



DAIRY REVENUE PROTECTION (DRP)

Dairy Revenue Protection 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.

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).



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 the component milk prices for butterfat, protein and other solids as a basis for determining coverage and indemnities. The butterfat test percentage and protein test percentage may be selected to establish the insured milk price.



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

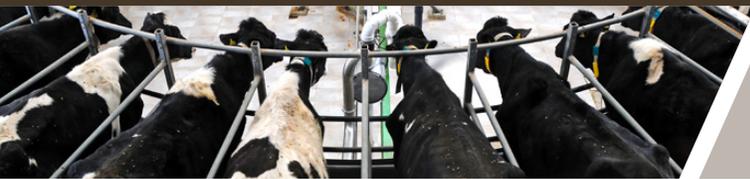
Coverage is established by adding quarterly coverage endorsements to the policy. The sales period begins each day when the coverage prices and rates are validated and published on RMA's website by 4:30 p.m. Central time and ends at 9:00 a.m. Central time of the following business day in which you can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

If expected milk and dairy commodity prices are not available on the RMA website by 4:30 p.m., then Dairy-RP will not be offered for sale for the insurance period.



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 at 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 your 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 you purchase 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 eight quarters for which coverage is available under the quarterly coverage endorsement. 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. Producers may purchase coverage up to five nearby quarters and have multiple endorsements for the same quarterly insurance period.

Come experience the ProAg difference today.



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(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.