

Exhibit Name: Premium Calculation
 Exhibit Number: P11-12, Plan 35, 36
 Record Name: Acreage
 Record Code: P11

Reinsurance Year: 2015
 Version: Approved
 Release Date: 9/20/2018

Stacked Income Protection (STAX)

Insurance Plan Code 35 STAX Revenue Protection 36 STAX Revenue Protection with Harvest Price Exclusion

Commodity Code 0021 Cotton

Calculations	Field Name	Record Number	Field Number	Field Format	Field Rounding	Rules
--------------	------------	---------------	--------------	--------------	----------------	-------

Section 1: Dollar Amount of Insurance

$\text{Dollar Amount of Insurance} = \text{Round}(\frac{\text{Expected Revenue Amount} * \text{Coverage Range}}{\text{Price Election Percent}}, 2)$	Dollar Amount of Insurance	Internal		99999999.99	2 decimal places	
	Expected Revenue Amount	ADM		99999999.99	2 decimal places	Expected Revenue Amount. Edit with ADM Area Risk Rate, "A01005". Expected Revenue Amount is the result of Expected Area Yield (denoted as Expected Index Value in the ADM) times Projected Price.
	Coverage Range	P14	49	9.9999	2 decimal places	Coverage Range in 5% increments as selected. The result of ADM Area Loss Start Percent (Coverage Level Percent) minus Area Loss End Percent.
	Price Election Percent	P14	35	9.9999	2 decimal places	Protection Factor. Edit with ICE Price Election Percent, "D00007". Protection Factor must be greater than or equal to 0.80 (80%) and less than or equal to 1.20 (120%) in increments of 1%.

Section 2: Liability Calculation

$\text{Total Guarantee Amount} = \text{Dollar Amount of Insurance} * \text{Reported Acreage}$	Total Guarantee Amount	P11	100	9999999999	Round to whole number.	
	Reported Acreage	P11	49	9999999.99	None	
$\text{Liability Amount} = \text{Total Guarantee Amount} * \text{Insured Share Percent}$	Liability Amount	P11	91	9999999999	Round to whole number.	
	Insured Share Percent	P11	44	9.999	None	

Section 3: Total Premium, Subsidy, and Producer Premium Calculation

$\text{Preliminary Total Premium Amount} = \text{Liability Amount} * \text{Base Rate}$	Preliminary Total Premium Amount	Internal		9999999999	Round to whole number.	
	Base Rate	ADM		9.9999	None	Edit with ADM Area Risk Rate, "A01005".
$\text{Total Premium Amount} = \text{Preliminary Total Premium Amount} * \text{Multiple Commodity Adjustment Factor}$	Total Premium Amount	P11	92	9999999999	Round to whole number.	
	Multiple Commodity Adjustment Factor	ICE		9999.999	None	Edit with ICE Multiple Cropping, "D00063". Used when there is a first Commodity Loss.

Exhibit Name: Premium Calculation
Exhibit Number: P11-12, Plan 35, 36
Record Name: Acreage
Record Code: P11

Reinsurance Year: 2015
Version: Approved
Release Date: 9/20/2018

Stacked Income Protection (STAX)

Insurance Plan Code 35 STAX Revenue Protection 36 STAX Revenue Protection with Harvest Price Exclusion

Commodity Code 0021 Cotton

<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>
Subsidy Amount = Total Premium Amount * Subsidy Percent	Subsidy Amount	P11	90	999999999	Round to whole number.	If this record qualifies for Beginning Farmer and Rancher or Native Sod, see Section 4 for subsidy calculations.
	Subsidy Percent	ADM		9.999	None	Edit with ADM Subsidy Percent, "A00070".
Producer Premium Amount = Total Premium Amount - Subsidy Amount	Producer Premium Amount	P11	93	999999999	Round to whole number.	
Section 4: Beginning Farmer and Rancher (BFR) and Native Sod (NS) Subsidy Calculations						
Base Subsidy Amount = Total Premium Amount * Subsidy Percent	Base Subsidy Amount	Internal		999999999	Round to whole number	Cupped by the standard rule of \$1 if applicable.
	Subsidy Percent	ADM		9.999	None	Edit with ADM Subsidy Percent, "A00070".
BFR Subsidy Amount = Total Premium Amount * 0.10	BFR Subsidy Amount	Internal		999999999	Round to whole number	Beginning Farmer Rancher Subsidy Amount. If Applicable; else 0. 0.10 (10%).
Native Sod Subsidy Amount = Total Premium Amount * 0.50	Native Sod Subsidy Amount	Internal		999999999	Round to whole number	If Applicable; else 0. 0.50 (50%). For CAT coverage, Native Sod Subsidy Amount is always 0.
Subsidy Amount = Base Subsidy Amount + BFR Subsidy Amount - Native Sod Subsidy Amount	Subsidy Amount	P11	90	999999999	Round to whole number	Subsidy Amount cannot exceed Total Premium Amount. Subsidy Amount will be cupped at \$0.
Producer Premium Amount = Total Premium Amount - Subsidy Amount	Producer Premium Amount	P11	93	999999999	Round to whole number	