



United States  
Department of  
Agriculture

Farm and Foreign  
Agricultural  
Services

Risk  
Management  
Agency

Beacon Facility –  
Mail Stop 0801  
P.O. Box 419205  
Kansas City, MO  
64141-6205

January 15, 2014

**INFORMATIONAL MEMORANDUM: PM-14-003**

**TO:** All Approved Insurance Providers  
All Risk Management Agency Field Offices  
All Other Interested Parties

**FROM:** Tim B. Witt /s/ *Tim B. Witt*  
Deputy Administrator

**SUBJECT:** 2014 CY **Common Crop Insurance Policy** Projected Prices and  
Volatility Factors

**Common Crop Insurance Policy**

The 2014 CY **projected prices** shown below are approved for the Yield Protection, Revenue Protection and Revenue Protection with Harvest Price Exclusion plans of insurance. The 2014 CY **volatility factors** shown below are approved for the Revenue Protection and Revenue Protection with Harvest Price Exclusion plans of insurance. The projected prices and volatility factors are covered by the **January 31 sales closing date** and are applicable for the crops, types, practices, and states indicated below:

<b>Crop/Type/Practice/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Corn</b> Texas	CBOT	September Corn	\$4.48/bu.	0.18
<b>Corn – Organic Practice</b> Texas	CBOT	September Corn	\$8.70/bu.	0.18
<b>Cotton</b> Texas	ICE	October* (July) Cotton	\$0.83/lb.	0.15
<b>Cotton – Organic Practice</b> Texas	ICE	October* (July) Cotton	\$1.41/lb.	0.15

*\* Section I of the Commodity Exchange Price Provisions (CEPP) stipulates that a trading day must have open interest contract activity on at least 25 contracts to qualify as a “full active trading day.” All trading days during the projected price discovery period for the ICE October cotton contract lack sufficient open interest activity. Accordingly, the most recent eight days of daily settlement prices for the prior (July) contract are used to derive the projected price since there is sufficient open interest activity on all trading days for this contract.*

*Continued...*

**Common Crop Insurance Policy**

<b>Crop/Type/Practice/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Grain Sorghum</b> Texas	CBOT	September Corn	\$4.33/bu.	0.18
<b>Rice – Long Grain Type</b> Texas	CBOT	September Rice	\$0.143/lb.	0.09
<b>Rice – Medium &amp; Short Grain Types</b> Texas	CBOT	September Rice	\$0.182/lb.	0.09
<b>Soybeans</b> Texas	CBOT	November Soybeans	\$11.39/bu.	0.13
<b>Soybeans – Organic Practice</b> Texas	CBOT	November Soybeans	\$19.17/bu.	0.13
<b>Sunflowers – Oil Type</b> Texas	CBOT	July Soybean Oil	\$0.208/lb.	0.11
<b>Sunflowers – Confectionary Type</b> Texas	CBOT	July Soybean Oil	\$0.273/lb.	0.11

**DISPOSAL DATE**

December 31, 2014