

Price Flex Crop Insurance

- RMA approved private insurance product available for corn, soybeans, spring wheat, winter wheat and cotton
- Offered by Hudson Insurance. Similar products are offered by two other companies
- Can use different months, than the spring or harvest month used in RP policy, to determine price and revenue guarantee
- For example, for 2014 corn RP insurance, you can use the average 2014 Dec futures price during months of Sept, Nov and Dec 2013 and Jan, March, April, May, June and July of 2014, in addition to February (spring price) and November (harvest price).

Price Flex Crop Insurance (continued)

- You can purchase one or any combination of the additional months. For example one month may cost \$.12/bu. And all months may cost \$.24/bushel.
- There is a limit on the amount Price-Flex can increase the price guarantee. It is:

Corn	\$1/bu.	Wheat	\$1.50/bu.
Soybean	\$2/bu.	Cotton	\$.20/lb.

You can choose lower price caps to reduce the cost of Price-Flex.

- Example of 2013 corn. A price of \$6.27 during Nov 2012 for Dec 2013 corn future could have been locked in at a cost of \$.16 per bushel. This would give a net gain of \$.46/bu. Relative to the \$5.65 RP spring price.
- The cost can vary considerably and changes day to day. A cost quote is only good for 24 hours.
- You can't be backward looking in selecting a month