



United States Department of Agriculture
Risk Management Agency

January 2011

2011 COMMODITY INSURANCE FACT SHEET

Rice

Missouri

Crop Insured

The crop insured will be all the rice in the county for which a premium rate is provided by the actuarial documents:

- In which you have a share;
- That is planted for harvest as grain;
- That is flood irrigated; and
- That is not wild rice.

Rice planted on acreage which was planted to rice the preceding crop year is insurable. Rice acreage which has been seeded to rice the two preceding crop years will not be eligible for quality adjustment due to red rice the third and subsequent crop years. We will not insure any acreage of the insured crop damaged before the final planting date, to the extent that producers in the area would normally not further care for the crop, must be replanted unless we agree that it is not practical to replant.

Counties Available

Rice insurance is available in the following Missouri counties: Bollinger, Butler, Dunklin, New Madrid, Pemiscot, Ripley, and Stoddard.

Coverage in other counties may also be available by individual written agreement if certain criteria are met, including records for at least three years of production history.

Causes of Loss

Adverse weather conditions, except drought
Earthquake
Failure of irrigation water supply¹
Fire
Insects²
Plant disease²
Volcanic eruption
Wildlife

¹If caused by an insured peril through drought or the intrusion of saline water. ²But not damage due to insufficient or improper application of recommended control measures.

Insurance Period

Coverage usually begins when the insured crop is planted and ends the earliest of: (1) destruction of the crop, (2) harvest of the crop, (3) abandonment of the crop, (4) final adjustment of a claim, or (5) October 31, 2011 immediately following planting.

Reporting Requirements

Acreage Report—You must give a report to your crop insurance agent of all your rice acreage in the county by the acreage reporting date.

Important Dates

Sales Closing/Cancellation Date .. February 28, 2011
Earliest Planting Date April 1, 2011
Final Planting Date May 25, 2011
Acreage Report Date July 15, 2011
Premium Billing October 1, 2011
End of Insurance October 31, 2011

Coverage Levels and Premium Subsidies

Rice may be insured at the coverage levels shown in the table below. Crop insurance premiums are subsidized as shown.

	Coverage Level	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.85
Subsidy Factors	Enterprise Unit	0.80	0.80	0.80	0.80	0.80	0.77	0.68	0.53
	Basic Unit	0.67	0.64	0.64	0.59	0.59	0.55	0.48	0.38
	Optional unit	0.67	0.64	0.64	0.59	0.59	0.55	0.48	0.38
	Whole Farm Unit ¹	0.80	0.80	0.80	0.80	0.80	0.80	0.71	0.56

¹Not available for Yield Protection Plan

If you select the 0.75 coverage level and Enterprise Units, your coverage will be 75 percent of your approved APH yield, the premium subsidy is 77 percent, and your premium share is 23 percent of the base premium.

Catastrophic Coverage

Catastrophic coverage (CAT) is available at 50 percent of your APH yield and 55 percent of the projected price. The total cost for CAT coverage will be an administrative fee of \$300 per crop per county, regardless of the acreage. Administrative fees, in addition to premium costs, for coverage levels above CAT are \$30 per crop per county. Available for Yield Protection Plan only.

Price Elections

Missouri rice prices are based on the November futures market price for rice. The projected price discovery period is January 15 through February 14. The harvest price discovery period is October 1 through October 31. Contact your agent or for more information see: <http://www.rma.usda.gov/tools/pricediscovery.html>

Insurance Units

Basic Unit: A basic unit includes all of your insurable rice acreage in the county by share arrangement. Premiums are reduced 10 percent for a basic unit.

Optional Unit: If a basic unit consists of two or more sections of land, and certain record keeping requirements are met, you may apply for optional units by section. The 10-percent premium discount will not apply.

Enterprise Unit: Generally, all insured crop acreage in a county. Premium discounts apply.

Whole Farm Unit: Generally, all the insured crops in the county that are covered by the insurance plan. Premium discounts apply (Not available under the Yield Protection Plan).

Plans of Insurance

Yield Protection Plan is a plan of insurance that only provides protection against a production loss.

Revenue Protection Plan is plan of insurance that provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both.

Harvest price exclusion - Revenue protection with the use of the harvest price excluded when determining your revenue protection guarantee.

Replant Provisions (not available under CAT)

A replanting payment is allowed only if the crop is damaged by a covered cause of loss to the extent that the remaining stand will not produce at least 90 percent of your bushel guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 20 percent of the production guarantee, or 400 pounds, times your price election. No replanting

payment will be made on acreage initially planted prior to the earliest planting date.

Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted.

Loss Example

A loss occurs when the total production to count (in pounds) of rice produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. This example assumes a 800 pound per acre APH yield, 75 percent coverage level, 100% price election, \$0.11 Projected Price, \$0.08 Harvest Price, and basic unit coverage.

Yield Protection:

800
x .75
600
x \$0.11
\$66.00

200
x \$0.11
\$22.00

\$66.00
- \$22.00
\$44.00

Revenue Protection:

APH yield pounds per acre	800
Coverage level	x .75
Pounds per acre guarantee	600
Projected price	x \$0.11
Insurance guarantee/acre	\$66.00

Pounds per acre produced	200
Price used to determine value	x \$0.08
Value of production	\$16.00

Insurance guarantee/acre	\$66.00
Value of production	- \$16.00
Gross indemnity	\$50.00

*Figures shown are on a per acre basis; guarantees and losses paid are on a unit basis. See policy provisions.

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