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Our Commitment to You

We have a reputation for providing the best service. Our commitment to service has never wavered and now with our parent, QBE Insurance Group, we can provide the best financial stability as well.

For more information about the policies described in this brochure, contact your QBE NAU agent today!

Learn more at:

<https://www.naucountry.com/bpm>

QBE NAU Corporate Office

7333 Sunwood Drive | Ramsey, MN 55303
1.888.NAU.MPCI

This brochure is only an overview of the described product. It does not include all features, exclusions or limitations. Consult your agent or the policy provisions for further details.

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California Tree Nuts Base Price Modifier

Protect your bottom line with Base Price Modifier.

The Base Price Modifier named peril policy allows insureds the opportunity to increase the price election under eligible plans. Coverage will be available for Walnuts, Almonds, and Pistachios in California. The only plan of insurance available for these crops in California is the APH plan.

The insured will select a percent of the established price by crop from the company approved limits.



How does it work?

The insured is required to have an active MPCl policy. The MPCl policy is not required to be with QBE NAU.

BPM is available only on buy-up coverage levels.

The price election is selected at the time of application and will not increase regardless of changes to the MPCl policy.

A Notice of Loss submission for the MPCl policy will serve as a Notice of Loss for the BPM policy.

Coverage Exclusions:

- High risk, unrated or uninsurable acreage.
- WFRP, CAT coverage and ARPI plans.
- Acreage insured by written agreement.
- Organically produced crops, unless authorized in writing by us.



Indemnity Calculation Example

The insured will receive an indemnity payment from the BPM policy in addition to the MPCl payment only when a yield loss occurs and the production to count is less than the MPCl production guarantee. The formula for calculating the BPM indemnity is as follows: MPCl production guarantee for the BPM unit minus the MPCl production to count times the BPM price election times the insured's share.

An almond grower with a 3,000 pound APH approved yield and a 100% share buys 65% APH coverage with an established price of \$4.00 per pound. The grower also buys a BPM policy at the maximum price available of \$0.50 per pound.

- 1) The APH guarantee per pound is 1,950 pounds (3,000 x 65%).
- 2) The grower harvests 1,700 pounds per acre, which is 250 pounds per acre below the APH guarantee (1,950 guarantee - 1,700 harvested).
- 3) The indemnity payment per acre is as follows:
 - **APH Benefit:**
 $\$4.00 \times 250 \text{ pounds} = \$1,000 \text{ per acre}$
 - **BPM Benefit:**
 $\$0.50 \times 250 \text{ pounds} = \125 per acre
 - **Total Benefit:**
 $\$4.50 \times 250 \text{ pounds} = \$1,125 \text{ per acre}$

BPM premium is calculated by multiplying the BPM liability by the BPM rate for the crop/county (rounded to the nearest whole dollar).