



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

Beacon Facility –
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February 1, 2012

INFORMATIONAL MEMORANDUM: PM-12-004

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

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 **February 15 sales closing date** and are applicable for the crops, practices, and states indicated in the following table.

Crop/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn Texas	CBOT	December Corn	\$5.69/bu.	0.23
Corn – Organic Practice Texas	CBOT	December Corn	\$8.01/bu.	0.23
Grain Sorghum Texas	CBOT	December Corn	\$5.54/bu.	0.23
Rice* Florida	CBOT	November [September*] Rice	\$0.150/lb.	0.17

** Section I of the Commodity Exchange Price Provisions (CEPP) stipulates that a trading day must have open interest contract activity of at least 25 contracts to qualify as a “full active trading day”. All trading days during the projected price discovery period for the CBOT November rice contract lack sufficient open interest activity. Accordingly, the most recent eight (8) days of daily settlement prices for the prior (September) contract are used to derive the projected price.*



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

DISPOSAL DATE

December 31, 2012