

GROWER YIELD PROTECTION

What is it?

- Private product designed to protect against shallow yield losses
- Protect 93-96% of APH
- Choose number of bushels to protect/market price per bushel/how many acres to protect/deductible level
- Stand alone, compliment MPCI, optimize with MPCI

How does it work?

- Entire Crop Unit (ECU) – must identify all entities and acres farmed by grower
- Based on Production of entire farm – requires 4-10 years of production history
- Determine how many acres to protect
- Choose deductible – corn 10-25 bu.; soybeans 3-10 bu.
- Choose bushels to protect – corn 25-50; soybeans 10-25
- Select price – price set during month of December looking at December futures
 - Corn 120%-30% of base price
 - Soybeans 110%-30% base price

Example of Coverage and Claim

- Grower Farms 1500 acres and chooses to insure 500 acres
Farm APH = 185 with a 10 bushel deductible
Yield trigger = 175
40 bu. covered
Elects Market Price of \$5.50
Farm produces 160 bu. average of all 1500 acres
- HARVESTMAX policy pays:
15 bu. shortfall X \$5.50 = \$82.50 indemnity/acre
500 acres X \$82.50 = \$41,250 total indemnity

Important dates

- Sales start date January 2nd
- Sales Closing Date March 20th
- Policy Coverage Period April 1st – December 10th
- Claims filing within 72 hours of initial discovery of damage – but no later than 15 days after the end of the insurance period
- Production reports – prior to purchasing coverage
- Acreage Reports – July 20th
- Premium remittance – 10% of estimated premium is due upon underwriting approval
- Remaining premium due 10/15



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Policy provisions and information

- Policy is NOT continuous
- Underwriting approval is required
- Yield only coverage – does not include price fluctuation
- Available for corn grown grain and soybeans only
- Bushel reduction for late planted acres
- No replant coverage
- AAA and BBB land is not eligible
- Nebraska is the only state with IRR and NI practice available
- Grower must plant a minimum of 300 acres of the insured crop and must insure a minimum of 75 acres of the insured crop

Underwriting

- There are 15 agronomic and farm management questions to answer
- Graded on a scorecard with customized rate based on farming practice
- Can receive – rate decrease; standard rate; rate increase or declination
- All policy submissions are reviewed by Ag Armour's Underwriting team

Quoting and Policy Submission

- Online quoting—quick quote and detail quote
- Link directly after detail quote to application submission
- Electronic signature
- Required forms to be uploaded with policy submission
- Training available end of October with live quoting beginning 11/01

Agent Support

- Online agent tools through agent portal
- Agent and client support through corporate office
- Dedicated RSM for in-field sales and training support
- In-depth product training

Claims Handling and Audits

- Claims for 2014 will be adjusted by a ProAg claims adjuster
- Any claim denial or audit will be conducted by Ag Armour's internal claims department
 - Audits – Anything that could be considered measurable from the underwriting scorecard could be audited i.e. proof of purchased nitrogen, seed, etc...

***AGENT USE ONLY**