



United States  
Department of  
Agriculture

Risk  
Management  
Agency

6501 Beacon Drive  
Kansas City,  
MO 64133-4676

September 15, 2006

**INFORMATIONAL MEMORANDUM: PM-06-039**

**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 2007 Crop Year (CY) Actuarial Documents (Special Provisions) – 2007 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 2007 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	\$4.35/bu	0.641	0.641
Winter Wheat (Only applicable to New York)	CBOT	July	\$3.70/bu	0.545	0.545
Winter Wheat (For all applicable states)	KCBOT	July	\$4.52/bu	0.580	0.580
Spring Wheat (For spring wheat in counties with a 9/30 cancellation date)	KCBOT	July	\$4.52/bu	0.580	0.580
Wheat (For all applicable states)	CBOT (PME Basis)	September	\$4.87/bu	0.718	0.718



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

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Addendum to the 2007 Crop Year (CY) Actuarial Documents (Special Provisions) – 2007 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 2007 CY GRIP Winter Wheat in States whose expected price is determined by the exchange and contract shown, based on the average of the daily settlement prices for August 15 to September 14, as defined by the GRIP Wheat Commodity Exchange Endorsement (06-GRIP-WHEAT-CEE).

<u>Crop</u>	<u>Exchange</u>	<u>Contract</u>	<u>Expected Price</u>	<u>Volatility Factor</u>
Winter Wheat	CBOT	July	\$4.35	0.21
Winter Wheat	KCBOT	July	\$4.52	0.20

### INCOME PROTECTION

The following **projected prices** are approved for 2007 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	\$4.35/bu
Wheat	CBOT (PME Basis)	September	\$4.87/bu

### REVENUE ASSURANCE

The following **projected harvest prices** and **price volatility factors** are approved for 2007 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	\$4.35	0.21
Winter Wheat	KCBOT	July	\$4.52	0.20

### DISPOSAL DATE

This Informational Memorandum is for the purpose of transmitting information and the expiration date is December 31, 2006.