

PRODUCTION HAIL POLICY



Cost effective protection to cover your investment in your crops

THE PRODUCTION HAIL CROP HAIL POLICY IS AN EFFICIENT ALTERNATIVE TO MORE TRADITIONAL HAIL INSURANCE PLANS.

With Production Hail, coverage is strategically concentrated on the part of your yield that is left exposed with Yield Protection (YP), Actual Production History (APH) and Revenue Protection (RP) plans.

- Protects the top portion of your crop – the portion where profits often are counted.
- Maximizes your coverage so you don't double cover your crops.
- Available through multiple crop hail companies.

Coverage Options

- ✓ Cover your maximum yield potential
- ✓ Available at 100%, 110%, 115%, 120% and 125% (options may vary by crop, company and state)
- ✓ Available with Trend Adjusted APH Option

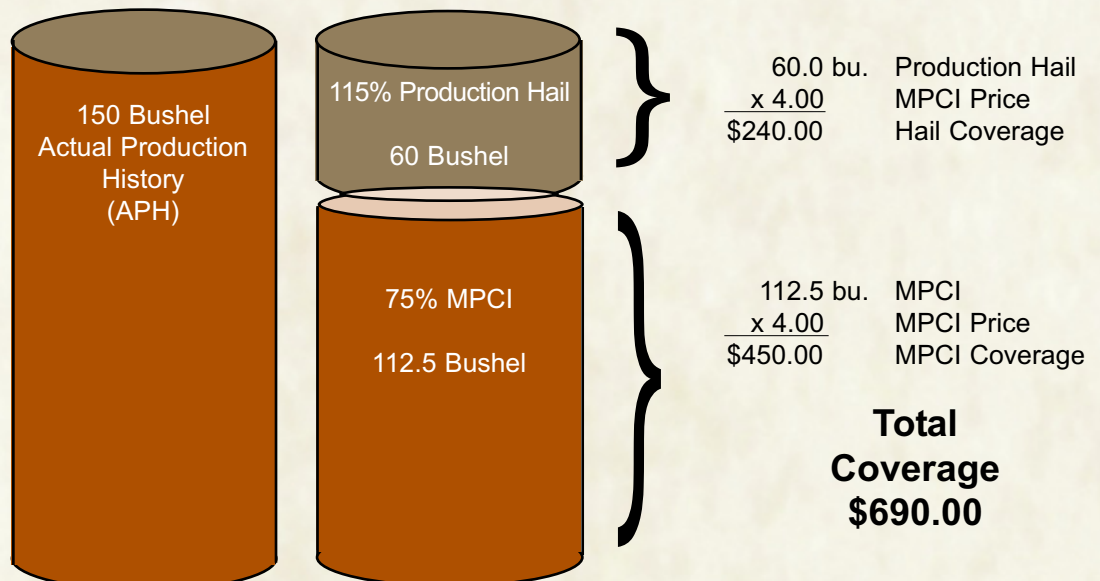
Price Options

- ✓ Select the coverage and premium
- ✓ Available at 1% to 100% of YP/APH/RP price (options may vary by crop, company and state)

Unit Options

- ✓ Coverage based on unit structure selected with YP/APH/RP policy
- ✓ Some companies allow for enterprise units to be separate for loss purposes, similar to optional units
- ✓ Other options may be available and vary by company

PRODUCTION HAIL COVERAGE



PRODUCTION HAIL LOSS EXAMPLE

Federal Crop Insurance

Approved Yield per Acre	150
MPCI Coverage Level	<u>75%</u>
MPCI Production Guarantee / Acre	112.5
RP Projected Price	\$4.00
Share	<u>100%</u>
Federal Crop Ins. / Acre	\$450.00

Hail Production Plan

Modified APH 100% - 120%	115%
Modified APH Bushel / Acre	<u>172.5</u>
Production Plan Bushels	60
MPCI Price Election	\$4.00
% of Price of Election	<u>100%</u>
Production Plan Ins. /Acre	\$240.00

Total Coverage (\$450.00 + \$240.00) = \$690.00

Production Loss

Bushels per Acre	172.5
Acres x	<u>100</u>
Guaranteed Bushels	17,250
Bushels Harvested -	<u>15,500</u>
Bushels Short of Guarantee =	1,750
Total Bushels ÷	<u>17,250</u>
% Production Loss =	10.14%
Bushel Below APH	1,750
Price Election x	\$4.00
Indemnity Paid	\$7,000

Appraised Loss

Total Bushels	17,250
Appraised % Loss* x	<u>15.00%</u>
Appraised Bushel Short =	2,587.5
Price Election x	\$4.00
Indemnity Paid =	\$10,350.00

Indemnity Paid = \$7,000

***(Loss paid at the lower of either the production loss or the appraised loss)**

A TEAM OF SPECIALISTS

You need customized risk protection that fits your unique needs. Our insurance officers can give you the expertise and personal attention you deserve.

For more information on Production Hail or our other crop hail insurance plans, contact your area insurance officers, call toll free 1-800-884-FARM, or visit cropinsurancespecialists.com.

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of America**

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