**Exhibit Name:** Premium Calculation

Exhibit Number: P13-2, Plan 50 **Record Name:** Inventory Value

Record Code: P13

Reinsurance Year: 2025 Version: Approved

Release Date: 6/27/2024 **Insurance Plan Code** 50 Dollar Amount of Insurance 0073 Nursery 1010 Nursery (NVS) 1020 Controlled Environment (CE) **Commodity Code Field Field** Record **Field Field Calculations** Name <u>Number</u> Number **Format** Rounding <u>Rules</u> Section 1: Liability Calculation When Commodity Code is "0073": Liability Amount P13 59 999999999 Round to whole number 24 Inventory Value Amount P13 99999999 None For Type 071 Liners. Edit With ADM Price, Survival Percent ADM 9.999 None "A00810". Inventory Value Amount \* Survival Percent \* P14 34 9.9999 Coverage Level Percent None Liability Amount = Coverage Level Percent \* Insured Share Percent \* Insured Share Percent P13 26 9.9999 None Catastrophic Factor When Coverage Type Code is equal "C", then equals 0.55. 9.99 None Catastrophic Factor Otherwise, equals 1.0. When Commodity Code is "1010" or "1020": Liability Amount P13 59 999999999 Round to whole number Cup at \$1. 49 Selected Value Amount P13 99999999 None P14 Coverage Level Percent 34 9.9999 None Liability Amount = Selected Value Amount \* Coverage Level Percent \* Insured Share Percent \* Catastrophic Factor **Insured Share Percent** P13 26 9.9999 None When Coverage Type Code is equal "C", then equals 0.55. Catastrophic Factor 9.99 None Otherwise, equals 1.0. Section 2: Base Premium Rate Calculation Internal 999999.9999999 Base Premium Rate Round to 8 decimals. When Insurance Option Code "OW" does not apply: ADM 999.9999 Edit with ADM Base Rate, "A01010". Base Rate None Edit with ADM Coverage Level Differential, Base Rate \* Rate Differential Factor Rate Differential Factor ADM 9.9999999 None **Base Premium Rate** "A01040". When Insurance Option Code "OW" applies: Edit with ADM Option Rate, "A01060" for **Option Rate** ADM 9.9999 None Option. **Option Rate** Section 3: Optional Coverage Calculation Additive Optional Rate 999999.9999 Round to 4 decimals. Internal Adjustment Factor Option Rate will be the Sum of all Option When Rate Method Code is Additive, "A": Additive Optional Rate Rate with Rate Method Code equal to **Option Rate** ADM 99999.9999 None Additive, "A". Edit with ADM Option Rate, Adjustment Factor > Option Rate \* Rate Differential Factor "A01060" Edit with ADM Coverage Level Differential, ADM Rate Differential Factor 9.9999999 None "A01040" When Rate Method Code is Multiplicative, "M": Multiplicative Optional Rate Internal 999999.9999 Round to 4 decimals. **Multiplicative Optional** Adjustment Factor Rate Adjustment Factor Option Rate ADM 9.9999 Edit with ADM Option Rate, "A01060". > Option Rate1 \* Option Rate2 \* Option Rate3... None

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Exhibit Number: P13-2, Plan 50 **Record Name:** Inventory Value

Reinsurance Year: 2025 Version: Approved

Record Code: P13 **Release Date:** 6/27/2024 Insurance Plan Code 50 Dollar Amount of Insurance

Commodity Code	0073 Nursery		1010 Nursery (NVS)		1020 Controlled Enviroment (CE)	
<u>Calculations</u>	<u>Field</u> <u>Name</u>	Record Number	<u>Field</u> <u>Number</u>	<u>Field</u> <u>Format</u>	<u>Field</u> <u>Rounding</u>	<u>Rules</u>
Section 4: Premium Rate Calculation						The Premium Rate for ALL Unit Structures should be capped at .999 in the event various adjustments to the Base Premium Rate would cause it to exceed 1.0.
Base Premium Rate * Unit Structure Discount Factor * Premium Rate = Multiplicative Optional Rate Adjustment Factor + Additive Optional Rate Adjustment Factor	Premium Rate	Internal		999999999999999999999999999999999999999	Round to 8 decimals.	Premium Rate is capped at 0.99900000.
	Unit Structure Discount Factor	ADM		9.999	None	Edit with ADM Unit Discount, "A01090". When Unit Structure Code equals "BU", then Unit Structure Discount Factor equals Basic Unit Discount Factor.
Section 5: Total Premium, Subsidy, and Producer Premium Calculation						
Total Premium Amount = Liability Amount * Premium Rate * Proration Percent	Total Premium Amount	P13	57	999999999	Round to whole number	
	Proration Percent	ADM		9.99	None	Edit with ADM Proration, "A01070".
Subsidy Amount = Total Premium Amount * Subsidy Percent	Subsidy Amount	P13	58	9999999999	Round to whole number	If this record qualifies for Beginning Farmer Rancher, see Section 7 for the subsidy calculations.
	Subsidy Percent	ADM		9.999	None	Edit with ADM Subsidy Percent, "A00070".
Producer Premium	Producer Premium Amount	P13	60	999999999	Round to whole number	

**Exhibit Name:** Premium Calculation

**Exhibit Number:** P13-2, Plan 50 **Record Name:** Inventory Value

Record Code: P13

Reinsurance Year: 2025 Version: Approved Release Date: 6/27/2024

Insurance Plan Code	50 Dollar Amount of Insurance						
Commodity Code	0073 Nursery 1010 Nursery (NVS)			1010 Nursery (NVS)	1020 Controlled Enviroment (CE)		
<u>Calculations</u>	<u>Field</u> <u>Name</u>	Record Number	<u>Field</u> <u>Number</u>	<u>Field</u> <u>Format</u>	<u>Field</u> <u>Rounding</u>	<u>Rules</u>	
Section 6: Commodity Year Deductible Amount Calculation						This information will be based on the 'individual line'. Controlled Environment "1020" has no deductible.	
When Commodity Code is "0073":							
Commodity Year = Inventory Value Amount * Survival Percent *  Deductible Amount = (1 - Coverage Level Percent)	Commodity Year Deductible Amount	Internal		99999999	Round to whole number		
	Inventory Value Amount	P13	24	99999999	Round to whole number	Inventory Amount for the 'individual line'.	
	Survival Percent	ADM		9.999	None	For Type 071 Liners. Edit With ADM Price, "A00810".	
	Coverage Level Percent	P14	34	9.9999	None		
When Commodity Code is "1010":							
Commodity Year Deductible Amount = Selected Value Amount * (1 - Coverage Level Percent)	Commodity Year Deductible Amount	Internal		99999999	Round to whole number		
	Selected Value Amount	P13	49	999999999	None		
	Coverage Level Percent	P14	34	9.9999	None		
Section 7: Beginning Farmer and Rancher (BFR), Veteran Farmer Rancher (VFR), ar	nd Conservation Compliance (CC)	Subsidy Cal	culations				
Base Subsidy Amount = Total Premium Amount * Subsidy Percent	Base Subsidy Amount	Internal		999999999	Round to whole number	Cupped by the standard rule of \$1 if applicable.	
	Subsidy Percent	ADM		9.999	None	Edit with ADM Subsidy Percent, "A00070".	
BFR/VFR Subsidy Amount = Total Premium Amount * 0.10 * (1 - CC Subsidy Reduction Percent)	BFR/VFR Subsidy Amount	Internal		999999999	Round to whole number	Beginning Farmer Rancher/Veteran Farme Rancher Subsidy Amount. If Applicable;. 0.10 (10%).	
CC Subsidy Reduction Amount = Base Subsidy Amount * CC Subsidy Reduction Percent	CC Subsidy Reduction Percent	P13	48	9.9999	None	If Applicable; else 0.	
	CC Subsidy Reduction Amount	P13	75	999999999	Round to whole number	CC Subsidy Reduction Amount. If Applicable; else 0.	
Subsidy Amount = Base Subsidy Amount + BFR/VFR Subsidy Amount - CC Subsidy Reduction Amount	Subsidy Amount	P13	58	999999999	Round to whole number	Subsidy Amount cannot exceed Total Premium Amount. Subsidy Amount will be cupped at \$0.	
Producer Premium	Producer Premium Amount	P13	60	999999999	Round to whole number		