WHY CHOOSE **MP**?

YOU WANT TO PROTECT YOUR OPERATING MARGIN

Use MP to expand protection against the perils faced by your operation.

Use MP to cover potential cost fluctuations of select inputs.

YOU WANT TO SUPPLEMENT YOUR BASE COVERAGE

Use MP to add more coverage to your YP or RP plan and receive a premium credit on your MP policy.

With MP you can add any option to your base policy except SCO, ECO and HIP-WI.

YOUR COVERAGE LEVEL MATTERS

Use MP to choose a coverage level from 70 percent to **95 percent** of your expected margin.

AVAILABILITY

Margin Protection is available in select counties for corn, rice, soybeans, and spring wheat in the states shown:

States Available (In Select Counties)

CORN	All states except AK and HI
SOYBEANS	AL, AR, CO, DE, FL, GA, IL, IN, IA, KS, KY, LA, MD, MI, MN, MS, MO, MT, NE, NJ, NY, NC, ND, OH, OK, PA, SC, SD, TN, TX, VT, VA, WV, WI
RICE	AR, CA, LA, MS, MO, TX
WHEAT	MN, MT, ND, SD

Farmers Mutual Hail
Insurance Company of Iowa

V2023.07.18 | FMH800031

Farmers Mutual Hail
Insurance Company of Iowa

MP

MARGIN PROTECTION

MARGIN PROTECTION

Margin Protection is a crop insurance coverage option that provides producers with coverage against an unexpected decrease in their operating margin caused by:

- Reduced county yields
- Reduced commodity prices
- Increased price of certain inputs
- Any combination of the above

Margin Protection is area based, using county-level estimates of average revenue and input costs to establish the amount of coverage and indemnity payments.

How Does It Work?

- MP provides coverage that is based on an expected margin per acre for each applicable crop, type, and practice.
- MP is area-based coverage and may not necessarily reflect a producer's experience.
- The Harvest Price Option allows you to add replacement cost coverage to your MP policy. Like other revenue-based policies, if the harvest price is more than the projected price, the expected margin and the trigger margin are recalculated based on the higher harvest price.

Benefits

- Select only the amount of protection your operation needs
- Utilize a price discovery period that differs from other MPCI products
- Choose the Margin Protection Harvest Price Option (MP-HPO) to include replacement cost coverage
- Gain area-based coverage at a high level while maintaining individual-based coverage by adding MP to an RP or YP base policy
- Harvest yields are established by RMA, not NASS

COVERAGE LEVELS AND PREMIUM SUBSIDIES

Margin Protection provides coverage that is based on an expected margin for each applicable crop, type, and practice.

Expected Margin =
Expected Revenue – Expected Costs

Expected revenue (per acre) is the expected county yield multiplied by a projected commodity price.

Expected cost (per acre) is the dollar amount determined by multiplying the quantity of each allowed input by the input's projected price.

Choose an MP coverage level from 70 percent to 95 percent. A higher level of coverage will have a higher premium rate. The catastrophic (CAT) level of coverage is not available under this policy.

DETERMINING THE MARGIN

When determining the margin, two types of inputs are considered: those subject to price changes as listed below, and those not subject to price changes (i.e. fixed from planting to harvest). Inputs not subject to price change are not specifically identified, but include seed, potash, machinery, operating costs (other than fuel), and similar expenses. Inputs subject to price change include the following:

Allowed Inputs Subject to Price Change

CORN	Diesel, Urea, Diammonium Phosphate (DAP), Interest
SOYBEANS	Diesel, DAP, Interest
RICE	Diesel, Urea, DAP, Interest
WHEAT	Diesel, Urea, Monoammonium Phosphate (MAP), Interest

ELIGIBLE INSURANCE PLANS

Margin Protection can be purchased by itself, or in conjunction with a Yield Protection (YP) or Revenue Protection (RP) policy purchased from the same Approved Insurance Provider that issued the Margin Protection policy. If you buy a YP or RP policy, you may receive a premium credit on your Margin Protection policy to offset the cost.

Sales Closing Dates (SCD)

CORN, SOYBEANS & WHEAT: September 30

RICE: Varies by state & county; aligns with county's spring MPCI Sales Closing Date of January 31 or February 28

PAYMENTS

Any indemnities owed will be paid when final county yields are available, in June of the following year.

INSURABLE TYPES AND PRACTICES

All types and practices that are insurable for corn, rice, soybeans, and spring wheat in the respective county are listed in the Margin Protection actuarial documents.