

## YIELD PROTECTION / ACTUAL PRODUCTION HISTORY

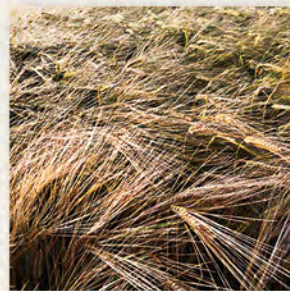
Yield Protection (YP) and Actual Production History (APH) are multi-peril crop insurance products that provide protection against losses in yield due to nearly all natural disasters. For most crops, that includes drought, excess moisture, cold and frost, wind, flood, and unavoidable damage from insects 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 DOES IT WORK?

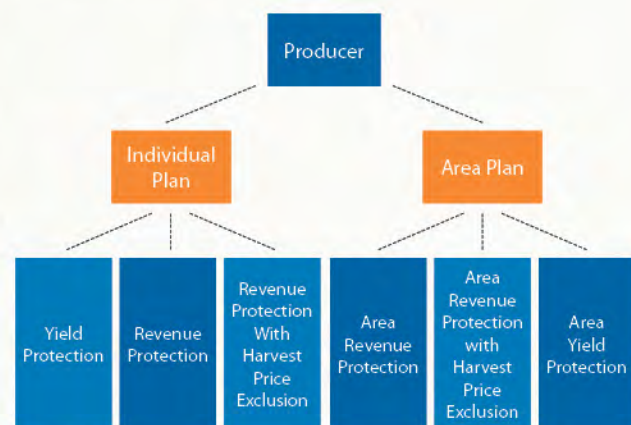
- Establishes a guarantee of bushels per acre
- YP Projected Price is determined by futures contracts, and APH price is established by the Federal Crop Insurance Corporation (FCIC)
- Pays an indemnity if the production to count falls below the yield guarantee

### BENEFITS

- Offers a competitive premium
- Subsidized by the Federal Crop Insurance Corporation (FCIC)
- Protection against production loss
- Based on a producer's own production history
- Provides coverage levels ranging from 50% to 85% of the APH in 5% increments
- Provides coverage on basic and optional units
- Enterprise and whole-farm unit coverage is available in some areas
- 60-100% coverage of the projected or RMA price



The chart below shows the types of area or individual plans a producer can elect from.



## Why Farmers Mutual Hail?

Farmers Mutual Hail provides top-level farm insurance products backed by the service you deserve. Our knowledgeable, full-service agents will help you make informed decisions tailored to fit your farming operation needs. FMH maintains an exceptionally well-trained and knowledgeable adjusting staff to provide policyholders with the most accurate and responsive claims service in the industry. Trust in the company that has been protecting America's farmer since 1893. Trust in Farmers Mutual Hail.

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[ YP ]

**YIELD  
PROTECTION**

[ APH ]

**ACTUAL  
PRODUCTION  
HISTORY**



## 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.

## 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

**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.

## UNIT STRUCTURE

**Basic:** All insurable acreage of the insured crop in the county in which you have a 100% crop share or 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 and 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 or more crops.

## ACTUAL PRODUCTION HISTORY

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

## PRODUCTION TO COUNT

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

## 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. A higher yield election increases the yield guarantee.

### Yield Election Example

For a 150 bushel APH yield, a 60% yield election has a guarantee of 90 bushels.

150 APH yield x 60% yield election = 90 bushel

## PROJECTED PRICE (YP ONLY)

**Corn (Projected):** The average of December's futures contract prices during February.

\*Except Arkansas which uses the average of 1/15 through 2/14.

**Soybeans (Projected):** The average of November's futures contract prices during February.

\*Except Arkansas which uses the average of 1/15 through 2/14.

\*Except Oklahoma which uses the average of January.

For other crops, see the Crop Provisions and the Commodity Exchange Price Provisions (CEPP).

## ELECTED PRICE (APH ONLY)

The elected price is calculated from the Federal Crop Insurance Corporation (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

The FCIC price on corn is \$6.00, and the producer selects the price percentage of 80%.

\$6.00 x 80% elected price = \$4.80 per bushel coverage

## COMPARISON OF CROP INSURANCE PLANS

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

(APH) Actual Production History | \* Not available in all counties. | \*\*For the Loss Guarantee, RP will use the greater of Projected or Harvest Price. RPHPE will use only the Projected Price. \*\*\* For policies above CAT, producers may elect any percent price within this range.

## SAMPLE CALCULATION

YP Example 1:

Crop: Corn	Coverage Level: 75%
Unit: Optional	Projected Price: \$6.00
Acres: 100	Elected Price: \$6.00 (100%)
Share %: 100	Harvest Price: \$5.00
APH: 170 bushel	Production to Count: 120 bushel

170 bu. x 75% = 127.5 bu. Yield Guarantee

127.5 bu. x \$6.00 = \$765 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 \$6.00 = \$45 Indemnity Payment Per Acre

\$45 x 100 Acres = \$4,500 Total Indemnity Payment

YP Example 2:

Crop: Corn	Coverage Level: 85%
Unit: Optional	Projected Price: \$6.00
Acres: 100	Elected Price: \$6.00 (100%)
Share %: 100	Harvest Price: \$6.50
APH: 170 bushel	Production to Count: 120 bushel

170 bu. x 85% = 144.5 bu. Yield Guarantee

144.5 bu. x \$6.00 = \$867.00 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 \$6.00 = \$147.00 Indemnity Payment Per Acre

\$147.00 x 100 Acres = \$14,700 Total Indemnity Payment

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