

# MARTINSON AG

## RISK MANAGEMENT



New Product for 2026:  
Crop and Livestock Income Protection  
(CLIP)

# New insurance plan: CLIP

- **Crop and Livestock Income Protection (CLIP)** is a new insurance plan for crop year 2026 in select states.
- CLIP provides umbrella revenue coverage on top of RP policies with coverage going to 85% on a county basis.
- CLIP and ECO can both be used on the same crop.
- SCO cannot be used with CLIP.
- Your RP and CLIP coverages must be with the same insurance company.

# CLIP

## Availability & Policies



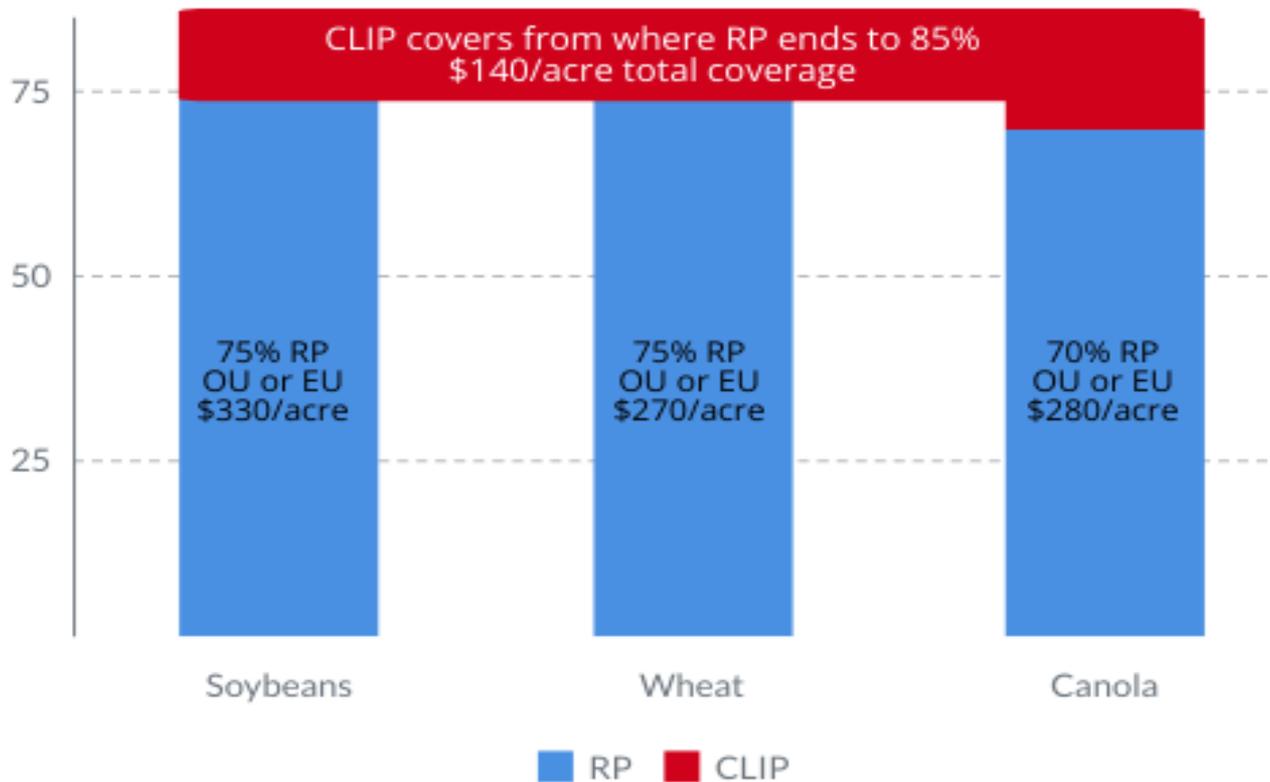
- Barley
- Canola
- Corn
- Cotton
- Dry Beans
- Dry Peas
- Flax
- Grain
- Sorghum
- Oats
- Popcorn
- Rice
- Rye
- Soybeans
- Sunflowers
- Weaned Calf Risk Protection
- Wheat (Spring)
- Peanuts

Note: The only livestock policy eligible under CLIP is weaned calf risk protection, which is not available in ND.

# CLIP Qualifications

- You must plant acres on at least 2 RP crops in a county.
  - Not all RP crops are required to have CLIP.
    - For example, you could plant wheat, corn, and soybeans with RP coverage and only choose wheat and soybeans for the CLIP coverage.
  - PP acres do not qualify for CLIP.
  - The malt barley endorsement cannot be used with CLIP.
- The minimum liability for any crop is 10% of the total liability (planted acres only).
- The CLIP policy will be cancelled if you do not meet these 2 requirements.

# CLIP Coverage Example



Each crop has separate RP coverage

But the CLIP coverage on top combines all crops into one “unit”

Production for all crops combined must be below 85% of the guarantee to have a CLIP claim

# CLIP Coverage

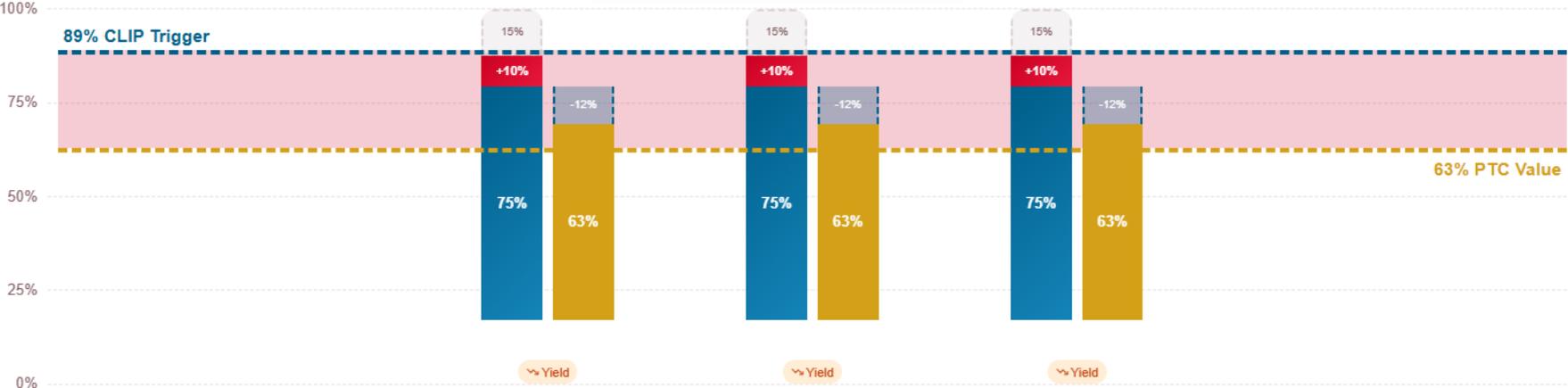
- You can choose CLIP coverage lower than 85%
- For example, you could insure
  - Wheat at 65% RP
  - Canola at 70% RP
  - Soybeans at 75% RP
  - And then add CLIP coverage up to 80%
- CLIP coverage minimum is 5% + the highest RP coverage

# CLIP Loss Scenarios

## Scenario Impact Analysis

■ RP Coverage 
 ■ CLIP Layer 
 ■ Actual Production 
 ■ RP Indemnity 
 ■ CLIP Indemnity

**CLIP Indemnity Triggered: \$177,780**



**Corn**  
\$559,629

**Soybeans**  
\$345,290

**Spring Wheat**  
\$161,759

Total Production Value  
**\$1,066,678**

Combined Guarantee (RP+CLIP)  
**\$1,511,127**

RP Indemnities  
**\$266,670**

CLIP Indemnity  
**\$177,780**

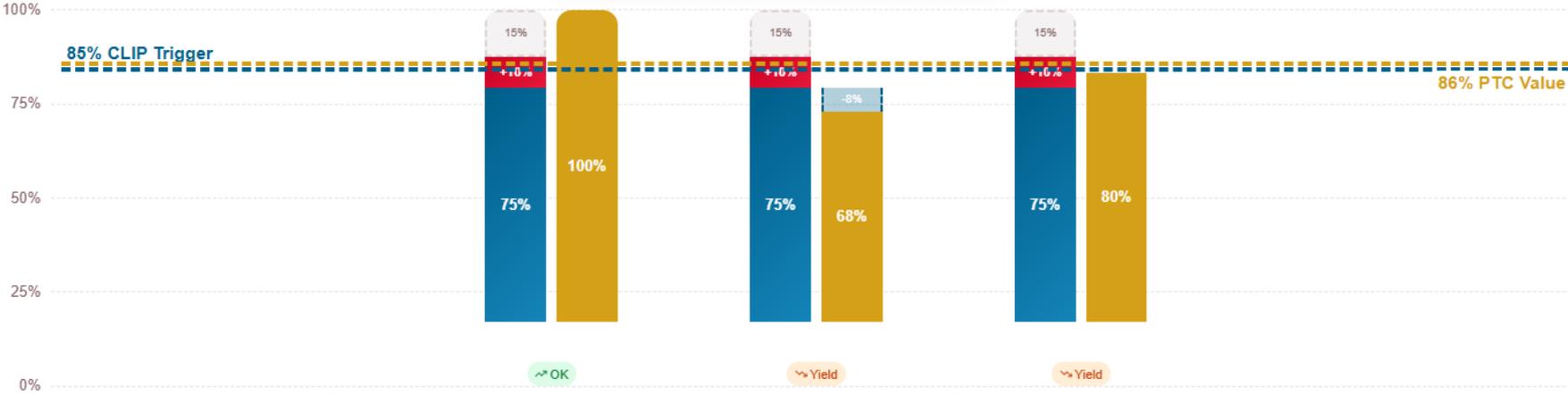


# CLIP Loss Scenarios

## Scenario Impact Analysis

■ RP Coverage 
 ■ CLIP Layer 
 ■ Actual Production 
 ■ RP Indemnity 
 ■ CLIP Indemnity

✓ Production Value Above Combined Guarantee



OK

Yield

Yield

**Corn**  
\$888,300

**Soybeans**  
\$369,954

**Spring Wheat**  
\$205,408

Total Production Value  
**\$1,463,662**

Combined Guarantee (RP+CLIP)  
**\$1,439,169**

RP Indemnities  
**\$41,106**

CLIP Indemnity  
**\$0**



# Which companies are offering CLIP for 2026?

Yes

- AgriSompo
- Great American
- NAU

No

- Pro Ag
- RCIS

CLIP is a privately developed 508(h) product. Crop insurance companies are not required to offer these products.

# CLIP Premium Example – Corn & Soybeans only

Barnes	Acres/ Sections	75% RP Guarantee	75% RP Premium	85% CLIP Guarantee	85% CLIP Premium
Corn RP 75% EU	3,400 ac/ 17 sect	\$611.77	\$13.01	\$81.55	\$11.92 (14.6% rate)
Soybeans RP 75% EU	3,250 ac/ 17 sect	\$339.68	\$6.02	\$45.24	\$6.22 (13.8% rate)

Stutsman	Acres/ Sections	75% RP Guarantee	75% RP Premium	85% CLIP Guarantee	85% CLIP Premium
Corn RP 75% EU	300 acres/ 2 sections	\$638.03	\$14.59	\$85.07	\$11.00 (12.9% rate)
Soybeans RP 75% EU	300 acres/ 2 sections	\$340.44	\$6.03	\$45.32	\$5.50 (12.1% rate)

# CLIP Premium Example – Ramsey

Crop	Acres	75% RP Guarantee	75% RP Premium	85% CLIP Guarantee	85% CLIP Premium
Canola RP 75% EU	500 acres	\$401.29	\$11.26	\$53.52	\$2.37 (4.4% rate)
Corn RP 75% EU	500 acres	\$503.34	\$19.95	\$67.10	\$5.88 (8.8% rate)
Soybean RP 75% EU	500 acres	\$302.19	\$8.79	\$40.22	\$2.33 (5.8% rate)
Wheat RP 75% EU	500 acres	\$294.24	\$7.43	\$39.23	\$2.16 (5.5% rate)

Note: CLIP coverage is at 85% (maximum) and has a subsidy of 56%



# CLIP Premium Example – Ramsey

Crop	Acres	75% RP Guarantee	75% RP Premium	85% CLIP Guarantee	85% CLIP Premium
Canola RP 75% EU	500 acres	\$401.29	\$11.26	\$53.52	\$3.02 (was \$2.37)
Soybean RP 75% EU	500 acres	\$302.19	\$8.79	\$40.22	\$2.82 (was \$2.33)
Wheat RP 75% EU	500 acres	\$294.24	\$7.43	\$39.23	\$2.62 (was \$2.16)

Note: CLIP coverage is at 85% (maximum) and has a subsidy of 56%

# CLIP Premium Example – Ramsey

Crop	Acres	75% RP Guarantee	75% RP Premium	85% CLIP Guarantee	85% CLIP Premium
Canola RP 75% EU	1,200 acres	\$401.29	\$10.34 (was \$11.26)	\$53.52	\$3.51 (was \$3.02)
Soybean RP 75% EU	500 acres	\$302.19	\$8.79	\$40.22	\$3.45 (was \$2.82)
Wheat RP 75% EU	500 acres	\$294.24	\$7.43	\$39.23	\$3.22 (was \$2.62)

Note: CLIP coverage is at 85% (maximum) and has a subsidy of 56%

# CLIP vs. SCO Premium Example

Crop	Acres	85% CLIP Guarantee	85% CLIP Premium	SCO Guarantee	SCO Premium
Canola RP 75% EU	500 acres	\$53.52	\$2.37	\$58.86	\$2.01
Corn RP 75% EU	500 acres	\$67.10	\$5.88	\$73.82	\$5.29
Soybean RP 75% EU	500 acre	\$40.22	\$2.33	\$44.32	\$2.42
Wheat RP 75% EU	500 acres	\$39.23	\$2.16	\$43.16	\$2.57

## CLIP:

- Covers 75% to 85%
- Payout based on the production from your farm
- Subsidy is:
  - 80% at 75% CLIP
  - 71% at 80% CLIP
  - 56% at 85% CLIP

## SCO:

- Covers 75% to 86%
- Payout based on county final yield
- Subsidy is 80%



# CLIP vs. ECO Example

Crop	Acres	75% to 85% CLIP Guarantee/ Premium	86% to 90% ECO Guarantee/ Premium	86% to 95% ECO Guarantee/ Premium
Canola RP 75% EU	500 acres	\$53.52 \$2.37	\$21.40 \$1.55	\$48.16 \$4.26
Corn RP 75% EU	500 acres	\$67.10 \$5.88	\$26.84 \$2.57	\$60.40 \$6.31
Soybean RP 75% EU	500 acres	\$40.22 \$2.33	\$16.12 \$1.36	\$36.26 \$3.44
Wheat RP 75% EU	500 acres	\$39.23 \$2.16	\$15.69 \$1.43	\$35.31 \$3.63

You cannot buy both CLIP and SCO coverage on the same crop.

You can buy both CLIP and ECO coverage on the same crop.



# CLIP Premium Example – Rolette

Crop	Acres	75% RP Guarantee	75% RP Premium	85% CLIP Guarantee	85% CLIP Premium
Canola RP 75% EU	300 acres	\$359.48	\$8.72	\$47.93	\$2.68 (5.6% rate)
Soybean RP 75% EU	300 acres	\$271.58	\$7.84	\$36.19	\$3.18 (8.8% rate)
Wheat RP 75% EU	300 acres	\$293.22	\$7.29	\$39.08	\$2.51 (6.4% rate)

# CLIP Premium Example – Emmons

Crop	Acres	75% RP Guarantee	75% RP Premium	85% CLIP Guarantee	85% CLIP Premium
Corn RP 75% EU	900 acres	\$517.99	\$15.47	\$69.04	\$9.09 (13.0% rate)
Soybeans RP 75% EU	800 acres	\$268.90	\$8.28	\$35.84	\$2.72 (7.5% rate)
Sunflowers RP 75% EU	400 acres	\$348.84	\$10.25	\$46.56	\$3.40 (7.3% rate)

# CLIP Premium Example – Stark

Crop	Acres	RP Guarantee	RP Premium	85% CLIP Guarantee	85% CLIP Premium
Canola RP 70% OU	500 acres	\$271.25	\$13.91	\$58.07	\$2.51 (4.3% rate)
Corn (Silage) RP 75% EU	200 acres	\$377.42	\$7.19	\$50.32	\$3.62 (6.9% rate)
Sunflowers RP 75% EU	1,100 acres	\$338.42	\$16.30	\$45.08	\$1.87 (4.1% rate)
Wheat RP 75% OU	950 acres	\$209.38	\$20.25	\$27.90	\$2.23 (7.9% rate)