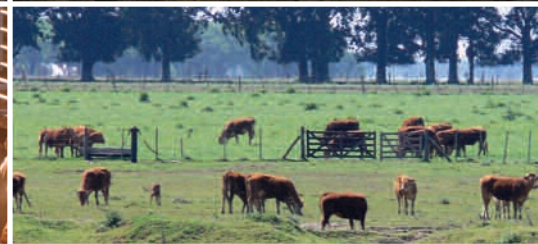


LIVESTOCK GROSS MARGIN (LGM) CATTLE





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ELIGIBILITY

Any producer who owns cattle and has a calf finishing operation or a yearling finishing operation in the following states is eligible for LGM for Cattle insurance coverage.

Colorado	Illinois	Indiana	Iowa
Kansas	Michigan	Minnesota	Missouri
Montana	Nebraska	Nevada	North Dakota
Ohio	Oklahoma	South Dakota	Texas
Utah	West Virginia	Wisconsin	Wyoming

KEY FEATURES OF THE LGM FOR CATTLE INSURANCE POLICY

LGM for Cattle has two feature advantages:

- Producers can sign up for LGM for Cattle twelve times per year and insure all of the cattle they expect to market over a rolling 11-month insurance period. The producer does not have to decide on the mix of options to purchase, the strike price of the options, or the date of entry.
- The LGM for Cattle policy can be tailored to any size farm. Options cover fixed amounts of commodities and those amounts may be too large to be used in the risk management portfolio of some farms.

LGM for Cattle is different from traditional options in that LGM for Cattle is a bundled option that covers both the cost of feeder cattle and the cost of feed. This bundle of options effectively insures the producer's gross margin (cattle price minus feeder cattle and feed costs) over the insurance period.

This is a continuous policy with twelve overlapping insurance periods per year. Target marketings must be submitted for each insurance period. If a Target Marketings Report is not submitted by the sales closing date for the applicable insurance period, target marketings for that insurance period will be zero.

INSURANCE PERIOD

Coverage begins on your cattle on the first day of the second calendar month following the month of the sales closing date, provided premium for the coverage has been paid in full. Example for the contract with a sales closing month of January, coverage will begin on March 1.

Coverage ends at the earliest of:

- 1) The last month of the insurance period in which you have target marketings; or
- 2) As otherwise specified in the policy.

If the end date is on a Saturday, Sunday, federal holiday, or if for any reason the relevant report is not available for that day or any other day of the ending period, then the actual ending value will be based on the most recent reports made prior to that date.

The Contract Change Date is April 30.

The Cancellation Date is June 30 for all insurance periods.

INSURANCE COVERAGE

- Your gross margin guarantee, deductible amount, and maximum premium for the insurance period are as shown on your summary of insurance.
- You must select a deductible amount by sales closing date.
- You may only select one deductible amount that is applicable for all target marketings.
- Target marketings must be submitted on our form by the sales closing date for each insurance period in which you desire coverage. If target marketings are not submitted by the sales closing date, your target marketings for the insurance period will be zero.
- Target marketings for any month of an insurance period cannot be greater than the approved target marketings for that insurance period. Your target marketings are due at the time of application in the initial insurance period and your target Marketings Report is due by the sales closing date in subsequent insurance periods.
- No indemnity will be owed, but you will still be responsible for any premiums owed, if we find that your marketing report:
 - Is not supported by written, verifiable records in accordance with the definition of marketing report; or
 - Fails to accurately report actual marketings or other material information.
- Under no circumstance will the total number of cattle insured exceed 5,000 head in any insurance period or 10,000 head in any insurance year.
- Sales of LGM for Cattle may be suspended for the next sales period if extraordinary events occur that interfere with the effective functioning of the corn, feeder cattle, or live cattle commodity markets as determined by FCIC. Evidence of such events may include, but is not limited to, consecutive limit down moves in the live cattle futures markets or consecutive limit up moves in the feeder cattle and/or corn futures markets.

CAUSES OF LOSS COVERED

Your policy provides insurance only for the difference between the actual gross margin and the gross margin guarantee caused by unavoidable cause of loss, as required by the Act. This policy does not insure against the death or other loss or destruction of your cattle, or against any other loss or damage of any kind whatsoever.

ANNUAL PREMIUM

- The premium is earned and payable at the time coverage begins.
- The application will not be accepted if the premium is not paid in full at the time of application.
- In subsequent insurance periods, if the premium is not paid in full by the applicable sales closing date, your target marketings will be reduced to zero for each month of the insurance period and you will have no coverage for cattle under this policy.
- Payment of premium with a check that has been returned for insufficient funds will result in your target marketings being reduced to zero for each month of the insurance period and you will have no coverage for cattle under this policy.
- The premium amount is shown on your summary of insurance.



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CONFORMITY TO FOOD SECURITY ACT

Although your violation of a number of federal statutes, including the Act, may cause cancellation or termination of the policy or may cause the policy to become void, you should be specifically aware that your policy will be canceled if you are determined to be ineligible to receive benefits under the Act due to violation of the controlled substance provisions (title XVII) of the Food Security Act of 1985 (Pub. L. 99-198) and the regulations published at 7 CFR part 400, subpart F. Your policy will be canceled if you are determined, by the appropriate agency, to be in violation of these provisions.



ProAg® is among the fastest growing crop insurance companies in the industry. We strive to serve our clients' best interests by remaining singularly focused on our specialized line of business – agricultural risk management. While our nation weathers economic storms, ProAg, as a wholly owned subsidiary of CUNA Mutual Group, is positioned as a financially strong and well-capitalized insurer. With more than 80 years of service to our agents & insureds, we stand committed to continuing the principles that ProAg was founded on: **Integrity, Loyalty and Customer Service.**

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The information in this brochure is a general overview of the program. Please consult your local ProAg agent to confirm availability in your region.

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