



United States
Department of
Agriculture

September 17, 2004

Risk
Management
Agency

INFORMATIONAL MEMORANDUM: R&D-04-039

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 2004 and 2005 Crop Year (CY) Actuarial Documents (Special Provisions) – 2005 CY Crop Revenue Coverage (CRC) Base Price and Low and High Price Factors, Revenue Assurance (RA) Projected Harvest Price and Price Volatility Factors, and Income Protection (IP) Projected Price; and 2004 CY IP Harvest Price Announcements

CROP REVENUE COVERAGE

The following **base prices** and **low and high price factors** are approved for 2005 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	\$3.40/bu	0.373	0.373
Winter Wheat (Only applicable to New York)	CBOT	July	\$2.89/bu	0.373	0.373
Winter Wheat (For all applicable states)	KCBOT	July	\$3.56/bu	0.377	0.377
Spring Wheat (For spring wheat in counties with a 9/30 cancellation date)	KCBOT	July	\$3.56/bu	0.377	0.377
Wheat (For all applicable states)	CBOT (PGE Basis)	September	\$4.01/bu	0.440	0.440



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

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REVENUE ASSURANCE

The following **projected harvest prices** and **price volatilities** are approved for 2005 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	\$3.40	0.21
Winter Wheat	KCBOT	July	\$3.56	0.19

INCOME PROTECTION

The following **projected prices** are approved for 2005 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	\$3.40/bu
Wheat	CBOT (PGE Basis)	September	\$4.01/bu

The following **harvest price** is approved for 2004 CY IP Grain Sorghum in counties with a January 31 or February 15 sales closing date.

<u>Crop</u>	<u>Harvest Price</u>
Grain Sorghum	\$2.01/bu

DISPOSAL DATE

This Informational Memorandum is for the purpose of transmitting information and the expiration date is December 31, 2004.