



United States Department of Agriculture
Risk Management Agency

January 2012

2012 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 now, 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, Wibaux

North Dakota: All counties

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply²
Fire
Insects³
Plant disease³
Wildlife

¹Includes 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.

²If caused by an insured cause of loss.

³But 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,
- (5) final adjustment of a loss.

Reporting Requirements

Acreage Report—You must report all acreage of your canola and rapeseed both insured and uninsured in the county by the acreage reporting date.

Important Dates

Sales Closing/ Cancellation..... March 15
Final PlantingSee County Actuarial
Acreage Reporting July 15
Premium Billing August 15

Duties in the Event of Damage or Loss

- (1) Protect the crop from further damage by providing sufficient care;
- (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;
- (3) You cannot destroy or put the crop to another use without our prior approval.

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 2012 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 (BU): A basic unit includes all of your canola and rapeseed acreage in the county by share arrangement.

Optional Units (OU): 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 (EU): 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 apply— see actuarial documents.

Plan of Insurance

YP — Yield Protection

RP — Revenue Protection

RP/HPE — Revenue Protection with Harvest Price Exclusion

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

Example assumes a 75 percent coverage level, 100 percent price election of .1517 per pound, an average yield of 1,600 pounds per acres (spring oleic canola) actual production history (APH), and 100 acres insured;

1600	pounds per acre APH yield
x .75	coverage level
1200	pounds guarantee
x 100	acres
120000	pounds unit guarantee
x \$.1517	price election
\$18204	guarantee value
80000	pounds harvested production
x \$.1517	price coverage
\$ 12136	harvested value

\$18204	
- \$12136	
\$ 6068	Loss (indemnity due)

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 on the RMA Web site at: <http://www3.rma.usda.gov/tools/agents/>

Regional Contact for RMA

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