

**ADJUSTED GROSS REVENUE (AGR)/LITE (AGR-L)  
LIABILITY/PREMIUM CALCULATIONS**  
Edit Description

**Adjusted Gross Revenue (AGR)/Lite (AGR-L)  
(Insurance Plan Codes 63 & 61)**

**LIABILITY CALCULATION**

LIABILITY = APPROVED\_AGR \* COVERAGE LEVEL \* PAYMENT\_RATE  
(field 34) (field 32) (Internal) (field 25)

Note: Liability Cap, cannot exceed \$6.5 million for AGR and \$1 million for AGR-L

**PREMIUM LIABILITY CALCULATION**

MAX MPC I = LIABILITY \* 0.50  
(Internal) (field 34)

PREMIUM LIABILITY = LIABILITY - Lesser of: (MPC I LIABILITY or MAX MPC I)  
(Internal) (field 34) (field 33) (Internal)

**TOTAL PREMIUM**

TOTAL\_PREMIUM = PREMIUM LIABILITY \* AGR\_RATE  
(field 38) (Internal) (field 37)

**PRODUCER PREMIUM**

SUBSIDY = TOTAL\_PREMIUM \* SUBSIDY FACTOR  
(field 39) (field 38) (Internal)

PRODUCER PREMIUM = TOTAL\_PREMIUM - SUBSIDY  
(field 44) (field 38) (field 39)

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**DIVERSIFICATION FACTOR (DF) FORMULAS:****CASES****FORMULA**

|                       |   |
|-----------------------|---|
| 1 Commodity           | DF = 1.000  |
| 2 Commodities         | DF = .668 + .0179999 (DEV) + .3142858 (DEV) (DEV) |
| 3 Commodities         | DF = .523 + .0607623 (DEV) + .2229 (DEV) (DEV)    |
| 4 Commodities         | DF = .474 + .0248208 (DEV) + .218472 (DEV) (DEV)  |
| 5 Commodities         | DF = .437 + .0710358 (DEV) + .1760129 (DEV) (DEV) |
| 6 Commodities         | DF = .412 + .0325131 (DEV) + .1945816 (DEV) (DEV) |
| 7 Commodities or more | DF = .410   |

**TOTAL WEIGHTED FARM RATE**

% of REVENUE = COMMODITY\_VALUE / TOT\_EXPECT\_INCOME  
(Internal) (field 59) (field 28)

WEIGHTED COMMODITY RATE = COMMODITY RATE \* % of REVENUE  
(Internal) (Internal) (Internal)

TOTAL\_WEIGHT\_RATE = Sum of WEIGHTED COMMODITY RATE  
(field 35)

**DIVERSITY FACTOR**

COMMODITY FACTOR = 1.00 / NUM\_COMMODITIES  
(Internal) (field 26)

COMMODITY DEVIATION "Absolute Value" = % of REVENUE - COMMODITY FACTOR  
(Internal) (Internal) (Internal)

Sum of COMMODITY DEVIATION FACTORS = Sum of all COMMODITY DEVIATIONS  
(Internal) (Internal)

DIVERSITY\_FACTOR (DF) = Formula based on number of commodities (see above)  
(field 36) (Internal)

**AGR RATE**

AGR\_RATE = DIVERSITY\_FACTOR \* TOTAL\_WEIGHT\_RATE  
(field 37) (field 36) (field 35)

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| <b>Tag</b>        | <b>No.</b> | <b>Picture</b> | <b>Rounding</b>      | <b>Description</b>  |
|-------------------|------------|----------------|----------------------|---|
| <APPROVED_AGR>    | 32         | 9(10)          | whole dollar         | Value will equal average AGR, indexed AGR, or expected income.                |
| COVERAGE LEVEL    | Internal   | 9.999999       | None                 | Coverage level submitted under the Crop Policy Section.                       |
| <PAYMENT_RATE>    | 25         | 9.9999         | None                 | Payment rate selected in combination with coverage level.                     |
| <LIABILITY>       | 34         | 9(10)          | nearest whole dollar | Liability cap, cannot exceed \$6.5 million for AGR and \$1 million for AGR-L. |
| MAX MPCI          | Internal   | 9(10)          | nearest whole dollar | Result of Liability times 0.50.   |
| <MPCI_LIABILITY>  | 33         | 9(10)          | whole dollar         | Must have MPCI crops listed as commodity code.                                |
| PREMIUM LIABILITY | Internal   | 9(10)          | nearest whole dollar | Liability reduced by "Max or MPCI Liability".                                 |
| <AGR_RATE>        | 37         | .999           | 3 decimal places     | Calculated rate (diversity factor multiplied by total weight rate).           |
| <TOTAL_PREMIUM>   | 38         | 9(10)          | nearest whole dollar | Premium including subsidy. Premium liability multiplied by AGR rate.          |
| SUBSIDY FACTOR    | Internal   | .999           | 3 decimal places     | Subsidy percent converted to factor.  |
| <SUBSIDY>         | 39         | 9(10)          | nearest whole dollar | Total Premium multiplied by Subsidy Factor.                                   |
| PRODUCER PREMIUM  | 44         | 9(10)          | nearest whole dollar | Total Premium minus Subsidy.  |

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| <b>Tag</b>                 | <b>No.</b> | <b>Picture</b> | <b>Rounding</b>  | <b>Description</b>   |
|----------------------------|------------|----------------|------------------|--|
| <COMMODITY_VALUE>          | 59         | 9(10)          | whole dollar     | Results of field 55 (acres, etc.) times field 56 (yield) times field 58 (expected value).    |
| <TOT_EXPECT_INCOME>        | 28         | 9(10)          | whole dollar     | Sum of all commodity values.   |
| % of REVENUE               | Internal   | 9.999          | 3 decimal places | Percent of total income for this commodity.  |
| COMMODITY RATE             | Internal   | 99.999         | none             | The whole farm rate from the ADM 9.  |
| WEIGHTED COMMODITY RATE    | Internal   | 99.999         | 3 decimal places | Commodity rate multiplied by % of Revenue.   |
| <TOTAL_WEIGHT_RATE>        | 35         | 99.999         | 3 decimal places | Sum of all weighted commodity rates.   |
| <NUM_COMMODITIES>          | 26         | 999            | none             | Total number of commodities reported.  |
| COMMODITY FACTOR           | Internal   | 9.999          | 3 decimal places | Result of 1.00 divided by number of commodities.   |
| COMMODITY DEVIATION        | Internal   | 9.999          | 3 decimal places | Result of % of Revenue minus commodity factor.   |
| Sum of COMMODITY DEVIATION | Internal   | 9.999          | 3 decimal places | Sum of all commodity deviations.   |
| <DIVERSITY_FACTOR>         | 36         | 9.999          | 3 decimal places | Result of the Diversification Factor (DF) Formula that's based on the number of commodities. |
| <AGR_RATE>                 | 37         | .999           | 3 decimal places | Calculated rate (diversity factor * total weight rate).                                      |

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### UNIT OF MEASURE (UOM)

| UNIT MEASURE         | UNIT ABBREVIATION | UNIT NUMERIC CODE |
|----------------------|-------------------|-------------------|
| ACRE                 | ACRE              | 20                |
| BAG/SACK             | BG/SK             | 11                |
| BALE                 | BALE              | 12                |
| BARREL               | BARRL             | 10                |
| BOX                  | BOX               | 13                |
| BUSHEL               | BU                | 01                |
| CARTON               | CTN               | 14                |
| DOZEN                | DOZ               | 15                |
| EACH                 | EACH              | 97                |
| FLAT                 | FLAT              | 16                |
| GALLON               | GAL               | 07                |
| HEAD                 | HEAD              | 17                |
| HIVE                 | HIVE              | 18                |
| HUNDREDWEIGHT        | CWT               | 03                |
| LUG                  | LUG               | 19                |
| OTHER                | OTHER             | 99                |
| OUNCE                | OZ                | 05                |
| PACKAGE              | PACKG             | 21                |
| PECK                 | PECK              | 09                |
| PINT                 | PINT              | 06                |
| PLANT                | PLANT             | 22                |
| POUND                | POUND             | 02                |
| PURCHASED FOR RESALE | PFR               | 98 **             |
| QUART                | QT                | 08                |
| SQUARE FOOT          | SQ/FT             | 23                |
| TON                  | TON               | 04                |

\*\* If the commodity code is 0073 or 0600 the unit code will be 98 and the Expected Value field will be zero.