



*Protection. Stability. Confidence.*

AgQuest Insurance offers you the protection and stability you need in order to manage your risk and make confident business decisions for your operation.

**We are your trusted insurance resource!**

AgQuest Insurance Agency is an Equal Opportunity Provider.

# 2020 OPTIONS

## Whole Farm (WFRP)

- Revenue from all commodities produced within the farming operation, including animals and animal products;
- Commodities purchased for resale (up to 50% of total);
- Excludes timber, forest, forest products, and animals for sport, show or pets and controlled substances
- Replant costs (if not insured under another FCIC policy).
- Coverage levels of 50-85% available in 5% increments
- No CAT coverage available; and
- Diversification of 3+ commodities (commodity count) required for 80% and 85%

## MPCI coverage is for hemp grown for fiber, grain or CBD oil for the 2020 crop year.

- To be eligible for the MPCI pilot program, among other requirements, a hemp producer must comply with applicable state, tribal or federal regulations for hemp production, have at least one year of history producing the crop, and have a contract for the sale of the insured hemp.

## PLC vs ARC Elections

- Option to update PLC yields at FSA & make an election on which government program you want for the next two years. We have several helpful reports to provide information on the changes to the programs, as well as decision tools and a form that easily gathers yields from 2013-2017 to help. Deadline for this sign-up is March 15th. If you don't sign up you will keep the what you had and not receive a 2019 payment.



## PRECISION FARMING

Agriculture today relies heavily on technology to ensure success. The producer's precision farming systems must have GPS technology integrated with the planter monitor, combine monitor, & yield mapping software. The producer must calibrate the equipment and provide documentation that sensor calibrations are within 3% compared to the actual weighed production harvested from the acreage used to calibrate the system to enable us to upload what you are doing and to help plan your crop year.

## Beginning Farmer or Rancher (BFR)

- A farmer or rancher who has not actively operated and managed a farm or ranch with a bona fide insurable interest in a crop or livestock as an owner-operator, landlord, tenant or sharecropper for more than 5 crop years.

## IRR/NI Enterprise Units

- Requirements: Planted acres of at least 20 acres or 20% of insured crop acreage in 2+ legal descriptions
  - If allowed by the actuarial documents and crop provisions
  - Must separately meet the requirements for each enterprise unit
  - Based on when harvesting
- Basic Provisions 34(a)(4)(viii) Separate EUs by practice (IRR or NIRR) revised to allow:
- An EU for one practice & BU or
  - OU structure for other practice; or
  - EUs for both practices (no change)

## Sugar Beet Changes

- Raw sugar vs. tons Report pounds
- Removal of Stage Guarantees
  - 100% of the production guarantee regardless of stage
  - Endorsement is incorporated into the base policy
- Early Harvest Factor

## Yield Cup (YC)

- AIP's will automatically apply YC unless notified by the insured by the applicable Sales Closing Date

## Unavoidable and Uninsured 3rd Party Damage

- Chemical damage & other uninsurable damage can be removed from database for 2017 and after

## Dairy Revenue Protection (DRP)

- DRP protects your operation against declines in revenue from milk sales on a quarterly basis. DRP is similar in concept to our crop revenue plans whereby an expected price sets an expected revenue guaranty. If actual milk revenue is below the revenue guarantee, the insured will receive an indemnity.
- There are no minimum or maximums amounts of milk so this product fits all size dairies.

## Minnesota Optional Endorsements & Additional Risk Management Tools

- Wind, Freeze, and Soil Crusting for Sugar Beet
- Wind, and Lodging & Loss of Production
- Canning Rejection for Sweet Corn and Green Peas
- Fire Coverage
- Green Snap
- Hail
- Weather Derivatives

## Revenue Price Options

- There are standalone added price options available with the different companies that we write with. Each of them have their own strategies to potentially add more dollars to your operation above your MPCI coverages.
- NAU — Rpower D / BPM
- CRS — RevBoost
- Great American — Rpower D / Price Flex / GAP
- RCIS — Rpower D / APO / RPP
- ArmTech - Band
- CGB - Diversified — PCI / Price Select / Revenue Select / Yield Select / ARCH

## Trend Adjustment (TA)

- Allows the policyholder with qualifying APH databases in eligible counties to elect to have their actual yield adjusted based on their county's RMA approved trend rate
- Contact your agent for qualifying crops

Late planting is after final plant dates and is a reduction in coverage of 1% per day for the limited days in the late planting period. Contact AgQuest for further details.

## Replant and Prevented Plant Coverage

Prevent plant coverage is included in your policy at 55% on corn, 60% on soybeans and any other applicable crops of your guarantee. You have the option to buy up an additional 5% of your guarantee by sales closing date. Contact your agent for other requirements.



## P&C INSURANCE

### Farm & Commercial Insurance

- Farm/Business Owner Packages
- Property
- Liability / Umbrella
- Commercial / Auto Fleet
- Workers Compensation

### Property Insurance

- Homeowners
- Condo / Townhome
- Renters
- Landlords
- Excess Liability

### Auto Insurance

- Personal Auto
- Classic Collectors
- Auto / Antique
- Recreational vehicles

The trusted advisors at AgQuest and your farm supply retailer understand that each of us has our own unique story. Through the AgQuest program, we are able to customize an insurance plan that is tailored to your operation. Our knowledgeable and experienced Ag professional agents have access to unique products that provide coverage, convenience and competitive rates. Our focus on education and understanding the needs of each producer allows us to provide top notch service. Our relationships are built on sharing knowledge and building trust.

## IMPORTANT DATES

Spring sales closing / cancellation/change date  
**March 15**

Initial planting date  
**April 11 - Corn**  
**April 21 - Soybeans**

Final planting dates  
**May 31- Corn**  
**June 10 - Soybeans, MN**  
**June 15 - Soybeans, IA**

Acreage report date  
**July 15**



## ARP Program

- County Based Revenue Program
- County Based Revenue Determined by NASS,
- Combination of County Average Yields & Base Price and Harvest Price. Prices Determined same as a RP policy.
- No Replant Coverage
- No Prevent Plant Coverage
- No Quality Adjustment
- No Coverage for your individual farm
- Payments made after April 1

## ARP Loss Example #1

- 177.9 Bu x Est. Projected CEPP Price \$4.00=\$711.60 ECR
- \$711.60 x 90% = \$ 640.44 Trigger Revenue
- NASS Yield Est. 170 Bu x Est. HP \$3.50 = \$595
- Trigger Revenue of \$640.44 - \$595 = \$45.44
- $\$45.40 \div \$640.40 = 7.09\%$  Loss
- Max Protection/Acre Selected 120% = \$711.60
- $\times 1.2\% = \$853.92$
- $853.92 \times 7.09\%$  loss = \$60.54 loss per acre
- Payment made after final NASS yields available around April 1, 2021

Producers for 2020 will need to provide production for this product.

## Yield Protection (YP)

- Individual Policy
- Yield only guarantee (bushels, pounds, etc.)
- CEPP – Projected Price
- Coverage levels 50% to 85%
- Replant Coverage included
- Prevented Planting Coverage (55% corn, 60% soybeans) with buy up option of 5% by sales closing date
- YP pays an indemnity when actual bushels harvested fall below the Yield Guarantee

## CAT Policy

- Guarantees 50% of APH @ 55% of price
- \$655 per crop per county

## Insurance Period

Coverage begins when the crop is planted and ends at the earliest of:

- Total destruction of the crop
- Harvest of the crop
- Final adjustment of a loss
- Abandonment of the crop
- Or December 10

## Revenue Protection (RP)

- Individual policy
- Revenue guarantee
- CEPP – higher of spring CEPP price or harvest CEPP price for insured crop
- Coverage levels 50% to 85% in 5% increments
- Replant Coverage included
- Prevented Planting Coverage (55% corn, 60% soybeans) with option to buy up 5% by sales closing date.

## CORN PRICE

Year	Harvest REV	
	Spring (Feb)	(Oct)
2019	4.00	3.90
2018	3.96	3.68
2017	3.96	3.49
2016	3.86	3.49
2015	4.15	3.83
2014	4.62	3.49
2013	5.65	4.39
2012	5.68	7.50*
2011	6.01	6.32*
		<u>CRC RA</u>
2010	3.99	5.46 5.52*
2009	4.04	3.72 3.90

## SOYBEAN PRICE

Year	Harvest	
	Spring (Feb)	(Oct)
2019	9.54	9.25
2018	10.16	8.60
2017	10.19	9.75
2016	8.85	9.75
2015	9.73	8.91
2014	11.36	9.65
2013	12.87	12.87
2012	12.55	15.39*
2011	13.49	12.14
2010	9.23	11.63*
2009	8.80	9.66*

## Revenue Protection Loss Example

Keep in mind you are guaranteed the higher of spring or fall revenue

- 185 Bu Trend APH X 85% = 157.3 bu X \$4.00 BP = \$629.00
- guar revenue (spring)

- Lower harvest price example

Harvest Price (HP) = \$3.90

Harvested bushels = 150 bu

Harvested Revenue = 150 X \$3.90 = \$585

Payable loss of \$629 - \$585 = \$44 loss per acre

- Higher harvest price example

Harvest Price (HP) = \$4.50

185 Bu APH X 85% = 157.3 bu X \$4.50 = \$708 (higher than spring)

Harvest bushels = 140 x \$4.50 = \$630

Payable loss \$708 - \$630 = \$78 loss per acre

## PRICE DISCOVERY PERIODS for Revenue Products will be found in the Commodity Exchange Price Provisions (CEPP)

### CEPP CORN

Spring Price Avg. of Dec. Futures in Feb.

Harvest Price Avg. of Dec. Futures in Oct.

### CEPP SOYBEANS

Spring Price Avg. of Nov. Futures in Feb.

Harvest Price Avg. of Nov. Futures in Oct.

### CEPP WHEAT

Spring Price Avg. of Sep. Mpls. Futures in Feb.

Harvest Price Avg. of Sep. Mpls. Futures in Aug.

## SALES CLOSING DEADLINE

# MARCH 15TH!

## FREE mapping of your operation delivered!

AgQuest Insurance Agency maps every acre we insure. We believe in the accuracy of precision farming for our producers. With the insured's permission we will begin mapping at the time of your crop insurance application. *Ask us how good farming practices apply.*



## POLICY CHECKLIST

At AgQuest Insurance we feel strongly about the details of our policy. By answering a few simple questions you decrease the chance for error or misunderstanding before it becomes a costly mistake.

- Is the Tax Identification number correct for the insured entity?
- Has there been a change in marital status for the insured entity?
- Are there any new crops for this year?
- Are the Social Security numbers and spelling of all names for insured, spouse, SBIs correct?
- Will any acres be emerging from CRP this year?
- Will you be adding any new land to your farming operation this year?
- Do you have New Ground Breaking? Is it Natural Sod or Regular Ground Breaking?
- Are you raising food grade or low linolenic soybean? Contact us for coverage options.
- Is the "Named Insured" on the policy correct, matching how crops are sold? ie: LLC, Corp, Partnership
- Is the state and county correct for all crops insured?
- Are all persons with a Substantial Beneficial Interest in the insured entity reflected on the policy? Any additions or deletions?
- Is all the contact information still correct? (i.e. address, phone numbers, etc.)
- Are there any crop share changes?
- Have you acquired, or do you anticipate acquiring, any farm acreage in another county?
- Is there any high-risk ground?



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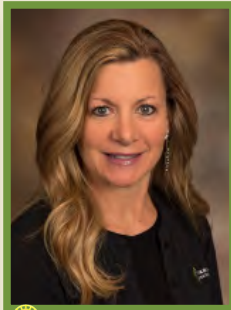
*Find us on:*



At AgQuest Insurance our team of professionals focus on your risk management needs. Through your local cooperative, the agronomy team provides production and input risk recommendations. The grain team provides the marketing tools to manage price risk through the ups and downs of price discovery. The insurance team services your insurance policy through the perils of the growing season. We want you to know you are backed by the full service you have grown to expect at your local cooperative.



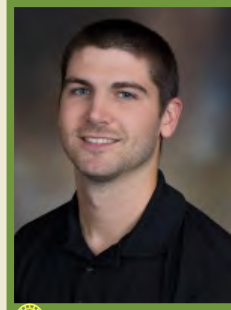
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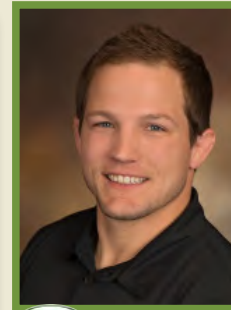
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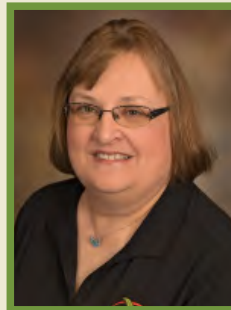
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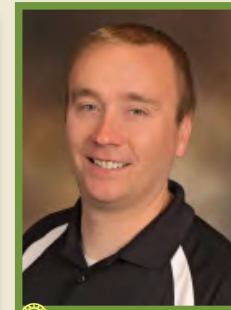
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