



DAIRY REVENUE PROTECTION (DRP)

Dairy Revenue Protection (DRP) is a risk management tool that protects against quarterly revenue losses caused by declines in the value of milk or milk components, or unexpected declines in milk production. Protect your dairy operation from the unexpected with Dairy Revenue Protection.

This is an area-based revenue insurance product. The expected revenue is based on futures prices for milk and dairy commodities and the amount of covered milk production elected by the dairy producer. The covered milk production is indexed to the state or region where the dairy producer is located.

Coverage Levels

Coverages are selected from 80 percent to 95 percent of the expected quarterly revenue in five percent increments. The premium subsidy percent varies with the coverage level percent in a range from 55 percent (at the 80 percent coverage level) to 44 percent (at the 95 percent coverage level). A different coverage level for each type and practice may be elected and must be indicated on the quarterly coverage endorsement.



Pricing Options

DRP offers two revenue pricing options:

CLASS PRICING OPTION uses a combination of Class III and Class IV milk prices as a basis for determining coverage and indemnities.

COMPONENT PRICING OPTION uses a combination of butterfat, protein, other solids and non-fat solid values based on the insured's declared butterfat test, declared protein test and declared component price weighting factor as a basis for determining coverage and indemnities.



Availability

DRP is approved for sale in all counties in all 50 states.

Not all coverages or products may be available in all jurisdictions. The description of coverage in these pages is for informational purposes only. Actual coverages will vary based on the terms and conditions of the policy issued. The information described herein does not amend, or otherwise affect, the terms and conditions of any insurance policy issued by ProAg or any of its subsidiaries.

ProAg is an equal opportunity provider. In accordance with Federal law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating on the basis of race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs).

Establishing Coverage

Coverage is established by adding quarterly coverage endorsements to the policy. The sales period begins each day when the coverage prices and rates are validated and published on RMA's website by 4:30 PM Central time and ends at 9:00 AM Central time of the following business day in which you can purchase quarterly endorsements.

If expected milk and dairy commodity prices are not available on the RMA website by 4:30 p.m., then DRP will not be offered for sale for the insurance period. DRP will not be sold on days where the monthly USDA Milk Production, Dairy Products, and Cold Storage reports are released.



Ending Milk Prices and Yield

The actual ending milk or component values are based on the monthly average prices announced by USDA's Agricultural Marketing Service. Actual ending values are posted on RMA's website generally three to four weeks after the end of the insurance period. The milk yields are based upon USDA's National Agricultural Statistics Service Milk Production report.



Causes of Loss

DRP provides insurance only for the difference between the final revenue guarantee and actual milk revenue, times actual share and protection factor, caused by natural occurrences in market prices and yields in the pooled production region. DRP does not insure against:

- › Death of dairy cattle;
- › Other loss or destruction of the insured's dairy cattle; or
- › Any other loss or damage of any kind whatsoever.

Buying a Policy

Insurance attaches when a quarterly coverage endorsement is purchased. Multiple quarterly coverage endorsements may be purchased with one application. Insurance coverage starts the day the insured purchases a quarterly coverage endorsement. Contact your trusted ProAg agent today for more information.

Quarterly Insurance Period

The quarterly insurance period contains the three-month periods corresponding to one of the eight unique quarterly insurance periods. For example, the insurance period for the January 10 sales closing date contains the quarters of April through June, July through September, October through December, January through March, and April through June.. Throughout a crop year, there are always five quarterly insurance periods available for quoting premium and obtaining coverage with the exception of June 16-June 30 when only four quarterly insurance periods are available.

Come experience the ProAg difference today.



ProAg.com | @ProAgIns
(800) 366-2767



GROW WITH CONFIDENCE

ProAg is on a singular mission to meet the risk-management needs of the American farmer and rancher. As a strong and progressive company, we provide support and guidance to the agents who serve those producers, helping them expand and strengthen their businesses. Because many of us are farmers and ranchers ourselves, we have a firsthand understanding of production agriculture and the risks inherent in the profession. No organization is more knowledgeable about agricultural risk management than ProAg.

As one of the first companies in the crop insurance industry, ProAg is built on a strong foundation of experience and backed by the support and resources of a leading global parent company, Tokio Marine HCC. Contact us to learn more.