



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

Beacon Facility –
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P.O. Box 419205
Kansas City, MO
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January 17, 2012

INFORMATIONAL MEMORANDUM: PM-12-001

TO: All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Tim B. Witt /s/ *Tim B. Witt*
Deputy Administrator

SUBJECT: 2012 Crop Year (CY) **Common Crop Insurance Policy** Projected Prices and Volatility Factors and **Group Risk Income Protection (GRIP)** Expected Prices and Volatility Factors

Common Crop Insurance Policy

The 2012 CY **projected prices** shown below are approved for the Yield Protection, Revenue Protection, and Revenue Protection with Harvest Price Exclusion plans of insurance. The 2012 CY **volatility factors** shown below are approved for the Revenue Protection and Revenue Protection with Harvest Price Exclusion plans of insurance. The projected prices and volatility factors are covered by the **January 31 sales closing date** and are applicable for the crops, types, practices, and states indicated in the following table.

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn Texas	CBOT	September Corn	\$5.97/bu.	0.23
Corn – Organic Practice Texas	CBOT	September Corn	\$8.40/bu.	0.23
Cotton Texas	ICE	October Cotton	\$0.91/lb.	0.22
Cotton – Organic Practice Texas	ICE	October Cotton	\$1.28/lb.	0.22

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The Risk Management Agency Administers
And Oversees All Programs Authorized Under
The Federal Crop Insurance Corporation

2012 Crop Year (CY) **Common Crop Insurance Policy** Projected Prices and Volatility Factors
and **Group Risk Income Protection (GRIP)** Expected Prices and Volatility Factors

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Common Crop Insurance Policy

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Grain Sorghum Texas	CBOT	September Corn	\$5.81/bu.	0.23
Rice Texas	CBOT	September Rice	\$0.148/lb.	0.16
Soybeans Texas	CBOT	November Soybeans	\$11.90/bu.	0.19
Soybeans – Organic Practice Texas	CBOT	November Soybeans	\$18.93/bu.	0.19
Sunflowers – Oil Type Texas	CBOT	July Soybean Oil	\$0.270/lb.	0.15
Sunflowers – Confectionary Type Texas	CBOT	July Soybean Oil	\$0.345/lb.	0.15

Group Risk Income Protection

The following 2012 CY **expected prices** and **volatility factors** have been approved for GRIP grain sorghum and soybeans in counties with a **cancellation date prior to March 15**.

Crop	Exchange	Contract	Expected Price	Volatility Factor
Grain Sorghum	CBOT	September Corn	\$5.81/bu.	0.23
Soybeans	CBOT	September Soybeans	\$11.96/bu.	0.18

DISPOSAL DATE

December 31, 2012