

# CROP HAIL GENERAL OVERVIEW

## WHAT'S INCLUDED IN HAIL AND VPA POLICIES?

Detailed provisions and exclusions are included in the policies and endorsements.

ADM Crop Risk Services offers an outstanding selection of crop protection plans at affordable rates. Hail coverage includes hail, fire, lightning, vandalism, unintentional vehicle damage, transit, overturn, and collision on a "dollar value per acre" amount that you choose. Crop hail protection coverage (binding) begins two hours after the completed and signed application is received in the home office.

## SPECIAL FEATURES INCLUDED IN YOUR CROP HAIL POLICY

Cash rate available at a 3% reduction on hail premium (not to include endorsement premium) if premium is paid by August 1 for standard or by September 1 for VPA and Companion Hail.

Hail Notification System is an automated e-mail notifications on hail activity in your county.

## GOOD NEIGHBOR ALLOWANCE

A \$1,000 Good Neighbor allowance payment is granted to insureds during growing season should incapacitation or death occur. Included in the crop hail and VPA policies in all states except ND.

## PERILS INSURED AGAINST

- Hail, fire, lightning fire department surcharge up to \$250, unintentional vehicle damage, and vandalism.
- AgriStore (Stored Grain Coverage) covers a crop in the first place of storage until June 1 of the following calendar year equal to the limit of liability written on the Hail policy for those insured crops. Not available on Production Hail and Companion Hail.
- Transit coverage provided under the AgriStore endorsement protects the crop while in transit to the first point of sale.

## BILLING DATES

### *Standard Crop Hail*

Annual policy with cash discount of 3% if paid by August 1st.

### *Value Per Acre Hail*

By taking the acreage automatically off your federal policy, you save time and it provides less paperwork. Policy and provisions are issued in late summer and the premium is due October 1. A 10% ADM Hail Rate reduction is available on basic hail for customers of ADM Grain. A 5% ADM Hail Rate reduction is available on all deductible hail products for customers of ADM Grain.

## REPLANT OPTIONS:

1. Traditional replant payment;
2. Do not replant, receive payment on original crop; or
3. Do not replant, receive payment on original crop, and plant/insure another (or the same) crop.

## PRODUCTION PLUS HAIL

- This policy covers, on a unit basis, the production portion of your crop that is above your Federal production guarantee. This endorsement covers hail, fire, lightning, and vandalism.
- The policy liability is calculated on each unit and is the difference between your federal production guarantee and the Production Plus Hail guarantee that you purchased. The guarantee is between 100% and 120% of your approved yield.
- A hail loss percentage is established at the time of damage and a loss equal to 5% will be paid when it can be determined. The first 5% of the loss is paid without consideration of any yield loss.
- A loss in excess of 5% will be made in two payments. As stated above, the first 5% of the loss is paid when it can be determined and the percentage in excess of 5% will be paid after harvest is complete for the unit (if the total hail loss is less than the yield loss).
- If the yield loss is less than the total hail loss, the yield loss amount minus any previous hail loss payments will be made. Premium is due October 1st and available in CO, IA, KS, MN, NE, ND, SD and WI.

## PRODUCTION WIND

Available endorsement for 2013 on Production Plus Hail policies in IA, KS, MN, NE, ND, SD, WI. Covers Greensnap and Wind with a 5% deductible.

## COMPANION HAIL

Available in selected states, Companion Hail provides coverage on a per acre basis against hail, fire, vandalism, and transit perils on the portion of the crop not covered by a Federal policy and contains increasing payment factors which match up with the various Federal coverage levels. The policy provides a loss payment when the average appraised percent of loss exceeds 5%. The loss payment would be the percent of loss in excess of 5%, multiplied by the selected increasing payment factor. The companion plan covers all the acreage of each eligible crop, with the same increasing payment factor.

Companion Hail is a continuous Comp 2, Comp 2+, Comp 3 and Comp 4 policy. Companion Hail is available in IA, KS, MN, MO, NE, ND, OK, SD, WI and WY.

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