Underlying MPCI Requirements

Yield Protection (YP), Revenue Protection (RP), or Revenue Protection with the harvest price exclusion (RP-HPE) only.

Enterprise Units (EU), Enterprise Units by Practice (EP), Basic Units (BU), or Optional Units (OU).

You are required to report the number of intended acres of the crop(s)/county(ies) that you intend to plant and insure under this endorsement.

All applicable coverage elections, options, or endorsements in effect for the applicable underlying MPCI policy will also be in effect for this endorsement (e.g. coverage level, TA etc.).

Any reductions for late planted coverage under the MPCI policy will be applied in the same manner to coverage under this endorsement.

The prevented planting and replanting coverage provided in the underlying MPCI policy are not included as a part of the YDP coverage.

All applicable rules of the MPCI policy also apply to this coverage, unless otherwise stated here or in the endorsement.

The premium for this coverage is due at the same time as the premium for the underlying MPCI policy. Any premium owed to us for this coverage will be deducted from any losses.

This is an annual endorsement.

What is the unit structure for YDP?

The unit structure options available for coverage under this endorsement for each crop/county are enterprise units (EU), enterprise units by practice (EP), basic units (BU), or optional units (OU) as elected on your application. These unit structure options are hereby defined in the same manner as if such acreage was being insured under the MPCI policy with the same unit structure including the same qualification requirements as indicated in the underlying MPCI policy. If you fail to make a valid unit structure election on the application, the unit structure for purposes of coverage under this endorsement will be the same as that elected by you on your underlying MPCI policy.

Acreage not insurable under YDP includes:

Acreage identified as native sod, high risk, uninsurable, or unclassified, acreage planted prior to the earliest planting date contained in the Special Provisions, acreage which is prevented from being planted, acreage which is insured as a silage type under the MPCI policy, acreage which is double cropped and generally insured under the following another crop (FAC) practice under the MPCI policy, acreage of the underlying MPCI policy that is covered under the added county election, acreage of the underlying MPCI policy that is being insured by written agreement, or acreage of the underlying MPCI policy that is being insured under an organic practice.

The Rain and Hail Difference

The Rain and Hail Difference is what sets us apart from other agricultural insurance providers. Our commitment to always provide the best service possible to the American farmer and rural America, and our belief in a strong safety net for America's agricultural communities, make us a leader in the industry.

Unmatched Claims Service

Response in a loss situation brings out the true character of the company. Time and time again, Rain and Hail is there for our customers when they need us by providing:

- Tools to quickly and easily submit claims
- Prompt and accurate claims adjustment
- Expedited claim payments

Full Range of Products and Services

Rain and Hail offers the agricultural insurance products you need to properly protect your operation, including:

- Multiple Peril
- Crop-Hail
- Specialty Crop Lines

For more information, visit www.RainHail.com or contact your local Rain and Hail Insurance Professional.

About Us

Chubb is the world's largest publicly traded property and casualty insurer. With operations in 54 countries, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. The company is distinguished by its extensive product and service offerings, broad distribution capabilities, exceptional financial strength, underwriting excellence, superior claims handling expertise and local operations globally.

With more than $150 billion in assets and $37 billion of gross written premiums in 2014* on a pro forma basis, Chubb's core operating insurance companies maintain financial strength ratings of AA from Standard & Poor's and A++ from A.M. Best.

Visit www.new.chubb.com to view the Chubb Company Profile.

*Pro forma December 31, 2014 ACE and Chubb

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YDP
Yield Plus

Rain and Hail
A Chubb Company

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What is YDP?

YDP is a private endorsement product that provides coverage based on the insured's approved yield established for the underlying Multiple Peril Crop Insurance (MPCI) policy. YDP provides coverage against yield losses which results in the production to count being less than the MPCI production guarantee. YDP coverage is available when the underlying MPCI plan of insurance is Yield Protection (YP), Revenue Protection (RP), or Revenue Protection with the harvest price exclusion (RP-HPE).

How does YDP work?

YDP guarantee (per acre) is the amount determined by multiplying the MPCI production guarantee (per acre) by your YDP price election. YDP price election is the price elected by you on your application and accepted by us for coverage under this endorsement. The YDP price you elect must be in accordance with the current crop year's YDP Underwriting Rules and will not change once elected regardless of any price fluctuations that may occur under the MPCI policy.

What coverages are available for YDP?

MPCI Coverage Level	YDP Price Elections (in $0.05 increments)	
	Corn	Soybeans
85%	$0.20 - $0.70	$0.20 - $1.60
80%	$0.20 - $1.00	$0.20 - $2.25
75%	$0.20 - $1.30	$0.20 - $3.00
70%	$0.20 - $1.70	$0.20 - $3.90
65% and below	$0.20 - $2.15	$0.20 - $4.90

All acreage of the applicable crop(s)/county(ies) shown on your application in which you have an insurable share must be insured under this endorsement. Application for coverage under this endorsement must be made on or before the applicable sales closing date for the crop(s) insured for the current crop year for the underlying MPCI policy. The YDP coverage amount will be determined by multiplying the YDP guarantee (per acre) times the insured acreage, and times your share. We cover damage to the insured crop(s) caused by an insured peril to the extent that such coverage is provided in the underlying MPCI policy. All provisions of the underlying MPCI policy not in conflict with this endorsement will apply. All applicable coverage elections, options, or endorsements in effect for the applicable underlying MPCI policy will also be in effect for this endorsement unless otherwise indicated in this endorsement (e.g. coverage level, trend-adjusted actual production history etc.). Prevented Planting coverage and replant payments are not covered by this endorsement. This is an annual endorsement and the coverage provided will be in effect for only one growing season from the date of application. Coverage provided under this endorsement is not reinsured or guaranteed by the Federal Crop Insurance Corporation.

Where is YDP offered?

YDP is available for corn and soybeans in AR, CO, DE, IA, IL, IN, KS, KY, LA, MD, MN, MO, ND, NE, OH, PA, SC, SD, TN and WI.

What is the YDP application approval process?

Application for coverage under this endorsement must be made on or before the applicable sales closing date for the crop(s) insured for the current crop year for the underlying MPCI policy. Applications must be received by Rain and Hail immediately (within 48 hours) after the applicant's signature. All applications for this coverage are individually written and subject to Rain and Hail approval. Agents do not have binding authority for this coverage. Liability limits do apply and Rain and Hail reserves the right to deny applications due to liability and/or capacity limits. All acreage of the applicable crop(s)/county(ies) insured in which the insured has an insurable share must be insured under this endorsement.

Yield Plus (YDP) Endorsement added to Revenue Protection (RP) Loss Examples

1. A YDP loss is triggered if the production to count is less than the total production guarantee for the unit structure that has been elected.
2. A YDP loss is paid for each unit based on the elected price election multiplied by the result of subtracting the production to count from the total production guarantee for such acreage.

Example 1 – RP = EU and YDP = OU; RP Revenue Loss, no YDP loss

	Section 1:	Section 2:
Approved Yield	200 bu.	208 bu.
Acres	100	100
Coverage Level	75%	75%
Final Bushel Guarantee	15,000 bu.	15,600 bu.
Projected Price	$4.00	$4.00
Harvest Price	$3.00	$3.00
YDP Price Election	$1.00	$1.00
Total Final Revenue Guarantee	$60,000	$62,400
Actual Production	16,000 bu.	16,000 bu.
Revenue to Count	16,000 x $3.00 = $48,000	16,000 x $3.00 = $48,000
MPCI RP Indemnity	$60,000 - $48,000 = $12,000	$62,400 - $48,000 = $14,400

Total RP EU Indemnity: $12,000 + $14,400 = **$26,400**
YDP Indemnity: **$0** Actual Production Exceeded Final Bushel Guarantee for each section

Example 2 – RP = EU and YDP = OU; No Loss on RP Policy, Loss on one section YDP

	Section 1:	Section 2:
Approved Yield	200 bu.	208 bu.
Acres	100	100
Coverage Level	75%	75%
Final Bushel Guarantee	15,000 bu.	15,600 bu.
Projected Price	$4.00	$4.00
Harvest Price	$3.90	$3.90
YDP Price Election	$1.00	$1.00
Total Final Revenue Guarantee	$60,000	$62,400
Actual Production	20,000 bu.	13,000 bu.
Revenue to Count	20,000 x $3.90 = $78,000	13,000 x $3.90 = $50,700
MPCI RP Indemnity	$60,000 - $78,000 = ($18,000)	$62,400 - $50,700 = $11,700

Total RP EU Indemnity: **$0** ($18,000) + $11,700 = negative balance
YDP Indemnity: Section 1: **$0**
Section 2: 15,600 - 13,000 = 2,600 bu. x $1.00 = **$2,600**

Example 3 – RP = EU and YDP = OU; Yield loss - RP and YDP policy both have indemnities

	Section 1:	Section 2:
Approved Yield	200 bu.	208 bu.
Acres	100	100
Coverage Level	75%	75%
Final Bushel Guarantee	15,000 bu.	15,600 bu.
Projected Price	$4.00	$4.00
Harvest Price	$5.00	$5.00
YDP Price Election	$1.00	$1.00
Total Final Revenue Guarantee	$75,000	$78,000
Actual Production	14,000 bu.	14,000 bu.
Revenue to Count	14,000 x $5.00 = $70,000	14,000 x $5.00 = $70,000
MPCI RP Indemnity	$75,000 - $70,000 = $5,000	$78,000 - $70,000 = $8,000

Total RP EU Indemnity: **$13,000** $5,000 + $8,000 = $13,000
YDP Indemnity: Section 1: 15,000 - 14,000 = 1,000 x $1.00 = $1,000
Section 2: 15,600 - 14,000 = 1,600 x $1.00 = $1,600
$2,600