



United States Department of Agriculture  
Risk Management Agency

January 2013

## 2013 COMMODITY INSURANCE FACT SHEET

# Canola and Rapeseed

## Montana and North Dakota

### Crop Insured

The crop insured is all canola and rapeseed planted for harvest as seed in counties where premium rates are shown on the actuarial tables. "High oleic" is a specialty canola insurable at the contract price. Canola in counties with no actuarial tables may be insurable by written agreement.

### 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 conditions

Failure of irrigation water supply<sup>1</sup>

Fire

Insects<sup>2</sup>

Plant disease<sup>2</sup>

Wildlife

<sup>1</sup>If caused by an insured cause of loss occurring during insurance period.

<sup>2</sup>But not due to insufficient or improper application of control measures.

### Insurance Period

Coverage begins on the later of the date your application is accepted or the date canola is planted and ends the earliest of:

- 1) Total destruction of the crop,
- 2) Harvest or abandonment of the crop,
- 3) Final adjustment of a loss, or
- 4) October 31st.

### Reporting Requirements

**Acreage Report**—You must report all acreage of your canola and rapeseed both insured and uninsured including share, type, practice, and land identifiers on or before the acreage reporting date.

### Important Dates

Sales Closing/ Cancellation..... March 15  
Final Planting .....See 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

Catastrophic Risk Protection (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. For insurance coverage above 50 percent (buy up), a \$30 fee is charged per crop per county. An additional premium fee is charged.

Item	Percent							
Coverage Level	50	55	60	65	70	75	80	85
Premium Subsidy by Unit								
Basic/Optional Unit	67	64	64	59	59	55	48	38
Enterprise Unit	80	80	80	80	80	77	68	53
Whole Farm Unit*	80	80	80	80	80	80	71	56
* Whole Farm Units are only available with revenue protection								

### Trend Adjusted Yield

This option allows producers to increase their yield guarantee for an additional premium, and is based on the premise that yields have increased as technology and farm practices have improved. The option is only available in select counties.

## Prices

The price basis will be according to the Commodity Exchange Price Provisions (CEPP) and is published in the actuarial documents. The CEPP can be found on the RMA public web site under the Common Crop Insurance Policy.

## Insurance Plans Available

Yield Protection: Provides protection against a production loss only. Guarantee is based on individual yield history multiplied by the projected price.

Revenue Protection: Provides protection against loss of revenue due to a production loss, price decline or increase, or a combination. Guarantee is determined by multiplying the production guarantee by the greater of the projected price or the harvest price.

Revenue Protection with Harvest Price Exclusion: Provides protection against loss of revenue due to a production loss and/or price decline. Guarantee is determined by multiplying production guarantee (per acre) by the projected price.

## Loss Example

Assume a 1,500 pound per acre APH yield, 65-percent coverage level, and basic unit coverage.

### Yield Protection Example:

1500 pounds per acre APH yield  
x .65 coverage level  
975 pounds per acre guarantee  
- 200 pounds per acre actually produced  
775 pounds per acre loss  
x \$0.2630 projected price\*  
\$203.83 gross per acre indemnity  
- \$15.49 estimated premium per acre (varies)  
**\$188.34 net per acre indemnity**

### Revenue Protection Example:

975 pounds (see prior example)  
x \$.2630 projected price\*  
\$256.43 per acre income guarantee  
200 pounds per acre actually produced  
x \$0.249 harvest price\*  
\$49.80 per acre actual revenue  
\$ 206.63 gross indemnity (\$256.43-\$49.80)  
- \$17.53 estimated premium per acre (varies)  
**\$ 189.10 net per acre indemnity**

\*Projected and harvest prices are examples only. Actual projected price is released in March and actual harvest price is released in October.

## Rotation Requirements

Rotation requirements apply— see actuarial documents.

## 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

### USDA/Risk Management Agency

#### Billings Regional Office

3490 Gabel Rd - Suite 100

Billings, MT 59102-7302

Phone 406-657-6447 || Fax 406-657-6573

E-mail: [rsomt@rma.usda.gov](mailto:rsomt@rma.usda.gov)

## Download Copies from the Web

Visit our online publications/fact sheets page at: [http://www.rma.usda.gov/aboutrma/fields/mt\\_rso/](http://www.rma.usda.gov/aboutrma/fields/mt_rso/)

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, complete, sign and mail a program discrimination complaint form, (available at any USDA office location or online at [www.ascr.usda.gov](http://www.ascr.usda.gov)), to: United States Department of Agriculture; Office of the Assistant Secretary for Civil Rights; 1400 Independence Ave., SW; Washington, DC 20250-9410. Or call toll free at (866) 632-9992 (voice) to obtain additional information, the appropriate office or to request documents. Individuals who are deaf, hard of hearing, or have speech disabilities may contact USDA through the Federal Relay service at (800) 877-8339 or (800) 845-6136.