

Agricultural Commodity List - Type 19
Format/Edits

Exhibit 19-1
Removed November 4, 2002
SEE NOTE AT END OF RECORD 19

Original

AGR and AGR-L Calculations
Format/Edits

LIABILITY CALCULATION

$$\begin{array}{rclcl}
 \mathbf{\$81,098} & & \mathbf{\$144,175} & & \mathbf{.7500} & & \mathbf{.7500} \\
 \text{AGR} & & & & & & \\
 \text{Liability} & = & \text{Approved AGR} & * & \text{Coverage Level} & * & \text{Payment Rate} \\
 \text{(Field 49)} & & \text{(Field 47)} & & \text{(Field 16)} & & \text{(Field 17)} \\
 \text{(Note)} & & & & & &
 \end{array}$$

Note: Cannot exceed \$6.5 million for AGR and \$100,000 for AGR-L (Liability cap).

PREMIUM LIABILITY CALCULATION

$$\begin{array}{rcl}
 \text{Max MPC} & = & \text{AGR Liability} * 0.50 \\
 \text{(Internal)} & & \text{(Field 49)}
 \end{array}$$

$$\begin{array}{rclcl}
 \mathbf{\$81,098} & & \mathbf{\$81,098} & & \\
 \text{Premium Liability} & = & \text{AGR Liability} & - & \text{Lesser of: (MPCI Liability or Max MPC)} \\
 \text{(Internal)} & & \text{(Field 49)} & & \text{(Field 48) (Internal)}
 \end{array}$$

AGR and AGR-L Calculations
Format/Edits

AGR RATE CALCULATION

$$\begin{array}{rcl} \mathbf{.209} & & \mathbf{\$34,100} & & \mathbf{\$163,360} \\ \% \text{ of Revenue} & = & \text{Commodity} & / & \text{Total Income} \\ (2.3) & & \text{Revenue} & & \end{array}$$

$$\begin{array}{rcl} \mathbf{.015} & & \mathbf{.070} & & \mathbf{.209} \\ \text{Weighted Commodity} & = & \text{Commodity Rate} & * & \% \text{ of Revenue} \\ \text{Rate (2.3)} & & & & \end{array}$$

$$\begin{array}{rcl} \mathbf{.147} & & \mathbf{.015 + .046 + .070 + .016} \\ \text{Total Weighted} & = & \text{Sum of Weighted} \\ \text{Farm Rate (2.3)} & & \text{Commodity Rate} \\ \text{(Field 50)} & & \end{array}$$

$$\begin{array}{rcl} \mathbf{.250} & & \mathbf{1.00} & & \mathbf{4} \\ \text{Commodity Factor} & = & 1.00 & / & \text{Number of Commodities} \end{array}$$

$$\begin{array}{rcl} \mathbf{.041} & & \mathbf{.209} & & \mathbf{.250} \\ \text{Commodity Deviation} & = & \% \text{ of Revenue} & - & \text{Commodity Factor} \\ \text{'Absolute Value'} & & & & \end{array}$$

$$\begin{array}{rcl} \mathbf{.410} & & \mathbf{.041 + .022 + .205 + .142} \\ \text{Sum of Commodity} & = & \text{Sum all Commodity Deviations} \\ \text{Deviation Factor} & & \end{array}$$

$$\begin{array}{rcl} \mathbf{.521} & & \mathbf{.410} \\ \text{Diversity Factor} & = & .474 + ((.0248208 * (\text{Sum of Commodity Deviation})) + \\ \text{(Field 51)} & & \\ \text{(Note)} & & \end{array}$$

$$(.218472 * ((\mathbf{.410} * (\text{Sum of Commodity Deviation})) * (\mathbf{.410} * (\text{Sum of Commodity Deviation}))))$$

Note: Round at end of calculation

AGR and AGR-L Calculations
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DIVERSIFICATION FACTOR FORMULAS:

CASES

FORMULA

1 Commodity

DF=1.000

2 Commodity

DF=.668 + .0179999 (DEV) + .3142858 (DEV) (DEV)

3 Commodity

DF=.523 + .0607623 (DEV) + .3142858 (DEV) (DEV)

4 Commodity

DF=.474 + .0248208 (DEV) + .218472 (DEV) (DEV)

5 Commodity

DF=.437 + .0710358 (DEV) + .1760129 (DEV) (DEV)

6 Commodity

DF=.412 + .0325131 (DEV) + .1945816 (DEV) (DEV)

7 or More Commodities

DF= .410

.077

AGR Rate
(Field 52)

=

.521

Diversity Factor
(Field 51)

*

.147

Total Weighted Farm Rate
(Field 50)

AGR and AGR-L Calculations
Format/Edits

TOTAL PREMIUM CALCULATION

$$\begin{array}{rcl} \$6245 & & \$81098 \\ \text{Total Premium} & = & \text{Premium Liability} * \\ \text{(Field 53)} & & \end{array} \quad \begin{array}{r} .077 \\ \text{AGR Rate} \\ \text{(Field 52)} \end{array}$$

PRODUCER PREMIUM CALCULATION

$$\begin{array}{rcl} \text{Subsidy} & = & \text{Total Premium} * \text{Subsidy Factor} \\ \text{(Field 56)} & & \text{(Field 53)} \\ \text{(Note 7)} & & \text{(Note 7)} \end{array} \quad \begin{array}{r} \\ \\ \text{(Note 8)} \end{array}$$

$$\begin{array}{rcl} \text{Preliminary} & & \\ \text{Producer Premium} & = & \text{Total Premium} - \text{Subsidy} \\ \text{(Internal)} & & \text{(Field 53)} \\ \text{(Note 7)} & & \text{(Note 7)} \end{array} \quad \begin{array}{r} \\ \\ \text{(Note 7)} \end{array}$$

$$\begin{array}{rcl} \text{Additional Subsidy} & = & \text{Preliminary} * \\ \text{(Field 58)} & & \text{Producer Premium} \text{ Cost-Share Factor} \\ \text{(Note 7)} & & \text{(Internal)} \\ & & \text{(Note 7)} \end{array} \quad \begin{array}{r} \\ \\ \text{(ADM 9 field "Cost-Share")} \\ \text{(X.XXX)} \end{array}$$

$$\begin{array}{rcl} \text{Producer Premium} & = & \text{Preliminary} - \\ \text{(Field 54)} & & \text{Producer Premium} \text{ Additional Subsidy} \\ \text{(Note 7)} & & \text{(Internal)} \\ & & \text{(Note 7)} \end{array} \quad \begin{array}{r} \\ \\ \text{(Field 58)} \\ \text{(Note 7)} \end{array}$$

ANIMAL/ANIMAL PRODUCT PERCENT CALCULATION

$$\begin{array}{rcl} \text{Animal/Animal} & = & \text{Sum of commodity values (1 – 14) / Total Expected Income} \\ \text{Product Percent} & & \text{for animal/animal products} \\ \text{(Internal)} & & \\ \text{(X.XXX)} & & \end{array} \quad \begin{array}{r} \\ \\ \text{(Field 61)} \\ \text{(Note 7)} \end{array}$$

Note: Animal/animal products – commodity codes that have ‘Y’ in the livestock indicator field on ADM G or animal column in handbook.

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. If the unit code is 98 the Expected Value field will be zero.