

Forage Establishment Insurance Example

Example:

Area Insured = 10 acres

Coverage Selected = \$300/acre

Producer Approximate Cost per acre =
\$11.82/acre

Premium Cost:

10 acres x \$11.82/acre = \$118.20

Destroyed or Abandoned Claim Example:

Area Destroyed = 2 acres

Claim Amount = 2 acres x \$300/acre
= \$600.00

Not Destroyed or Abandoned Claim Example:

Area Damaged = 2 acres

Claim Amount = 2 acres x (\$300/acre * 50%)
=\$300.00