

**LIVESTOCK RISK PROTECTION (LRP)  
LIABILITY/PREMIUM CALCULATIONS**  
Edit Description

**Livestock Risk Protection (LRP)  
(Insurance Plan Code 81)**

**INSURED VALUE (LIABILITY)**

$$\text{INSURED\_VALUE} = \text{NUMBER\_HEAD} * \text{TARGET\_WEIGHT} * \text{COVERAGE\_PRICE} * \text{SHARE}$$

(field 17)                      (field 10)                      (field 11)                      (field 13)                      (field 16)

**TOTAL PREMIUM**

$$\text{TOTAL\_PREMIUM} = \text{INSURED\_VALUE} * \text{RATE}$$

(field 20)                      (field 17)                      (field 18)

**PRODUCER PREMIUM**

$$\text{SUBSIDY} = \text{TOTAL\_PREMIUM} * \text{Subsidy Factor}$$

(field 21)                      (field 20)                      (Internal\*)

$$\text{PRODUCER\_PREMIUM} = \text{TOTAL\_PREMIUM} - \text{SUBSIDY}$$

(field 26)                      (field 20)                      (field 21)

**\*Subsidy Factor for LRP is 0.130 (except for Lamb). Subsidy Factor for LRP Lamb will be by Endorsement Length. Endorsement Length - 13 weeks is 0.200, 26 weeks is 0.350, and 39 weeks is 0.380.**

**BEGINNING FARMER AND RANCHER (BFR) SUBSIDY CALCULATIONS**

$$\text{Base Subsidy} = \text{TOTAL\_PREMIUM} * \text{Subsidy Factor}$$

(Internal)                      (field 20)                      (Internal\*)

$$\text{BFR\_SUBSIDY} = \text{TOTAL\_PREMIUM} * 0.10$$

(field 28)                      (field 20)

$$\text{SUBSIDY} = \text{Base Subsidy} + \text{BFR\_SUBSIDY}$$

(field 21)                      (Internal)                      (field 28)

$$\text{PRODUCER\_PREMIUM} = \text{TOTAL\_PREMIUM} - \text{SUBSIDY}$$

(field 26)                      (field 20)                      (field 21)

**CONSERVATION COMPLIANCE SUBSIDY CALCULATIONS**

$$\text{Base Subsidy} = \text{TOTAL\_PREMIUM} * \text{Subsidy Factor}$$

(Internal)                      (field 20)                      (Internal\*)

$$\text{CC\_SUB\_RED\_AMT} = \text{Base Subsidy Amount} * \text{CC\_SUB\_RED\_PCT}$$

(field 30)                      (Internal)                      (field 29)

$$\text{SUBSIDY} = \text{Base Subsidy} - \text{CC\_SUB\_RED\_AMT}$$

(field 21)                      (Internal)                      (field 30)

$$\text{PRODUCER\_PREMIUM} = \text{TOTAL\_PREMIUM} - \text{SUBSIDY}$$

(field 26)                      (field 20)                      (field 21)

Exhibit 135-1  
**LIVESTOCK RISK PROTECTION (LRP)  
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**CONSERVATION COMPLIANCE/BEGINNING FARMER RANCHER SUBSIDY  
 CALCULATIONS**

Base Subsidy = TOTAL\_PREMIUM \* Subsidy Factor  
 (Internal) (field 20) (Internal\*)

CC\_SUB\_RED\_AMT = Base Subsidy Amount \* CC\_SUB\_RED\_PCT  
 (field 30) (Internal) (field 29)

BFR\_SUBSIDY = TOTAL\_PREMIUM \* 0.10 \* (1 - CC\_SUB\_RED\_PCT)  
 (field 28) (field 20) (field 29)

SUBSIDY = Base Subsidy + BFR\_SUBSIDY - CC\_SUB\_RED\_AMT  
 (field 21) (Internal) (field 28) (field 30)

PRODUCER\_PREMIUM = TOTAL\_PREMIUM - SUBSIDY  
 (field 26) (field 20) (field 21)

**A&O EXPENSE SUBSIDY**

AOEXPENSE\_SUBSIDY = TOTAL\_PREMIUM \* AOExpense Subsidy Percent  
 (field 27) (field 20) (Internal)

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Tag	No.	Picture	Rounding	Description
<NUMBER_HEAD>	10	9(08)	whole number	Number of Head covered by the endorsement. See Exhibit 135 notes.
<TARGET_WEIGHT>	11	9999.99	nearest cwt	Expected weight of the livestock, per head.
<COVERAGE_PRICE>	13	9999.999	per ADM	Obtain from A00630. Level of protection on a dollar per cwt basis and result of expected ending value multiplied by the coverage level.
<SHARE>	16	9.9999	4 decimal places	Percentage of insured interest in the covered livestock.
<INSURED_VALUE>  (Liability)	17	9(10)	nearest whole dollar	Total dollar amount of coverage (Liability). Number of head multiplied by target weight multiplied by the coverage price multiplied by the insured share.
<RATE>	18	.999999	per ADM	Obtain from A00630.
<TOTAL_PREMIUM>	20	9(10)	nearest whole dollar	Premium including subsidy. Insured Value multiplied by rate.
Subsidy Factor	Internal	.999	3 decimal places	Subsidy Factor for LRP is 0.130 (except for Lamb). Subsidy Factor for LRP Lamb will be by Endorsement Length. Endorsement Length - 13 weeks is 0.200, 26 weeks is 0.350, and 39 weeks is 0.380. Subsidy percent converted to factor.
<SUBSIDY>	21	9(10)	nearest whole dollar	Total Premium multiplied by Subsidy Factor. If Beginning Farmer Rancher is applicable, this amount contains the +10% increase in subsidy added to the base subsidy.
<PRODUCER_PREMIUM>	26	9(10)	nearest whole dollar	Premium after subsidy. Total Premium minus Subsidy.
Base Subsidy	Internal	9(10)	nearest whole dollar	The subsidy would have been without alterations due to BFR.
<BFR_SUBSIDY>	28	9(10)	nearest whole dollar	Beginning Farmer Rancher Subsidy. 0.10 (10%) of the Total Premium.
<CC_SUB_RED_PCT>	29	9.9999	4 decimal places	Share reduction of the policy that is in violation of Conservation Compliance.
<CC_SUB_RED_AMT>	30	9(10)	Nearest whole dollar	Subsidy reduction for Conservation Compliance based on the CC SUB RED PCT.

2/7/2019

Exhibit 135-1  
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FCIC-Appendix III

<AOEXPENSE_SUBSIDY>	27	9(10).99	dollar and cents	Total Premium multiplied by AOExpense Subsidy Percent.
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