

Hurricane Insurance Protection – Wind Index (HIP-WI) Endorsement with Tropical Storm (TS) Option

OVERVIEW

Hurricane Insurance Protection – Wind Index (HIP-WI) Endorsement covers a portion of the deductible of the underlying crop insurance policy when the county, or a county adjacent to* it, is within the area of sustained hurricane-force winds from a named hurricane that is published by the National Hurricane Center (NHC) at the National Oceanic and Atmospheric Administration (NOAA).

NEW! For additional premium consideration, growers may also elect the Tropical Storm Enhancement on the HIP-WI Endorsement. This additional election is optional and **MUST** be elected in conjunction with HIP-WI. If elected, the Tropical Storm enhancement will trigger a loss in the same manner as HIP-WI with the following additional two conditions:

1. A named Tropical Storm must be declared in the trigger county. Wind speeds for the named Tropical Storm must be sustained at 39 mph in the county as declared by NOAA.
2. The trigger country must also have received a total of 6 or more inches of rainfall over 4 consecutive days beginning the day prior to the Tropical Storm declaration and ending the second day after the Tropical Storm event has been declared by NOAA.

If the two scenarios noted above are declared by NOAA, the county and all contiguous counties will be paid a total of 50% of the HIP-WI liability for the Tropical Storm event.

A grower may collect the full HIP-WI indemnity with the Tropical Storm Enhancement as follows:

1. One Hurricane Event in one season
2. Two Tropical Storm Events in one season
3. One Tropical Storm and One Hurricane Event in one season. (50% of the Hurricane Liability will exhaust the policy liability amount)

A grower will never receive more than the total liability dollars of the HIP-WI endorsement

SALES CLOSING

(Same as underlying MPCI policy for subsequent years)

PREMIUM SUBSIDY

65%

HIP-WI can be purchased in conjunction with a CAT policy, and the premium subsidy is unaffected.

COVERAGE PERCENTAGE

1% - 100%

(In whole percent increments)

Coverage

- Coverage Percentage: A factor elected between 1 and 100 percent in whole percent increments, used to determine the HIP amount.
- Hurricane Coverage Range: The difference between 95 percent (maximum percent of the crop value to be insured) and the higher of the coverage level of your underlying MPCI policy, or the upper end of your SCO coverage range (if SCO coverage applies), or your STAX coverage range (if STAX coverage applies), if applicable, expressed as a whole percentage.

Insurance period generally starts the later of the applicable Sales Closing Date or Earliest Planting Date of the crop and ends on the earliest of the end of insurance date or termination date (if there is no end of insurance date for the crop).

Losses and Claims

- Insureds are not required to file a Notice of Loss for HIP-WI and no loss adjustment is needed.
- 50% the full value of the HIP-WI Endorsement is paid if a county, or adjacent county, is within the area of sustained winds from a named tropical storm based on data published by the NHC AND a 6 inch rain event occurs over a 4-day period concurrent with the Tropical Storm declaration. The counties where payments occur will be identified in the actuarial documents. 100% of the full value of the HIP-WI Endorsement is paid if a county or adjacent county is within the area of sustained winds from a named hurricane based on data published by the NHC

