



Livestock Risk Protection (LRP)

Have you thought about how you can protect yourself from declining cattle market prices? With a Livestock Risk Protection (LRP) policy you can insure against the declining market prices. Coverage is available for Feeder Cattle up to 1,000 pounds and for Fed Cattle up to 1,600 pounds at the end of the insurance period. There is also an option to insure Unborn Feeder Cattle with a target weight of less than 600 pounds. Coverage prices and rates are published by RMA. These coverage prices and rates can change daily. RMA uses the applicable ending prices posted by the Chica-

Commodity	Weight Ranges		Notes
Feeder Cattle	Weight 1 1.0-5.99 cwt (100-599 lb)	Weight 2 6.0-10.0 cwt (600-1,000 lb)	<ul style="list-style-type: none"> Weight ranges may be specific to bulls, heifers, and/or steers. Weight of unborn cattle is always 1.0—5.99 cwt.
Fed Cattle	10.0-16.0 cwt (1,000-1,600 lb)		The definition of target weight for Fed Cattle includes: The anticipated live weight of fed cattle (per head) at the ending period. Target weight should be the average expected weight for all covered livestock, allowing for differences in weight between heifer and steer fed cattle.
Unborn Cattle	Born by the endorsement end date and intended to be marketed at a target weight of 1.0-5.99 cwt (100-599 lbs.)		The definition of unborn livestock: Livestock not born on the effective date but expected to be marketable before the end date.

Livestock Risk Protection (LRP) is a federally subsidized program.

Since coverage prices and rates can change daily, you will need to contact us after the market closes to get an accurate quote for the prices and rates posted by the Chicago mercantile Exchange Group (CME). This usually occurs around approximately 3:30pm.

Each active trading day, an estimated value will be set for the target date you choose. When that target date arrives, an actual value will be posted. If the actual value is less than your estimated value coverage a possible loss will kick in.

Before purchasing coverage, it would be a good idea to get a policy in place. Since the application will need to be approved by RMA, this will save time when you are ready to purchase coverage.

To purchase coverage, a Specific Coverage Endorsement (SCE) will be needed. This form states the specifics for coverage, such as the commodity/type and how many head of cattle you wish to insure. The SCE is then submitted to RMA for approval. The SCE must be signed, dated and sent to the company prior to 8:25am the following morning. If it is after 8:25am the following morning, the SCE will not be accepted and there will be no coverage. This is a time sensitive document. We now have DocuSign service available to be able to get the documents to the company in a timely manner. We are encouraged to submit the endorsement form ahead of the deadline to allow time for processing and verification. Errors must be resolved before the 8:25am close of the sales period or coverage will not attach.

Sales will not be available for purchase on any sales period that would have an effective date of a Federal or a market holiday or as otherwise specified in each Specific Coverage Endorsement.