

Exhibit Name: Indemnity Calculation
 Exhibit Number: P24_1, Plan 82
 Record Name: LGM Indemnity
 Record Code: P24_1

Reinsurance Year: 2024
 Version: Approved
 Release Date: 7/1/2023

Insurance Plan Code 82 Livestock Gross Margin

Commodity Code 0803 Cattle 0815 Swine
 0847 Dairy Cattle

**Sections 1 - 3 are For Cattle and Swine Only
 (For Dairy Cattle, See Section 4 and forward)**

Calculations	Field Name	Record Number	Field Number	Field Format	Field Rounding	Rules
Section 1: Total Actual Gross Margin Calculation						
For X where X is months 2 through 11:	Month X Total Actual Gross Margin Amount	Internal		9999999999		
Month X Total Actual Gross Margin Amount = (Month X Target Market Amount * Month X Actual Gross Margin Amount)	Month X Target Market Amount	P16	22-31	999999	Round to whole number	
	Month X Actual Gross Margin Amount	ADM				From ADM LGM Gross Margin, "A00600."
Total Actual Gross Margin Amount = $\sum_{i=2}^{11} (\text{Month X Total Actual Gross Margin Amount})$	Total Actual Gross Margin Amount	P24	23	9999999999		Sum of actual gross margin by month for the insurance period. Only the negative symbol (-) will appear if applicable.

Section 2: Market Factor and Calculation						
Total Target Market Amount = $\sum_{X=2}^{11} (\text{Month X Target Market Amount})$	Total Target Market Amount	Internal		9999999999		
	Month X Target Market Amount	P16	22-31	999999		
Market Factor = Total Actual Market Amount / Total Market Amount	Market Factor	Internal		9.999		If Market Factor >= .750 set Market Factor to 1.00; otherwise, use the calculated factor.
	Total Actual Market Amount	P24	22	999999999999		
	Total Target Market Amount	Internal		999999		Sum of Target Marketings by month.

Section 3: Indemnity Calculation						
Indemnity Amount = (Gross Margin Guarantee Amount - Total Actual Gross Margin Amount) * Market Factor	Indemnity Amount	P24	24	999999999999	Round to whole number	An indemnity is calculated and payable if Actual Total Gross Margin is less than Gross Margin Guarantee.
	Gross Margin Guarantee Amount	P16	53	99999999999.99		

The Following Sections are Applicable for Dairy Cattle

Calculations	Field Name	Record Number	Field Number	Field Format	Field Rounding	Rules
Section 4: Actual Feed Cost Calculation						
For X where X is months 2 through 11:	Month X Actual Feed Cost Amount	Internal		9999.99		Dollars and Cents.
	Month X Corn Equivalent Amount	P16	32-41	9999.999999		
Month X Actual Feed Cost Amount = (Month X Corn Equivalent Amount *(Round (2000/56),16) * Month X Corn Price) + (Month X Soybean Meal Equivalent Amount * Month X Soymeal Price)	Month X Actual Gross Margin Amount for corn	ADM		999.99		From ADM LGM Gross Margin, "A00600", where Market Symbol Code is "C" for Corn.
	Month X Soybean Meal Equivalent Amount	P16	42-51	9999.999999		
	Month X Actual Gross Margin Amount-for Soybean Meal	ADM		999.99		From ADM LGM Gross Margin, "A00600.", where Market Symbol Code is "SM" for Soybean Meal

Section 5: Total Actual Gross Margin Calculation						
For X where X is months 2 through 11:	Month X Actual Gross Margin Amount	Internal				From ADM LGM Gross Margin, "A00600."
Month X Actual Gross Margin Amount = (Month X Target Market Amount* Month X Milk Price) - Month X Actual Feed Cost	Month X Target Market Amount	P16	22-31	999999		
	Month X Actual Gross Margin Amount for Milk	ADM		999.99		From ADM LGM Gross Margin, "A00600.", where Market Symbol Code is "DA" for Milk.
Total Actual Gross Margin Amount = $\sum_{i=2}^{11} (\text{Month X Total Actual Gross Margin Amount})$	Total Actual Gross Margin Amount	P24	23	9999999999		Sum of actual gross margin by month for the insurance period. Only the negative symbol (-) will appear if applicable.

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82 Livestock Gross Margin

Commodity Code

0803 Cattle
 0847 Dairy Cattle

0815 Swine

Section 6: Market Factor and Calculation

Total Target Market Amount = $\sum_{X=2}^{11} (\text{Month X Target Market Amount})$	Total Target Market Amount	Internal		9999999999		
	Month X Target Market Amount	P16	22-31	999999		
For X where X is months 2 through 11: Month X Market Factor = $\frac{\text{Round}(\text{Round}(\text{MIN}(\text{Month X Cumulative Target Market Amount}, \text{Month X Actual Market Amount} / 0.85), 3) / \text{Month X Cumulative Target Market Amount}, 3)}{11}$	Month X Market Factor	Internal		9.999	Round to 3 decimals.	
	Month X Actual Market Amount	P24	12-21	9999999999		
	Month X Cumulative Target Market Amount	P29	15-24			
Market Factor = $\frac{11}{\sum_{X=2}^{11} \text{Round}(\text{Month X Market Factor} * \text{Round}(\text{Month X Target Market Amount} / \text{Total Target Market Amount}, 3), 3)}$	Market Factor	Internal		9.999	Round to 3 decimals.	
	Month X Market Factor	Internal				
	Total Target Market Amount	Internal		999999		Sum of Target Marketings by month.

Section 7: Indemnity Calculation

Indemnity Amount = $(\text{Gross Margin Guarantee Amount} - \text{Total Actual Gross Margin Amount}) * \text{Market Factor}$	Indemnity Amount	P24	24	9999999999	Round to whole number	An indemnity is calculated and payable if Actual Total Gross Margin is less than Gross Margin Guarantee.
	Gross Margin Guarantee Amount	P16	53	9999999999.99		