



United States Department of Agriculture  
Risk Management Agency

December 2009

## 2010 COMMODITY INSURANCE FACT SHEET

# Canola and Rapeseed

Montana and North Dakota

### Crop Insured

The **canola** and **rapeseed** crop insured will be all canola and rapeseed in the county for which a premium rate is provided by the actuarial document in which the insured has a share; that is planted for harvest as seed; and that is not, unless allowed by the special provisions or written agreement: interplanted with another crop or planted into an established grass or legume.

### Counties Available

**Montana:** Blaine, Cascade, Chouteau, Daniels, Fergus, Glacier, Hill, Judith Basin, Liberty, Phillips, Pondera, Richland, Roosevelt, Sheridan, Teton, Toole, Valley, and Wibaux.

**North Dakota:** All counties.

### Causes of Loss

Adverse weather conditions<sup>1</sup>  
Failure of irrigation water supply<sup>2</sup>  
Fire  
Insects<sup>3</sup>  
Plant disease<sup>3</sup>  
Wildlife

<sup>1</sup>Includes excessive moisture that prevents timely harvesting and abnormal temperatures that result in bypassed acreage because too much acreage was ready for harvest than could be feasibly harvested, or the processing of such production was beyond the capacity of the processor.

<sup>2</sup>If caused by an insured cause of loss.

<sup>3</sup>But not due to insufficient or improper application of control measures.

### Insurance Period

Insurance attaches on the later of the date we accept your application or the date the insured crop is planted and ends the earliest of: 1) total destruction of the crop, 2) October 31, 3) harvest, 4) abandonment of the crop, or 5) final adjustment of a loss.

### Reporting Requirements

**Acreage Report**—You must report all acreage of your canola and rapeseed both insured and uninsured.

### Important Dates

Sales Closing..... March 15  
Final Planting Date ..... See County Actuarial  
Acreage Reporting Date..... June 30  
Cancellation and Termination Date ..... March 15

### Duties in the Event of Damage or Loss

- (1) Protect the crop from further damage by providing sufficient care; and
- (2) Notify your agent within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period).

### Coverage Levels and Premium Subsidies

You may select only one price election for all the canola and rapeseed in the county unless the special provisions provide different price elections by type, in which case you may select one price election for each canola and rapeseed type. The price elections you choose must have the same percentage relationship to the maximum price offered. For example, if you choose 100 percent of the maximum price election for a specific type, you must also choose 100 percent of the maximum price election for all other types.

Item	Percent							
Coverage Level	50	55	60	65	70	75	80	85
Premium Subsidy	67	64	64	59	59	55	48	38
Your Premium Share	33	36	36	41	41	45	52	62

Catastrophic (CAT) coverage is fixed at 50 percent of your average yield and 55 percent of the price election. The cost for CAT coverage is an administrative fee of \$300, regardless of the acreage.

### Price Elections

The price basis will be according to the Commodity Exchange Price Provisions (CEPP) or the contract price (if applicable). The CEPP can be found on the RMA public Web site under the 2011 Common Crop Insurance Policy.

## Insurance Units

Your insurable acreage will be grouped into one or more units in order to establish the approved yield, calculate a guarantee, and determine any indemnity.

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

**Optional Unit:** An optional unit includes all of the insured crop acreage in a section by share and type. The 10-percent discount will not apply.

**Enterprise Unit:** Includes all insurance acreage of canola in the county (in which you have a share) as a single unit, if requested by the sales closing date and certain criteria apply. An enterprise discount varies by number of acres insured.

## Replant Provisions

Replant provisions are applicable with the exception of catastrophic (CAT) coverage policies.

## Prevented Planting

Prevented Planting coverage may be available.

## Rotation Requirements

Rotation requirements are stated in the actuarial documents.

## Administrative Fees

**Catastrophic (CAT) Coverage:** \$300 per crop per county. No additional insurance premium is charged.

**Buy Up Coverage:** \$30 per crop per county. An additional insurance premium is charged.

## Loss Example

Assuming: A 75-percent production coverage level, a 100-percent price election of \$.1517 per pound, an average yield of 1,600 pounds per acre (spring oleic canola) actual production history (APH), and 100 acres insured:

1,600	Pound per acre (APH)
x 75%	Coverage level
1,200	Pound per acre guarantee
x 100	Acres
120,000	Pound unit guarantee
x \$.1517	Price election
\$ 18,204	Guarantee value
80,000	Pounds harvested production
x \$.1517	Price coverage
\$ 12,136	Harvested value
<b>\$ 18,204 - \$12,136 = \$6,068 Loss (Indemnity Due)</b>	

## Where to Purchase

All multi-peril crop insurance, including CAT coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available at: <http://www3.rma.usda.gov/tools/agents>

## Regional Contact for RMA

### USDA/Risk Management Agency

#### Billings Regional Office

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