



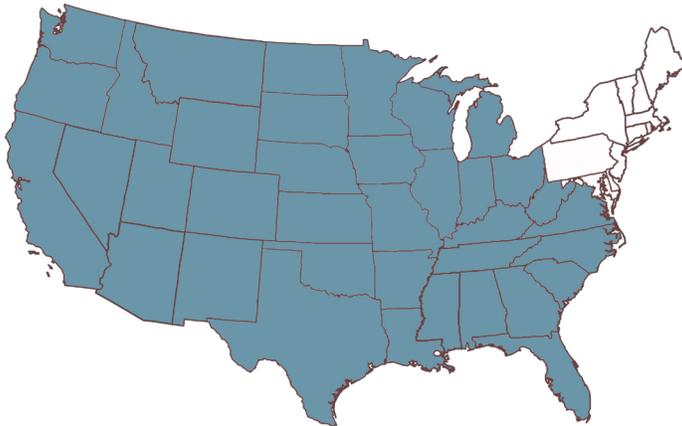
LIVESTOCK RISK PROTECTION

SWINE

LRP-Swine is a federally-reinsured livestock product that provides protection against the decline in hog prices, as published by the Agricultural Marketing Service (AMS), over the selected insurance period. Producers may select from a variety of coverage levels and insurance periods to match the time the hogs would normally be marketed. This insurance may be purchased throughout the year. Premium rates, coverage prices, and actual ending values are posted online daily. The RMA monitors capacity levels, and when the funding limit has been reached, sales for this product will cease. LRP does not insure against death, loss or poor performance. At the end of the insurance period, if the actual ending value is below the coverage price, an indemnity will be paid for the difference.

Availability

Ownership of insured hogs must be certified by the grower and may be subject to inspection and verification by Hudson Insurance Company.



Insurable Livestock

Producers can insure up to 10,000 head per SCE with a limit of 32,000 head per crop year.

Producers can insure hogs expected to market between 1.5 and 2.25 lean cwt target weight (203 to 304 live cwt).

Lean Weight Conversion Factor

$$\text{Lean Weight} = \text{Live Weight} \times 0.74$$

PREMIUM SUBSIDY

13%

COVERAGE PRICES

Between 70% and 100% of the expected ending value

INSURANCE PERIODS

Length available per SCE (in weeks)

13, 17, 21, 26

COVERAGE

May be purchased after the price guarantee is posted to the RMA site and before 9:00 a.m. CT of the following day. Insurance coverage starts the day you buy a Specific Coverage Endorsement (SCE) and RMA approves the purchase.

SALES PERIOD

While an application can be completed at any time, insurance does not attach until an SCE is purchased and approved by the RMA. Multiple endorsements may be purchased using a single application. Premium must be paid in full at the time the SCE is signed and submitted.

By the Numbers

PREMIUM		WHAT IF?				
COMMODITY	Swine					
TYPE	No Type Specified					
ENDORSEMENT LENGTH	17					
NUMBER OF HEAD	100					
* TARGET WEIGHT	1.92					
COVERAGE PRICE	\$ 65.95					
* INSURED VALUE	\$ 12, 662					
PREMIUM RATE	0.068931					
* TOTAL PREMIUM	\$ 873					
* SUBSIDY	\$ 113					
* PRODUCER PREMIUM	\$ 759					
\$/ CWT	\$ 3.96					
\$/ HEAD	\$ 7.59					

Insured chooses Commodity, Type, Endorsement Length and Coverage Price.

- * Target Weight is the average weight in lean cwts the insured thinks the animals will weight at the end of the coverage period. (1.5 - 2.25 lean cwts; multiply live weight (cwts) by 74% to get lean cwts)
- * Insured Value = Number of Head x Target Weight x Coverage Price
- * Total Premium = Insured Value x Premium Rate (Each Coverage Price has its own Premium Rate)
- * Subsidy = 13%
- * Producer Premium = Total Premium - Subsidy

For easy access to the LRP Insurance offerings, find Hudson Crop's LRP Quoter at: <https://eharvest.hudsoncrop.com/lrp>

LOSS/INDEMNITY		WHAT IF?				
COMMODITY	Swine					
TYPE	No Type Specified					
ENDORSEMENT LENGTH	17					
NUMBER OF HEAD	100					
TARGET WEIGHT	1.92					
COVERAGE PRICE	\$ 65.95					
* ACTUAL ENDING VALUE	\$ 63.85					
* INDEMNITY	\$ 403					
\$/ CWT	\$ 2.10					
\$/ HEAD	\$ 4.03					

- * Actual Ending Value for the day in which the coverage ends and is the weighted average price for lean hogs using two Producer Sold data series in the report, the Negotiated and the Swine or Pork Market Formula (SPMF) categories.
- * Indemnity is due if the actual ending value is less than the producer chosen coverage price. Indemnity is calculated by taking the difference between the Actual Ending Value and the Coverage Price (Coverage Price - Actual Ending Value) times the Number of Head insured and the Target Weight.

NON DISCRIMINATION STATEMENT: Hudson Insurance Company is an equal opportunity provider. The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees and applicants for employment on the basis of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or a part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases apply to all programs and/or employment activities.)



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