United States Department of Agriculture
Risk Management Agency

January 2006

2006 COMMODITY INSURANCE FACT SHEET

Cultivated Wild Rice Pilot

Minnesota

Crop Insured

The crop insured will be all the cultivated wild rice grown in the county on insurable acreage, for which premium rates are provided, in which you have a share, and planted for harvest as grain. Insured cultivated wild rice must be grown in man-made flood irrigated fields.

Counties Available

Cultivated wild rice is insurable in Aitkin, Beltrami, Clearwater, East Polk, Lake of the Woods, and Pennington Counties.

Causes of Loss

Adverse weather conditions[1]
Failure of irrigation water supply[2]
Fire[3]
Insects[4]
Plant disease[4]
Wildlife

[1]Natural perils such as hail, frost, freeze, wind, drought, and excess moisture. [2]If caused by an insured peril during the insurance period. [3]If due to natural causes. [4]But not damage due to insufficient or improper application of control measures.

Reporting Requirements

Acreage Report — You must give a report of all your cultivated wild rice acreage in the county by the acreage reporting date.

Important Dates

Sales Closing Date	September 30, 2005
Cancellation Date	September 30, 2005
Final Planting Date	May 31, 2006
Acreage Reporting Date	June 30, 2006
Premium Billing Date	October 1, 2006
Insurance Begins	Planting
Insurance Ends at harvest or	September 30, 2006
Production Reporting Date	November 14, 2005

Definitions

APH Yield — Actual production history (APH) yield used to determine the production guarantee. The APH yield is based on up to 10 years of actual and/or assigned yields.

Unit — The insurable acreage used to determine the APH yield, the production guarantee and any indemnity (loss payment).

Production Guarantee — Number of pounds guaranteed per unit. Multiply your APH yield per acre *x* the coverage level percentage you select *x* the number of acres in the unit.

Planted Acreage — Land on which an adequate amount of seed is initially spread onto the soil surface by any appropriate method, including shattering for the second and succeeding years and subsequently is **mechanically incorporated** into the soil at the proper depth, will be considered planted**.**

Coverage Levels and Premium Subsidies

Cultivated wild rice may be insured at the coverage levels shown in the table below. Crop insurance premiums are subsidized as shown. For example if you select the 75-percent coverage level, your coverage will be 75 percent of your approved APH yield, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium. Catastrophic coverage (CAT) is available at 50 percent of your APH yield and 55 percent of the established price election. The total cost for CAT coverage will be an administrative fee of $100 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.

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

Price Election

Price of compensation per pound in case of loss: Established price: $1.15 per finished pound.

Insurance Units

Basic Unit — Generally, all the insured crop acreage in a county by share. Premiums are reduced by 10 percent for a basic unit.

Plans of Insurance

APH is the only plan of insurance available for cultivated wild rice. The production guarantee is based on your individual yield history. Only basic units are available.

Loss Example

A loss occurs when the pounds of cultivated wild rice produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. This example assumes an APH yield of 400 pounds per acre, 65-percent coverage level, 100 percent of the established price, and one basic unit.

400	pounds per acre average yield (APH)
x .65	coverage level
260	pound guarantee*
- 100	pounds actually produced
160	pounds per acre loss
x $1.15	price election
$184.00	gross indemnity*
- $6.00	estimated premium per acre
178.00	**net indemnity***

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

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