

MPCI Nursery Worksheet - Approximate Liability and Grower Paid Premium										
Container										
Calculating Dollar Amount of Insurance for a Unit										
*value of plants reported	x	_____	x	_____	price level (CAT only)	x	_____	share	= _____ \$ amount of insurance	
Calculating Premium										
\$ amount of insurance	x	_____	x	_____	any option factor from actuarial	x	_____	monthly proration factor from actuarial	x _____ = _____ producer premium subsidy from actuarial	insured's premium
Field Grown										
Calculating Dollar Amount of Insurance for a Unit										
*value of plants reported	x	_____	x	_____	price level (CAT only)	x	_____	share	= _____ \$ amount of insurance	
Calculating Premium										
\$ amount of insurance	x	_____	x	_____	any option factor from actuarial	x	_____	monthly proration factor from actuarial	x _____ = _____ producer premium subsidy from actuarial	insured's premium

* Value of plants reported must be based on the lower of the Plant Price Schedule or the nursery's lowest wholesale price.

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.

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

Corporate Headquarters
9200 Northpark Drive • Johnston, Iowa 50131
www.RainHail.com



Rain and Hail
A Chubb Company

About Nursery Coverage

The program provides coverage for plants that are container grown, field grown or both. The plants must be produced by a business enterprise that derives at least 40% of its gross income from the wholesale marketing of plants.

Plants are insurable if they are listed on the “Eligible Plant Listing” and meet hardiness zone requirements. Eligible plants may include plants producing edible fruits and nuts, provided the plants are made available for sale (harvest of fruit or nut does not affect the insurability).

You may insure at a Catastrophic (CAT) or buy-up level for each insured practice (container grown or field grown).

- CAT (50/55) provides coverage at 50% of the insurable plant inventory and 55% of either the lesser of the wholesale price or the price listed on the Plant Price Schedule.
- Buy-up levels vary from 50-75% (in 5% increments) of your insurable plant inventory at 100% of either the lesser of your wholesale price or the price listed on the Plant Price Schedule. Different coverage levels may be elected for each plant type.

Additionally, your crop year deductible also varies with the level that you choose, for example at 65% level, your deductible is 35% (100 minus your coverage level).

Tailored Coverage

Unlike traditional crop insurance policies, the nursery policy allows you to customize coverage to meet your specific risks.

Coverage Level by Plant Type* - Allows the producer to insure each plant type at a different buy-up coverage level according to their needs.

Peak Inventory Endorsement* - Provides coverage for additional values as a result of increases in inventory, for example leading up to holidays, spring sales, etc.; without paying a full year's premium. This endorsement allows you to pay a premium on a declared additional value only for a specified period. The limit on this endorsement is one

per crop year, per practice, however, in the event of a loss, you may purchase an additional Peak Season Endorsement above and beyond the limit.

Rehabilitation Endorsement* - This endorsement for field grown plants covers rehabilitation costs, up to 7.5% of the plants' value, including pruning, setup labor and material costs.

Pilot Nursery Grower's Price Endorsement* - This endorsement allows growers with buy-up coverage to insure specific plants at prices higher than those shown on the Eligible Plant List/Plant Price Schedule. This endorsement is available in limited areas.

* Not available at the CAT level.

Covered Perils

Covered perils include adverse weather, fire, wildlife, earthquake/volcanic eruption, frost/freezing (if required protection is used), disease/insect (for which there is no effective control), failure of power/irrigation supply (caused by a covered peril) and delay in marketability if such a delay results in the reduction in the value of the plants (due to a covered peril that occurs within the insurance period).

Insurance Period

Insurance begins 30 days after your application is signed by you and ends at 11:59 p.m., May 31. Coverage may end earlier in the event that all plant material is removed from the field or nursery or when total indemnities due equal the amount of insurance.

Amount of Insurance

Coverage is based on the value reported, times the coverage level elected, times price level (CAT only), times your share.

You may increase your insurable value by revising your Plant Inventory Report. Any revision request must be made by May 1 of the current crop year. A 30-day acceptance period applies before the revised coverage attaches. A producer can make up to two revisions per basic unit, per year.

Insurance Units

A unit is the value of the insurable inventory that will be considered for a claim calculation.

• CAT coverage

A basic unit will consist of all the insurable plant types in which you have a share in the county for the practice (container grown or field grown).

• Buy-up coverage

A basic unit may be divided into additional basic units by plant type, therefore allowing the plant types to be adjusted separately in the event of a loss.

Basic units may also be established by non-contiguous land for the field grown practice only, and for the container grown practice, if allowed by the Special Provisions.

Loss Payment

Indemnities will be determined for any unit by subtracting Field Market Value B¹ from Field Market Value A², multiplying this result by the Under Report Factor³ or Over Report Factor⁴, subtracting the Occurrence Deductible⁵ from this result, times the price level (CAT only), and times the insured's share. Total indemnities will not exceed the amount of insurance including any peak amount of insurance during the coverage term of the peak inventory endorsement.

¹ **Field Market Value B** - The value of undamaged insurable plants, based on the lower of prices contained in the Eligible Plant List/Plant Price Schedule or the nursery's catalog or price list that establishes the value remaining after plant damage. This may include any appraisal for uninsured loss of value.

² **Field Market Value A** - The value of undamaged insurable plants, based on the lower of prices contained in the Eligible Plant List/Plant Price Schedule or the nursery's catalog or price list immediately prior to the occurrence of any loss as determined by appraisal.

³ **Under Report Factor** - The lesser of 1.000 or the sum of all practice values reported on all plant inventory value reports minus the total of all previous losses divided by field market value A.

⁴ **Over Report Factor** - Determined from the basic unit value, minus total of all previous losses as adjusted by any previous under report or over report factor, divided by field market value A, plus the insured value of plants listed on the verified sales records, minus 1.100.

⁵ **Occurrence Deductible** - The lesser of the deductible percentage multiplied by field market value A, multiplied by the under report factor or the remaining crop year deductible.

Availability

Coverage is available nationwide, however, plant insurability may vary by location. Plants are insurable if they are listed on the “Eligible Plant Listing”, and meet hardiness zone requirements.

