

Exhibit Name: DRP Indemnity Calculations Exhibit Number: P28-1, Plan 83 Record Name: DRP Indemnity Record Code: P28 Reinsurance Year: 2021 Version: Draft Release Date: 8/20/2020						
Insurance Plan Code		83 Dairy Revenue Protection				
Commodity Code		0830 Milk				
<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: Yield Adjustment Factor Calculation						
YieldAdjustmentFactor = ROUND(Actual Yield / Expected Yield, 4)	Yield Adjustment Factor	P28	25	9.9999	4 decimals	
	Actual Yield	A00832	7	9999	None	
	Expected Yield	A00832	6	9999	None	
Section 2: Covered Milk Production						
Covered Milk Production = ROUND(MIN(Total Producer Declared Production, Total Milk Marketings / 0.85) * Declared Covered Milk Production / Total Producer Declared Production, 0)	Covered Milk Production	P28	15	9999999999	0 decimals	
	Total Producer Declared Production	P29	11	9999999999	None	
	Total Milk Marketings	P28	14	9999999999	None	
	Declared Covered Milk Production	P18	28	9999999999	None	
Section 3: Class Price Loss Calculation						
Actual Milk Revenue = ROUND(ROUND(ROUND(ROUND((Actual Class III Price * Class Price Weighting Factor), 4) + ROUND((Actual Class IV Price * (1 - Class Price Weighting Factor)), 4), 4) * Covered Milk Production * Yield Adjustment Factor, 4) / 100.00, 0)	Actual Milk Revenue	P28	21	9999999999	0 decimals	
	Actual Class III Price	A00834	17	999.9999	None	
	Class Price Weighting Factor	P18	30	9.9999	None	
	Actual Class IV Price	A00834	18	999.9999	None	
	Covered Milk Production	P28	15	9999999999	None	
	Yield Adjustment Factor	P28	25	9.9999	None	
Final Milk Revenue = ROUND(ROUND(ROUND(ROUND((Expected Class III Price * Class Price Weighting Factor), 4) + ROUND((Expected Class IV Price * (1 - Class Price Weighting Factor)), 4), 4) * Covered Milk Production, 4) / 100.00, 0)	Final Milk Revenue	P28	22	9999999999	0 decimals	
	Expected Class III Price	A00833	37	999.9999	None	
	Class Price Weighting Factor	P18	30	999.9999	None	
	Expected Class IV Price	A00833	38	9999.9999	None	
	Covered Milk Production	P28	15	9999999999	None	
Section 4: Component Price Loss Calculation						
Final Butterfat Test = ROUND(MIN(Declared Butterfat Test, Actual Butterfat Test / 0.9), 2)	Final Butterfat Test	P28	17	99.99	2 decimals	
	Actual Butterfat Test	P28	16	99.99	2 decimals	
	Declared Butterfat Test	P18	31	99.99	2 decimals	
Final Protein Test = ROUND(MIN(Declared Protein Test, Actual Protein Test / 0.9), 2)	Final Protein Test	P28	19	99.99	2 decimals	
	Actual Protein Test	P28	18	99.99	2 decimals	
	Declared Protein Test	P18	32	99.99	2 decimals	

<p>Actual Milk Revenue =</p> $\text{ROUND}(\text{ROUND}(\text{Component Price Weighting Factor} * (\text{ROUND}(\text{Actual Butterfat Price} * \text{Final Butterfat Test}, 4) + \text{ROUND}(\text{Actual Protein Price} * \text{Final Protein Test}, 4) + \text{ROUND}(\text{Actual Other Solids Price} * 5.7, 4)), 4) + \text{ROUND}((1 - \text{Component Price Weighting Factor}) * (\text{ROUND}(\text{Actual Butterfat Price} * \text{Final Butterfat Test}, 4) + \text{ROUND}(\text{Actual Nonfat Solids Price} * (\text{Final Protein Test} + 5.7), 4)), 4)) * (\text{Covered Milk Production} * \text{Actual Yield Adjustment Factor} / 100.00), 0)$	Actual Milk Revenue	P28	21	9999999999	0 decimals
	Actual Butterfat Price	A00834	18	999.9999	None
	Final Butterfat Test	P28	17	99.99	2 decimals
	Actual Protein Price	A00834	19	999.9999	None
	Final Protein Test	P28	19	99.99	2 decimals
	Actual Other Solids Price	A00834	20	999.9999	None
	Component Price Weighting Factor	P18	33	9.99	None
	Actual Nonfat Solids Price	A00834	22	999.9999	None
	Covered Milk Production	P28	15	9999999999	None
Yield Adjustment Factor	P28	25	9.9999	None	
<p>Final Milk Revenue =</p> <p>When Component Price Weighting Factor Restricted Value is not published:</p> $\text{ROUND}(\text{ROUND}(\text{Component Price Weighting Factor} * (\text{ROUND}(\text{Expected Butterfat Price} * \text{Final Butterfat Test}, 4) + \text{ROUND}(\text{Expected Protein Price} * \text{Final Protein Test}, 4) + \text{ROUND}(\text{Expected Other Solids Price} * 5.7, 4)), 4) + \text{ROUND}((1 - \text{Component Price Weighting Factor}) * (\text{ROUND}(\text{Expected Butterfat Price} * \text{Final Butterfat Test}, 4) + \text{ROUND}(\text{Expected Nonfat Solids Price} * (\text{Final Protein Test} + 5.7), 4)), 4)) * (\text{Covered Milk Production} / 100.00), 0)$ <p>When Component Price Weighting Factor Restricted Value is 1:</p> $\text{ROUND}(\text{ROUND}(\text{ROUND}(\text{Expected Butterfat Price} * \text{Final Butterfat Test}, 4) + \text{ROUND}(\text{Expected Protein Price} * \text{Final Protein Test}, 4) + \text{ROUND}(\text{Expected Other Solids Price} * 5.7, 4)), 4) * (\text{Covered Milk Production} / 100.00), 0)$ <p>When Component Price Weighting Factor Restricted Value is 0:</p> $\text{ROUND}(\text{ROUND}(\text{ROUND}(\text{Expected Butterfat Price} * \text{Final Butterfat Test}, 4) + \text{ROUND}(\text{Expected Nonfat Solids Price} * (\text{Final Protein Test} + 5.7), 4)), 4) * (\text{Covered Milk Production} / 100.00), 0)$	Final Milk Revenue	P28	22	9999999999	0 decimals
	Expected Butterfat Price	A00833	39	999.9999	None
	Final Butterfat Test	P28	17	999.9999	None
	Expected Protein Price	A00833	40	999.9999	None
	Component Price Weighting Factor	P18	33	9.99	None
	Expected Nonfat Solids Price	A00833	52	999.9999	None
	Final Protein Test	P28	19	9999999999	None
	Expected Other Solids Price	A00833	41	999.9999	None
	Covered Milk Production	P28	15	9999999999	None
	Component Price Weighting Factor Restricted Value	A00833	53	9.99	None
Section 5: Indemnity Calculation					
<p>Final Revenue Guarantee =</p> $\text{ROUND}(\text{Final Milk Revenue} * \text{Coverage Level Percent}, 0)$	Final Revenue Guarantee	P28	23	9999999999.99	0 decimals
	Coverage Level Percent	P18	27	9.9999	None
	Final Milk Revenue	P28	22	9999999999	
<p>IndemnityAmount =</p> $\text{ROUND}(\text{MAX}(\text{Final Revenue Guarantee} - \text{Actual Milk Revenue}, 0) * \text{Actual Share} * \text{Protection Factor}, 0)$	Indemnity Amount	P28	24	9999999999	0 decimals
	Final Revenue Guarantee	P28	23	9999999999	None
	Actual Milk Revenue	P28	21	9999999999	None
	Actual Share	P28	20	9.9999	None
	Protection Factor	P18	29	9.9999	None