



United States Department of Agriculture
Risk Management Agency

February 2005

2005 COMMODITY INSURANCE FACT SHEET

Canola

Alabama, Georgia

Crop Insured

The crop insured will be all canola and rapeseed in the county for which a premium rate is provided by the actuarial table—

- in which you have a share
- that is planted for harvest as seed
- that is not, unless allowed by special provisions or by written agreement (1) interplanted with another crop; or (2) planted into an established grass or legume.

Counties Available

Please contact your insurance agent for a listing of eligible counties.

Causes of Loss

Adverse weather conditions
 Earthquake
 Failure of irrigation water supply³
 Fire
 Insects¹
 Plant disease²
 Volcanic eruption
 Wildlife

¹But not damage due to insufficient or improper application of pest control measures. ²But not damage due to insufficient or improper application of disease control measures. ³If caused by an insured peril during the insurance period.

Insurance Period

Coverage begins when the crop is planted on or before the final planting date and ends at the earliest of: (1) total destruction of the crop, (2) combining or thrashing for seed, (3) final adjustment of the loss, (5) October 31.

Reporting Requirements

Acreage Report— An acreage report is due to your insurance agent by the acreage reporting date to include all acreage (insurable and uninsurable) in the county in which you have a share.

Notice of 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. See your insurance agent for detailed requirements.

Important Dates

Sales Closing for Alabama.....	August 31
Cancellation/Termination for Alabama.....	August 31
Sales Closing for Georgia.....	September 30
Cancellation/Termination for Georgia... ..	September 30
Final Planting for AL and GA.....	November 15
Acreage Report for AL and GA.....	December 15
Billing for AL and GA.....	July 1

Definitions

Cancellation Date—The calendar date specified in the Crop Provisions on which coverage for the crop will automatically renew unless canceled in writing by either you or us or terminated in accordance with the policy terms.

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

Price Election— The value unit of measure for the purpose of determining premiums and indemnity under the policy (see your insurance agent for additional pricing information).

Coverage Levels and Premium Subsidies

Coverage level options range from 50 to 75 percent of your average yield and are subsidized as shown in the table below. As an example, an average yield of 250 bushels per acre results in a guarantee of 125 bushels per acre at the 50-percent coverage level.

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

Catastrophic (CAT) coverage is fixed at 50 percent of average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you except for an administrative fee of \$100 per county, regardless of the acreage.

Loss Example

(Example assumes 65-percent coverage and a 100-percent price election of \$.107 per pound at 2000 pounds average yield)

2000	Pounds per acre average yield
<u>x .65</u>	Coverage level
1300	Pounds per acre guarantee
<u>x 10</u>	Acres
1300	Pounds unit guarantee
- 4500	Pounds produced
8500	Pounds loss
<u>x .107</u>	Price
\$ 909.50	Indemnity per acre

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