of guarantee for the contract seed type;
(7) $200,000 (only one contract seed type; no other types in this example to total);
(8) $36,000 + $200,000 = $236,000 total value of guarantee;
(9) 200,000–pound production to count x $0.09 price election = $18,000 value of production to count for the spring-planted smooth green dry edible pea type;
(10) 450,000–pound production to count x $0.40 = $180,000 value of production to count for the contract seed type;
(11) $18,000 + $180,000 = $198,000 total value of production to count;
(12) $236,000 - $198,000 = $38,000 loss; and
(13) $38,000 loss x 100 percent share = $38,000 indemnity payment.

(c) The value of contract seed type production to count for each variety in the unit will be determined as follows:
  (1) For mature production meeting the objective, measurable minimum quality requirements (e.g., size, germination percentage) contained in the processor/seed company contract, and for mature production that does not meet such requirements due to uninsured causes:
    (i) Multiplying the local market price or base contract price per pound, whichever is greater, by the price election percentage you selected; and
    (ii) Multiplying the result by the number of pounds of such production.
  (2) For mature production not meeting the objective, measurable minimum quality requirements (e.g., size, germination percentage) contained in the processor/seed company contract, due to insurable causes, and immature production that is appraised:
    (i) Multiplying the highest local market price available for such dry peas by the price election percentage you selected; and
    (ii) Multiplying the result by the number of pounds of such production.

(d) The total dry pea production to count (in pounds) from all insurable acreage on the unit will include:
  (1) All appraised production as follows:
    (i) Not less than the production guarantee per acre for acreage:
      (A) That is abandoned;
      (B) That is put to another use without our consent;
      (C) That is damaged solely by uninsured causes; or
      (D) For which you fail to provide production records that are acceptable to us;
    (ii) Production lost due to uninsured causes;

(iii) Unharvested production (mature unharvested production of dry peas may be adjusted for quality deficiencies and excess moisture in accordance with section 13(c) or (e), or as specified in the Special Provisions if applicable); 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 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 harvested production, or our reappraisal if the crop is not harvested; and

(2) All harvested production from the insurable acreage.

(e) Mature dry pea production to count may be adjusted for excess moisture and quality deficiencies. Any adjustment for moisture will be made prior to any adjustment for quality. Adjustment for excess moisture and quality deficiencies will not be applicable to contract seed types.

(1) Production will be reduced by 0.12 percent for each 0.1 percentage point of moisture in excess of 14 percent. We may obtain samples of the production to determine the moisture content.

(2) Production will be eligible for quality adjustment in accordance with the following, unless otherwise specified in the Special Provisions:

(i) Deficiencies in quality, in accordance with the United States Standards for Whole Dry Peas, Beans (Chickpeas, Fava or Faba beans), and Lentils, result in production grading U.S. No. 2 or worse because of defects, color, skinned production (lentils only), odor, material weathering, or distinctly low quality; or

(ii) Substances or conditions are present that are identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health.

(3) Quality will be a factor in determining your loss only if:

(i) The deficiencies, substances, or conditions resulted from a cause of loss against which insurance is provided under these Crop Provisions and which occurs within the insurance period;

(ii) The deficiencies, substances, or conditions result in a net price for the damaged production that is less than the local market price;

(iii) All determinations of these deficiencies, substances, or conditions are made using samples of the production obtained by us or by a disinterested third party approved by us;

(iv) With regard to deficiencies in quality (except test weight, which may be determined by our loss adjuster), the samples are analyzed by:

(A) A grader licensed under the United States Agricultural Marketing Act or the United States Warehouse Act;

(B) A grader licensed under State law and employed by a warehouse operator who has a storage agreement with the Commodity Credit Corporation; or

(C) A grader not licensed under State law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouses; and

(v) With regard to substances or conditions injurious to human or animal health, the samples are analyzed by a laboratory approved by us.

(4) Dry Pea production that is eligible for quality adjustment, as specified in sections 13(e)(2) and (3), will be reduced as follows:

(i) The highest local market price for the qualifying damaged production will be determined on the earlier of the date such damaged production is sold or the date of final inspection for the unit. The highest local market price for the qualifying damaged production will be determined in the local area to the extent feasible. We may obtain prices from any buyer of our choice. If we obtain prices from one or more buyers located outside your local market area, we will reduce such prices by the additional costs required to deliver the dry peas to those buyers. Discounts used to establish the net value of the damaged production will be limited to those that are usual, customary, and reasonable. The value will not be reduced for:

(A) Moisture content;

(B) Damage due to uninsured causes; or

(C) Drying, handling, processing, or any other costs associated with normal harvesting, handling, and marketing of the dry peas; except, if the value of the damaged production can be increased by conditioning, we may reduce the value of the production after it has been conditioned by the cost of conditioning but not lower than the value of the production before conditioning;

(ii) The value per pound of the damaged or conditioned production will be divided by the local market price to determine the quality adjustment factor; and

(iii) The number of pounds remaining after any reduction due to excess moisture (the moisture-adjusted gross pounds, if appropriate) of the damaged or conditioned production will then be multiplied by the quality adjustment factor to determine the net production to count to be included in section 13(d);

(f) Any production harvested from plants growing in the insured crop may be counted as production of the insured crop on a weight basis.

14. Prevented Planting

(a) In counties for which the Special Provisions designate both fall-planted and spring-planted types, your prevented planting production guarantee will be based on your approved yield for spring-planted acreage of the insured crop.

(b) Your prevented planting coverage will be a percentage specified in the actuarial documents of your production guarantee for timely planted acreage. If you have additional levels of coverage and pay an additional premium, you may increase your prevented planting coverage if such additional coverage is specified in the actuarial documents.

15. Winter Coverage Option

(a) In the event of a conflict between this section and sections 1 through 14 of these Crop Provisions, this section will control.

(b) You must have purchased additional coverage under the Dry Pea Crop Provisions in order to select this option.

(c) In return for payment of the additional premium designated in the actuarial documents, this option is available in counties for which the actuarial documents provide premium rates for the Winter Coverage Option.

(d) This option is available only in counties for which the Special Provisions designate both fall-planted and spring-planted types.

(e) You must select this option on your application for insurance, or on a form approved by us, on or before the sales closing date for the initial year in which you wish to insure dry peas under this option.

(1) Failure to do so means you have rejected this coverage for the dry pea crop planted in the fall and this option is void.

(2) This option will continue in effect until canceled or coverage under the Dry Pea Crop Provisions is canceled or terminated.

(3) This option may be canceled by you or us for any succeeding crop year by giving written notice to the other party on or before the cancellation date contained in section 15(g) preceding the crop year for which the cancellation of this option is to be effective.

(4) You may change your coverage level or percentage of price election for dry pea types until the spring sales closing date if you have selected this option, but do not have any insured fall-planted acreage or your fall-planted acreage is not eligible for this option.

(f) Coverage under this option begins on the later of the date we accept your application for coverage or on the fall final planting date designated in the Special Provisions. Coverage ends on the spring final planting date designated in the Special Provisions.

(g) If you elect this option for dry peas initially planted in the fall, the following dates will be applicable to all your fall-planted and spring-planted dry peas in the county:

(1) Contract change date is June 30 preceding the cancellation date;

(2) Cancellation date is September 30; and

(3) Termination date is November 30. For a policy with amounts due, when the sales closing date is prior to the previous crop year termination date, such policies will terminate for the current crop year even if insurance attached prior to the termination date. Such termination will be considered effective as of the sales closing date and no insurance will be considered to have attached for the crop year and no indemnity, prevented planting or replant payment will be owed.

(h) All notices of damage must be provided to us not later than 15 days after the spring final planting date designated in the Special Provisions.

(i) All insurable acreage of each fall-planted dry pea type covered under this option must be insured.

(j) The amount of any indemnity paid under the terms of this option will be subject to any reduction specified in the Basic Provisions for multiple crop benefits in the same crop year.

(k) Whenever any acreage of dry peas planted in the fall is damaged during the insurance period and at least 20 acres or 20 percent of the insured planted acreage in the unit, whichever is less, does not have an adequate stand to produce at least 90 percent of the production guarantee for the acreage, you may, at your option, take one of the following actions:

(1) Continue to care for the damaged dry peas. By doing so, coverage will continue under the terms of the Basic Provisions, these Crop Provisions and this option;

(2) Replant the acreage to an appropriate type of insured dry peas, if it is practical, and receive a replanting payment in accordance with the terms of section 11. By doing so, coverage will continue under the terms of the Basic Provisions, these Crop Provisions and this option, and the production guarantee for the dry pea type planted in the fall will remain in effect; or

(3) Destroy the remaining crop on such acreage:

(i) By destroying the remaining crop, you agree to accept an appraised amount of production determined in accordance with section 13(d)(1) of these Crop Provisions to count against the unit production guarantee. This amount will be considered production to count in determining any final indemnity on the unit and will be used to settle your claim as described in section 13.

(ii) You may use such acreage for any purpose, including planting and separately insuring any other crop if such insurance is available.

(iii) If you elect to plant and elect to insure spring-planted dry pea acreage of the same dry pea type (you must elect whether or not you want insurance on the spring-planted acreage of the same dry pea type at the time we release the fall-planted acreage), you must pay additional premium for insurance. Such acreage will be insured in accordance with the policy provisions that are applicable to acreage that is initially planted in the spring to the same dry pea type, and you must:

(A) Plant the spring-planted acreage in a manner which results in a clear and discernable break in the planting pattern at the boundary between it and any remaining acreage of the fall-planted dry pea acreage; and

(B) Store or market the production in a manner which permits us to verify the amount of spring-planted production separately from any fall-planted production. In the event you are unable to provide records of production that are acceptable to us, the spring-planted acreage will be considered to be a part of the original fall-planted unit.