

**UNITED STATES DEPARTMENT OF AGRICULTURE  
FEDERAL CROP INSURANCE CORPORATION  
HURRICANE INSURANCE PROTECTION WIND -  
INDEX ENDORSEMENT**



In return for your payment of premium and administrative fee for the coverage, this Endorsement will be attached to and made part of the Common Crop Insurance Policy, Basic Provisions (Basic Provisions) and Crop Provisions for the insured crop, subject to the terms and conditions described herein. The Hurricane Insurance Protection-Wind Index (HIP-WI) Endorsement provides coverage for a portion of the deductible of your underlying insurance policy that is not otherwise covered, when the insured county, or a county adjacent to it, is within the area of sustained hurricane force winds from a named hurricane according to the National Oceanic and Atmospheric Administration (NOAA). This Endorsement does not provide payments for prevented planting or replanting. Nor is it available with the Occurrence Loss Option (OLO) or the Comprehensive Tree Value (CTV) Endorsement. Factors other than wind damage may be associated with a hurricane but will not trigger a loss. The coverage provided by this Endorsement may be combined with the Supplemental Coverage Option (SCO) Endorsement, and the Stacked Income Protection Plan (STAX) when acreage covered by STAX is also insured by a companion policy.

## 1. Definitions

**County loss trigger** – The occurrence of sustained hurricane force winds, as determined by the Risk Management Agency (RMA), in accordance with the Hurricane Data Provisions (HDP) and identified on the actuarial documents.

**Coverage percentage** - A factor you elect, between 1 and 100 percent in whole percent increments, used to determine the Hurricane Protection Amount.

**Expected crop value** - The value of the crop based upon the underlying policy and determined by dividing the liability of the underlying policy by the coverage level, and further dividing by the percent of the price or price election of the underlying policy.

**Hurricane coverage range** - The amount of difference between 95 percent and the higher of the coverage level of your underlying 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.

**Hurricane Data Provisions (HDP)** – A document that describes the methodology utilized by RMA, incorporating NOAA hurricane data, that identifies a county subjected to sustained hurricane force winds, and any county adjacent to that county.

**Hurricane Protection Amount (HPA)** - The dollar amount of insurance as determined by section 6 of this Endorsement.

### Insurance Period

In lieu of section 11 of the Basic Provisions,

(a) the period:

- (1) Beginning on the later of:
  - i The sales closing date; or
  - ii The earliest planting date for the underlying policy; and
- (2) Ending on the earliest of:
  - i The end of insurance date published in the actuarial documents for the underlying policy; or
  - ii The termination date, if no end of insurance date is published in the actuarial documents, for the underlying policy.

(b) In lieu of (a) in this definition, for those crops where the underlying policy requires a waiting period, the period:

- (1) Beginning on the date insurance attaches on the underlying policy; and
- (2) Ending on the date insurance ends on the underlying policy.

**National Oceanic and Atmospheric Administration (NOAA)** - An agency within the United States Department of Commerce, or its successor.

**Supplemental Coverage Option (SCO)** - A county-level crop insurance option that provides additional coverage for a portion of a producer's underlying policy deductible.

**Stacked Income Protection Plan (STAX)** - A crop insurance product for upland cotton that provides coverage for a portion of the expected revenue for a producer's area.

**Underlying policy** - The Common Crop Insurance Policy, Basic Provisions (Basic Provisions) published at 7 C.F.R. part 457 and Crop Provisions, to which this Endorsement is attached. A crop covered by any plan of insurance not under the Common Crop Insurance Policy Basic Provisions will not qualify as an underlying policy for this Endorsement.

## 2. Conditions of Insurance

- (a) You must have an underlying policy in force with us to elect coverage under this Endorsement.
- (b) This Endorsement is applicable only in those counties where coverage is offered in the actuarial documents.
- (c) This Endorsement is not available with STAX when the acreage insured under STAX is not also insured under a companion policy.
- (d) To be eligible to receive an indemnity payment, the county loss trigger must occur within the insurance period, as defined in this Endorsement. Only one indemnity payment per insurance period is allowed regardless of the number of times a county loss trigger occurs during the insurance period.
- (e) For the initial year you elect this Endorsement, coverage will not begin until the later of 14 days after the sales closing date or the end of the waiting period for the underlying policy when the underlying policy also requires a similar waiting period.
- (f) For subsequent years, you may increase your HIP-WI coverage (e.g., lowering coverage on underlying policy, increasing HIP-WI coverage factor, decreasing STAX coverage level) by the sales closing date, but it will not take effect until the later of 14 days after the sales closing date or the end of the waiting period for the underlying policy when the underlying policy also requires a similar waiting period. If a loss is triggered for your county within the waiting period, coverage will be based on the coverage percentage and coverage range from the previous insured year.

### 3. Life of Endorsement

- (a) This is a continuous Endorsement, in accordance with section 2 of the Basic Provisions.
- (b) If at any time your underlying policy for the crop is cancelled, voided, or terminated, coverage under this Endorsement is automatically cancelled, voided, or terminated as of the same date.
- (c) If you change the coverage level or plan of insurance on the underlying policy, or add, change, or remove any SCO or STAX coverage associated with your underlying policy, this Endorsement will remain in effect and will provide coverage based on the revised underlying coverage level including any SCO or STAX coverage, as appropriate, if the change is made before the SCD for the plan of insurance you selected, unless you cancel this Endorsement on or before the cancellation date or you change your underlying policy to a plan of insurance not covered by the Common Crop Insurance Policy Basic Provisions. If SCO or STAX coverage changes after SCD due to election of ARC, then coverage is not increased for HIP-WI.

### 4. Report of Acreage

You are not required to file a separate report of acreage when you elect this Endorsement. The number of eligible acres of the insured crop under this Endorsement will be:

- (a) For the initial year the Endorsement is accepted:
  - (1) If a loss is triggered for your county before the acreage reporting date for the underlying policy plus 14 days, the lesser of:
    - i. The number of acres specified on your intended acreage report submitted to us by the sales closing date of the underlying policy or the number of acres submitted within 10 days of the date you acquire such acreage; or
    - ii. The actual acres planted and reported on the current crop year acreage report for the underlying policy; or
  - (2) If a loss is not triggered for your county before the acreage reporting date for the underlying policy plus 14 days, the number of acres specified on your current crop year acreage report filed and accepted by us for the underlying policy.
- (b) For any subsequent crop year:
  - (1) If a loss is triggered for your county before the acreage reporting date for the underlying policy plus 14 days, the number of eligible acres will be the actual acres planted but limited to the lesser of:
    - i. The number of acres reported on the acreage report of the underlying policy you filed for the current crop year; or
    - ii. The highest number of planted acres in any one of the immediate past four crop years.
  - (2) If a loss is not triggered for your county before the acreage reporting date for the underlying policy plus 14 days, the number of acres specified on your current crop year acreage report filed and accepted by us for the underlying policy.
  - (3) When an intended acreage report is filed, eligible acres will be limited to the actual acres planted and reported on the current crop year acreage report. If a loss is triggered for your county prior to you filing a current crop year acreage report for the underlying policy, and an intended acreage report has not been filed, eligible crop acres will be limited to the lesser of

the current crop year planted acreage for the underlying policy or the prior year's planted acreage.

- (c) If an acreage report is not required for the underlying policy, use the crop's equivalent of an acreage report.

### 5. Insurable Acreage and Unit Division

- (a) All planted acreage of the crop (including perennial or nursery crops and insurable trees) in the county that is insured by the underlying policy must be insured under this Endorsement. This Endorsement will not insure acreage with a prevented planting guarantee.
- (b) In lieu of the provisions regarding units and unit division in the underlying policy, protection provided by this Endorsement will be based on all planted acreage (including perennial or nursery crops and insurable trees) of the crop in the county insured by the underlying policy with the same coverage level, type, and practice, regardless of whether such acreage is owned, rented for cash, or rented for a share of the crop, including acres on which you are insuring another person's share of the crop.

### 6. Hurricane Protection Amount

- (a) If there are multiple coverage levels, types, or practices for the insured crop in the county, your HPA will be determined separately for each coverage level, type, and practice.
- (b) To calculate your HPA for all insured acres of the crop in the county with the same coverage level, type, practice, SCO and/or STAX coverage insured by this Endorsement:
  - (1) Determine your hurricane coverage range;
  - (2) Divide the underlying policy liability for those acres with the same coverage level, type, and practice by the underlying policy coverage level, as applicable, and then again by the percentage of price election or percentage of projected price, as applicable, of the underlying policy to determine the expected crop value;
    - i. When SCO or STAX coverage is in effect with the underlying policy, use only the liability and coverage level for the underlying policy, not the SCO or STAX liability or coverage level;
  - (3) Multiply your expected crop value by your hurricane coverage range; and
  - (4) Multiply the result of (3) by the coverage percentage elected by you. This is your HPA.
- (c) If you have elected SCO with your underlying policy, your HPA will not increase if you elect the Agriculture Risk Coverage (ARC) program on any of the acres insured under SCO or STAX.
- (d) For underlying policies with the amount of insurance not based on insured acres, to calculate your HPA for all insured acres of the crop in the county with the same coverage level, type, and practice, insured by this Endorsement:
  - (1) Determine your hurricane coverage range;
  - (2) Divide the underlying policy liability by the underlying policy coverage level, as applicable, and then again by the percentage of price election or percentage of projected price, as applicable, of the underlying policy to determine the expected crop value.
  - (3) Multiply your expected crop value by your hurricane coverage range; and
  - (4) Multiply the result of (3) by the coverage percentage elected by you.

## 7. Annual Premium and Administrative Fee

- (a) You will owe a separate annual premium and administrative fee for this Endorsement, in addition to any amount owed for the underlying policy.
- (b) Premium for this Endorsement is calculated by multiplying your HPA determined from section 6 by the premium rate and any premium adjustment percentages that may apply. All information needed to calculate the premium rate is contained in the actuarial documents.
- (c) The administrative fee for this Endorsement is determined in accordance with the provisions in section 7(e) of the Basic Provisions.

## 8. Causes of Loss

- (a) This Endorsement provides protection against widespread loss in the county, or adjacent county, due to sustained hurricane force winds. The county loss trigger will be determined from HDP and shown in the actuarial documents as determined by the Federal Crop Insurance Corporation (FCIC).
- (b) Individual farm yields and revenues are not considered under this Endorsement. It is possible that your individual farm may experience reduced revenue or reduced yield and you do not receive an indemnity under this Endorsement.
- (c) The notice provisions in section 14(b) of the Basic Provisions do not apply to this Endorsement.

## 9. Settlement of Claim

- (a) An indemnity is due when the county loss trigger is identified for the insured county in the insurance period. Indemnities are calculated following the release by FCIC of any county that meets the county loss trigger.
- (b) The indemnity is equal to the HPA determined in section 6.
- (c) In lieu of the provisions in section 14(f)(1) of the Basic Provisions, we will pay your loss under this Endorsement within 30 days after the later of the date FCIC releases the list of counties identified as meeting the county loss trigger or 14(f)(2)-(4).
- (d) Hurricane wind extent data may be updated by NOAA. Prior to the start of the hurricane season following the insured year, FCIC may add counties that were not included in the initial county release by FCIC of the counties that met the county loss trigger following release of updated NOAA wind extent data for the applicable crop year. Once counties are listed by FCIC, they will not be removed even if later data indicates they did not meet the county loss trigger.

## 10. [Reserved]

## 11. Written Agreements

- (a) This Endorsement is available only when authorized by the actuarial documents for the crop, type, and practice in the county and cannot be made available through a Written Agreement.
- (b) This Endorsement is applicable when available on the actuarial documents when a Written Agreement applies to the underlying policy.

## 12. Examples

The following are examples of the calculation of the HPA and HIP-WI indemnity for the plans of insurance that may be selected for the underlying policy. Your information will likely be different, and you should consult the actuarial documents in your county and the policy information. The following examples are for illustration purposes only.

Producer A farms 100 acres of corn in county X and has an

approved yield of 154.6 bushels per acre, with a 100 percent share. The projected price is \$4.00, as published in the actuarial documents for county X. The producer elects a HIP-WI coverage percentage of 0.90. (This information, with some changing variables, applies to the following examples.)

### Example for underlying policy with CAT coverage and HIP-WI election:

Resulting liability for the underlying policy is \$17,006  
Hurricane Protection Amount calculation:

Step 1: Calculate hurricane coverage range.

Formula: 95 percent minus the maximum coverage level from the underlying policy

$0.95 - 0.50 = 0.45$  hurricane coverage range

Step 2: Calculate the expected crop value of the underlying policy.

Formula: Divide the liability of the underlying policy by the coverage level of the underlying policy, and then by the percentage of price election or percentage of projected price, as applicable to determine the expected crop value  
 $\$17,006 \div 0.50 \div 0.55 = \$61,840$  expected crop value.

Step 3: Calculate HPA.

Multiply the expected crop value by the hurricane coverage range and the coverage percentage you elected under this Endorsement.

$\$61,840 \times 0.45 \times 0.90 = \$25,045$  HPA.

If FCIC determines the county meets the county loss trigger, the indemnity payment would be \$25,045.

### Example for underlying policy with 70 percent coverage, 100 percent of price, and HIP-WI election:

Resulting liability for the underlying policy is \$43,288.

Hurricane Protection Amount calculation:

Step 1: Calculate hurricane coverage range.

Formula: 95 percent minus the maximum coverage level from the underlying policy.

$0.95 - 0.70 = 0.25$  hurricane coverage range

Step 2: Calculate the expected crop value of the underlying policy.

Formula: Divide the liability of the underlying policy by the coverage level of the underlying policy, and then by the percentage of price election or percentage of projected price, as applicable of the underlying policy to determine the expected crop value.

$\$43,288 \div 0.70 \div 1 = \$61,840$  expected crop value.

Step 3: Calculate the HPA.

Formula: Multiply the expected crop value of the underlying policy by the hurricane coverage range and the coverage percentage you elected under this Endorsement.

$\$61,840 \times 0.25 \times 0.90 = \$13,914$  HPA.

If FCIC determines the county meets the county loss trigger, the indemnity payment would be \$13,914.

### Example for SCO election:

Hurricane Protection amount calculation:

Step 1: Calculate hurricane coverage range.

Formula: 95 percent minus the higher of the coverage level from the underlying policy (70 percent) or the upper end of the SCO coverage range (86 percent).

$0.95 - 0.86 = 0.09$  hurricane coverage range

Step 2: Calculate the expected crop value of the underlying policy.

Formula: Divide the liability of the underlying policy by the coverage level of the underlying policy, and then by the percentage of price election or percentage of projected price, as applicable of the underlying policy to determine the expected crop value.

$\$43,288 \div 0.70 \div 1.00 = \$61,840$  expected crop value of the underlying policy.

Step 3: Calculate the HPA.

Formula: Multiply expected crop value of the underlying policy by the hurricane coverage range and the coverage percentage you elected under this Endorsement.

$\$61,840 \times 0.09 \times .90 = \$5,009$  HPA.

If FCIC determines the county meets the county loss trigger, the indemnity payment would be \$5,009.

Example for STAX election:

The STAX coverage band ranges from 75 percent to 90 percent.

Hurricane Protection amount

calculation: Step 1: Calculate hurricane coverage range.

Formula: 95 percent minus the higher of the coverage level from the underlying policy (70 percent) or the upper end of the STAX coverage range (90 percent).

$0.95 - 0.90 = 0.05$  hurricane coverage range

Step 2: Calculate the expected crop value of the underlying policy.

Formula: Divide the liability of the underlying policy by the coverage level of the underlying policy, and then by the percent of price election or percentage of projected price, as applicable of the underlying policy to determine the expected crop value.

$\$43,288 \div 0.70 \div 1.00 = \$61,840$  expected crop value of the underlying policy with STAX.

Step 3: Calculate the HPA.

Formula: Multiply expected crop value of the underlying policy by the hurricane coverage range and the coverage percentage.

$\$61,840 \times 0.05 \times 0.90 = \$2,783$  HPA.

If FCIC determines the county meets the county loss trigger, the indemnity payment would be \$2,783.