



What is APH? ACTUAL PRODUCTION HISTORY



Actual Production History (APH) is a multiple peril crop insurance product that provides protection against a loss in yield due to nearly all natural disasters. For most crops, that includes drought, excess moisture, cold and frost, wind, flood, and unavoidable damage from insects and disease. This product guarantees a yield based on an individual producer's APH. If the production to count is less than the yield guarantee, the insured is paid a loss.

What Are The Benefits of APH?

- Protection against production loss.
- Base on a producer's own production history.
- Provides coverage levels of 50% to 85% of the APH in increments of five.
- Provides coverage on basic, optional, or enterprise units.
- Offers a competitive premium.
- Subsidized by FCIC.

How Does it work?

- Establishes a guarantee of bushels per acre.
- APH price is established by FCIC and is independent of revenue products.
- Pays an indemnity if the production is less than the guarantee.

How Can APH Work For You?

Review this brochure with your agent to learn whether APH 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.

APH SAMPLE WORKSHEET - FOR CORN

$$\begin{array}{ccccc}
 \mathbf{140} & \text{BU. PER ACRE} & \times & \mathbf{75\%} & \text{Select from 50\% - 85\% in Increments of Five} & = & \mathbf{105} & \text{BU. PER ACRE} \\
 \text{APH} & & & \text{Coverage Level} & & & \text{Yield Guarantee} &
 \end{array}$$

$$\begin{array}{ccccc}
 \mathbf{105} & \text{BU. PER ACRE} & \times & \mathbf{\$4.75} & \text{Established by FCIC} & = & \mathbf{\$498.75} & \text{PER ACRE} \\
 \text{Yield Guarantee} & & & \text{Elected Price} & & & \text{Amount of Protection} &
 \end{array}$$

INDEMNITY EXAMPLE #1 - ON CORN

$$\begin{array}{ccccc}
 \mathbf{105} & \text{BU. PER ACRE} & - & \mathbf{100} & \text{BU. PER ACRE} & = & \mathbf{5} & \text{BU. PER ACRE} \\
 \text{Yield Guarantee} & & & \text{Production to Count} & & & \text{Yield Shortfall} & \text{Can't be a negative number} \\
 \\
 \mathbf{5} & \text{BU. PER ACRE} & \times & \mathbf{\$4.75} & \text{Established by FCIC} & = & \mathbf{\$23.75} & \text{PER ACRE} \\
 \text{Yield Shortfall} & \text{Can't be a negative number} & & \text{Elected Price} & & & \text{Indemnity Payment} &
 \end{array}$$

INDEMNITY EXAMPLE #2 - ON CORN

$$\begin{array}{ccccc}
 \mathbf{105} & \text{BU. PER ACRE} & - & \mathbf{90} & \text{BU. PER ACRE} & = & \mathbf{15} & \text{BU. PER ACRE} \\
 \text{Yield Guarantee} & & & \text{Production to Count} & & & \text{Yield Shortfall} & \text{Can't be a negative number} \\
 \\
 \mathbf{15} & \text{BU. PER ACRE} & \times & \mathbf{\$4.75} & \text{Established by FCIC} & = & \mathbf{\$71.25} & \text{PER ACRE} \\
 \text{Yield Shortfall} & \text{Can't be a negative number} & & \text{Elected Price} & & & \text{Indemnity Payment} &
 \end{array}$$

APH CALCULATIONS WORKSHEET ?

APH SAMPLE WORKSHEET

FOR _____

$$\text{BU. PER ACRE} \times \text{Select from 50\% - 85\% in Increments of Five} = \text{BU. PER ACRE}$$

APH **Coverage Level** **Yield Guarantee**

$$\text{BU. PER ACRE} \times \text{Established by FCIC} = \text{PER ACRE}$$

Yield Guarantee **Elected Price** **Amount of Protection**

INDEMNITY EXAMPLE #1

$$\text{BU. PER ACRE} - \text{BU. PER ACRE} = \text{BU. PER ACRE}$$

Yield Guarantee **Production to Count** **Yield Shortfall**
Can't be a negative number

NOTE: **An indemnity will be paid only if the Production to Count is lower than the Yield Guarantee**

$$\text{BU. PER ACRE} \times \text{Established by FCIC} = \text{PER ACRE}$$

Yield Shortfall **Elected Price** **Indemnity Payment**
Can't be a negative number

INDEMNITY EXAMPLE #2

NOTE: 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.

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Yield Shortfall **Elected Price** **Indemnity Payment**
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APH SAMPLE WORKSHEET

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INDEMNITY EXAMPLE #1

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