Farmers Mutual Hail
Insurance Company of Iowa

MULTI-PERIL
PRODUCTS

Innovative Insurance Solutions for America's Farmers

THE **FMH DIFFERENCE**

Farmers Mutual Hail offers quality products, outstanding adjusting service, and Precision Crop Insurance Solutions™ backed by over 125 years of crop insurance commitment and expertise.

Our customers choose FMH because we offer the federally-backed multi-peril products combined with the excellent service and knowledge they expect. FMH is a leader in utilizing precision data to simplify the crop insurance process for producers. For the best service and solutions, look to America's Crop Insurance Company™: Farmers Mutual Hail.

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COMMON TERM DEFINITIONS

Unit Structure

Basic: All insurable acreage of the insured crop in the county in which the insured has a 100% crop share, or that is owned by one person and operated by another person on a share basis.

Optional: A division of the basic unit structure if each optional unit is located in a separate section, there is a discernible break in the planting pattern, and separate production records are proven.

Enterprise: Two or more sections with planted acres. See Basic Provisions for additional requirements.

Whole Farm: All insurable acreage of the insurable crops in the county. The insurable acreage must contain at least two crops.

Actual Production History

Actual Production History (APH) yield is the historical average amount of production per acre in the insured unit.

Additional Coverages

Late Planting Coverage: May provide additional time to plant crops when conditions prevent timely planting.

Prevented Planting: May allow for payments when insurable causes of loss prevent you from planting your crops.

Replant Provisions: May provide an additional payment for the extra expenses involved when it is practical to replant and the acreage qualifies.

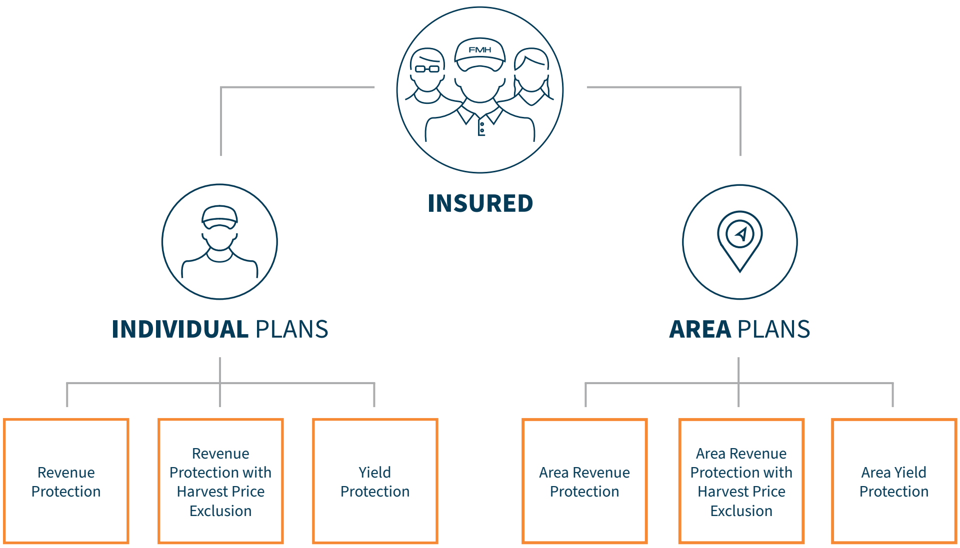
Projected Prices

The average of the Projected Price Discovery Period as found in the Commodity Exchange Price Provisions (CEPP).

Harvest Prices

The average of the Harvest Price Discovery Period as found in CEPP.

MPCI COVERAGE OPTIONS



MPCI PLAN COMPARISON

	RP/RP-HPE	YP/APH	ARP/ARP-HPE	AYP
Insures Against	Individual Yield & Revenue Risk	Individual Yield Risk	County Production & Revenue Risk	County Production Risk
Yield Coverage	50-85% of APH Yield	50-85% of APH Yield	70-90% of Expected County Yield	65%(CAT) 70-90% of Expected County Yield
Price Coverage	100% of the higher Projected or Harvest Price[1]	55% (CAT), 60-100% of the Projected or RMA Price[2]	100% of Projected or Harvest Price[1]	45% (CAT), 100% of Projected Price
Results on Which Indemnity is Based	Actual Yield & Harvest Price	Actual Yield	Final County Yield & Harvest Price	Final County Yield
Insurance Units	Basic, Optional, Enterprise[3] & Whole-Farm	Basic, Optional & Enterprise[3]	County	County
Replant	●	●		
Late Planting	●	●		
Prevented Planting	●	●		
Yield Adjustment Available	●	●		

1: For the Dollar Guarantee, RP and ARP will use the greater of Projected or Harvest Price. RP-HPE and ARP-HPE will use only the Projected Price.
2: For policies above CAT, producers may elect any percent price within this range.
3: Not available in all counties.

REVENUE PROTECTION (RP) **/ REVENUE PROTECTION WITH HARVEST PRICE EXCLUSION** (RP-HPE)

Revenue Protection (RP) and Revenue Protection with Harvest Price Exclusion (RP-HPE) are multi-peril crop insurance products that are based on the Commodity Exchange Price Provisions (CEPP) prices and protect against production loss, price decline or increase, or a combination of both. To determine the loss guarantee, RP will use the greater of the Projected or Harvest Price. RP-HPE insures in the same way as RP, but uses only the Projected Price to determine the loss guarantee.

How Do They Work?

- Both plans establish a minimum guarantee of revenue per acre.
- To determine the Revenue Guarantee, RP will use the greater of the Projected Price or Harvest Price. RP-HPE will use only the Projected Price.
- For both plans, the indemnity payment is determined using the Harvest Price.
- If Revenue to Count is less than final Revenue Guarantee, an indemnity is paid.

Benefits

- Protect against revenue loss caused by low yields and/or low prices
- RP offers “upside” Harvest Price protection by valuing lost bushels at the Harvest Price
- Flexible and efficient management tools for crop producers
- Harvest Price has no limit on the downward movement
- Coverage on basic, optional, enterprise, and whole-farm units where available
- Premium amount is determined using the Projected Price and will not increase even if the Harvest Price is higher than the Projected Price
- Subsidized by the Federal Crop Insurance Corporation (FCIC)

Coverage Level

RP/RP-HPE allows the producer to select a coverage level ranging from 50% up to 85% in 5% increments. Talk to your FMH agent or check your county actuarial for availability of coverage over 75% for basic and optional units.

Insurance Units*

Basic, optional, enterprise, and whole-farm units are insurable under RP/RP-HPE.

**See unit structure definitions on page 2.*

Premiums

Per-acre premiums will depend on the county of the insured crop, unit structure, the crop’s APH yield, and price elections. Higher coverage levels and higher elected prices result in higher premiums.

Additional Coverages

Additional coverages include Late Planting Coverage, Prevented Planting and Replant Provisions.* For more information on Seed Endorsement, Malting Barley, and other additional coverages specific to the crop, talk to your FMH agent or check your county actuarial.

**See coverage definitions on page 2.*

Production to Count

Production to Count equals harvested and appraised production from the insured acreage.

Revenue to Count

(Production to Count) x (Harvest Price)

If the final Revenue Guarantee is greater than the Revenue to Count, an indemnity is paid equal to the difference.

Harvest Price Exclusion (HPE)

Insurance protection is based on the Projected Price only. The amount of protection is not increased if the Harvest Price is greater than the Projected Price. If the harvested production plus any appraised production multiplied by Harvest Price is less than the amount of insurance protection, the insured is paid an indemnity based on the difference.

RP SAMPLE CALCULATIONS

Harvest Price Lower than Projected Price

Crop: Corn	Coverage Level: 85%
Unit: Optional	Projected Price: $4.00
Acres: 100	*Harvest Price: $3.00
APH: 170 bushel	Production to Count: 120 bushel

With RP, the Revenue Guarantee is determined by using the greater of the Projected Price or Harvest Price. In this example, the Projected Price is higher and is used to calculate the Revenue Guarantee.

170 bu. x 85% x $4.00 = **$578.00 Revenue Guarantee**
120 bu. x $3.00 = **$360.00 Revenue to Count**
$578.00 - $360.00 = **$218.00 Indemnity Payment Per Acre**
$218.00 x 100 Acres = **$21,800 Total Indemnity Payment**

An indemnity will be paid only if the Revenue to Count is lower than the Revenue Guarantee.

Harvest Price Higher than Projected Price

Crop: Corn	Coverage Level: 85%
Unit: Optional	Projected Price: $4.00
Acres: 100	*Harvest Price: $4.50
APH: 170 bushel	Production to Count: 120 bushel

With RP, the Revenue Guarantee is determined by using the greater of the Projected Price or Harvest Price. In this example, the Harvest Price is higher and is used to calculate the Revenue Guarantee.

170 bu. x 85% x $4.50 = **$650.25 Revenue Guarantee**
120 bu. x $4.50 = **$540.00 Revenue to Count**
$650.25 – $540.00 = **$110.25 Indemnity Payment Per Acre**
$110.25 x 100 Acres = **$11,025 Total Indemnity Payment**

An indemnity will be paid only if the Revenue to Count is lower than the Revenue Guarantee.

*Harvest Price is limited to 200% of the Projected Price.
All calculations found in this brochure are for example purposes only.
Harvest Price has no limit on the downward movement.

RP WITH HPE OPTION SAMPLE CALCULATIONS

Harvest Price Lower than Projected Price

Crop: Corn	Coverage Level: 85%
Unit: Optional	Projected Price: $4.00
Acres: 100	*Harvest Price: $3.00
APH: 170 bushel	Production to Count: 120 bushel

With the Harvest Price Exclusion, the Revenue Guarantee is determined solely from the Projected Price.

170 bu. x 85% x $4.00 = **$578.00 Revenue Guarantee**
120 bu. x $3.00 = **$360.00 Revenue to Count**
$578.00 - $360.00 = **$218.00 Indemnity Payment Per Acre**
$218.00 x 100 Acres = **$21,800 Total Indemnity Payment**

Harvest Price Higher than Projected Price

Crop: Corn	Coverage Level: 85%
Unit: Optional	Projected Price: $4.00
Acres: 100	*Harvest Price: $4.50
APH: 170 bushel	Production to Count: 120 bushel

With the Harvest Price Exclusion, the Revenue Guarantee is determined solely from the Projected Price.

170 bu. x 85% x $4.00 = **$578.00 Revenue Guarantee**
120 bu. x $4.50 = **$540.00 Revenue to Count**
$578.00 – $540.00 = **$38.00 Indemnity Payment per Acre**
$38.00 x 100 Acres = **$3,800 Total Indemnity Payment**

*Harvest Price is limited to 200% of the Projected Price.
All calculations found in this brochure are for example purposes only.
Harvest Price has no limit on the downward movement.

YIELD PROTECTION (YP) / ACTUAL PRODUCTION HISTORY (APH)

Yield Protection (YP) and Actual Production History (APH) are multi-peril crop insurance products that protect against losses in yield due to nearly all natural disasters. For most crops, that includes drought, excess moisture, cold and frost, wind, flood, and unavoidable damage from insects and disease. These products guarantee a yield based on an individual producer's actual production history. If the Production to Count is less than the Yield Guarantee, an indemnity is paid.

How Do They Work?

- Both plans establish a guarantee of bushels per acre.
- YP Projected Price is determined in accordance with CEPP, and APH price is established by the Federal Crop Insurance Corporation (FCIC).
- Both plans pay an indemnity if the Production to Count falls below the Yield Guarantee.

Benefits

- Both plans offer a competitive premium
- Protect against production loss
- Based on a producer's own production history
- Coverage levels range from 50% to 85% of the APH
- Coverage provided on basic and optional units
- Enterprise unit coverage is available in some areas
- Subsidized by the FCIC

Coverage Level

Coverage level is the percentage of APH yield selected by the producer. The producer can select a coverage level of the APH yield ranging from 50% up to 85% in 5% increments.

Insurance Units*

YP/APH is available for basic and optional units. Enterprise and whole-farm unit coverage is available in some areas.

*See unit structure definitions on page 2.

Premiums

Per-acre premiums will depend on the county of the insured crop, unit structure, the crop's APH yield, and price elections. Higher coverage levels and higher elected prices result in higher premiums.

Additional Coverages

Additional coverages include Late Planting Coverage, Prevented Planting, and Replant Provisions.*

*See coverage definitions on page 2.

Production to Count

Production to Count equals harvested and appraised production from the insured acreage.

Yield Guarantee

(APH Yield) x (Coverage Level)

If the Production to Count is less than the Yield Guarantee, an indemnity is paid.

Amount of Protection

(Yield Guarantee) x (Projected Price)

The Indemnity Payment per Acre will not exceed the Amount of Protection per acre.

Elected Price (APH only)

The Elected Price is calculated from the FCIC price. Based on the level of coverage selected, the producer can select an Elected Price ranging from 60% up to 100% of the FCIC price.

Elected Price Example

If FCIC price on corn is $4.00, and the producer selects the price percentage of 80%, the Elected Price coverage is $4.00 x 80% = $3.20 per bushel.

YP SAMPLE CALCULATIONS

Example 1

Crop: Corn	Coverage Level: 75%
Unit: Optional	Projected Price: $4.00
APH: 170 bushel	Production to Count: 120 bushel
Acres: 100	

170 bu. x 75% = **127.5 bu. Yield Guarantee**
127.5 bu. x $4.00 = **$510.00 Amount of Protection**

YP pays an indemnity when Production to Count falls below the Yield Guarantee.

127.5 bu. – 120 bu. = **7.5 bu. Yield Shortfall**
7.5 bu. x $4.00 = **$30.00 Indemnity Payment Per Acre**
$30 x 100 Acres = **$3,000 Total Indemnity Payment**

Example 2

Crop: Corn	Coverage Level: 85%
Unit: Optional	Projected Price: $4.00
APH: 170 bushel	Production to Count: 120 bushel
Acres: 100	

170 bu. x 85% = **144.5 bu. Yield Guarantee**
144.5 bu. x $4.00 = **$578.00 Amount of Protection**

YP pays an indemnity when Production to Count falls below the Yield Guarantee.

144.5 bu. – 120 bu. = **24.5 bu. Yield Shortfall**
24.5 bu. x $4.00 = **$98.00 Indemnity Payment Per Acre**
$98 x 100 Acres = **$9,800 Total Indemnity Payment**

All calculations found in this brochure are for example purposes only.

WHOLE FARM REVENUE PROTECTION (WFRP)

Whole Farm Revenue Protection (WFRP) is a multi-peril crop insurance product that provides a safety net for all commodities on the farm under one insurance policy, including specialty and organic crops, allowing for more crop diversity on the farm. WFRP provides protection against loss of revenue that you expect to earn or will obtain from commodities you produce or purchase for resale during the insurance period.

You can buy WFRP alone or with other buy-up level (additional) Federal crop insurance policies. When you buy WFRP with another policy, the WFRP premium is reduced due to the coverage provided by the other policy.

Note: If you have other multi-peril crop insurance policies at catastrophic coverage levels, you do not qualify for WFRP.

AREA REVENUE PROTECTION (ARP)/ **AREA REVENUE PROTECTION WITH HARVEST PRICE EXCLUSION** (ARP-HPE)

ARP is a county-based revenue insurance product that pays in the event the Final County Revenue falls below the Trigger Revenue level you selected. The Trigger Revenue is calculated using the higher of the Projected Price or Harvest Price. Individual farm revenues and yields are not considered, so your individual farm may experience reduced yield/revenue, but you may not receive an indemnity. ARP offers “upside” Harvest Price protection by valuing lost bushels at the Harvest Price.

ARP-HPE is a county-based revenue insurance product that insures in the same way as ARP, but uses only the Projected Price to determine the loss guarantee.

How Do They Work?

- Both plans use county yields based on National Agriculture Statistics Service (NASS) data.
- The Commodity Exchange Price Provisions (CEPP) are used to determine the Projected and Harvest Prices.
- Both plans pay an indemnity if the Final County Revenue is lower than the selected Trigger Revenue.

Benefits

- Both plans provide flexibility and allow the producer to choose between several coverage levels and amounts of protection
- ARP allows the producer to increase Expected County Revenue if the Harvest Price is higher than the Projected Price
- ARP-HPE guarantees the producer a set amount of county revenue
- Fits well with a full coverage crop hail policy, which provides additional individual coverages
- Subsidized by FCIC and protect against widespread loss of yield in a county

Coverage Level

ARP/ARP-HPE allows the producer to select a coverage level, ranging from 70% up to 90% in 5% increments, for each crop, type, and practice. Talk with your FMH agent or check your county actuarial for availability of coverage.

Insurance Units

Units don’t apply for county-based plans. Coverage is based on a producer’s crop, practice, and share arrangement.

Premiums

Per-acre premiums will depend on the county of the insured crop, practice, type, and the coverage levels and protection factors chosen by the producer. Higher coverage levels and protection factors result in higher premiums.

Restrictions

Producers may not purchase ARP/ARP-HPE and other MPCI coverage for the same crop and year. ARP/ARP-HPE does not include Late Planting Coverage, Prevented Planting, Replant Provisions, unit-by-unit, or acre-by-acre coverage.*

*See coverage definitions on page 2.

Protection Factor

The producer is allowed to select a Protection Factor, from 80% to 120% in 1% increments, for each crop, type, and practice. This factor allows the producer to customize their coverage.

Final Policy Protection

(Expected County yield) x (Greater of Harvest or Projected Price) x (Protection Factor)

This is the amount of coverage the producer purchases. The total indemnity will never exceed the Final Policy Protection.

Expected County Yield

NASS or other FCIC data sources establish an Expected County Yield per acre for each crop. Planted, harvested, and unharvested acres, in addition to yield trends, are used in establishing these yields.

Trigger Revenue

(Expected County Yield) x (Coverage Level) x (Greater of Harvest or Projected Price)

ARP-HPE uses the Projected Price only. If the Trigger Revenue is greater than the Final County Revenue, then an indemnity is paid.

Payment Factor

The Payment Factor is the percentage of loss used to determine the indemnity payment.

Final County Yield

The Final County Yields are determined by NASS or other FCIC data sources. The Final County Yields are released in the spring of the year following harvest.

Final County Revenue

(Final County Yield) x (Harvest Price)

Harvest Price is used for both ARP and ARP-HPE in this calculation. If the Trigger Revenue is greater than the Final County Revenue, then an indemnity is paid.

Loss Limit Factor

The Loss Limit Factor represents the percentage of the expected county revenue at which no additional indemnity amount is payable. This can be found in your county actuarial.

ARP SAMPLE CALCULATION

Expected County Yield: 160.2 bu.	Crop: Corn
Final County Yield: 137.6 bu.	Coverage Level: 90%
Protection Factor: 100%	Projected Price: $5.30
Loss Limit Factor: 0.18	Harvest Price: $5.80

With ARP, the Trigger Revenue is determined by using the greater of the Projected Price or Harvest Price. In this example, the Harvest Price is higher and is used to calculate the Trigger Revenue.

160.2 bu. x 90% x $5.80 = **$836.24 Trigger Revenue**

$5.80 x 137.6 bu. **= $798.08 Final County Revenue**

An indemnity will be paid only if Final County Revenue is less than the Trigger Revenue. In this example, an indemnity will be paid.

$836.24 – $798.08 = **$38.16 Shortfall**

The Payment Factor is determined by dividing the shortfall by [Trigger Revenue - (Expected County Yield x Greater of Harvest or Projected Price x Loss Limit Factor)]

$38.16 Shortfall ÷ [$836.24 – (160.2 bu. x $5.80 x 0.18)] = **0.057 Payment Factor**

160.2 bu. x $5.80 x 100% = **$929.16 Final Policy Protection**

0.057 Payment Factor x $929.16 Final Policy Protection = **$52.96 Indemnity Payment**

ARP-HPE SAMPLE CALCULATION

Expected County Yield: 160.2 bu.	Crop: Corn
Final County Yield: 137.6 bu.	Coverage Level: 90%
Protection Factor: 100%	Projected Price: $5.30
Loss Limit Factor: 0.18	Harvest Price: $5.80

With ARP-HPE, the Trigger Revenue is determined by using only the Projected Price.

160.2 bu. x 90% x $5.30 = **$764.15 Trigger Revenue**

$5.80 x 137.6 bu. **= $798.08 Final County Revenue**

An indemnity will be paid only if Final County Revenue is less than the Trigger Revenue. In this example, an indemnity will not be paid.

$764.15 – $798.08 = **$0.00 Shortfall**

The Payment Factor is determined by dividing the shortfall by [Trigger Revenue - (Expected County Yield x Projected Price x Loss Limit Factor)]

$0.00 Shortfall ÷ [$764.15 – (160.2 bu. x $5.30 x 0.18)] = **0.000 Payment Factor**

160.2 bu. x $5.30 x 100% = **$849.06 Final Policy Protection**

0.000 Payment Factor x $849.06 Final Policy Protection = **$0.00 Indemnity Payment**

All calculations found in this brochure are for example purposes only.

AREA YIELD PROTECTION (AYP)

Area Yield Protection (AYP) insures against widespread loss of production of your crop in a county. AYP is primarily intended for use by those producers whose farm yields tend to follow the average county yield. AYP is a county-based insurance product that pays an indemnity in the event the Final County Yield falls below the Trigger Yield you selected. Individual farm yields are not considered, so your individual farm may experience a reduced yield, but you may not receive an indemnity.

How Does It Work?

- AYP uses county yields based on NASS data.
- AYP pays an indemnity if the Final County Yield is below the Trigger Yield.

Benefits

- Flexible program that allows the producer to choose between several coverage levels and amounts of protection
- Fits well with a full coverage crop hail policy, which provides additional individual coverages
- Subsidized by the FCIC and protects against widespread loss of yield in a county

Coverage Level

AYP allows the producer to select a coverage level, ranging from 65% up to 90% in 5% increments, for each crop, type, and practice. Talk to your FMH agent or check your county actuarial for availability of coverage.

Insurance Units

Units don't apply for county-based plans. Coverage is based on a producer's crop, practice, and share arrangement.

Premiums

Per-acre premiums will depend on the county of the insured crop, practice, type, and the coverage levels and protection factors chosen by the producer. Higher coverage levels and protection factors result in higher premiums.

Restrictions

Producers may not purchase AYP and other MPCI coverage for the same crop and year. AYP does not include Late Planting Coverage, Prevented Planting, Replant Provisions, unit-by-unit, or acre-by-acre coverage.*

See coverage definitions on page 2.

Protection Factor

The producer is allowed to select a Protection Factor, from 80% to 120% in 1% increments, for each crop, type, and practice. This factor allows the producer to customize their coverage.

Final Policy Protection

(Expected County Yield) x (Projected Price) x (Protection Factor)

This is the amount of coverage the producer purchases. The total indemnity will never exceed the Final Policy Protection.

Expected County Yield

NASS or other FCIC data sources establish an Expected County Yield per acre for each crop. Planted, harvested, and unharvested acres, in addition to yield trends, are used in establishing these yields.

Trigger Yield

(Coverage Level) x (Expected County Yield)

If the Trigger Yield is greater than the Final County Yield, then an indemnity is paid.

Payment Factor

The Payment Factor is the percentage of loss used to determine the indemnity payment.

Final County Yield

The Final County Yields are determined by NASS or other FCIC data sources. The Final County Yields are released in the spring of the year following harvest.

Projected Price

The Projected Price is determined in accordance with CEPP.

Loss Limit Factor

The Loss Limit Factor represents the percentage of the expected county revenue at which no additional indemnity amount is payable. Talk to your FMH agent or check your county actuarial for more information.

AYP SAMPLE CALCULATIONS

Example 1

Expected County Yield: 158.2 bu.	Crop: Corn
Final County Yield: 131.6 bu.	Coverage Level: 90%
Protection Factor: 100%	Projected Price: $4.00
	Loss Limit Factor: 0.18

158.2 bu. x 90% = **142.4 bu. Trigger Yield**

142.4 bu. - 131.6 bu. = **10.8 bu. Shortfall**

The Payment Factor is determined by dividing the shortfall by [Trigger Yield - (Expected County Yield x Loss Limit Factor)]

10.8 bu. Shortfall ÷ [142.4 bu. – (158.2 bu. x 0.18)] = **0.095 Payment Factor**

158.2 bu. x $4.00 x 100% = **$632.80 Final Policy Protection**

0.095 Payment Factor x $632.80 Final Policy Protection = **$60.12 Indemnity Payment**

Example 2

Expected County Yield: 158.2 bu.	Crop: Corn
Final County Yield: 121.6 bu.	Coverage Level: 80%
Protection Factor: 90%	Projected Price: $4.00
	Loss Limit Factor: 0.18

158.2 bu. x 80% = **126.6 bu. Trigger Yield**

126.6 bu. - 121.6 bu. = **5.0 bu. Shortfall**

The Payment Factor is determined by dividing the shortfall by [Trigger Yield - (Expected County Yield x Loss Limit Factor)]

5.0 bu. Shortfall ÷ [126.6 bu. – (158.2 bu. x 0.18)] = **0.051 Payment Factor**

158.2 bu. x $4.00 x 90% = **$569.52 Final Policy Protection**

0.051 Payment Factor x $569.52 Final Policy Protection = **$29.05 Indemnity Payment**

All calculations found in this brochure are for example purposes only.

MARGIN PROTECTION (MP)

Margin Protection is a crop insurance coverage option that provides coverage against an unexpected decrease in your operating margin caused by:

- Reduced county yields
- Reduced commodity prices
- Increased price of selected inputs
- Any combination of the above

Margin Protection is area-based, using **county-level estimates** of average revenue and input costs to establish the amount of coverage and indemnity payments.

PASTURE, RANGELAND, AND FORAGE (PRF)

The Risk Management Agency (RMA) Pasture, Rangeland, and Forage (PRF) pilot insurance program provides insurance coverage on your pasture, rangeland, or forage acres. This innovative pilot program is based on precipitation and the Rainfall Index. This program allows you to buy insurance protection for losses of forage produced for grazing or harvested for hay, which result in increased costs for feed, destocking, depopulating, or other actions.

PRF is available in the 48 contiguous states with the exception of a few grids that cross international borders.

Rainfall Index (RI)

The Rainfall Index is an area-based plan of insurance, and is based on a National Oceanic and Atmospheric Administration Climate Prediction Center (NOAA CPC) interpolated rainfall data set and uses an approximate 17-mile square grid. Producers must select at least two, two-month time periods called index intervals in which precipitation is important for the growth and production of the forage species.

Insurance payments to a producer are calculated based on the deviation from normal precipitation interpolated to the grid and index interval(s) selected.

This insurance coverage is for a single peril — lack of precipitation. It is critical that producers review the historical indices for their grid ID to determine how well the past results correspond to their past observations.

Rainfall Index Intervals

Rainfall Index intervals are periods of time specified in which precipitation data is collected. Index intervals are used to calculate the expected grid index and final grid index, which is designated as a practice in the Special Provisions. The insured must select at least two index intervals during the crop year for each intended use, share, and grid ID. The maximum percent of value allowed in any one index interval by grid ID, intended use, and share is found in the county actuarial, and the minimum percentage of total insured acres allowed in any one index interval by grid ID, intended use, and share is 10%.

An insured may select any index interval provided in the Special Provisions; however, overlapping months are not permitted within a single grid ID, intended use, and share. For example, if an insured selects the index interval which includes the months of April and May, they cannot select any other interval that contains April or May.

PRF DEFINITIONS

Coverage Level

The producer may select a coverage level ranging from 70% up to 90% in 5% increments for each county and crop type.

Productivity Factor

The producer is allowed to select a Productivity Factor, from 60% to 150% in 1% increments, for each county and crop type. This factor allows the producer to customize their coverage.

County Base Value per Acre

The county base value per acre is FCIC-determined production value of the crop in the county as contained in the actuarial documents.

Dollar Amount of Protection per Acre

(County Base Value per Acre) x (Coverage Level) x (Productivity Factor)

Only one Dollar Amount of Protection per Acre may be selected for each county and crop type.

Grid ID

A specific code associated with each grid contained in the actuarial documents.

Policy Protection per Unit

(Protection Per Acre) x (Insured Acres) x (% of Value) x (Share for each unit)

The result of multiplying the Dollar Amount of Protection per Acre by the insured acres, multiplied by the percent of value, and then multiplied by the insured's share for each unit. The Policy Protection per Unit is shown on the insured's Summary of Coverage.

Unit

The insured acres within a grid ID for each crop, intended use, index interval, and share. If there are multiple grid IDs on a policy, then index values are not added together. Each unit and crop stands on its own.

PRF IMPORTANT DATES

Rainfall Index Dates

Sales Closing Date	November 15
Cancellation Date	November 15
Contract Change	August 31
Acreage Reporting	November 15
Premium Billing	September 1

Other Information: There is a $30 administration fee per crop per county.

For more in-depth information, please visit: www.rma.usda.gov.

Note: If an applicant chooses to insure grazing land or hayland under a PRF plan, they cannot insure the same crop and intended use type under any other FCIC subsidized program.

Insureds are not required to insure all their acres, but cannot exceed the total number of grazing or haying acres they operate.

SUPPLEMENTAL COVERAGE OPTION (SCO) ENDORSEMENT

The Supplemental Coverage Option (SCO) is a county-level revenue-based or yield-based optional endorsement that covers a portion of losses not covered by the same crop's underlying crop insurance policy.

SCO can be elected only when a producer has purchased one of the following underlying plans of insurance:

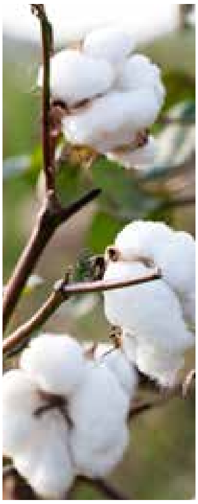
- Yield Protection
- Revenue Protection
- Revenue Protection with Harvest Price Exclusion

SCO is available in select counties for spring barley, corn, soybeans, wheat, sorghum, cotton, rice, blueberries, and apples.

Please contact your FMH agent for more details.

STACKED INCOME PROTECTION PLAN (STAX)

The Stacked Income Protection Plan (STAX) is a crop insurance product for upland cotton that provides coverage for a portion of the expected revenue for your area. Most often your area will be your county, but it may include other counties or even practices as necessary to obtain a credible amount of data to establish an expected yield and premium rate.



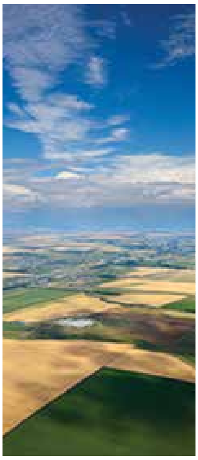
STAX may be purchased on its own, or as a companion to the following plans of insurance:

- Yield Protection
- Revenue Protection
- Revenue Protection with Harvest Price Exclusion
- Area Yield Protection
- Area Revenue Protection
- Area Revenue Protection with Harvest Price Exclusion

Please contact your FMH agent for more details and to check for additional qualifications.

MULTI-COUNTY ENTERPRISE UNIT (MCEU) ENDORSEMENT

The MCEU Endorsement allows a policyholder to combine insured acreage of a crop by irrigation practice, if applicable, in two contiguous counties into one Enterprise Unit (EU), referred to as a Multi-County Enterprise Unit (MCEU). This endorsement must be chosen by the earliest Sales Closing Date of the counties in the MCEU on an application or policy change form.



MCEU can be elected only when a producer has purchased one of the following underlying plans of insurance:

- Yield Protection
- Revenue Protection
- Revenue Protection with Harvest Price Exclusion

Please contact your FMH agent for more details and to check for additional qualifications for this endorsement.

FMH PRIVATE PRODUCT SUPPLEMENTS TO MPCI POLICIES

PRODUCTION PLAN

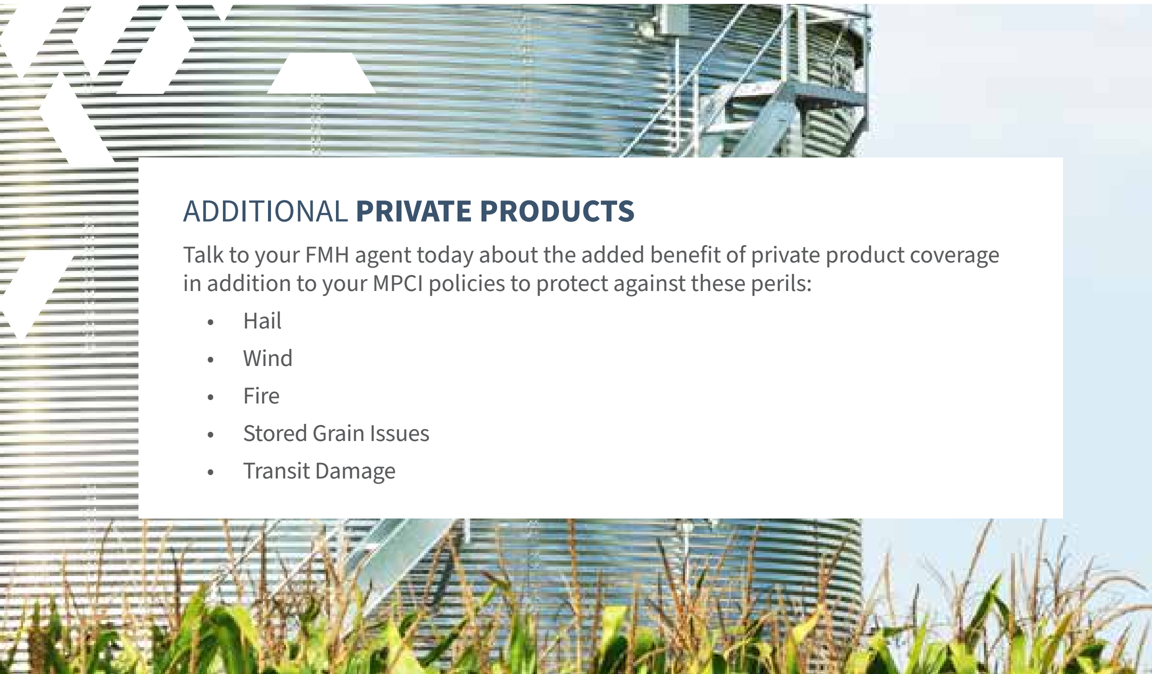
Production Plan is a private crop hail insurance policy that is coupled with your federally-subsidized MPCI Yield Protection (YP), Revenue Protection (RP), or Revenue Protection with Harvest Price Exclusion (RP-HPE) policy. It provides coverage on the portion of your crop that is left unprotected by your MPCI policy. Production Plan is offered solely by FMH and is not reinsured by the FCIC.

REPLANT PREMIER

Sometimes federal protection for replanting expenses isn't enough due to unpredictable weather events. That's why the FMH Replant Premier policy provides coverage for both replanting expenses as well as coverage in the event the unit cannot be planted. Replant Premier is offered solely by FMH and is not reinsured by the FCIC.

REVENUE ACCELERATOR **MAX PROTECTION** (RAMP)

Revenue Accelerator Max Protection (RAMP) allows you the opportunity to boost revenues at specific risk levels within your risk management plans. RAMP supplements your MPCI coverage and provides additional coverage for when production and/or revenue losses are just over or under your MPCI guarantee. RAMP is offered solely by FMH and is not reinsured by the FCIC.



ADDITIONAL **PRIVATE PRODUCTS**

Talk to your FMH agent today about the added benefit of private product coverage in addition to your MPCI policies to protect against these perils:

- Hail
- Wind
- Fire
- Stored Grain Issues
- Transit Damage

Farmers Mutual Hail
Insurance Company of Iowa

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