



United States
Department of
Agriculture

September 20, 2005

Risk
Management
Agency

INFORMATIONAL MEMORANDUM: R&D-05-042

6501 Beacon Drive
Kansas City,
MO 64133-4676

TO: All Reinsured Companies
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Tim B. Witt /s/ *Tim B. Witt*
Deputy Administrator

SUBJECT: Addendum to the 2006 Crop Year (CY) Actuarial Documents (Special Provisions) – 2006 CY (**Crop Revenue Coverage (CRC)**) Base Prices and Low and High Price Factors; (**Group Risk Income Protection (GRIP)**) Expected Prices and Volatility Factors; (**Income Protection (IP)**) Projected Prices; and (**Revenue Assurance (RA)**) Projected Harvest Prices and Price Volatility Factors Announcement

CROP REVENUE COVERAGE

The following **base prices** and **low and high price factors** are approved for 2006 CY CRC Wheat.

<u>Crop</u>	<u>Exchange</u>	<u>Contract</u>	<u>Base Price</u>	<u>Low Price Factor</u>	<u>High Price Factor</u>
Winter Wheat (For all applicable States except New York)	CBOT	July	\$3.50/bu	0.420	0.420
Winter Wheat (Only applicable to New York)	CBOT	July	\$2.98/bu	0.420	0.420
Winter Wheat (For all applicable states)	KCBOT	July	\$3.52/bu	0.364	0.364
Spring Wheat (For spring wheat in counties with a 9/30 cancellation date)	KCBOT	July	\$3.52/bu	0.364	0.364
Wheat (For all applicable states)	CBOT (PME Basis)	September	\$4.13/bu	0.496	0.496



The Risk Management Agency Administrators
And Oversees All Programs Authorized Under
The Federal Crop Insurance Corporation

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Addendum to the 2006 Crop Year (CY) Actuarial Documents (Special Provisions) – 2006 CY (Crop Revenue Coverage (CRC)) Base Prices and Low and High Price Factors; (Group Risk Income Protection (GRIP)) Expected Prices and Volatility Factors; (Income Protection (IP)) Projected Prices; and (Revenue Assurance (RA)) Projected Harvest Prices and Price Volatility Factors Announcement

GROUP RISK INCOME PROTECTION

The following **expected prices** and **price volatility factors** are approved for 2006 CY GRIP Winter Wheat in States whose expected price is determined by the exchange and contract shown below.

<u>Crop</u>	<u>Exchange</u>	<u>Contract</u>	<u>Expected Price</u>	<u>Volatility Factor</u>
Winter Wheat	CBOT	July	\$3.50	0.19
Winter Wheat	KCBOT	July	\$3.52	0.18

INCOME PROTECTION

The following **projected prices** are approved for 2006 CY IP Wheat in States whose projected price is determined by the exchange and contract shown.

<u>Crop</u>	<u>Exchange</u>	<u>Contract</u>	<u>Base Price</u>
Wheat	CBOT	July	\$3.50/bu
Wheat	CBOT (PGE Basis)	September	\$4.13/bu

REVENUE ASSURANCE

The following **projected harvest prices** and **price volatility factors** are approved for 2006 CY RA Winter Wheat in States whose projected harvest price is determined by the exchange and contract shown below.

<u>Crop</u>	<u>Exchange</u>	<u>Contract</u>	<u>Projected Harvest Price</u>	<u>Volatility Factor</u>
Winter Wheat	CBOT	July	\$3.50	0.19
Winter Wheat	KCBOT	July	\$3.52	0.18

DISPOSAL DATE

This Informational Memorandum is for the purpose of transmitting information and the expiration date is December 31, 2005.