



United States Department of Agriculture
Risk Management Agency

December 2007

2008 COMMODITY INSURANCE FACT SHEET

Dry Beans

Montana

Crop Insured

The crop insured is all dry beans in the county that are planted and grown for harvest as dry beans in which the producer has a share, and for which a premium rate is provided by the actuarial table.

Counties Available

Big Horn, Broadwater, Carbon, Custer, Daniels, Dawson, McCone, Phillips, Prairie, Richland, Roosevelt, Rosebud, Sheridan, Stillwater, Treasure, Valley, Wibaux, Yellowstone.

* For insurance in counties not listed, see your crop insurance agent for details on insuring the crop via a written agreement.

Causes of Loss

Adverse weather conditions
Failure of irrigation water supply¹
Fire
Insects²
Plant disease²
Wildlife

¹If caused by an insured cause of loss.

²But not due to insufficient or improper application of control measures.

Insurance Period

Insurance attaches on the later of the date we accept your application or the date the insured crop is planted and ends the earliest of: 1) total destruction of the crop, 2) October 31, 3) harvest, 4) abandonment of the crop, 5) final adjustment of a loss.

Reporting Requirements

Acreage Report—You must report all acreage of your dry beans both insured and uninsured.

Important Dates

Sales Closing.....March 15
Initial Planting Date (all except Garbanzo types)
.....May 12
Initial Planting Date (Garbanzo types).....April 1
Final Planting Date (all except Garbanzo types)
.....June 5
Final Planting Date (Garbanzo types).....May 15
Production Reporting Date.....April 29
Acreage Reporting Date.....June 30

Duties in the Event of Damage or 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);
- (3) You cannot destroy or put the crop to another use without our prior approval.

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent of your average yield. For example, an average yield of 1200 pounds per acre would result in a guarantee of 900 pounds per acre at the 75-percent coverage level. Crop insurance premiums are subsidized as shown in the following table. For example, if you select the 75-percent coverage level, your premium share would be 45 percent of the base premium:

| 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 your average yield and 55 percent of the price election. The cost for CAT coverage is an administrative fee of \$100, regardless of the acreage.

Price Elections

| | |
|-------------------------------|-----------|
| Desi Garbanzo..... | \$.15/lb. |
| Garbanzo..... | \$.27/lb. |
| Small Kabuli Garbanzo..... | \$.19/lb. |
| Great Northern..... | \$.26/lb. |
| Pea (Navy, Medium White)..... | \$.23/lb. |
| Pink..... | \$.23/lb. |
| Pinto..... | \$.23/lb. |

Insurance Units

Your insurable acreage will be grouped into one or more units in order to establish the approved yield, calculate a guarantee, and determine any indemnity.

Basic Unit: A basic unit includes all of your dry bean acreage in the county by share arrangement. Premiums are reduced by 10 percent for a basic unit.

Optional Units: In addition to, or instead of, establishing optional units by section, section equivalent, and by irrigated and non-irrigated acreage as provided in the unit division provisions contained in the basic provisions, a separate optional unit may be established for each bean type shown in the special provisions. The 10-percent discount will not apply.

Replant Provisions

Replant provisions are applicable.

Prevented Planting

Coverage is available at 60 percent of the production guarantee for timely planted acreage. When paying an additional premium, limited or additional levels of coverage may increase the prevented planting payment to a level specified in the applicable county actuarial document.

Administrative Fees

Catastrophic (CAT) Coverage: \$100 per crop per county. No additional insurance premium is charged.

Buy Up Coverage: \$30 per crop per county. An additional insurance premium is charged.

Loss Example

(Based on actual production history (APH) yield of 1500 pounds per acre, 65-percent coverage level, 100-percent established price, and one basic unit.)

| | |
|----------|---|
| 1500 | pounds per acre APH yield |
| x .65 | coverage level |
| 975 | pounds guarantee* |
| - 100 | pounds per acre actual production |
| 875 | pounds per acre loss |
| x \$0.20 | price election |
| \$175 | gross indemnity* |
| - \$10 | estimated premium per acre (varies by county) |

\$165 net indemnity*

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

Your premium will be deducted from an indemnity payment.

Regional Contact for RMA

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