



United States Department of Agriculture  
Risk Management Agency

January 2013

## 2013 COMMODITY INSURANCE FACT SHEET

# Flax

Montana, North Dakota, South Dakota

### Crop Insured

The crop insured is flax planted for harvest as **grain**. Flax grown in counties with no actuarial tables may be insurable by written agreement.

### Counties Available

**Montana**—Daniels, Roosevelt, Sheridan, Valley

**North Dakota**—All counties

**South 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 usually begins when the flax is planted and ends at the earlier of the following:

- (1) total destruction of the flax on the unit,
- (2) harvest of the unit,
- (3) final adjustment of a loss on the unit, or
- (4) October 31.

Any acreage of flax damaged before the final planting date, to the extent that producers in the area would not normally further care for the crop, must be replanted to an appropriate type of flax unless the insurance provider agrees that replanting is not practical. A replant payment may be available.

### Reporting Requirements

**Acreage Report**—You must report all acreage of your flax, both insured and uninsured, to your agent by the acreage reporting date.

### Important Dates

Sales Closing.....	March 15
Production Reporting .....	April 29
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); and
- (3) Leave representative samples intact for each field of the damaged unit.

### Coverage Levels and Premium Subsidies

Catastrophic Risk Protection (CAT) 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. There are no additional premium fees for CAT. 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
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

## 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 flax acreage in the county by share arrangement. Premiums are reduced by 10 percent for a basic unit.

**Optional Units:** If a basic unit consists of two or more sections or irrigated and non-irrigated acreage and certain record-keeping criteria are met, you may apply for optional units. The 10-percent discount will not apply.

## Definitions

**Production Guarantee** — Number of **bushels** guaranteed per acre determined by multiplying your average yield per acre (based on your records) times the coverage level you elect.

**Production Reporting Date** — The date you must report your production for the previous crop year to your agent.

## Prices

The established price for 2013 is \$14.40 per bushel.

## Plan of Insurance

Actual Production History (APH) - Production guarantee based on individual yield history.

## Loss Example

Assume a 20-bushel per acre APH yield, 65-percent coverage level, 100 percent of the established price, and basic unit coverage.

20	Bushels per acre APH yield
X .65	Coverage level
13	Bushel per acre guarantee
- 8	Bushels per acre actual production
5	Bushels per acre loss
X \$ 14.40	Price election
\$ 72.00	Per acre gross indemnity

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

## 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, audiotope, 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.