



SUPPLEMENTAL CROP INSURANCE COVERAGE

VARIABLE INTERVAL PRODUCT (VIP™) - OVERVIEW

VIP is a supplemental crop insurance policy that provides the potential for a higher revenue protection guarantee than the base coverage established on the underlying Revenue Protection or Area Revenue Protection plans of insurance. Producers may add one or more alternative price discovery periods (intervals), of which the highest would be used to establish the revenue guarantee for loss purposes when applicable. A VIP policy may have a loss if the selected interval's price is higher than the Projected and Harvest Prices.

The Multi-Practice Endorsement provides more flexibility by giving producers the ability to customize their coverage for irrigated and non-irrigated practices with distinct coverage levels. When more than one practice exists on a policy, losses are paid on an enterprise unit by practice basis (within a county).

Ask your Regional Sales Manager how to customize your price with the myPrice option!

Requirements

You are required to purchase an MPCl insurance policy for the crop to be insured and to establish insurable interest.

If you fail to purchase MPCl coverage, you still owe all premium for the periods you have selected.

- A producer may choose from several different options less than the price limits shown.
- We reserve the right, at our option, to reduce these maximum specific limits during the sales year if needed to satisfy capacity constraints, as well as suspend or restrict sales if trading on the applicable futures exchange is disrupted by events such as movement of prices by the maximum allowable by the exchange that prevents trading at the end of a session, or there is lack of trading.

Coverage will apply to no more than 110% of the greater of:

1. The number of acres you intend to plant, without considering share; or,
2. The greatest number of acres planted under any MPCl policy in your county for the crop in any one of the most recent four calendar years, without considering share. These acres must not be disallowed by the premium quotation tool.

Note: If you are planting in a county where you have no history, you may insure no more than 110% of the intended acres you declared at the time you applied for this policy. You may be required to provide evidence to support your estimate.

Loss Payment

If you elect the RP plan as your MPCl coverage, any loss payment owed will be paid within 30 days after we receive the information required in the policy and we agree with you on the amount of the loss payment. If you elect the ARP plan as your MPCl coverage, any loss payment owed will be paid within 30 days after we receive the information required in the policy and RMA releases the county revenue for the ARP plan of insurance. The sum of your share of the harvest value of the crop, any indemnity paid under the MPCl program, and the amount of the VIP indemnity cannot exceed the total crop value.

SALES CLOSING

Same as applicable underlying MPCl coverage.

AVAILABILITY

For a complete list of program states, contact your Hudson Crop affiliated agent or visit our website at www.hudsoncrop.com.

Crops

- Corn (not insured as silage)
- Cotton
- Soybeans
- Spring Wheat
- Winter Wheat

** Other coverage restrictions may apply.*

PRICE MOVEMENT LIMITS

Corn - \$1.00 / bu
Wheat - \$1.50 / bu
Soybeans - \$2.00 / bu
Cotton - \$0.20 / lb

HOW VIP WORKS WITH YOUR MPCl

REVENUE PROTECTION (RP)

Spring Price	\$3.97
Harvest Price	\$3.90
Highest Alternative Interval Price	\$4.15
RP Coverage Level	85%
APH	185 bu.
Harvest Production	165 bu.

YOUR GUARANTEE

RP GUARANTEE

$$185 * 85\% * \$3.97 = \$624.48$$

VIP GUARANTEE

$$185 * 85\% * \$4.15 = \$652.80$$

(\$28.32 higher than your MPCl guarantee!)

YOUR CLAIM

FINAL PRODUCTION REVENUE

$$165 * \$3.90 = \$643.50$$

(There is no RP loss as the final revenue of \$643.50 exceeds the guarantee of \$624.48.)

VIP PAYMENT

$$\$652.80 - \$643.50 = \$9.30/\text{acre}$$

AREA REVENUE PROTECTION (ARP)

Spring Price	\$3.97
Harvest Price	\$3.90
Highest Alternative Interval Price	\$4.15
ARP Coverage Level	90%
ARP Protection Factor	1.20
Expected County Yield	185 bu.
Final County Yield	165 bu.

ARP TRIGGER

\$661.01

VIP TRIGGER

\$690.98

YOUR CLAIM

COUNTY REVENUE

\$643.50

ARP PAYMENT

\$29

VIP PRELIMINARY INDEMNITY \$79

VIP PAYMENT

$$\$79 - \$29 = \$50/\text{acre}$$

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The information contained in this brochure is for general information only and shall not modify the terms of any insurance policy. An underlying MPCl policy must be purchased for this supplemental product; however, that policy does not have to be purchased from Hudson. VIP is a trademark of Hudson Insurance Company.



Hudson Crop

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