



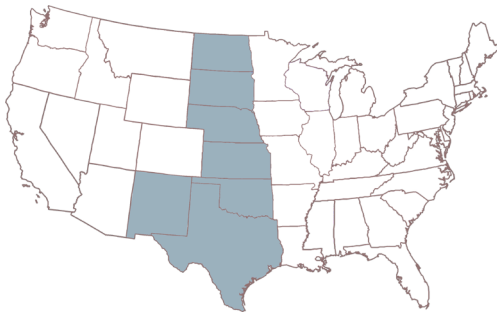
RAINFALL INDEX - ANNUAL FORAGE

OVERVIEW

The **Rainfall Index - Annual Forage** is a federally-reinsured pilot program that provides coverage for acreage planted annually to forage or fodder used for livestock.

This program consists of four growing seasons. Producers may select from a variety of coverage levels, productivity factors and two-month index intervals to personalize their plan. Losses are calculated based on the deviation from normal precipitation for the grid and index interval(s) selected.

Availability



COVERAGE LEVELS

70% - 90%
(in 5% increments)

PRODUCTIVITY FACTORS

60% - 150%
(in 1% increments)

CAT LEVELS

65%
Coverage Level
45%
Productivity Factor

Coverage

- The Dual Use option allows producers to purchase both an Annual Forage and Small Grains Policy on a crop that is both grazed and harvested for grain. This option will be available for Growing Season One in counties where the special provisions allow and has a separate county base value.
- CAT protection allowed for acreage with the intended use of grazing.

Important Dates

	Growing Season One (Sept. 1 - March 31)	Growing Season Two (Dec. 1 - June 30)	Growing Season Three (Mar. 1 - Sept. 30)	Growing Season Four (June 1 - Nov. 30)
Sales Closing Date	July 15	July 15	July 15	July 15
Earliest Planting Date	July 16	October 16	January 16	April 16
Final Planting Date	October 15	January 15	April 15	July 15
Acreage Reporting Date	October 15	January 15	April 15	July 15
Premium Billing Date	August 30 of following year	August 30	August 30	August 30
End of Insurance	November 30 of following year	November 30	November 30	November 30

By the Numbers

CALCULATING LIABILITY			WHAT IF?							
PRODUCTIVITY FACTOR		120								
COVERAGE LEVEL		90%								
COUNTY BASE VALUE		20.00								
DOLLAR PROTECTION/AC		\$ 21.60								
* The insured must now choose the percentage of total coverage to assign to intervals.										
			WHAT IF?							
	ASSIGNED COVERAGE %	\$ OF COVERAGE	ASSIGNED COVERAGE %	\$ OF COVERAGE	ASSIGNED COVERAGE %	\$ OF COVERAGE	ASSIGNED COVERAGE %	\$ OF COVERAGE	ASSIGNED COVERAGE %	\$ OF COVERAGE
ACRES	1,000	\$ 21,600.00								
APR - MAY	25%	\$ 5,400.00								
AUG - SEPT	40%	\$ 8,640.00								
OCT - NOV	35%	\$ 7,560.00								

* Total of Interval % must equal 100%.

* \$ of Coverage = Interval's Assigned Coverage % x Dollar Protection Per Acre x Acres

* All losses are calculated using NOAA data. It is possible that a grower 1) experiences a production loss and receives no indemnity OR 2) does not experience a production loss and does receive an indemnity.

* Premium rate and liability varies by county and land's intended use.

Visit <https://ewebapp.rma.usda.gov/apps/costestimator/> to generate Annual Forage premium estimates.

CALCULATING LOSS/INDEMNITY <i>(For above Aug. - Sept. liability example)</i>			WHAT IF?							
		INDEMNITY DUE	INDEMNITY DUE		INDEMNITY DUE		INDEMNITY DUE		INDEMNITY DUE	
Assigned Coverage % & Associated Liability	40% - \$8,640									
Final NOAA Rainfall % for Interval & Grid Index	80%									
Indemnity <i>(.90 - .80) / .90 x \$8640</i>	---	\$ 960.00								

* To trigger an indemnity, the % Rainfall Index must be lower than the selected coverage level.

* Indemnity = (Coverage Level - NOAA Rainfall % for Period) / Coverage Level x \$ of Coverage

Ex. Aug - Sept Interval = $(.90 - .80) / .90 \times 8,640 = \960.00

* For Oct - Nov. example, Index Rainfall % is greater than coverage level, so no indemnity is due.

NOTE: No indemnities will be paid prior to acreage reporting date.

NON DISCRIMINATION STATEMENT: Hudson Insurance Company is an equal opportunity provider. In accordance with Federal law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating on the basis of race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs).

The information contained in this brochure is for general information only and shall not modify the terms of any insurance policy.



Hudson Crop

7300 West 110th Street, Suite 400 | Overland Park, KS 66210
T 866 450-1445 | F 913 345-1671 | HudsonCrop.com

