

PRESEASON PRICE ASSURANCE

To locate a crop insurance agent in your area, visit us online at

www.FarmBureauSellsCropInsurance.com

PRESEASON PRICE ASSURANCE

PPA is a crop insurance product available from your crop insurance agent in Indiana, Kentucky, Michigan, Missouri, North Dakota, and Ohio. PPA provides additional coverage to your Revenue Protection (RP) policy for grain corn and soybeans. PPA allows producers to lock in their base price for RP during the sales period prior to RMA price discovery. This protects producers from future price declines between the date PPA coverage is purchased and the RMA Price Discovery period.

PPA will be available from September 1 through January 31 for the crop year. PPA prices are released every Wednesday during the PPA sales period. The price will be listed on the PPA application available from your agent.

Contact your crop insurance agent starting September 1st to lock in your coverage!

The crop insurance experts you can rely on!

FARM BUREAU[®]
Sells Crop Insurance

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PRESEASON PRICE ASSURANCE

Preseason Price Assurance (PPA) is a crop insurance product, exclusively available from your crop insurance agent, that adds supplemental coverage to your Revenue Protection (RP) policy for grain corn and soybeans. PPA allows you to lock in a base price for RP at any point prior to Risk Management Agency (RMA) price discovery. This provides protection for you if the future price declines between the date you purchase PPA coverage and the RMA Price Discovery period. This is only available in IN, KY, MO, MI, ND, and OH.

How does it work?

- PPA is available to sell from Sept. 01, through Jan. 31 for the crop year for grain corn and soybeans.
- PPA prices are released every Wednesday during the PPA sales period. The price does not change until new prices are released the following Wednesday.
- Once the application is submitted, the PPA price is set and you may not lock in at any other price.
- Potential PPA indemnity cannot be calculated until the acreage report is processed and the RMA Harvest Price is released.

| PPA Price > Projected Price & Harvest Price | |
|---|----------|
| Approved Yield | 100 |
| PPA Price | \$5.00 |
| RMA Projected Price | \$4.50 |
| RMA Harvest Price | \$4.00 |
| Protection Level | 100% |
| Coverage Level | 85% |
| PPA Price Guarantee per Acre | \$425.00 |
| Projected Price Guarantee per Acre | \$382.50 |
| Harvest Price Guarantee per Acre | \$340.00 |
| Actual Yield | |
| Actual Yield | 50 |
| Actual Revenue per Acre | \$200.00 |
| RP Indemnity | \$182.50 |
| PPA Indemnity | \$42.50 |
| Total Indemnity | \$225.00 |

| PPA Price < Projected Price & Harvest Price | |
|---|----------|
| Approved Yield | 100 |
| PPA Price | \$5.00 |
| RMA Projected Price | \$5.50 |
| RMA Harvest Price | \$6.00 |
| Protection Level | 100% |
| Coverage Level | 85% |
| PPA Price Guarantee per Acre | \$425.00 |
| Projected Price Guarantee per Acre | \$467.50 |
| Harvest Price Guarantee per Acre | \$510.00 |
| Actual Yield | |
| Actual Yield | 50 |
| Actual Revenue per Acre | \$300.00 |
| RP Indemnity | \$210.00 |
| PPA Indemnity | -- |
| Total Indemnity | \$210.00 |

What are the stipulations?

- The PPA Price election cannot be greater than \$.80/bu above the RMA Projected Price. If the Projected Price settles below the above threshold, the PPA Price Election will be equal to the Projected Price plus \$.80/bu. Premium per acre due and premium calculations will not change.
- PPA is designed to work with an RP policy, but the insured can purchase a YP or RP-HPE policy instead.
- PPA is not allowed with Area Risk Protection Insurance.
- Prevented Planting acreage and acreage insured by written agreement are not covered by PPA.

How is premium calculated?

- The per-acre premium will be updated daily.
- The per-acre premium will show on an application which will vary based on the APH yield ranges and unit options.
- To estimate the premium, multiply the insured acres by share percentage by per-acre premium.
- Premium Estimate = Insured Intended Acreage x Share % x Per-Acre Premium
- The insured will be billed using the same premium billing date as their corresponding RP policy.