

**LIVESTOCK RISK PROTECTION (LRP)
LIABILITY/PREMIUM CALCULATIONS**
Edit Description

**Livestock Risk Protection (LRP)
(Insurance Plan Code 81)**

INSURED VALUE (LIABILITY)

INSURED_VALUE = NUMBER_HEAD * TARGET_WEIGHT * COVERAGE_PRICE * SHARE
 (field 17) (field 10) (field 11) (field 13) (field 16)

TOTAL PREMIUM

TOTAL_PREMIUM = INSURED_VALUE * RATE
 (field 20) (field 17) (field 18)

PRODUCER PREMIUM

SUBSIDY = TOTAL_PREMIUM * Subsidy Factor
 (field 21) (field 20) (Internal*)

PRODUCER_PREMIUM = TOTAL_PREMIUM - SUBSIDY
 (field 26) (field 20) (field 21)

***Subsidy Factor for LRP is 0.130 (except for Lamb). Subsidy Factor for LRP Lamb will be by Endorsement Length. Endorsement Length - 13 weeks is 0.200, 26 weeks is 0.350, and 39 weeks is 0.380.**

BEGINNING FARMER AND RANCHER (BFR) SUBSIDY CALCULATIONS

Base Subsidy = TOTAL_PREMIUM * Subsidy Factor
 (Internal) (field 20) (Internal*)

BFR_SUBSIDY = TOTAL_PREMIUM * 0.10
 (field 28) (field 20)

SUBSIDY = Base Subsidy + BFR_SUBSIDY
 (field 21) (Internal) (field 28)

PRODUCER_PREMIUM = TOTAL_PREMIUM - SUBSIDY
 (field 26) (field 20) (field 21)

CONSERVATION COMPLIANCE SUBSIDY CALCULATIONS

Base Subsidy = TOTAL_PREMIUM * Subsidy Factor
 (Internal) (field 20) (Internal*)

CC_SUB_RED_AMT = Base Subsidy Amount * CC_SUB_RED_PCT
 (field 30) (Internal) (field 29)

SUBSIDY = Base Subsidy - CC_SUB_RED_AMT
 (field 21) (Internal) (field 30)

PRODUCER_PREMIUM = TOTAL_PREMIUM - SUBSIDY
 (field 26) (field 20) (field 21)

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**CONSERVATION COMPLIANCE/BEGINNING FARMER RANCHER SUBSIDY
CALCULATIONS**

Base Subsidy = TOTAL_PREMIUM * Subsidy Factor
(Internal) (field 20) (Internal*)

CC_SUB_RED_AMT = Base Subsidy Amount * CC_SUB_RED_PCT
(field 30) (Internal) (field 29)

BFR_SUBSIDY = TOTAL_PREMIUM * 0.10 * (1 - CC_SUB_RED_PCT)
(field 28) (field 20) (field 29)

SUBSIDY = Base Subsidy + BFR_SUBSIDY - CC_SUB_RED_AMT
(field 21) (Internal) (field 28) (field 30)

PRODUCER_PREMIUM = TOTAL_PREMIUM - SUBSIDY
(field 26) (field 20) (field 21)

A&O EXPENSE SUBSIDY

AOEXPENSE_SUBSIDY = TOTAL_PREMIUM * AOExpense Subsidy Percent
(field 27) (field 20) (Internal)

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Tag	No.	Picture	Rounding	Description
<NUMBER_HEAD>	10	9(08)	whole number	Number of Head covered by the endorsement. See Exhibit 135 notes.
<TARGET_WEIGHT>	11	9999.99	nearest cwt	Expected weight of the livestock, per head.
<COVERAGE_PRICE>	13	9999.999	per ADM	Obtain from A00630. Level of protection on a dollar per cwt basis and result of expected ending value multiplied by the coverage level.
<SHARE>	16	9.9999	4 decimal places	Percentage of insured interest in the covered livestock.
<INSURED_VALUE> (Liability)	17	9(10)	nearest whole dollar	Total dollar amount of coverage (Liability). Number of head multiplied by target weight multiplied by the coverage price multiplied by the insured share.
<RATE>	18	.999999	per ADM	Obtain from A00630.
<TOTAL_PREMIUM>	20	9(10)	nearest whole dollar	Premium including subsidy. Insured Value multiplied by rate.
Subsidy Factor	Internal	.999	3 decimal places	Subsidy Factor for LRP is 0.130 (except for Lamb). Subsidy Factor for LRP Lamb will be by Endorsement Length. Endorsement Length - 13 weeks is 0.200, 26 weeks is 0.350, and 39 weeks is 0.380. Subsidy percent converted to factor.
<SUBSIDY>	21	9(10)	nearest whole dollar	Total Premium multiplied by Subsidy Factor. If Beginning Farmer Rancher is applicable, this amount contains the +10% increase in subsidy added to the base subsidy.
<PRODUCER_PREMIUM>	26	9(10)	nearest whole dollar	Premium after subsidy. Total Premium minus Subsidy.
Base Subsidy	Internal	9(10)	nearest whole dollar	The subsidy would have been without alterations due to BFR.
<BFR_SUBSIDY>	28	9(10)	nearest whole dollar	Beginning Farmer Rancher Subsidy. 0.10 (10%) of the Total Premium.
<CC_SUB_RED_PCT>	29	9.9999	4 decimal places	Share reduction of the policy that is in violation of Conservation Compliance.
<CC_SUB_RED_AMT>	30	9(10)	Nearest whole dollar	Subsidy reduction for Conservation Compliance based on the CC_SUB_RED_PCT.

1/31/2018

Exhibit 135-1

FCIC-Appendix III

**LIVESTOCK RISK PROTECTION (LRP)
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<AOEXPENSE_SUBSIDY>	27	9(10).99	dollar and cents	Total Premium multiplied by AOExpense Subsidy Percent.
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