



# Dairy Revenue Protection (DRP)

Got milk revenue loss coverage? If not, take a sip of this. **Dairy Revenue Protection (DRP)** is designed to insure dairy producers against unexpected declines in the quarterly revenue from milk sales relative to a guaranteed coverage level. *Protect your dairy from the unexpected with Dairy Revenue Protection.*

## BENEFITS



Revenue risk coverage (quantity and price)



Addresses coverage gaps in existing products



Addresses basis risk through flexible pricing options and production factors



Timely and market-based risk management

## QUARTERLY INSURANCE PERIODS



DRP attaches the day a quarterly coverage endorsement is purchased, and multiple quarterly coverage endorsements may be purchased with one application. The quarterly insurance period contains **three-month periods** corresponding to one of **eight unique quarterly insurance periods**.

## HOW INDEMNITIES ARE CALCULATED

$$\text{Final revenue guarantee} - \text{actual milk revenue} \times \text{actual share} \times \text{protection factor}$$

This loss needs to be caused by natural occurrences in market prices and yields in your state-level or pooled production region.

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.

## 2 REVENUE PRICING OPTIONS TO CHOOSE FROM

1

### Class Pricing Option

Uses **Class III, Class IV** milk prices, or a combination of both, as a basis for determining coverage and indemnities.

2

### Component Pricing Option

Uses the component prices for **butterfat, protein and other solids** as a basis for determining coverage and indemnities.

## FLEXIBILITY COMES IN 5% INCREMENTS

Producers may cover up to 100% of their milk production by choosing coverage levels of 80-95% of the expected quarterly market revenue in 5% increments.

The premium subsidy percent varies with the coverage level percent as indicated.

Coverage level	80%	85%	90%	95%
Premium subsidy	55%	49%	44%	44%

A different coverage level for each type and practice may be elected and must be indicated on the quarterly coverage endorsement.

Visit us at [ProAg.com/DRP](http://ProAg.com/DRP) for more information and to get a quote!

# LOCATION MATTERS

Approved for sale in all counties in all 50 states, DRP is an area-based revenue insurance product. The covered milk production is indexed to the state or region where the dairy producer is located.



## 6 DECIDING FACTORS FOR DAIRY PRODUCERS TO CHEW ON



1. Select Class or Component pricing option



2. Select a quarterly insurance period



3. Declare milk production



4. Select a coverage level



5. Declare the share percentage



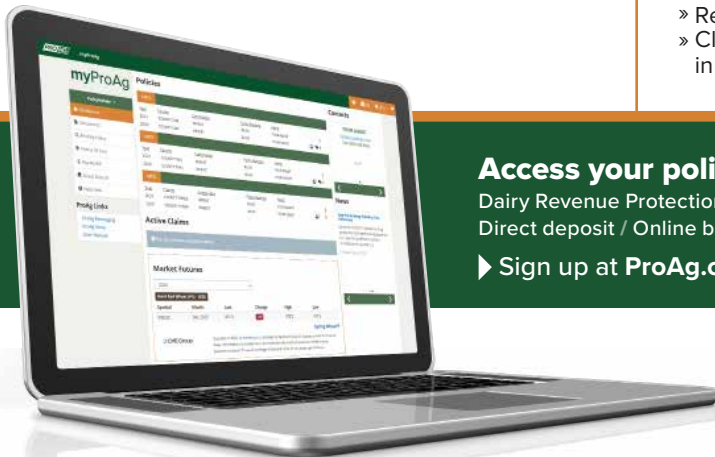
6. Select a protection factor (1.00 – 1.50)

### What does it not cover?

- » Death of dairy cattle
- » Other loss or destruction of your dairy cattle
- » Any other loss or damage of any kind whatsoever

### 2023 crop year changes

- » Sales will be suspended during the sales period for situations that arise during the sales period in which market conditions adversely change after the fact.
- » Added flexibility to continue coverage when producers experience a disaster at their dairy operation.
- » Revised the policy to clarify that the termination date is June 30.
- » Clarified an insured cannot have other livestock insurance on the same milk in the same quarterly insurance period.



### Access your policy within our easy-to-use myProAg™ policyholder portal.

Dairy Revenue Protection coverage quotes / Pasture, Rangeland, Forage coverage quotes  
Direct deposit / Online bill pay / Notice of loss entry / Claim status tracker / Weather event notifications

► Sign up at [ProAg.com/myProAg](https://ProAg.com/myProAg)

Visit [ProAg.com/DRP](https://ProAg.com/DRP) or give us a call at (800) 366-2767 to protect your dairy from the unexpected.



### GROW WITH CONFIDENCE



The description in coverage is for informational purposes only. Actual coverage 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 sex, 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).

ProAg is a member of the Tokio Marine HCC group of companies. ©2022 Pro Ag. All rights reserved.