

# Regional Office — Oklahoma City, Oklahoma

July 2014

# Canola

## Texas

### Crop Insured

All canola and rapeseed in the county are insurable if:

- Premium rates are provided;
- You have a share in the crop; and
- Planted for harvest.

Insurance will not attach to any acreage on which canola, crambe, chickpeas, dry beans, mustard, rapeseed, or sunflowers were planted in the previous crop year.

### Counties Available

Canola is available in Moore and Wichita counties. Coverage in other counties may be available by written agreement if certain criteria are met. Please contact your insurance agent for insurance availability.

### Causes of Loss

You are protected against the following:

- Adverse weather conditions, including hail, frost, freeze, excess precipitation and drought;
- Fire, if due to natural causes;
- Failure of irrigation water supply, if due to an insured cause of loss within the insurance period;
- Insects, but not damage due to insufficient or improper application of pest or disease control measures;
- Plant disease, but not damage due to insufficient or improper application of pest or disease control measures; or
- Wildlife.

### Insurance Period

Insurance coverage begins on the later of:

- The date we accept your application; or
- The date when the canola is planted.

Insurance coverage ends with the earliest occurrence of one of the following:

- Total destruction of the crop;
- Harvest of the unit;
- Final adjustment of a loss;
- End of insurance period; or
- Abandonment of the crop.

### Important Dates

Sales Closing/Cancellation Date.....August 31, 2014  
 Earliest Planting Date  
 Moore County.....September 1, 2014

Wichita County.....September 5, 2014  
 Final Planting Date  
 Moore County.....September 15, 2014  
 Wichita County.....October 5, 2014  
 Acreage Report Date.....January 15, 2014  
 Premium Billing.....July 1, 2015  
 End of Insurance.....October 31, 2015

### Reporting Requirements

You must file a report of planted acreage with your crop insurance agent by the acreage reporting date established for your county. For more information, visit RMA's website at: [www.rma.usda.gov/tools/](http://www.rma.usda.gov/tools/).

### Definitions

**Yield Protection Plan** - A plan of insurance that only provides protection against a production loss and is available only for crops for which revenue protection is available.

**Revenue Protection Plan** - A plan of insurance that provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both. If the harvest price exclusion is elected, the insurance coverage provides protection only against loss of revenue due to a production loss, price decline, or a combination of both.

**Revenue Protection with Harvest Price Exclusion** - Insurance coverage that excludes the use of the harvest price in the determination of the revenue protection guarantee.

### Coverage Levels and Premium Subsidies

Canola may be insured at the coverage levels shown in the following table. Crop insurance premiums are subsidized as shown. If you choose the 75-percent coverage level an enterprise unit, your coverage will be 75 percent of your approved actual production history (APH) yield. The premium subsidy is 77 percent and your premium share is 23 percent of the base premium.

Coverage Level		0.50	0.55	0.60	0.65	0.70	0.75
Subsidy Factors	Enterprise Unit	0.80	0.80	0.80	0.80	0.80	0.77
	Basic Unit	0.67	0.64	0.64	0.59	0.59	0.55
	Optional unit	0.67	0.64	0.64	0.59	0.59	0.55
	Whole Farm Unit	0.80	0.80	0.80	0.80	0.80	0.80

## Price Elections

Prices are calculated according to the Commodity Exchange Price Provisions. Texas canola prices are based on the December futures market price for canola. The projected price discovery period is July 15 through August 14. The harvest price discovery period is June 1 through June 30. These prices are released no later than three business days following the end of the price discovery period. Depending on the insurance plan, these prices are used for compensation, per pound, in case of loss. Contact your agent, or for more information, visit RMA's website at: [www.rma.usda.gov/tools/pricediscovery.html](http://www.rma.usda.gov/tools/pricediscovery.html).

## Late Planting

The late planting period begins the day after the final planting date for the insured crop and ends five days after the final planting date. For insured crop acreage planted during the late planting period, the production guarantee for each acre will be reduced for each day planted after the final planting date by three percent for the first through the fifth day.

## Prevented Planting

Your prevented planting coverage will be 60 percent of your production guarantee for timely planted acreage. If you have additional coverage and pay an additional premium, you may increase your prevented planting coverage to the levels specified in the actuarial documents.

## Loss Example

Under yield protection, a loss occurs when the pounds of canola produced for the unit fall below the production guarantee because of damage from a covered cause of loss. Under revenue protection, a loss occurs when the value of the production-to-count is less than the revenue protection guarantee because of a production loss and/or a revenue loss. Assume a 1200 pounds per acre APH yield, 75-percent coverage level, 100 percent of the price, a projected price of \$0.27, a harvest price of \$0.24 and basic unit coverage.

### Revenue Protection

1200	APH yield bushels/acre
<u>x 0.75</u>	Coverage level
900	Bushel guarantee
<u>x \$0.27</u>	Projected Price
\$243.00	Insurance guarantee
300	Bushels/acre produced
<u>x \$0.24</u>	Price to determine value
\$72.00	Value of production
\$243.00	Insurance guarantee
<u>- \$72.00</u>	Value of production
<b>\$171.00</b>	<b>Gross indemnity</b>

### Yield Protection

1200	APH yield bushels/acre
<u>x 0.75</u>	Coverage level
900	Bushel guarantee
<u>x \$0.27</u>	Projected Price
\$243.00	Insurance guarantee
300	Bushels/acre produced
<u>x \$0.27</u>	Price to determine value
\$81.00	Value of production
\$243.00	Insurance guarantee
<u>- \$81.00</u>	Value of production
<b>\$162.00</b>	<b>Gross indemnity</b>

## Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at all USDA service centers and on the RMA website at: [www3.rma.usda.gov/apps/agents/](http://www3.rma.usda.gov/apps/agents/).

## Contact Us

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