United States Department of Agriculture
Risk Management Agency

January 2011

2011 COMMODITY INSURANCE FACT SHEET

Sunflowers

Minnesota

Crop Insured

The crop insured will be all the oil and/or confectionery sunflowers grown in the county on insurable acreage, for which premium rates are provided, in which you have a share, and planted for harvest as sunflower seed.

Counties Available

Sunflowers are insurable in 34 counties in Minnesota. In counties where premium rates are not published, sunflowers may be insurable by written agreement.

Causes of Loss

Adverse weather conditions[1]
Failure of irrigation water supply[2]
Fire[3]
Insects[4]
Plant disease[4]
Wildlife

[1]Including hail, frost, freeze, drought, and excess precipitation.
[2]If caused by an insured cause of loss.
[3]If due to natural causes.
[4]But not damage due to insufficient or improper application of pest or disease control measures.

Insurance Period

Insurance coverage will begin on the date the sunflowers are planted, and will end at the earliest of: (1) total destruction of the crop, (2) harvest of the unit, (3) final adjustment of a loss, (4) November 30, 2011 or, (5) abandonment of the crop.

Reporting Requirements

Acreage Report — You must give a report of all your sunflower acreage in the county by the acreage reporting date.

Important Dates

Sales Closing/Cancellation Date	March 15
Earliest Planting Date	April 21
Final Planting Date	June 10
Acreage Reporting Date	June 30
Premium Billing Date	October 1
Production Reporting Date	April 29

Definitions

APH Yield — Actual production history (APH) yield used to determine the production guarantee. The APH yield is based on up to 10 years of actual and/or assigned yields.
Unit — The insurable acreage used to determine the APH yield, the production guarantee, and any indemnity (loss payment).
Production Guarantee — Number of pounds guaranteed per unit. Multiply your APH yield per acre *x* the coverage level percentage you select *x* the number of acres in the unit.
High Risk Land (HRL) — Land designated on a map in the actuarial documents with a high risk rate classification, requiring a higher premium rate due to higher risk.
HRL Exclusion Option — An agreement to exclude from crop insurance coverage **all** high risk land by crop and county, as signed on our form by the sales closing date. Catastrophic coverage is still available when this option is in effect.

Coverage Levels and Premium Subsidies

Sunflowers may be insured at the coverage levels shown in the table below. Crop insurance premiums are subsidized as shown. For example if you select the 75-percent coverage level with an enterprise unit (EU), your coverage will be based on 75 percent of your approved APH yield, the premium subsidy is 77 percent, and your premium share is 23 percent of the base premium. Catastrophic coverage (CAT) is available under the Yield Protection plan at 50 percent of your APH yield and 55 percent of the projected price. The total cost for CAT coverage will be an administrative fee of $300 per crop per county, regardless of the acreage. Administrative fees, in addition to premium costs, for coverage levels above CAT are $30 per crop per county.

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

Item	Unit	Percent							
Cov. Lvl.		**50**	**55**	**60**	**65**	**70**	**75**	**80**	**85**
Subsidy	EU	80	80	80	80	80	77	68	53
	BU	67	64	64	59	59	55	48	38
	OU	67	64	64	59	59	55	48	38
	WU	80	80	80	80	80	80	71	56

Projected and Harvest Price

Commodity Exchange Price Provisions (CEPP)
Contains information necessary to derive the **projected price** and the **harvest price** for the insured crop. Information includes the price discovery period, release dates, board of trade(s) utilized, and additional pricing information. Contact your agent or go to the RMA Web site: http://www.rma.usda.gov.

Insurance Units

Basic Unit (BU): A basic unit includes all of your insurable sunflower acreage in the county by share arrangement. Premium discount will apply.
Optional Unit (OU): If a basic unit consists of two or more sections of land, and certain record keeping requirements are met, you may apply for optional units by section.
Enterprise Unit (EU): All of the insured crop acreage in a county. Premium discount will apply.
Whole Farm Unit (WU): All of the insured crops in the county that are covered by the insurance plan. Premium discount will apply. Does not apply to Yield Protection Plan.

Plans of Insurance

One policy provides the choice of Plans (01)-(03):
Yield Protection (01) — Production guarantee based on **individual** yield history. Optional, basic, and enterprise units are available.
Revenue Protection (02)— Revenue protection including price protection with optional, basic, enterprise, and whole farm units.
Revenue Protection with Harvest Price Exclusion (03) — Revenue protection with harvest price exclusion with optional, basic, enterprise, and whole farm units.

Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. Please consult a crop insurance agent for details.

Replant Provisions

(Not available under catastrophic coverage)
A replanting payment is allowed if your sunflower crop is damaged by a covered cause of loss to the extent that the remaining stand will not produce at least 90 percent of your production guarantee and it is practical to replant. The replanting payment will be the lesser of 20 percent of the production guarantee or 175 pounds of seed, times your projected price, times your share. No **replanting** payment will be made on acreage initially planted prior to the **earliest planting date**.

Loss Example

Yield Protection Example - Oil Type
A loss occurs when the pounds of sunflower seed produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. This example assumes a 1400 pounds per acre APH yield, 65-percent coverage level, and basic unit coverage.

1400	pounds per acre APH yield
x .65	coverage level
910	pound guarantee*
- 600	pounds per acre actually produced
310	pounds per acre loss
x $0.210	projected price (est.-announced in March)
$65.10	gross indemnity*
- $9.95	estimated premium per acre (varies)
$55.15	**net indemnity***

Revenue Protection Example - Oil Type

910	pounds* (see above)
x $0.210	projected price (est.-announced in March)
$191.10	guarantee*
600	pounds per acre actually produced
x $0.180	harvest price (est. - announced in Nov.)
$108.00	revenue
$83.10	gross indem. ($191.10 - $108.00=$83.10)*
- $13.34	estimated premium (varies by county)
$69.76	**net indemnity***

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

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