



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 farmer. The covered milk production is indexed to the state or region where the farmer is located.

COVERAGE LEVELS

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

Coverage level	80%	85%	90%	95%
Subsidy	55%	49%	44%	44%

PRICING OPTIONS

DRP offers two revenue pricing options:



CLASS PRICING OPTION uses Class III or Class IV milk prices or a combination of both 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 insurance is a federally subsidized product available in all counties in all states.

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.

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. and ends at 9:00 a.m. CST 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

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 the crop year, RMA may choose to publish 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.

EXPERIENCE THE PROAG DIFFERENCE

Agriculture is America's most important industry, delivering essential food, fuel and fiber to the world. ProAg is proud to protect American farmers and ranchers with innovative crop insurance solutions — bringing together industry-leading resources and personal service to deliver superior experiences for agents and policyholders.

Many of our team members are farmers and ranchers, bringing important insights, experience and compassion to our work.

Together with our agency partners, we help policyholders navigate risks, recover financially from unexpected perils and grow with confidence.

Everything we do today helps us prepare for tomorrow. Combining industry knowledge, confidence, an A++ financial rating from A.M. Best and support from our parent company, Tokio Marine HCC, we make strategic moves to ensure we'll be there for policyholders year after year.



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