Livestock Gross Margin (LGM)
(Insurance Plan Code 82)

GROSS MARGIN GUARANTEE

EXPECTED GROSS MARGIN = (TARGET_MARKET_1 * EXP_GROSS_MARGIN_1) +
(internal)   (field 18)   (field 24)

(TARGET_MARKET_2 * EXP_GROSS_MARGIN_2) + (TARGET_MARKET_3 *
(field 19)   (field 25)   (field 20)

EXP_GROSS_MARGIN_3) + (TARGET_MARKET_4 * EXP_GROSS_MARGIN_4) +
(field 26)   (field 21)   (field 27)

(TARGET_MARKET_5 * EXP_GROSS_MARGIN_5) + (TARGET_MARKET_6 *
(field 22)   (field 28)   (field 23)

EXP_GROSS_MARGIN_6)
(field 29)

GROSS_MARGIN_GUAR = EXPECTED GROSS MARGIN * COVERAGE_LEVEL
(field 31)   (internal)   (field 30)

LIABILITY

LIABILITY = GROSS_MARGIN_GUAR
 (field 32)   (field 31)

SIMULATED LOSSES

SIMULATED GROSS MARGINS(i) = (FIRST MONTH GROSS MARGIN DRAW(i) *
(internal)

TARGET_MARKET_1) + (SECOND MONTH GROSS MARGIN DRAW(i) *
(field 18)

TARGET_MARKET_2) + (THIRD MONTH GROSS MARGIN DRAW(i) *
(field 19)

TARGET_MARKET_3) + (FOURTH MONTH GROSS MARGIN DRAW(i) *
(field 20)

TARGET_MARKET_4) + (FIFTH MONTH GROSS MARGIN DRAW(i) *
(field 21)

TARGET_MARKET_5) + (SIXTH MONTH GROSS MARGIN DRAW(i) *
(field 22)

TARGET_MARKET_6)
(field 23)

Note: (i) = 1,2,…, 25000

SIMULATED_LOSSES = ∑ (MAX (GROSS_MARGIN_GUAR - SIMULATED GROSS MARGINS(i), 0))
   (field 33)   (field 31)

Note: only use simulated gross margins greater than zero in calculation

TOTAL PREMIUM

TOTAL_PREMIUM = 1.03 * (1/25,000) * SIMULATED LOSSES
  (field 34)   (field 33)

PRODUCER PREMIUM

PRODUCER_PREMIUM = TOTAL_PREMIUM
  (field 40)   (field 34)

Note: Subsidy not applicable for LGM.

LIVESTOCK GROSS MARGIN (LGM)
LIABILITY/PREMIUM CALCULATIONS
Edit Description

Tag	No.	Picture	Rounding	Description
<TARGET_MARKET_1>	18	9(05)	whole number	Number of swine the insured expects to market in the first month of the insurance period (Feb. or Aug.).
<EXP_GROSS_ MARGIN_1>	24	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for First Month from ADM L Suffix P. This is a signed field. Only the negative symbol (-) will appear if applicable.
<TARGET_MARKET_2>	19	9(05)	whole number	Number of swine the insured expects to market in the second month of the insurance period (Mar. or Sept.).
<EXP_GROSS_ MARGIN_2>	25	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for Second Month from ADM L Suffix P. Only the negative symbol (-) will appear if applicable.
<TARGET_MARKET_3>	20	9(05)	whole number	Number of swine the insured expects to market in the third month of the insurance period (Apr. or Oct.).
<EXP_GROSS_ MARGIN_3>	26	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for Third Month from ADM L Suffix P. Only the negative symbol (-) will appear if applicable.
<TARGET_MARKET_4>	21	9(05)	whole number	Number of swine the insured expects to market in the fourth month of the insurance period (May or Nov.).
<EXP_GROSS_ MARGIN_4>	27	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for Fourth Month from ADM L Suffix P. Only the negative symbol (-) will appear if applicable.
<TARGET_MARKET_5>	22	9(05)	whole number	Number of swine the insured expects to market in the fifth month of the insurance period (June or Dec.).
<EXP_GROSS_ MARGIN_5>	28	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for Fifth Month from ADM L Suffix P. Only the negative symbol (-) will appear if applicable.

<TARGET_MARKET_6>	23	9(05)	whole number	Number of swine the insured expects to market in the sixth month of the insurance period. (July or Jan.)
<EXP_GROSS_ MARGIN_6>	29	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for Sixth Month from ADM L Suffix P. Only the negative symbol (-) will appear if applicable.
<EXPECTED GROSS MARGIN>	internal	9(10).99	dollars and cents	Sum of (Target Marketings by month times Expected Gross Margins by month).
<COVERAGE_LEVEL>	30	9.999999	NA	Valid coverage Levels are 0.800000, 0.850000, 0.900000, 0.950000, 1.000000. Within a practice (insurance period) the coverage level is by type without regards to county.
<GROSS_MARGIN_ GUAR>	31	9(10).99	dollar and cents	Expected Gross Margin times Coverage Level.
<LIABILITY>	32	9(10)	nearest whole dollar	Gross Margin Guarantee to nearest whole dollar.
FIRST MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	First Month Gross Margin Draw from ADM L Suffic C.
SECOND MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	Second Month Gross Margin Draw from ADM L Suffic C.
THIRD MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	Third Month Gross Margin Draw from ADM L Suffic C.
FOURTH MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	Fourth Month Gross Margin Draw from ADM L Suffic C.
FIFTH MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	Fifth Month Gross Margin Draw from ADM L Suffic C.
SIXTH MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	Sixth Month Gross Margin Draw from ADM L Suffic C.
SIMULATED GROSS MARGINS(i)	Internal	9(10).99	dollars and cents	Six month Simulated Gross Margins(i) is the sum of (Gross Margin Draws(i) times Target Marketings by month).

LIVESTOCK GROSS MARGIN (LGM)
LIABILITY/PREMIUM CALCULATIONS
Edit Description

<SIMULATED_ LOSSES>	33	9(10).99	dollars and cents	Sum of (MAX (Gross Margin Guarantee minus Simmulated Gross Margins(i)), 0).
<TOTAL_PREMIUM>	34	9(10)	nearest whole dollar	The result of 1.03 times (1/25,000) times Simmulated Losses.
<PRODUCER_PREMIUM>	40	9(10)	nearest whole dollar	Producer Premium equals Total Premium.

Note: (i) = 1,2,…, 25000