

**ADJUSTED GROSS REVENUE (AGR)/LITE (AGR-L)  
LIABILITY/PREMIUM CALCULATIONS**  
Edit Description

**Adjusted Gross Revenue (AGR)/Lite (AGR-L)  
(Insurance Plan Codes 63 & 61)**

**LIABILITY CALCULATION**

LIABILITY = APPROVED\_AGR \* COVERAGE LEVEL \* PAYMENT\_RATE  
(field 34) (field 32) (Internal) (field 25)

Note: Liability Cap, cannot exceed \$6.5 million for AGR and \$1 million for AGR-L

**PREMIUM LIABILITY CALCULATION**

MAX MPC I = LIABILITY \* 0.50  
(Internal) (field 34)

PREMIUM LIABILITY = LIABILITY - Lesser of: (MPC I LIABILITY or MAX MPC I)  
(Internal) (field 34) (field 33) (Internal)

**TOTAL PREMIUM**

TOTAL\_PREMIUM = PREMIUM LIABILITY \* AGR\_RATE  
(field 38) (Internal) (field 37)

**PRODUCER PREMIUM**

SUBSIDY = TOTAL\_PREMIUM \* SUBSIDY FACTOR  
(field 39) (field 38) (Internal)

PRODUCER PREMIUM = TOTAL\_PREMIUM - SUBSIDY  
(field 44) (field 38) (field 39)

**A&O EXPENSE SUBSIDY**

AOEXPENSE\_SUBSIDY = TOTAL\_PREMIUM \* AOExpense Subsidy Percent  
(field 45) (field 38) (Internal)

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**DIVERSIFICATION FACTOR (DF) FORMULAS:**

**CASES**

**FORMULA**

|                       |   |
|-----------------------|---|
| 1 Commodity           | DF = 1.000  |
| 2 Commodities         | DF = .668 + .0179999 (DEV) + .3142858 (DEV) (DEV) |
| 3 Commodities         | DF = .523 + .0607623 (DEV) + .2229 (DEV) (DEV)    |
| 4 Commodities         | DF = .474 + .0248208 (DEV) + .218472 (DEV) (DEV)  |
| 5 Commodities         | DF = .437 + .0710358 (DEV) + .1760129 (DEV) (DEV) |
| 6 Commodities         | DF = .412 + .0325131 (DEV) + .1945816 (DEV) (DEV) |
| 7 Commodities or more | DF = .410   |

**TOTAL WEIGHTED FARM RATE**

% of REVENUE = COMMODITY\_VALUE / TOT\_EXPECT\_INCOME  
(Internal) (field 60) (field 28)

WEIGHTED COMMODITY RATE = COMMODITY RATE \* % of REVENUE  
(Internal) (Internal) (Internal)

TOTAL\_WEIGHT\_RATE = Sum of WEIGHTED COMMODITY RATE  
(field 35)

**DIVERSITY FACTOR**

COMMODITY FACTOR = 1.00 / NUM\_COMMODITIES  
(Internal) (field 26)

COMMODITY DEVIATION "Absolute Value" = % of REVENUE - COMMODITY FACTOR  
(Internal) (Internal) (Internal)

Sum of COMMODITY DEVIATION FACTORS = Sum of all COMMODITY DEVIATIONS  
(Internal) (Internal)

DIVERSITY\_FACTOR (DF) = Formula based on number of commodities (see above)  
(field 36) (Internal)

**AGR RATE**

AGR\_RATE = DIVERSITY\_FACTOR \* TOTAL\_WEIGHT\_RATE  
(field 37) (field 36) (field 35)

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| <b>Tag</b>                | <b>No.</b> | <b>Picture</b> | <b>Rounding</b>      | <b>Description</b>  |
|---------------------------|------------|----------------|----------------------|---|
| <APPROVED_AGR>            | 32         | 9(10)          | whole dollar         | Value will equal average AGR, indexed AGR, or expected income.                |
| COVERAGE LEVEL            | Internal   | 9.999999       | None                 | Coverage level submitted under the Crop Policy Section.                       |
| <PAYMENT_RATE>            | 25         | 9.9999         | None                 | Payment rate selected in combination with coverage level.                     |
| <LIABILITY>               | 34         | 9(10)          | nearest whole dollar | Liability cap, cannot exceed \$6.5 million for AGR and \$1 million for AGR-L. |
| MAX MPC                   | Internal   | 9(10)          | nearest whole dollar | Result of Liability times 0.50.   |
| <MPCI_LIABILITY>          | 33         | 9(10)          | whole dollar         | Must have MPC crops listed as commodity code.                                 |
| PREMIUM LIABILITY         | Internal   | 9(10)          | nearest whole dollar | Liability reduced by "Max or MPC Liability".                                  |
| <AGR_RATE>                | 37         | .999           | 3 decimal places     | Calculated rate (diversity factor multiplied by total weight rate).           |
| <TOTAL_PREMIUM>           | 38         | 9(10)          | nearest whole dollar | Premium including subsidy. Premium liability multiplied by AGR rate.          |
| SUBSIDY FACTOR            | Internal   | .999           | 3 decimal places     | Subsidy percent converted to factor.  |
| <SUBSIDY>                 | 39         | 9(10)          | nearest whole dollar | Total Premium multiplied by Subsidy Factor.                                   |
| <PRODUCER_PREMIUM>        | 44         | 9(10)          | nearest whole dollar | Premium after subsidy. Total Premium minus Subsidy.                           |
| AOExpense Subsidy Percent | Internal   | .999           | 3 decimal places     | A&O Expense Subsidy Percent   |
| <AOEXPENSE_SUBSIDY>       | 45         | 9(10).99       | Dollar and cents     | Total Premium multiplied by AOExpense Subsidy Percent.                        |

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| <b>Tag</b>                    | <b>No.</b> | <b>Picture</b> | <b>Rounding</b>  | <b>Description</b>   |
|-------------------------------|------------|----------------|------------------|--|
| <COMMODITY_VALUE>             | 60         | 9(10)          | whole dollar     | Results of field 56 (acres, etc.) times field 57 (yield) times field 59 (expected value).    |
| <TOT_EXPECT_INCOME>           | 28         | 9(10)          | whole dollar     | Sum of all commodity values.   |
| % of REVENUE                  | Internal   | 9.999          | 3 decimal places | Percent of total income for this commodity.  |
| COMMODITY RATE                | Internal   | 99.999         | none             | The whole farm rate from the A01000.   |
| WEIGHTED<br>COMMODITY RATE    | Internal   | 99.999         | 3 decimal places | Commodity rate multiplied by % of Revenue.   |
| <TOTAL_WEIGHT_RATE>           | 35         | 99.999         | 3 decimal places | Sum of all weighted commodity rates.   |
| <NUM_COMMODITIES>             | 26         | 999            | none             | Total number of commodities reported.  |
| COMMODITY FACTOR              | Internal   | 9.999          | 3 decimal places | Result of 1.00 divided by number of commodities.   |
| COMMODITY<br>DEVIATION        | Internal   | 9.999          | 3 decimal places | Result of % of Revenue minus commodity factor.   |
| Sum of COMMODITY<br>DEVIATION | Internal   | 9.999          | 3 decimal places | Sum of all commodity deviations.   |
| <DIVERSITY_FACTOR>            | 36         | 9.999          | 3 decimal places | Result of the Diversification Factor (DF) Formula that's based on the number of commodities. |
| <AGR_RATE>                    | 37         | .999           | 3 decimal places | Calculated rate (diversity factor * total weight rate).                                      |

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**UNIT OF MEASURE (UOM)**

| <b>UNIT MEASURE</b>  | <b>UNIT ABBREVIATION</b> | <b>UNIT NUMERIC CODE</b> |
|----------------------|--------------------------|--------------------------|
| ACRE                 | ACRE                     | 20                       |
| BAG/SACK             | BG/SK                    | 11                       |
| BALE                 | BALE                     | 12                       |
| BARREL               | BARRL                    | 10                       |
| BOX                  | BOX                      | 13                       |
| BUSHEL               | BU                       | 01                       |
| CARTON               | CTN                      | 14                       |
| DOZEN                | DOZ                      | 15                       |
| EACH                 | EACH                     | 97                       |
| FLAT                 | FLAT                     | 16                       |
| GALLON               | GAL                      | 07                       |
| HEAD                 | HEAD                     | 17                       |
| HIVE                 | HIVE                     | 18                       |
| HUNDREDWEIGHT        | CWT                      | 03                       |
| LUG                  | LUG                      | 19                       |
| OTHER                | OTHER                    | 99                       |
| OUNCE                | OZ                       | 05                       |
| PACKAGE              | PACKG                    | 21                       |
| PECK                 | PECK                     | 09                       |
| PINT                 | PINT                     | 06                       |
| PLANT                | PLANT                    | 22                       |
| POUND                | POUND                    | 02                       |
| PURCHASED FOR RESALE | PFR                      | 98**                     |
| QUART                | QT                       | 08                       |
| SQUARE FOOT          | SQ/FT                    | 23                       |
| TON                  | TON                      | 04                       |

\*\* If the commodity code is 0073 or 0600 the unit code will be 98 and the Expected Value field will be zero.