



### 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, and 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, and Specialty Crop Lines. For more information, visit [www.RainHail.com](http://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.

Chubb's core operating insurance companies maintain financial strength ratings of AA from Standard & Poor's and A++ from A.M. Best.



**CROP-HAIL  
PRODUCTION  
PLAN (CHPP)**



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## ABOUT CROP-HAIL PRODUCTION PLAN

Looking for more coverage? Crop-Hail Production Plan (CHPP) could be for you! The CHPP endorsement covers on a CHPP unit basis the portion of the crop not insured under your Multiple Peril Crop Insurance (MPCI) policy.

## AVAILABILITY

Production Plan is available in the following states: CO, IA, ID, IL, IN, KS, MN, MO, MT, ND, NE, OH, SD, WI and WY.

## CROPS\*

Corn, popcorn, dry beans, soybeans, sunflowers and wheat as specified in the state specific guidelines.

\*Check availability by crop by state.

## CHPP YIELD MODIFIERS

100%, 105%, 110%, 115%, 120%

## CHPP PRICE ELECTION MODIFIERS

25% to 100%, in 5% increments, of the MPCI price election

## UNIT OPTIONS

Unit options are based on the unit structure of the underlying MPCI policy, with two exceptions:

- By center pivot.
- Underlying optional unit for CAT coverage, enterprise or whole-farm units.

To qualify for the above exceptions, the insured must harvest units separately and records must be maintained by individual CHPP units.

In NE, if the underlying MPCI policy has EU or EP units under CHPP may also be EU or EP if such election is made on the application.

## DETERMINING COVERAGE (CHPP LIMIT OF INSURANCE)

### Example:

- Crop: Irrigated Corn
- Acres: 100

### MPCI Policy:

- MPCI Approved Yield Per Acre: 150 bushels
- MPCI Coverage Level: 75%
- MPCI Price Election: \$6.00 per bushel
- Insured Interest: 100%

### Crop-Hail Production Plan (CHPP) Elections:

- CHPP Yield Modifier: 110%
- CHPP Price Election: \$6.00
- CHPP Price Election Modifier: 100%

MPCI APPROVED YIELD	X	CHPP YIELD MODIFIER	X	ACRES	=	CHPP GUARANTEE
150	x	1.10	x	100	=	16,500.00

MPCI APPROVED YIELD	X	MPCI LEVEL	X	ACRES	=	MPCI PRODUCTION GUARANTEE
150	x	0.75	x	100	=	11,250.00

CHPP GUARANTEE	-	MPCI PRODUCTION GUARANTEE	X	CHPP PRICE ELECTION	X	CHPP PRICE ELECTION MODIFIER	X	INSURED INTEREST	=	CHPP GUARANTEE
16,500.00	-	11,250.00	x	\$6.00	x	1.00	x	1.00	=	\$31,500

## CALCULATING A LOSS

- There will never be a payable loss for any CHPP unit if the CHPP production to count from the CHPP unit exceeds the CHPP guarantee for the CHPP unit.
- The amount payable for the CHPP unit will be determined as follows:
  - Multiply the CHPP guarantee by the weighted average percentage of loss, multiplied by the CHPP price election, multiplied by the CHPP price election modifier, multiplied by your share in the crop to determine the hail deficiency for the CHPP unit.
  - Calculate the production deficiency for the CHPP unit by subtracting the CHPP production to count from the CHPP guarantee, then multiplying the result by the CHPP price election, multiplied by the CHPP price election modifier, multiplied by your share in the crop.
  - Determine the lesser of the hail deficiency from 2.a. or the production deficiency from 2.b.

In no event will the loss payable exceed 100% of the CHPP limit of insurance for the CHPP unit.

### Example 1

Crop-Hail Percent of Loss = 40% Unit Weighted Average Percentage of Loss

How the Weighted Percent of Loss for a Unit is calculated:

- 100 acres in the unit, Count 1 = 34%, Count 2 = 55%, Count 3 = 28%, and Count 4 = 43%
- The weighted average is the sum of the determined percent of loss of each count in relation to the entire unit.

(34% X 25%)	+	(55% X 25%)	+	(28% X 25%)	+	(43% X 25%)	=	40%
8.50%	+	13.75%	+	7%	+	10.75%	=	40%

CHPP GUARANTEE	X	WEIGHTED AVERAGE PERCENTAGE OF LOSS	X	CHPP PRICE ELECTION	X	CHPP PRICE ELECTION MODIFIER	X	SHARE	=	HAIL DEFICIENCY
16,500	x	0.40	x	\$6.00	x	1.00	x	1.00	=	\$39,600

Harvested/Appraised CHPP production to count = 9,240

CHPP GUARANTEE	-	CHPP PRODUCTION TO COUNT	X	CHPP PRICE ELECTION	X	CHPP PRICE ELECTION MODIFIER	X	SHARE	=	PRODUCTION DEFICIENCY
16,500	-	9,240	x	\$6.00	x	1.00	x	1.00	=	\$43,560

The Hail deficiency is the lesser of, however the amount payable would be the **CHPP Limit of Insurance, \$31,500.**

### Example 2

Crop-Hail Percent of Loss = 20% Unit Weighted Average Percentage of Loss

How the Weighted Percent of Loss for a Unit is calculated:

- 100 acres in the unit, Count 1 = 23%, Count 2 = 38%, Count 3 = 19%, and Count 4 = 0%
- The weighted average is the sum of the determined percent of loss of each count in relation to the entire unit.

(23% X 25%)	+	(38 X 25%)	+	(19% X 25%)	+	(0% X 25%)	=	20%
5.75%	+	9.50%	+	4.75%	+	0%	=	20%

CHPP GUARANTEE	X	WEIGHTED AVERAGE PERCENTAGE OF LOSS	X	CHPP PRICE ELECTION	X	CHPP PRICE ELECTION MODIFIER	X	SHARE	=	HAIL DEFICIENCY
16,500	x	0.20	x	\$6.00	x	1.00	x	1.00	=	\$19,800

Harvested/appraised CHPP production to count = 13,500

CHPP GUARANTEE	-	CHPP PRODUCTION TO COUNT	X	CHPP PRICE ELECTION	X	CHPP PRICE ELECTION MODIFIER	X	SHARE	=	PRODUCTION DEFICIENCY
16,500.00	-	13,500	x	\$6.00	x	1.00	x	1.00	=	\$18,000

The amount payable would be the Production Deficiency, \$18,000 which is less than the Hail Deficiency and it does not exceed the CHPP limit of insurance for the unit of \$31,500.

