ANNUAL FORAGE

RAINFALL INDEX PROTECTION

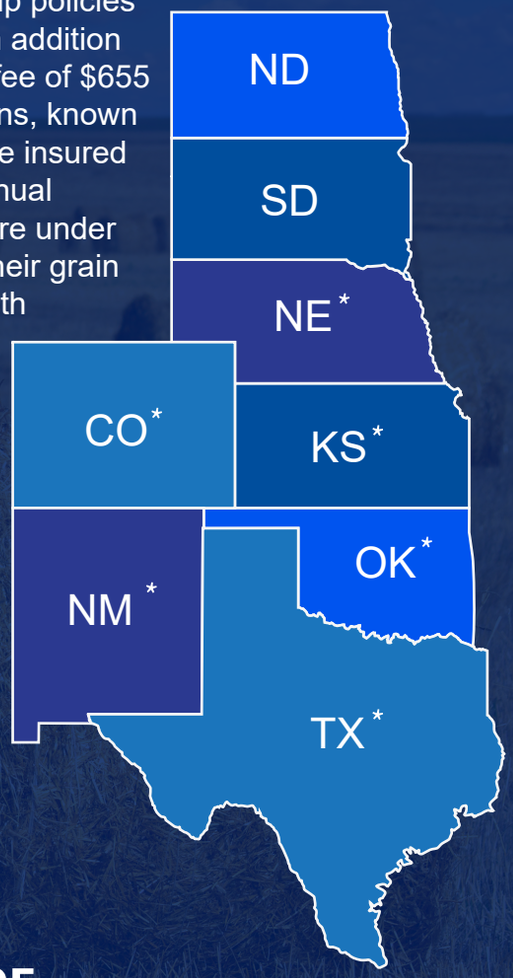
You choose the months, we provide the coverage.

The United States currently comprises about 954 million acres of farmland. The Annual Forage pilot program provides coverage to acreage that is planted each year and used as feed and fodder by livestock. This pilot program utilizes the Rainfall Index to correlate to this acreage.

- No production measurement
- Various levels of protection to choose from, including "buy-up" levels
- Easily-administered insurance option against low rainfall
- Universal service fee for coverage, no matter your insured acreage total

There are six different coverage level options available under Annual Forage. The lowest level of 65%, also known as 'CAT', is the least amount of coverage, but adds the benefit of being 100% subsidized. All buy-up policies are charged an RMA administrative fee of $30 per crop / per county in addition to the premium. All CAT policies are charged an RMA administrative fee of $655 per crop / per county, but do not have a premium. The other five options, known as 'Buy-Up' coverage levels, are all subsidized more than 50%, but the insured does pay a portion of the risk premium associated with the policy. Annual Forage has a dual use option allowing a small grains producer to insure under Annual Forage for grazing in the winter/early spring and then insure their grain crop with a separate MPCI policy and would be eligible to maintain both benefits. *The "Dual Use" coverage option is available in counties where grain/grazing is considered a good farming practice and is available for select counties in Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas.**

The **Rainfall Index** uses NOAA average rainfall data from 1948 to present to determine what the 'average' rainfall is within 0.25° latitude x 0.25° longitude 'grids' throughout certain times of the year. In the middle of the country, the area in a grid equates to about 150,000 acres or a 15x15 mile square. In North Dakota, the grid narrows to about 130,000 acres, and in South Texas stretches up to about 196,000 acres.



FBN® CROP INSURANCE℠

*Dual Use coverage option available in some counties

Intervals are used to tailor your insurance period to the months that you most need the rainfall. Within each growing season you may divide up your insurance into multiple intervals as you see fit with a minimum of 10% and a maximum of between 40-50% as specified for your location.

Growing Season 1 Intervals	Sep-Mar	Sep-Oct	Oct-Nov	Nov-Dec	Dec-Jan	Jan-Feb	Feb-Mar
Growing Season 2 Intervals	Dec-Jun	Dec-Jan	Jan-Feb	Feb-Mar	Mar-Apr	Apr-May	May-Jun
Growing Season 3 Intervals	Mar-Sep	Mar-Apr	Apr-May	May-Jun	Jun-Jul	Jul-Aug	Aug-Sep
Growing Season 4 Intervals	Jun-Nov	Jun-Jul	Aug-Sep	Oct-Nov			

Coverage Level Options	65% (CAT)	70%	75%	80%	85%	90%
Subsidy	100%	59%	59%	55%	55%	51%

COVERAGE EXAMPLE

Travis County, Texas | Grid 12129

County Base Value	$177.33/Acre
Productivity Factor	150%
Coverage Level	90%
Dollar Amount of Protection	$239.36/Acre

Interval	Percent Value Elected
September - October	33%
November - December	33%
January - February	34%

Fast-forward to mid-December, and the September - October interval is released as 76%. Since this value is below our 90% coverage level, it triggers a payment:

$$\frac{(90\% \text{ Coverage Level}) - (76\% \text{ Index Value})}{90\% \text{ Coverage Level}} = 0.156 \text{ Payment Factor}$$

(0.156 Payment Factor) x ($239.36 Dollar Amount of Protection) x (33% Interval Value)

= $12.32/Acre Indemnity Payment for the First Interval

FBN CROP INSURANCE

Contact one of our agents today!

877.576.4468 | www.fbn.com/insurance