

Exhibit Name: Premium Calculation  
 Exhibit Number: P11-5, Plan 47  
 Record Name: Acreage  
 Record Code: P11

Reinsurance Year: 2013  
 Version: Approved  
 Release Date: 11/16/2015

|                            |                           |                   |                    |
|----------------------------|---------------------------|-------------------|--------------------|
| <u>Insurance Plan Code</u> | 47 Actual Revenue History |                   |                    |
| <u>Commodity Code</u>      | 0057 Cherries             | 0154 Strawberries | 0215 Navel Oranges |

| <u>Calculations</u> | <u>Field Name</u> | <u>Record Number</u> | <u>Field Number</u> | <u>Field Format</u> | <u>Field Rounding</u> | <u>Rules</u> |
|---------------------|-------------------|----------------------|---------------------|---------------------|-----------------------|--------------|
|---------------------|-------------------|----------------------|---------------------|---------------------|-----------------------|--------------|

**Section 1: Liability Calculation**

|  |                                    |          |     |             |                        |   |
|--|------------------------------------|----------|-----|-------------|------------------------|---|
| $\text{Acre Guarantee Quantity} = \text{Approved Yield} * \text{Expected Revenue Factor} * \text{Coverage Level Percent} * \text{Price Election Percent} * \text{Insured Share Percent}$ | Acre Guarantee Quantity            | P11      | 100 | 99999999.99 | Round to whole number. |   |
|  | Approved Yield                     | P11      | 46  | 99999999.99 | None                   |   |
|  | Expected Revenue Factor            | ADM      |     | 9.9999      | None                   | Edit with ADM Price "A00810"  |
|  | Coverage Level Percent             | P14      | 34  | 9.9999      | None                   |   |
|  | Price Election Percent             | ICE      |     | 9.9999      | None                   | Payment Factor. Edit with ICE Price Election Percent, "D00007".         |
| $\text{Total Guarantee Amount} = \text{Acre Guarantee Quantity} * \text{Reported Acreage}$   | Insured Share Percent              | P11      | 47  | 9.999       | None                   |   |
|  | Total Guarantee Amount             | P11      | 97  | 99999999.99 | Round to whole number. |   |
| $\text{Liability Amount} = \text{Total Guarantee Amount}$  | Reported Acreage                   | P11      | 52  | 999999.99   | None                   | Reported Acreage must equal the sum of all Land, P27, Reported Acreage. |
|  | Liability Amount                   | P11      | 88  | 9999999999  | Round to whole number. |   |
| $\text{Unadjusted Approved Revenue Amount} = \text{Expected Revenue Factor} * \text{Rate Yield}$   | Unadjusted Approved Revenue Amount | Internal |     | 99999999    | Round to whole number. |   |
|  | Expected Revenue Factor            | ADM      |     | 9.9999      | None                   | Edit with ADM Price "A00810"  |
|  | Rate Yield                         | P15      | 35  | 99999999.99 | None                   |   |

**Section 2: Base Premium Rate Calculation**

|  |                              |          |    |                 |                      |  |
|--|------------------------------|----------|----|-----------------|----------------------|--|
| $\text{Current Year Yield Ratio} = \text{Rate Yield} / \text{Reference Revenue}$                       | Current Year Yield Ratio     | Internal |    | 9999999.99      | Round to 2 decimals. | Cup at 0.50 and Cap at 1.50.                                   |
|  | Rate Yield                   | P15      | 35 | 99999999.99     | None                 |  |
|  | Reference Revenue            | ADM      |    | 99999.99        | None                 | Edit with ADM Base Rate, "A01010" Reference Amount.            |
| $\text{Prior Year Yield Ratio} = \text{Rate Yield} / \text{Prior Year Reference Revenue}$              | Prior Year Yield Ratio       | Internal |    | 9999999.99      | Round to 2 decimals. |  |
|  | Rate Yield                   | P15      | 35 | 99999999.99     | None                 |  |
|  | Prior Year Reference Revenue | ADM      |    | 99999.99        | None                 | Edit with ADM Base Rate, "A01010" Prior Year Reference Amount. |
| $\text{Current Year Rate Multiplier} = \text{Current Year Yield Ratio} ^ \text{Exponent Value}$        | Current Year Rate Multiplier | Internal |    | 9999.99999999   | Round to 8 decimals. |  |
|  | Exponent Value               | ADM      |    | \$99.999        | None                 | Edit with ADM Base Rate, "A01010".                             |
| $\text{Prior Year Rate Multiplier} = \text{Prior Year Yield Ratio} ^ \text{Prior Year Exponent Value}$ | Prior Year Rate Multiplier   | Internal |    | 999999.99999999 | Round to 8 decimals. |  |
|  | Prior Year Exponent Value    | ADM      |    | \$99.999        | None                 | Edit with ADM Base Rate, "A01010".                             |

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| Calculations   | Field Name   | Record Number             | Field Number | Field Format | Field Rounding      | Rules                |  |
|--|--|---------------------------|--------------|--------------|---------------------|----------------------|--|
| Current Year Base Rate =   | <b>When Rate Method Code equals Fixed Rate "F":</b><br>Sub County Rate   | Current Year Base Rate    | Internal     |              | 9999999999.99999    | Round to 8 decimals. |  |
|  | <b>When Rate Method Code equals Additive "A":</b><br>Sub County Rate + (Current Year Rate Multiplier * Reference Rate + Fixed Rate)                            | Sub County Rate           | ADM          |              | 99.9999             | None                 | Edit with ADM Sub County Rate, "A01050".             |
|  | <b>When Rate Method Code equals Multiplicative "M":</b><br>Sub County Rate * (Current Year Rate Multiplier * Reference Rate + Fixed Rate)                      | Reference Rate            | ADM          |              | 9.9999              | None                 | Edit with ADM Base Rate, "A01010".                   |
|  | <b>Otherwise:</b><br>Current Year Rate Multiplier * Reference Rate + Fixed Rate  | Fixed Rate                | ADM          |              | 9.9999              | None                 | Edit with ADM Base Rate, "A01010".                   |
| Prior Year Base Rate =   | <b>When Rate Method Code equals Fixed Rate, "F":</b><br>Sub County Rate  | Prior Year Base Rate      | Internal     |              | 999999.999999999    | Round to 8 decimals. |  |
|  | <b>When Rate Method Code equals Additive, "A":</b><br>Sub County Rate + (Prior Year Rate Multiplier * Prior Year Reference Rate + Prior Year Fixed Rate)       | Sub County Rate           | ADM          |              | 9.9999              | None                 | Edit with ADM Sub County Rate, "A01050".             |
|  | <b>When Rate Method Code equals Multiplicative, "M":</b><br>Sub County Rate * (Prior Year Rate Multiplier * Prior Year Reference Rate + Prior Year Fixed Rate) | Prior Year Reference Rate | ADM          |              | 9.9999              | None                 | Edit with ADM Base Rate, "A01010".                   |
|  | <b>Otherwise:</b><br>Prior Year Rate Multiplier * Prior Year Reference Rate + Prior Year Fixed Rate  | Prior Year Fixed Rate     | ADM          |              | 9.9999              | None                 | Edit with ADM Base Rate, "A01010".                   |
| Current Year Base Premium Rate =<br>Current Year Base Rate * Rate Differential Factor * Unit Residual Factor | Current Year Base Premium Rate   | Internal                  |              |              | 9999999999.99999999 | Round to 8 decimals. |  |
|  | Rate Differential Factor   | ADM                       |              |              | 9.999999999         | None                 | Edit with ADM Coverage Level Differential, "A01040". |
|  | Unit Residual Factor   | ADM                       |              |              | 9.999               | None                 | Edit with ADM Coverage Level Differential, "A01040". |

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**Insurance Plan Code** 47 Actual Revenue History

**Commodity Code** 0057 Cherries 0154 Strawberries 0215 Navel Oranges

| Calculations  | Field Name                          | Record Number | Field Number | Field Format    | Field Rounding       | Rules   |
|---|-------------------------------------|---------------|--------------|-----------------|----------------------|---|
| $\text{Prior Year Base Premium} = \text{Prior Year Base Rate} * \text{Prior Year Rate Differential Factor} * \text{Prior Year Residual Factor} * 1.2$ | Prior Year Base Premium Rate        | Internal      |              | 999999.99999999 | Round to 8 decimals. |   |
|   | Prior Year Rate Differential Factor | ADM           |              | 9.99999999      | None                 | Edit with ADM Coverage Level Differential, "A01040".  |
|   | Prior Year Unit Residual Factor     | ADM           |              | 9.999           | None                 | Edit with ADM Coverage Level Differential, "A01040".<br>When Unit Structure Code equals "OU" or "BU", then Prior Year Unit Residual Factor.<br><br>When Unit Structure Code equals "EU", then Prior Year Enterprise Unit Residual Factor. |
| $\text{Base Premium Rate} = \text{MIN}(\text{Current Year Base Premium Rate, Prior Year Base Premium Rate, or .999})$                                 | Base Premium Rate                   | P11           | 91           | 9.99999999      | Round to 8 decimals. | Edit with ADM Base Rate, "A01010".  |

**Section 3: Optional Coverage Calculation**

|   |  |          |  |             |                      |  |
|---|--|----------|--|-------------|----------------------|--|
| $\text{Additive Optional Rate Adjustment Factor} = \text{SUM}(\text{Option Rate(s)}) * \text{Rate Differential Factor}$ | Additive Optional Rate Adjustment Factor       | Internal |  | 999999.9999 | Round to 4 decimals. |  |
|   | Option Rate                                    | ADM      |  | 9.9999      | None                 | Edit with ADM Option Rate, "A01060".                 |
|   | Rate Differential Factor                       | ADM      |  | 9.99999999  | None                 | Edit with ADM Coverage Level Differential, "A01040". |
| $\text{Multiplicative Optional Rate Adjustment Factor} = \text{Product}(\text{Option Rate(s)})$                         | Multiplicative Optional Rate Adjustment Factor | Internal |  | 999999.9999 | Round to 4 decimals. |  |
|   | Option Rate                                    | ADM      |  | 9.9999      | None                 | Edit with ADM Option Rate, "A01060".                 |

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| <u>Calculations</u> | <u>Field Name</u> | <u>Record Number</u> | <u>Field Number</u> | <u>Field Format</u> | <u>Field Rounding</u> | <u>Rules</u> |
|---------------------|-------------------|----------------------|---------------------|---------------------|-----------------------|--------------|
|---------------------|-------------------|----------------------|---------------------|---------------------|-----------------------|--------------|

|                                |  |  |  |  |  |   |
|--------------------------------|--|--|--|--|--|---|
| <b>Section 4: Premium Rate</b> |  |  |  |  |  | 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. |
|--------------------------------|--|--|--|--|--|---|

|  |                                |          |  |                     |                      |  |
|--|--------------------------------|----------|--|---------------------|----------------------|--|
| Premium Rate<br><br>Base Premium Rate * Unit Structure Discount Factor *<br>= Multiplicative Optional Rate Adjustment Factor +<br>Additive Optional Rate Adjustment Factor | Premium Rate                   | Internal |  | 9999999999.99999999 | 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".<br>When Unit Structure Code equals "OU", "UA", or "UD", then Unit Structure Discount Factor equals Optional Unit Discount Factor.<br><br>When Unit Structure Code equals "BU", then Unit Structure Discount Factor equals Basic Unit Discount Factor. |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Section 5: Total Premium, Subsidy, and Producer Premium Calculation</b> |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

|  |                                      |          |    |            |                        |   |
|--|--------------------------------------|----------|----|------------|------------------------|---|
| Preliminary Total Premium Amount = Liability Amount * Premium Rate * Experience Factor * Premium Surcharge Percent | Preliminary Total Premium Amount     | Internal |    | 9999999999 | Round to whole number  |   |
|  | Experience Factor                    | P11      | 51 | 9.999      | None                   | Must be a value between minimum and maximum on ICE, "D10023".   |
|  | Premium Surcharge Percent            | Internal |    | 9.99       | None                   | When Surcharge Applied Flag equals "Y", then Premium Rate Surcharge must equal 1.05, otherwise must equal 1.00. |
| Total Premium Amount = Preliminary Total Premium Amount * Multiple Commodity Adjustment Factor.                    | Total Premium Amount                 | P11      | 89 | 9999999999 | Round to whole number. |   |
|  | Multiple Commodity Adjustment Factor | ICE      |    | 9999.999   | None                   | Edit with ICE Multiple Cropping, "D00063".  |
| Subsidy Amount = Total Premium Amount * Subsidy Percent  | Subsidy Amount                       | P11      | 87 | 9999999999 | Round to whole number. |   |
|  | Subsidy Percent                      | ADM      |    | 9.999      | None                   | Edit with ADM Subsidy Percent, "A00070".  |
| Producer Premium Amount = Total Premium Amount - Subsidy Amount  | Producer Premium Amount              | P11      | 90 | 9999999999 | Round to whole number. |   |