

LRP

EXAMPLE

1 CONTACT YOUR AGENT

Be sure to contact your agent and complete an application, preferably before you want to lock in a SCE for a set of cattle.

2 REQUEST A QUOTE

Contact us anytime for a customized quote. Quotes can be generated after 4 p.m. daily for specified weights, types of livestock, and for contract end dates from 13 to 52 weeks out. The contracts available depend on CME trading volume.

3 LOCK IN YOUR CALVES

When the price offered is acceptable, you tell us to lock in in. We enter the data into a SCE between 4 pm and 9 am the following morning, and that set of livestock is covered for the price you chose.

4 WAIT & EVALUATE

Your contract will have a specified end date that you select. On this date, the price you locked in will be compared to the current index price. If the price you selected is higher, an indemnity will be triggered.

Please note that the actual cash price you receive for your cattle is not used in calculating losses. This product is solely based on indexed prices.