



What is GRP? GROUP RISK PROTECTION



Group Risk Protection (GRP) is a county-based insurance product that pays the producer in the event the payment yield falls below the trigger yield selected by the producer.

How Can GRP Work For You?

Review this brochure with your agent to learn whether GRP suits the individual needs of your farming operation. Take a look at the completed sample worksheet below and then personalize the blank worksheets on the reverse side using your own data.

What Are The Benefits of GRP?

- Flexible program that allows the farmer to choose between several coverage levels and amounts of protection.
- Maximum policy protection is 150% of the estimated price X the expected county yield.
- Offers a competitive premium, requires no records and less paperwork than other plans to participate.
- Subsidized by FCIC and protects against widespread loss of yield in a county.
- Fits well with a full coverage CROP HAIL policy, which provides added coverages.

How Does it work?

- Uses county yields based on National Agricultural Statistics Service (NASS) data.
- Pays indemnity if the payment yield is below loss payment trigger level.

GRP SAMPLE WORKSHEET - FOR CORN

140 <small>BU. PER ACRE</small>	x	90% <small>Select from 70% - 90% in Increments of Five</small>	=	126
Exp. County Yield		Coverage Level		Trigger Yield
<small>Expected County Yield is taken from actuarial documents factoring yield trends and current technology.</small>		<small>Percent of coverage Level selected by the producer: (70%, 75%, 80%, 85%, 90%)</small>		<small>Producer's selected guarantee for the county</small>

140 <small>BU. PER ACRE</small>	x	\$4.50	x	Factor of 1.5	=	\$945 <small>PER ACRE</small>
Expected County Yield		Established Price <small>Established by FCIC</small>				Max. Amount of Protection

\$945 <small>PER ACRE</small>	x	100% <small>Select from 60% - 100% in Increments of One</small>	=	\$945 <small>PER ACRE</small>
Max. Amount of Protection		Percent Protection Per Acre		Amount of Policy Protection

INDEMNITY EXAMPLE - ON CORN

126	-	110	=	16
Trigger Yield		Payment Yield		Bushel Shortfall

16	÷	126	=	12.7%
Bushel Shortfall		Trigger Yield		Percent of Loss

\$945 <small>PER ACRE</small>	x	12.7%	=	\$120.00 <small>PER ACRE</small>
Amount of Policy Protection		Percent of Loss		Indemnity Payment

NOTE: If the Payment Yield is above the Trigger Yield, there would be no payment: (120 Payment Yield - 126 Trigger Yield = 6 Bushels below Trigger = No Payment).

GRP CALCULATIONS WORKSHEET

GRP SAMPLE WORKSHEET

FOR _____

$$\text{Exp. County Yield (BU. PER ACRE)} \times \text{Coverage Level (Select from 70\% - 90\% in Increments of Five)} = \text{Trigger Yield}$$

$$\text{Expected County Yield (BU. PER ACRE)} \times \text{Established Price (Established by FCIC)} \times \text{Factor of 1.5} = \text{Max. Amount of Protection (PER ACRE)}$$

$$\text{Max. Amount of Protection (PER ACRE)} \times \text{Percent Protection Per Acre (Select from 60\% - 100\% in Increments of One)} = \text{Amount of Policy Protection (PER ACRE)}$$

INDEMNITY EXAMPLE

$$\text{Trigger Yield} - \text{Payment Yield} = \text{Bushel Shortfall}$$

$$\text{Bushel Shortfall} \div \text{Trigger Yield} = \text{Percent of Loss}$$

NOTE: **An indemnity will be paid only if the Payment Yield is lower than the Trigger Yield**

$$\text{Amount of Policy Protection (PER ACRE)} \times \text{Percent of Loss} = \text{Indemnity Payment (PER ACRE)}$$

NOTE: GRP does not include replanting, late planting, prevented planting, unit-by-unit or acre-by-acre coverage. Consult a Farmers Mutual Hail agent in your area to find out what crops can be insured in specific states and counties. Not all crops in all states are eligible or insurable. This brochure is for illustrative purposes only and is not a contract. It is intended to provide a general overview of the plan described. Only the insurance policy can give the actual terms, coverage, amounts, conditions and exclusions.

GRP SAMPLE WORKSHEET

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INDEMNITY EXAMPLE

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