

**PART 444 [RESERVED]****PART 445—PEPPER CROP  
INSURANCE REGULATIONS****Subpart—Regulations for the 1987 and  
Succeeding Crop Years**

Sec.

- 445.1 Availability of pepper crop insurance.
- 445.2 Premium rates, coverage levels, and amounts of insurance.
- 445.3 OMB control numbers.
- 445.4 Creditors.
- 445.5 Good faith reliance on misrepresentation.
- 445.6 The contract.
- 445.7 The application and policy.

AUTHORITY: Secs. 506, 516, Pub. L. 75-430, 52 Stat. 73, 77, as amended (7 U.S.C. 1506, 1516).

SOURCE: 51 FR 11293, Apr. 2, 1986, unless otherwise noted.

**Subpart—Regulations for the 1987  
and Succeeding Crop Years****§ 445.1 Availability of pepper crop insurance.**

Insurance shall be offered under the provisions of this subpart on peppers in counties within the limits prescribed by and in accordance with the provisions of the Federal Crop Insurance Act, as amended. The counties shall be designated by the Manager of the Corporation from those approved by the Board of Directors of the Corporation.

**§ 445.2 Premium rates, coverage levels, and amounts of insurance.**

(a) The Manager shall establish premium rates, coverage levels, and amounts of insurance for peppers which will be included in the actuarial table on file in the applicable service offices for the county and which may be changed from year to year.

(b) At the time the application for insurance is made, the applicant will elect an amount of insurance per acre and a coverage level from among those levels and amounts set by the actuarial table for the crop year.

**§ 445.3 OMB control numbers.**

OMB control numbers are contained in subpart H of part 400, title 7 CFR.

**§ 445.4 Creditors.**

An interest of a person in an insured crop existing by virtue of a lien, mortgage, garnishment, levy, execution, bankruptcy, involuntary transfer or other similar interest shall not entitle the holder of the interest to any benefit under the contract.

**§ 445.5 Good faith reliance on misrepresentation.**

Notwithstanding any other provision of the pepper crop insurance contract, whenever: (a) An insured under a contract of crop insurance entered into under these regulations, as a result of a misrepresentation or other erroneous action or advice by an agent or employee of the Corporation: (1) Is indebted to the Corporation for additional premiums; or (2) has suffered a loss to a crop which is not insured or for which the insured is not entitled to an indemnity because of failure to comply with the terms of the insurance contract, but which the insured believed to be insured, or believed the terms of the insurance contract to have been complied with or waived; and (b) the Board of Directors of the Corporation, or the Manager in cases involving not more than \$100,000.00 finds that: (1) An agent or employee of the Corporation did in fact make such misrepresentation or take other erroneous action or give erroneous advice; (2) said insured relied thereon in good faith; and (3) to require the payment of the additional premiums or to deny such insured's entitlement to the indemnity would not be fair and equitable, such insured shall be granted relief the same as if otherwise entitled thereto. Requests for relief under this section must be submitted to the Corporation in writing.

**§ 445.6 The contract.**

The insurance contract shall become effective upon the acceptance by the Corporation of a duly executed application for insurance on a form prescribed by the Corporation. The contract shall cover the pepper crop as provided in the policy. The contract shall consist of the application, the policy, and the county actuarial table. Changes made in the contract shall not affect its continuity from year to year. The forms