**Exhibit Name:** Premium Calculation  
**Exhibit Number:** P11-7, Plan 51  
**Record Name:** Acreage  
**Record Code:** P11  
**Reinsurance Year:** 2015  
**Version:** Approved  
**Release Date:** 9/20/2018

<table>
<thead>
<tr>
<th>Calculations</th>
<th>Field Name</th>
<th>Record Number</th>
<th>Field Format</th>
<th>Field Rounding</th>
<th>Rules</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dollar Amount of Insurance  * Reference Maximum Dollar Amount  * Coverage Level Percent</td>
<td>Dollar Amount of Insurance</td>
<td>P11</td>
<td>102</td>
<td>99999999.99</td>
<td>Round to whole number</td>
</tr>
<tr>
<td>Reference Maximum Dollar Amount</td>
<td>ADM</td>
<td>9999.9999</td>
<td>None</td>
<td>Edit With ADM Price, &quot;A00810&quot;.</td>
<td></td>
</tr>
<tr>
<td>Coverage Level Percent</td>
<td>P14</td>
<td>34</td>
<td>9.9999</td>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

Acre Guarantee Quantity = Dollar Amount of Insurance

Acre Guarantee Quantity | P11 | 103 | 99999999.99 | Round to whole number |

Total Guarantee Amount = Acre Guarantee Quantity  * Reported Acreage

Total Guarantee Amount | P11 | 100 | 99999999.99 | Round to whole number |

Reported Acreage | P11 | 49 | 999999.99 | None |

Liability Amount = Total Guarantee Amount  * Insured Share Percent

Liability Amount | P11 | 91 | 9999999999 | Round to whole number |

Insured Share Percent | P11 | 44 | 9.9999 | None |

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**Section 1: Liability Calculation**

For the Liability Amount, the calculation is as follows:

- **Dollar Amount of Insurance**
  - Equals Reference Maximum Dollar Amount  * Coverage Level Percent

- **Acre Guarantee Quantity**
  - Equals Dollar Amount of Insurance

- **Total Guarantee Amount**
  - Equals Acre Guarantee Quantity  * Reported Acreage

- **Liability Amount**
  - Equals Total Guarantee Amount  * Insured Share Percent

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**Section 2: Base Premium Rate Calculation**

Base Premium Rate Calculation is determined as follows:

- **When Rate Method Code equals Fixed Rate, "F"**: Base Premium Rate
  - Equals Internal 99999999999999999 | Round to 8 decimals.

- **When Rate Method Code equals Additive, "A"**: Sub County Rate  * Rate Differential Factor
  - Equals ADM 9.9999 | None * Edit with ADM Sub County Rate, "A01050".

- **When Rate Method Code equals Multiplicative, "M"**: Sub County Rate  * Base Rate  * Rate Differential Factor
  - Equals ADM 999.9999 | None * Edit with ADM Base Rate, "A01010".

- **Otherwise**: Base Rate  * Rate Differential Factor
  - Equals ADM 9.99999999 | None * Edit with ADM Coverage Level Differential, "A01040".
Section 3: Optional Coverage Calculation

Additive Optional Rate Adjustment Factor

\[ \text{Additive Optional Rate Adjustment Factor} = \sum \text{Option Rate} \times \text{Rate Differential Factor} \]

- When Rate Method Code is Additive, "A":
  - Option Rate: Internal 999999.9999
  - Rate Differential Factor: ADM 9.99999999

Multiplicative Optional Rate Adjustment Factor

\[ \text{Multiplicative Optional Rate Adjustment Factor} = \prod \text{Option Rate1} \times \text{Option Rate2} \times \text{Option Rate3} \ldots \]

- When Rate Method Code is Multiplicative, "M":
  - Option Rate: Internal 999999.9999

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.

\[ \text{Premium Rate} = \text{Base Premium Rate} \times \text{Unit Structure Discount Factor} \times \text{Multiplicative Optional Rate Adjustment Factor} + \text{Additive Optional Rate Adjustment Factor} \]

- Additive Optional Rate Adjustment Factor = \sum \text{Option Rate} \times \text{Rate Differential Factor}
  - Option Rate: A00069
  - Rate Differential Factor: ADM 9.9999

- Multiplicative Optional Rate Adjustment Factor = \prod \text{Option Rate1} \times \text{Option Rate2} \times \text{Option Rate3} \ldots
  - Option Rate: A00069

Section 5: Total Premium, Subsidy, and Producer Premium Calculation

\[ \text{Total Premium} = \text{Liability Amount} \times \text{Premium Rate} \]

- Preliminary Total Premium Amount = Liability Amount \times Premium Rate
- Total Premium Amount = Preliminary Total Premium Amount \times Multiple Commodity Adjustment Factor
- Multiple Commodity Adjustment Factor = ICE 9999.99

\[ \text{Subsidy Amount} = \text{Total Premium Amount} \times \text{Subsidy Percent} \]

- Subsidy Amount = Total Premium Amount \times Subsidy Percent
- Subsidy Percent = ADM 9.999

\[ \text{Producer Premium Amount} = \text{Total Premium Amount} - \text{Subsidy Amount} \]

- Producer Premium Amount = Total Premium Amount - Subsidy Amount
- Subsidy Amount = Total Premium Amount \times Subsidy Percent
- Subsidy Percent = ADM 9.999

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.
## Calculations

### 51 Fixed Dollar Amount of Insurance

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Record Number</th>
<th>Field Number</th>
<th>Field Format</th>
<th>Field Rounding</th>
<th>Rules Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Subsidy Amount</td>
<td>Internal</td>
<td>9999999999</td>
<td>Round to whole number</td>
<td>Cupped by the standard rule of $1 if applicable.</td>
<td></td>
</tr>
<tr>
<td>Subsidy Percent</td>
<td>ADM</td>
<td>9.999</td>
<td>None</td>
<td></td>
<td>Edit with ADM Subsidy Percent, &quot;A00070&quot;.</td>
</tr>
<tr>
<td>BFR Subsidy Amount</td>
<td>Internal</td>
<td>9999999999</td>
<td>Round to whole number</td>
<td>Beginning Farmer Rancher Subsidy Amount. If Applicable; else 0.10 (10%).</td>
<td></td>
</tr>
<tr>
<td>Native Sod Subsidy Amount</td>
<td>Internal</td>
<td>9999999999</td>
<td>Round to whole number</td>
<td>If Applicable; else 0.50 (50%). For CAT coverage, Native Sod Subsidy Amount is always 0.</td>
<td></td>
</tr>
<tr>
<td>Subsidy Amount</td>
<td>P11</td>
<td>90</td>
<td>9999999999</td>
<td>Round to whole number</td>
<td>Subsidy Amount cannot exceed Total Premium Amount. Subsidy Amount will be cupped at $0.</td>
</tr>
</tbody>
</table>

### Insurance Plan Code

| 0045 Chile Peppers |

### Commodity Code

- 0045 Chile Peppers

### Release Date:

- 9/20/2018