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Is GRIP/GRP A Good Buy For My Farm (Updated 3/8/2006)?¹

Group Risk Income Protection (GRIP) and Group Risk Plan (GRP) for additional crops and Kansas counties were approved for the 2006 crop year. GRIP is a “put option” on expected county revenue and GRP is a “put option” on expected county yield. Similar to Chicago Board of Trade put options on futures, growers retain the basis risk in GRIP/GRP. All of the basis risk in GRP and most of the basis risk in GRIP is generated from yield risk. If growers suffer a 50% yield loss but their county only suffers a 10% yield loss then their GRIP/GRP contract will under compensate growers for their loss and growers retain this basis risk. The worse case scenario is growers could have a total crop loss and receive no payment. For example, in the drought year of 1988 GRIP without the Harvest Revenue Option would have made no indemnity payment in Clay County, Indiana on corn (see county results below). It is also possible for growers to suffer no loss but receive a payment.

In order for growers to transfer risk it will require growers to have yields that are highly correlated with county yields. If a grower farmed the whole county then the farm yield and county yield are the same and correlation is a perfect fit. Therefore “large” farms that are spread out across the county will likely have a higher correlation between farm yield and county yield causing better risk transfer under GRIP/GRP than will “small” farms.

So why would any one select GRIP/GRP and accept the basis risk? In Kansas there are some locations that have had multiple year droughts. This has caused growers’ APHs to decline and increased their premium rates to the point the coverage being offer at the higher premium costs

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no longer makes sense. Because the subsidies are over 50% of premium, there are very few cases where no insurance will be the better alternative over the long run. If growers are considering dropping their coverage under MPC-I-APH, RA or CRC, then they should at least look at the coverage offered under GRIP/GRP.

If growers make the change to GRIP/GRP it strongly suggested they maintain their yield records so they maintain the alternative to switch back to an APH based product in future years. Also growers insured under GRIP/GRP need to recognize they will have no effective hail coverage or protection from any other spot loss such as prevented planting or quality loss adjustment. Spot losses are effectively excluded because it will require wide spread damage across the whole county to trigger payments based on county yields with no adjustment for quality.

Because county yields vary less than farm yields it is recommended that growers buy a lower deductible. The optimal coverage level for most growers is 90% and nothing less than 85% under GRP/GRIP. In the higher risk growing areas, GRP will often out perform GRIP. Growers that have a normal APH will discover they will not save a lot of premium by switching to GRIP/GRP.

Growers that are using their RA-HPO and CRC coverage to maintain a hedge position with pre-harvest crop sales will likely not find GRIP/GRP to their advantage. Also many ag lenders may not be willing to finance margin calls if the marketing plan is backed with GRIP/GRP. Remember even under a forward contract all margin losses are effectively covered by growers at delivery time either with bushels or cash cancellation penalties.

Currently the Kansas City wheat market has increased by more than a \$1 above the RA-HPO price election. RA-HPO insured growers have forward priced wheat for July delivery knowing they will either have the bushels or enough indemnity dollars to replace the lost bushels at current market prices. The CRC contract has a \$2 limit on price increases. To have nearly the same coverage as RA-HPO, CRC insured growers will need to buy calls with a \$5.50 strike. RA or MPC-I-APH insured growers can not get similar coverage to CRC/RA-HPO because the market has already moved a dollar higher. Their only alternative on wheat at this point is to buy at the money calls and the dollar is already lost if bushels must be replaced.

Growers who are forward pricing 2007 wheat and want to maintain their hedge can buy RA-HPO on the 2007 crop this fall. In fact wheat growers could increase their 2007 wheat coverage up to 85% RA-HPO coverage in the fall if they forward sell a large amount of 2007 wheat production. I make no recommendation on 2007 wheat sales but I have been told by some wheat growers they have started pricing 2007 wheat production. Growers may also want to check on Dr. Mike Woolverton's wheat market outlook paper posted on AgManager.info.

Misrated APH products? The other reason growers may switch to GRIP/GRP is because they believe the APH based products are overrated. In Kansas with a 15 year 20 cent underwriting loss it is hard to argue many growers are overrated. However, in some Corn Belt counties growers have generated a 50 cent underwriting gain. Over the past 15 years Iowa and Illinois farmers have paid more in premiums than they have collected in indemnity payments meaning they have collected none of the subsidy. Those underwriting gains have covered underwriting

losses in the Great Plains. While few farmer paid premiums covered any of the Great Plains' underwriting losses their tax dollars did cover those losses.

Many of those Corn Belt farmers don't think that is "fair" and have shifted from APH based products to GRIP. If we assume the GRIP is rated correctly then those farmers will expect to pay 50 cents in premiums and receive a dollar in indemnity payments. It appears in some counties GRIP/GRP may even generate underwriting losses. If true and enough Corn Belt farmers switch then there are no underwriting gains to offset underwriting losses in the Great Plains.

Below are GRIP/GRP analyses for several counties. GRIP/GRP payments were calculated based on the past 33 years of county yields. For 2006 RMA changed the GRIP prices to the CRC prices so expected long run prices were used in the analysis not the actual prices in the GRIP contracts that were sold. The prices used before the change on the 2006 contract actually increased payments.

If KSU analysis shows an under writing loss on GRIP/GRP in my county does that mean it is a good buy for me? Not necessarily because this analysis assumes there are no future rate changes or RMA does not change the method for setting prices or trend yield calculations. Also growers will have to wait on any payments until 6 to 9 months after harvest because no payments are made until the USDA reports the county yield. However, premiums are due and payable at harvest. Depending on one's equity position one's ag lender may not be willing to provide the necessary operating funds while waiting on a GRIP/GRP payment.

Even if one is in a county showing a GRIP/GRP loss many Kansas farmers have APH contracts that have also generated underwriting losses because of recent dry weather. But unlike Kansas many Corn Belt counties have shown underwriting gains under APH and those farmers have an economic incentive to switch to GRIP/GRP. Also private hail rates are often less than a dollar per \$100 of coverage so Corn Belt growers can replace the loss of hail coverage in the GRIP/GRP contracts with "very low" premium costs.

The insurance industry also has doubts about the rating of GRIP/GRP. RMA sets the rates and underwriting rules, therefore all a private company can do is lower commissions on contracts that they think will suffer underwriting losses. Companies have also offered "high" commissions on APH based contracts in the Corn Belt that they think will generate underwriting gains.

It is hard to argue many Kansas growers' crop insurance premiums are set too "high" therefore there is no rating incentive to switch to GRIP/GRP. In some Kansas irrigated counties the KSU analysis even shows there may be underwriting gains, so growers would not want to buy GRIP/GRP in those counties. The GRIP/GRP offer will look the best for large Kansas farms with multiple year losses. The overrating issue in the Corn Belt does not hold for Kansas.

Neither the author nor KSU has given any opinion or implied warranty on the current GRIP/GRP rating methods. Growers will need to reach their own judgment on the sufficiency of the APH or GRIP/GRP rates for their farm. Rating analysis would require more sophisticated and rigorous analysis than presented in this paper.

Growers with Excel experience may complete similar analysis for their crop and county. There are power point slides on AgManager. Info that will lead one through the process located at: <http://agmanager.info/crops/insurance/workshops/ed06pdf/ABAMM.pdf>

The selected county analysis for GRIP/GRP is presented below.

Summary. The greatest interest by Kansas growers will likely be in cases where their APH has been greatly reduced caused by recent droughts and other disasters. Kansas growers will need farm yields that are highly correlated with county yields in order to transfer risk.

In the Corn Belt the issue is not to transfer risk. Those growers believe (and with some evidence) the APH based products are overrated. Those growers are accepting higher risk by retaining the basis risk in return for higher expected returns because they expect GRIP payout is higher per dollar of premium paid. Also Corn Belt growers can cover the hail risk that is not effectively covered in GRIP/GRP at very low private hail rate compared to Great Plains growers. Any risk transfer is a secondary consideration.

Stevens County, KS Corn GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 184.0 184.0 -9.0 Over/Under estimate
 KSU's 2006 Expected County Yield 193.0 184.0 -9.0 ¹bu adjustment

Year	150% Maximum Liability			90% Coverage										90% GRIP-HRO			8.1% GRIP-HRO		
	County		Trend	Set	2.9%			90%			7.1%			90%		8.1%			
	Havst	Adj.	Trend	Cov	GRP	GRP	Net	GRIP	Plant ³	Havst	GRIP	GRIP	GRIP	Net	HRO	GRIP-	GRIP-	GRIP-	
	Plant	Expt	Adj.	Pymt	APH ²	GRP	GRP	GRIP	Plant ³	Havst	GRIP	GRIP	GRIP	Net	HRO	GRIP-	GRIP-	GRIP-	
Yd	Yd	Yield	Rate	Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Prem	Pymt	
1973	119	115	108.8	0.0%	1.20	0.00	5.70	(2.56)	1.38	2.46	0.0%	0.00	15.99	(7.19)	0.0%	0.00	18.22	(8.20)	
1974	106	104	112.4	0.0%	1.20	0.00	5.89	(2.65)	2.89	3.80	0.0%	0.00	34.60	(15.57)	0.0%	0.00	39.42	(17.74)	
1975	110	97	116.0	7.5%	1.40	18.32	7.09	15.13	2.72	2.91	1.1%	5.00	33.61	(10.12)	7.5%	38.07	38.30	20.84	
1976	120	118	119.7	0.0%	1.70	0.00	8.88	(4.00)	2.72	2.65	0.0%	0.00	34.66	(15.60)	0.0%	0.00	39.49	(17.77)	
1977	98	83	123.3	25.6%	1.70	80.53	9.15	76.41	2.73	2.09	43.1%	217.35	35.84	201.22	43.1%	217.35	40.84	198.97	
1978	108	104	126.9	9.2%	2.00	35.10	11.08	30.11	2.27	2.31	7.6%	32.92	30.68	19.12	9.2%	40.54	34.96	24.80	
1979	129	122	130.5	0.0%	2.00	0.00	11.39	(5.13)	2.59	2.78	0.0%	0.00	36.00	(16.20)	0.0%	0.00	41.02	(18.46)	
1980	112	108	134.1	10.9%	2.25	49.21	13.17	43.28	3.12	3.61	0.0%	0.00	44.57	(20.06)	10.9%	78.96	50.79	56.10	
1981	133	131	137.8	0.0%	2.70	0.00	16.24	(7.31)	3.77	2.91	18.2%	141.87	55.31	116.98	18.2%	141.87	63.03	113.51	
1982	130	126	141.4	0.7%	3.00	4.22	18.51	(4.12)	3.00	2.20	27.2%	172.76	45.17	152.43	27.2%	172.76	51.47	149.59	
1983	141	137	145.0	0.0%	2.70	0.00	17.09	(7.69)	2.88	3.48	0.0%	0.00	44.48	(20.01)	0.0%	0.00	50.68	(22.81)	
1984	146	138	148.6	0.0%	2.90	0.00	18.81	(8.47)	2.86	2.78	0.0%	0.00	45.27	(20.37)	0.0%	0.00	51.58	(23.21)	
1985	144	143	152.3	0.0%	2.85	0.00	18.94	(8.52)	2.66	2.23	12.3%	74.52	43.13	55.11	12.3%	74.52	49.15	52.40	
1986	176	175	155.9	0.0%	2.35	0.00	15.99	(7.20)	2.11	1.69	0.0%	0.00	35.03	(15.76)	0.0%	0.00	39.91	(17.96)	
1987	132	127	159.5	11.2%	2.00	53.78	13.92	47.51	1.69	1.83	3.9%	15.71	28.71	2.79	11.2%	49.21	32.71	34.49	
1988	130	129	163.1	12.2%	2.00	59.61	14.24	53.21	2.17	2.89	0.0%	0.00	37.70	(16.96)	12.2%	86.14	42.95	66.81	
1989	147	147	166.7	1.8%	2.60	11.52	18.92	3.01	2.71	2.39	13.4%	90.63	48.12	68.97	13.4%	90.63	54.83	65.95	
1990	175	175	170.4	0.0%	2.30	0.00	17.10	(7.70)	2.47	2.30	0.0%	0.00	44.81	(20.17)	0.0%	0.00	51.06	(22.98)	
1991	178	177	174.0	0.0%	2.30	0.00	17.47	(7.86)	2.59	2.51	0.0%	0.00	47.99	(21.60)	0.0%	0.00	54.68	(24.61)	
1992	185	182	177.6	0.0%	2.30	0.00	17.83	(8.02)	2.70	2.09	11.8%	84.94	51.07	61.96	11.8%	84.94	58.19	58.75	
1993	127	125	181.2	23.2%	2.30	144.91	18.19	136.72	2.40	2.49	20.3%	132.42	46.32	111.57	23.2%	156.88	52.78	133.13	
1994	177	174	160.7	0.0%	2.40	0.00	16.84	(7.58)	2.68	2.16	3.2%	20.84	45.87	0.20	3.2%	20.84	52.26	(2.68)	
1995	165	163	163.4	0.0%	2.25	0.00	16.04	(7.22)	2.57	3.23	0.0%	0.00	44.71	(20.12)	0.0%	0.00	50.94	(22.93)	
1996	184	183	165.2	0.0%	2.65	0.00	19.11	(8.60)	3.08	2.84	0.0%	0.00	54.18	(24.38)	0.0%	0.00	61.74	(27.78)	
1997	183	182	168.7	0.0%	2.45	0.00	18.04	(8.12)	2.73	2.81	0.0%	0.00	49.06	(22.08)	0.0%	0.00	55.90	(25.15)	
1998	179	178	171.9	0.0%	2.60	0.00	19.51	(8.78)	2.84	2.19	11.4%	83.23	52.00	59.83	11.4%	83.23	59.25	56.57	
1999	184	183	173.6	0.0%	2.10	0.00	15.91	(7.16)	2.40	2.01	2.0%	12.44	44.38	(7.53)	2.0%	12.44	50.56	(10.31)	
2000	171	170	176.8	0.0%	1.90	0.00	14.66	(6.60)	2.51	2.04	13.1%	87.37	47.26	66.10	13.1%	87.37	53.84	63.14	
2001	168	162	178.6	0.0%	2.05	0.00	15.98	(7.19)	2.46	2.08	14.7%	96.76	46.80	75.70	14.7%	96.76	53.33	72.76	
2002	166	164	179.7	0.0%	2.00	0.00	15.69	(7.06)	2.32	2.52	0.0%	0.00	44.39	(19.98)	0.0%	0.00	50.58	(22.76)	
2003	172	171	177.7	0.0%	2.20	0.00	17.07	(7.68)	2.42	2.26	0.2%	1.40	45.81	(19.21)	0.2%	1.40	52.20	(22.09)	
2004	199	194	179.2	0.0%	2.45	0.00	19.16	(8.62)	2.83	2.05	13.0%	98.70	54.01	74.40	13.0%	98.70	61.54	71.01	
2005	188	182	182.4	0.0%	2.20	0.00	17.52	(7.88)	2.32	2.02	3.7%	23.62	45.07	3.34	3.7%	23.62	51.35	0.51	
2006		184.0	184.0		2.00				2.59										
Total Farmer Paid Premium; Indemnity						457	218	232					1,392	636	757		1,633	701	932
Farmer Paid Loss Ratio														2.19			2.33		
Frequency of Claim							28%						53%				59%		
Total Premium Including Subsidizes							484						1,368				1,558		
Industry Loss Ratio							0.95						1.02				1.05		
Break Even Premium Rate							2.75%						7.2%				8.5%		

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

¹KSU model underestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted upward so not to over under estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Doniphan County, KS Corn GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 125.7 125.7 -10.9 Over/Under estimate
 KSU's 2006 Expected County Yield 136.6 125.7 -10.9 ¹bu adjustment

150% Maximum Liability																					
KSU RMA 90%										90%											
County Trend Set Cov										Coverage											
County Trend Set Cov										Coverage											
County Trend Set Cov										Coverage											
Year	Plant	Expt	Adj.	Pymt	APH ²	GRP	GRP	GRP	Plant ³	Havst	Pymt	GRP	GRP ⁴	Net	HRO	GRP-	GRP-	13.2%	GRP-		
Year	Yd	Yd	Yield	Rate	Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt	Pymt		
1973	94	89	88.3	0.0%	1.20	0.00	16.62	(7.48)	1.38	2.46	0.0%	0.00	18.15	(8.17)	0.0%	0.00	24.05	(10.82)			
1974	68	63	89.4	21.3%	1.20	34.34	16.84	26.76	2.89	3.80	0.0%	0.00	38.50	(17.33)	21.3%	108.74	51.02	85.77			
1975	64	59	90.6	27.6%	1.40	52.54	19.90	43.59	2.72	2.91	22.6%	83.39	36.71	66.88	27.6%	109.21	48.65	87.32			
1976	68	64	91.8	22.5%	1.70	52.68	24.47	41.66	2.72	2.65	24.5%	91.75	37.18	75.02	24.5%	91.75	49.27	69.58			
1977	54	51	92.9	39.2%	1.70	92.82	24.78	81.67	2.73	2.09	53.4%	203.32	37.78	186.32	53.4%	203.32	50.07	180.79			
1978	96	90	94.1	0.0%	2.00	0.00	29.52	(13.28)	2.27	2.31	0.0%	0.00	31.81	(14.31)	0.0%	0.00	42.16	(18.97)			
1979	103	99	95.2	0.0%	2.00	0.00	29.89	(13.45)	2.59	2.78	0.0%	0.00	36.74	(16.53)	0.0%	0.00	48.69	(21.91)			
1980	71	68	96.4	21.4%	2.25	69.60	34.03	54.29	3.12	3.61	9.0%	40.82	44.80	20.66	21.4%	111.67	59.37	84.95			
1981	114	111	97.6	0.0%	2.70	0.00	41.33	(18.60)	3.77	2.91	2.6%	14.57	54.78	(10.08)	2.6%	14.57	72.60	(18.10)			
1982	105	102	98.7	0.0%	3.00	0.00	46.47	(20.91)	3.00	2.20	15.7%	69.53	44.11	49.68	15.7%	69.53	58.46	43.23			
1983	53	47	99.9	47.3%	2.70	191.28	42.31	172.24	2.88	3.48	36.3%	156.64	42.85	137.36	47.3%	246.53	56.78	220.98			
1984	88	73	101.0	20.3%	2.90	89.09	45.97	68.40	2.86	2.78	22.5%	97.53	43.04	78.16	22.5%	97.53	57.04	71.86			
1985	116	112	102.2	0.0%	2.85	0.00	45.70	(20.56)	2.66	2.23	0.0%	0.00	40.49	(18.22)	0.0%	0.00	53.66	(24.15)			
1986	137	132	103.4	0.0%	2.35	0.00	38.11	(17.15)	2.11	1.69	0.0%	0.00	32.48	(14.62)	0.0%	0.00	43.05	(19.37)			
1987	113	109	104.5	0.0%	2.00	0.00	32.80	(14.76)	1.69	1.83	0.0%	0.00	26.31	(11.84)	0.0%	0.00	34.87	(15.69)			
1988	77	73	105.7	23.6%	2.00	74.82	33.16	59.90	2.17	2.89	0.0%	0.00	34.16	(15.37)	23.6%	108.12	45.27	87.75			
1989	49	45	106.8	53.1%	2.60	221.13	43.58	201.52	2.71	2.39	58.6%	254.56	43.13	235.15	58.6%	254.56	57.15	228.84			
1990	93	90	108.0	7.5%	2.30	28.04	38.97	10.50	2.47	2.30	13.9%	55.58	39.73	37.70	13.9%	55.58	52.66	31.88			
1991	98	96	109.2	2.2%	2.30	8.44	39.39	(9.28)	2.59	2.51	5.3%	22.31	42.11	3.36	5.3%	22.31	55.81	(2.80)			
1992	146	143	110.3	0.0%	2.30	0.00	39.81	(17.91)	2.70	2.09	0.0%	0.00	44.37	(19.96)	0.0%	0.00	58.80	(26.46)			
1993	83	76	111.5	24.2%	2.30	93.03	40.23	74.92	2.40	2.49	21.3%	85.66	39.85	67.73	24.2%	100.71	52.81	76.94			
1994	137	133	87.4	0.0%	2.40	0.00	32.91	(14.81)	2.68	2.16	0.0%	0.00	34.89	(15.70)	0.0%	0.00	46.24	(20.81)			
1995	107	103	91.7	0.0%	2.25	0.00	32.38	(14.57)	2.57	3.23	0.0%	0.00	35.12	(15.80)	0.0%	0.00	46.54	(20.94)			
1996	140	139	92.2	0.0%	2.65	0.00	38.34	(17.25)	3.08	2.84	0.0%	0.00	42.30	(19.04)	0.0%	0.00	56.06	(25.23)			
1997	122	121	97.1	90.2	0.0%	2.45	0.00	34.67	(15.60)	2.73	2.81	0.0%	0.00	36.68	(16.51)	0.0%	0.00	48.61	(21.87)		
1998	147	145	99.9	98.3	0.0%	2.60	0.00	40.10	(18.05)	2.84	2.19	0.0%	0.00	41.58	(18.71)	0.0%	0.00	55.11	(24.80)		
1999	122	121	105.1	99.4	0.0%	2.10	0.00	32.75	(14.74)	2.40	2.01	0.0%	0.00	35.53	(15.99)	0.0%	0.00	47.09	(21.19)		
2000	140	136	107.4	100.5	0.0%	1.90	0.00	29.96	(13.48)	2.51	2.04	0.0%	0.00	37.57	(16.91)	0.0%	0.00	49.80	(22.41)		
2001	142	134	111.7	106.8	0.0%	2.05	0.00	34.35	(15.46)	2.46	2.08	0.0%	0.00	39.13	(17.61)	0.0%	0.00	51.86	(23.34)		
2002	106	102	115.5	106.8	0.0%	2.00	0.00	33.51	(15.08)	2.32	2.52	0.0%	0.00	36.91	(16.61)	0.0%	0.00	48.91	(22.01)		
2003	98	94	115.0	109.3	4.3%	2.20	15.56	37.73	(1.41)	2.42	2.26	10.6%	42.22	39.40	24.49	10.6%	42.22	52.21	18.72		
2004	171	170	114.2	119.8	0.0%	2.45	0.00	46.05	(20.72)	2.83	2.05	0.0%	0.00	50.50	(22.72)	0.0%	0.00	66.93	(30.12)		
2005	156	155	121.8	116.1	0.0%	2.20	0.00	40.08	(18.03)	2.32	2.02	0.0%	0.00	40.12	(18.05)	0.0%	0.00	53.17	(23.93)		
2006			125.7	125.7		2.00				2.59											
Total Farmer Paid Premium; Indemnity						1,023	502	503				1,218	575	642		1,636	739	874			
Farmer Paid Loss Ratio																				2.22	
Frequency of Claim																					47%
Total Premium Including Subsidizes																					1,642
Industry Loss Ratio																					1.00
Break Even Premium Rate																					13.1%

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

¹KSU model underestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted upward so not to over under estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Gray County, KS Corn GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 180.8 180.8 -14.9 Over/Under estimate
 KSU's 2006 Expected County Yield 195.7 180.8 -14.9 ¹bu adjustment

Year	Maximum Liability																		
	County			Trend			RMA			90%			90%			90%			
	Havst	Trend	Set	Cov	Coverage						GRIP-			11.9%					
	Plant	Expt	Adj.	GRP	5.9%	Net	GRIP	9.9%	Net	HRO	GRIP-	GRIP-	HRO	GRIP-	HRO				
Yd	Yd	Yield	Rate	APH ²	GRP	GRP	GRIP	Plant ³	Havst	Price	Price	Rate	GRIP	GRIP ⁴	GRIP	Pymt	HRO	HRO ³	Pymt
1973	129	118	101.4	0.0%	1.20	0.00	10.79	(4.85)	1.38	2.46	0.0%	0.00	20.80	(9.36)	0.0%	0.00	24.89	(11.20)	
1974	113	105	106.3	0.0%	1.20	0.00	11.31	(5.09)	2.89	3.80	0.0%	0.00	45.66	(20.55)	0.0%	0.00	54.64	(24.59)	
1975	115	102	111.2	0.0%	1.40	0.00	13.80	(6.21)	2.72	2.91	0.0%	0.00	44.94	(20.23)	0.0%	0.00	53.79	(24.20)	
1976	130	109	116.0	0.0%	1.70	0.00	17.49	(7.87)	2.72	2.65	0.0%	0.00	46.92	(21.11)	0.0%	0.00	56.15	(25.27)	
1977	100	90	120.9	17.2%	1.70	53.06	18.22	44.86	2.73	2.09	36.6%	181.31	49.07	159.23	36.6%	181.31	58.73	154.88	
1978	122	109	125.8	3.6%	2.00	13.44	22.30	3.40	2.27	2.31	1.9%	7.98	42.45	(11.13)	3.6%	15.53	50.80	(7.34)	
1979	135	128	130.7	0.0%	2.00	0.00	23.17	(10.43)	2.59	2.78	0.0%	0.00	50.31	(22.64)	0.0%	0.00	60.21	(27.10)	
1980	127	105	135.6	13.6%	2.25	62.16	27.04	49.99	3.12	3.61	0.0%	0.09	62.87	(28.20)	13.6%	99.73	75.24	65.87	
1981	146	139	140.4	0.0%	2.70	0.00	33.61	(15.13)	3.77	2.91	15.1%	119.68	78.70	84.27	15.1%	119.68	94.19	77.30	
1982	139	134	145.3	0.0%	3.00	0.00	38.65	(17.39)	3.00	2.20	24.9%	162.80	64.81	133.63	24.9%	162.80	77.56	127.90	
1983	121	113	150.2	16.4%	2.70	99.95	35.95	83.78	2.88	3.48	0.0%	0.00	64.30	(28.94)	16.4%	128.83	76.96	94.20	
1984	165	135	155.1	3.5%	2.90	23.63	39.87	5.69	2.86	2.78	6.2%	41.27	65.93	11.60	6.2%	41.27	78.90	5.76	
1985	162	156	160.0	0.0%	2.85	0.00	40.41	(18.19)	2.66	2.23	9.0%	57.69	63.25	29.23	9.0%	57.69	75.70	23.63	
1986	177	175	164.8	0.0%	2.35	0.00	34.34	(15.45)	2.11	1.69	5.6%	29.47	51.70	6.20	5.6%	29.47	61.88	1.62	
1987	124	119	169.7	22.4%	2.00	113.96	30.09	100.42	1.69	1.83	16.0%	68.63	42.64	49.44	22.4%	104.27	51.03	81.31	
1988	177	175	174.6	0.0%	2.00	0.00	30.96	(13.93)	2.17	2.89	0.0%	0.00	56.32	(25.34)	0.0%	0.00	67.40	(30.33)	
1989	165	162	179.5	0.0%	2.60	0.00	41.37	(18.62)	2.71	2.39	11.4%	82.90	72.30	50.36	11.4%	82.90	86.53	43.96	
1990	166	163	184.4	1.8%	2.30	11.37	37.59	(5.54)	2.47	2.30	8.5%	58.39	67.69	27.93	8.5%	58.39	81.01	21.93	
1991	182	179	189.2	0.0%	2.30	0.00	38.59	(17.36)	2.59	2.51	0.0%	0.00	72.86	(32.79)	0.0%	0.00	87.19	(39.24)	
1992	182	177	194.1	0.0%	2.30	0.00	39.58	(17.81)	2.70	2.09	21.7%	170.59	77.91	135.53	21.7%	170.59	93.24	128.63	
1993	170	167	199.0	6.7%	2.30	45.68	40.58	27.42	2.40	2.49	3.2%	22.58	71.00	(9.36)	6.7%	49.45	84.97	11.21	
1994	195	189	173.3	0.0%	2.40	0.00	36.87	(16.59)	2.68	2.16	2.3%	16.30	69.04	(14.77)	2.3%	16.30	82.63	(20.88)	
1995	170	168	178.2	0.0%	2.25	0.00	35.55	(16.00)	2.57	3.23	0.0%	0.00	68.09	(30.64)	0.0%	0.00	81.49	(36.67)	
1996	193	190	181.1	0.0%	2.65	0.00	42.54	(19.14)	3.08	2.84	0.0%	0.00	82.90	(37.31)	0.0%	0.00	99.22	(44.65)	
1997	186	181	185.6	0.0%	2.45	0.00	40.31	(18.14)	2.73	2.81	0.0%	0.00	75.32	(33.89)	0.0%	0.00	90.14	(40.56)	
1998	193	188	188.8	0.0%	2.60	0.00	43.53	(19.59)	2.84	2.19	14.8%	118.74	79.72	82.86	14.8%	118.74	95.41	75.80	
1999	195	191	192.9	0.0%	2.10	0.00	35.90	(16.16)	2.40	2.01	8.0%	55.61	68.81	24.65	8.0%	55.61	82.35	18.55	
2000	186	181	193.9	0.0%	1.90	0.00	32.66	(14.70)	2.51	2.04	15.9%	116.27	72.36	83.71	15.9%	116.27	86.60	77.30	
2001	179	161	194.1	8.1%	2.05	48.48	35.28	32.61	2.46	2.08	22.3%	159.85	70.99	127.91	22.3%	159.85	84.96	121.62	
2002	179	159	193.4	8.4%	2.00	48.76	34.29	33.33	2.32	2.52	0.5%	3.42	66.69	(26.59)	8.4%	61.43	79.81	25.52	
2003	188	160	189.7	6.3%	2.20	39.45	36.99	22.81	2.42	2.26	12.5%	86.05	68.23	55.35	12.5%	86.05	81.65	49.31	
2004	206	175	185.2	0.0%	2.45	0.00	40.22	(18.10)	2.83	2.05	23.8%	187.26	77.90	152.21	23.8%	187.26	93.23	145.31	
2005	193	174	181.5	198.0	2.6%	2.20	17.15	38.62	(0.22)	2.32	2.02	15.2%	104.85	68.28	74.12	15.2%	104.85	81.72	68.08
2006		180.8	180.8		2.00				2.59										
Total Farmer Paid Premium; Indemnity						560	468	92					1,852	936	915		2,103	1,084	1,088
Farmer Paid Loss Ratio																			1.94
Frequency of Claim																			69%
Total Premium Including Subsidizes																			2,408
Industry Loss Ratio																			0.87
Break Even Premium Rate																			10.4%

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Nemaha County, KS Corn GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 94.3 94.3 -0.4 Over/Under estimate
 KSU's 2006 Expected County Yield 94.7 94.3 -0.4 ¹bu adjustment

Year	150% Maximum Liability																					
	County			Trend			Set			Cov			90% Coverage			90% GRIP-HRO			16.5% GRIP-HRO			
	Havst	Adj.	Trend	Adj.	Trend	GRP	12.5%	Net	GRIP	Plant ³	Havst	Pymt	GRIP	GRIP ⁴	Net	HRO	GRIP-	GRIP-	GRIP-	HRO		
	Plant	Expt	Yield	Yield	Rate	APH ²	GRP	GRP	GRIP	Price	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt	Pymt	
1973	77	69	48.2		0.0%	1.20	0.00	10.88	(4.90)	1.38	2.46	0.0%	0.00	13.80	(6.21)	0.0%	0.00	16.49		(7.42)		
1974	29	14	49.1		67.8%	1.20	59.93	11.08	54.95	2.89	3.80	57.7%	122.79	29.43	109.55	67.8%	189.79	35.17		173.96		
1975	47	30	50.0		32.8%	1.40	34.41	13.16	28.49	2.72	2.91	28.1%	57.28	28.19	44.59	32.8%	71.52	33.70		56.36		
1976	57	43	50.8		5.4%	1.70	7.04	16.26	(0.27)	2.72	2.65	7.9%	16.32	28.69	3.41	7.9%	16.32	34.29		0.88		
1977	53	36	51.7		23.1%	1.70	30.49	16.54	23.04	2.73	2.09	41.1%	87.14	29.30	73.96	41.1%	87.14	35.02		71.38		
1978	74	55	52.6		0.0%	2.00	0.00	19.79	(8.91)	2.27	2.31	0.0%	0.00	24.78	(11.15)	0.0%	0.00	29.61		(13.33)		
1979	84	65	53.5		0.0%	2.00	0.00	20.13	(9.06)	2.59	2.78	0.0%	0.00	28.74	(12.94)	0.0%	0.00	34.36		(15.46)		
1980	29	11	54.4		76.6%	2.25	140.68	23.02	130.32	3.12	3.61	73.0%	185.73	35.20	169.90	76.6%	225.71	42.07		206.77		
1981	93	60	55.3		0.0%	2.70	0.00	28.07	(12.63)	3.77	2.91	6.5%	20.35	43.22	0.90	6.5%	20.35	51.66		(2.89)		
1982	80	58	56.1		0.0%	3.00	0.00	31.68	(14.26)	3.00	2.20	16.4%	41.36	34.94	25.63	16.4%	41.36	41.77		22.56		
1983	29	19	57.0		63.5%	2.70	146.56	28.96	133.53	2.88	3.48	55.8%	137.57	34.07	122.24	63.5%	188.90	40.73		170.57		
1984	62	41	57.9		21.3%	2.90	53.67	31.59	39.45	2.86	2.78	23.5%	58.40	34.36	42.94	23.5%	58.40	41.07		39.92		
1985	89	80	58.8		0.0%	2.85	0.00	31.52	(14.18)	2.66	2.23	0.0%	0.00	32.45	(14.60)	0.0%	0.00	38.78		(17.45)		
1986	107	94	59.7		0.0%	2.35	0.00	26.38	(11.87)	2.11	1.69	0.0%	0.00	26.12	(11.76)	0.0%	0.00	31.22		(14.05)		
1987	86	64	60.6		0.0%	2.00	0.00	22.78	(10.25)	1.69	1.83	0.0%	0.00	21.23	(9.56)	0.0%	0.00	25.38		(11.42)		
1988	93	72	61.4		0.0%	2.00	0.00	23.12	(10.40)	2.17	2.89	0.0%	0.00	27.66	(12.45)	0.0%	0.00	33.06		(14.88)		
1989	44	30	62.3		46.5%	2.60	112.94	30.48	99.22	2.71	2.39	52.8%	133.74	35.04	117.97	52.8%	133.74	41.88		114.89		
1990	87	71	63.2		0.0%	2.30	0.00	27.35	(12.31)	2.47	2.30	0.0%	0.00	32.39	(14.58)	0.0%	0.00	38.72		(17.42)		
1991	66	53	64.1		8.0%	2.30	17.60	27.73	5.12	2.59	2.51	10.8%	26.90	34.44	11.40	10.8%	26.90	41.16		8.38		
1992	124	111	65.0		0.0%	2.30	0.00	28.11	(12.65)	2.70	2.09	0.0%	0.00	36.40	(16.38)	0.0%	0.00	43.50		(19.58)		
1993	48	37	65.9		37.5%	2.30	85.11	28.50	72.29	2.40	2.49	35.1%	83.25	32.79	68.50	37.5%	92.14	39.20		74.51		
1994	104	79	63.3		0.0%	2.40	0.00	28.59	(12.86)	2.68	2.16	0.0%	0.00	35.21	(15.84)	0.0%	0.00	42.08		(18.94)		
1995	73	56	65.9		5.6%	2.25	12.56	27.88	0.01	2.57	3.23	0.0%	0.00	35.12	(15.81)	5.6%	18.03	41.98		(0.86)		
1996	134	116	65.9		0.0%	2.65	0.00	32.85	(14.78)	3.08	2.84	0.0%	0.00	42.11	(18.95)	0.0%	0.00	50.33		(22.65)		
1997	101	86	72.7		0.0%	2.45	0.00	33.49	(15.07)	2.73	2.81	0.0%	0.00	41.16	(18.52)	0.0%	0.00	49.19		(22.14)		
1998	119	110	75.9		0.0%	2.60	0.00	37.14	(16.71)	2.84	2.19	0.0%	0.00	44.74	(20.13)	0.0%	0.00	53.48		(24.06)		
1999	83	77	81.1		0.0%	2.10	0.00	32.03	(14.41)	2.40	2.01	11.7%	34.20	40.37	16.03	11.7%	34.20	48.25		12.49		
2000	112	99	81.4		0.0%	1.90	0.00	29.09	(13.09)	2.51	2.04	0.0%	0.00	42.38	(19.07)	0.0%	0.00	50.65		(22.79)		
2001	119	95	85.4		0.0%	2.05	0.00	32.94	(14.83)	2.46	2.08	0.0%	0.00	43.60	(19.62)	0.0%	0.00	52.11		(23.45)		
2002	43	32	89.2		59.6%	2.00	159.53	33.55	144.44	2.32	2.52	56.2%	174.26	42.92	154.95	59.6%	201.01	51.30		177.93		
2003	42	37	84.8		51.0%	2.20	142.70	35.07	126.92	2.42	2.26	54.3%	166.93	42.55	147.79	54.3%	166.93	50.86		144.05		
2004	146	141	81.9		0.0%	2.45	0.00	37.73	(16.98)	2.83	2.05	0.0%	0.00	48.07	(21.63)	0.0%	0.00	57.45		(25.85)		
2005	116	111	91.2		0.0%	2.20	0.00	37.75	(16.99)	2.32	2.02	0.0%	0.00	43.91	(19.76)	0.0%	0.00	52.48		(23.62)		
2006			94.3	94.3		2.00				2.59												
Total Farmer Paid Premium; Indemnity							1,003	386	600					1,346	515	831		1,572	592	956		
Farmer Paid Loss Ratio																						
Frequency of Claim																						
Total Premium Including Subsidizes																						
Industry Loss Ratio																						
Break Even Premium Rate																						

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¹KSU model underestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted upward so not to over under estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

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⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

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Shawnee County, KS Corn GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 116.9 116.9 -16.2 Over/Under estimate

KSU's 2006 Expected County Yield 133.1 116.9 -16.2 ¹bu adjustment

150% Maximum Liability

Year	County			Trend Adj. Yield	Set Cov GRP	APH ² Price	8.8% GRP Pymt	8.8% GRP Prem	Net GRIP Pymt	Plant ³ Price	90% Coverage GRIP				90% GRIP-HRO				11.8% GRIP-HRO ³ Prem	GRIP-HRO Pymt
	Havst	Trend	Adj.								9.2% Net GRIP Pymt	9.2% GRIP ⁴ Prem	9.2% Net GRIP Pymt	9.2% GRIP-HRO Pymt	9.2% GRIP-HRO ³ Prem					
	Plant Yd	Expt Yd	Adj. Yield								GRIP Pymt	GRIP ⁴ Prem	GRIP Pymt	GRIP-HRO Pymt	GRIP-HRO ³ Prem					
	Yd	Yd	Yield								Rate	Rate	Rate	Rate	Rate					
1973	80	75	86.2	3.9%	1.20	6.06	13.71	(0.11)	1.38	2.46	0.0%	0.00	16.48	(7.42)	3.9%	12.42	21.10	2.92		
1974	56	46	88.3	42.0%	1.20	66.71	14.05	60.38	2.89	3.80	23.7%	90.67	35.38	74.75	42.0%	211.24	45.30	190.86		
1975	58	51	90.5	37.0%	1.40	70.30	16.80	62.74	2.72	2.91	32.6%	120.33	34.11	104.98	37.0%	146.11	43.67	126.46		
1976	65	55	92.6	33.8%	1.70	79.81	20.88	70.41	2.72	2.65	35.5%	134.13	34.92	118.42	35.5%	134.13	44.70	114.02		
1977	92	79	94.8	7.4%	1.70	17.86	21.36	8.25	2.73	2.09	29.1%	112.93	35.86	96.80	29.1%	112.93	45.91	92.27		
1978	89	81	96.9	6.6%	2.00	19.32	25.70	7.76	2.27	2.31	5.0%	16.50	30.49	2.78	6.6%	22.32	39.04	4.75		
1979	111	96	99.1	0.0%	2.00	0.00	26.27	(11.82)	2.59	2.78	0.0%	0.00	35.56	(16.00)	0.0%	0.00	45.53	(20.49)		
1980	36	19	101.2	79.0%	2.25	269.74	30.19	256.15	3.12	3.61	75.7%	358.40	43.76	338.71	79.0%	432.78	56.03	407.57		
1981	106	104	103.3	0.0%	2.70	0.00	37.00	(16.65)	3.77	2.91	13.9%	81.46	54.00	57.16	13.9%	81.46	69.14	50.35		
1982	100	94	105.5	1.1%	3.00	5.38	41.96	(13.51)	3.00	2.20	27.5%	130.53	43.86	110.80	27.5%	130.53	56.16	105.26		
1983	75	60	107.6	38.6%	2.70	168.15	38.54	150.81	2.88	3.48	25.8%	119.86	42.97	100.52	38.6%	216.73	55.01	191.98		
1984	102	98	109.8	0.7%	2.90	3.38	42.22	(15.62)	2.86	2.78	3.5%	16.41	43.52	(3.17)	3.5%	16.41	55.72	(8.66)		
1985	116	113	111.9	0.0%	2.85	0.00	42.30	(19.03)	2.66	2.23	6.2%	27.89	41.27	9.32	6.2%	27.89	52.83	4.11		
1986	120	115	114.1	0.0%	2.35	0.00	35.55	(16.00)	2.11	1.69	10.6%	38.16	33.36	23.15	10.6%	38.16	42.71	18.94		
1987	135	134	116.2	0.0%	2.00	0.00	30.82	(13.87)	1.69	1.83	0.0%	0.00	27.22	(12.25)	0.0%	0.00	34.85	(15.68)		
1988	112	108	118.4	0.0%	2.00	0.00	31.39	(14.13)	2.17	2.89	0.0%	0.00	35.60	(16.02)	0.0%	0.00	45.58	(20.51)		
1989	107	103	120.5	5.4%	2.60	25.60	41.55	6.90	2.71	2.39	16.6%	81.37	45.26	61.01	16.6%	81.37	57.95	55.30		
1990	106	106	122.7	4.3%	2.30	18.16	37.41	1.33	2.47	2.30	10.9%	49.44	41.99	30.55	10.9%	49.44	53.76	25.25		
1991	91	86	124.8	23.7%	2.30	101.84	38.06	84.71	2.59	2.51	26.0%	126.11	44.80	105.95	26.0%	126.11	57.36	100.30		
1992	146	141	126.9	0.0%	2.30	0.00	38.72	(17.42)	2.70	2.09	4.3%	22.13	47.51	0.76	4.3%	22.13	60.82	(5.24)		
1993	81	75	129.1	35.2%	2.30	156.86	39.37	139.14	2.40	2.49	32.8%	152.39	42.94	133.07	35.2%	169.82	54.98	145.08		
1994	107	101	95.2	0.0%	2.40	0.00	30.29	(13.63)	2.68	2.16	5.2%	19.90	35.35	4.00	5.2%	19.90	45.26	(0.46)		
1995	101	95	96.4	0.0%	2.25	0.00	28.75	(12.94)	2.57	3.23	0.0%	0.00	34.33	(15.45)	0.0%	0.00	43.95	(19.78)		
1996	133	132	96.5	0.0%	2.65	0.00	33.92	(15.27)	3.08	2.84	0.0%	0.00	41.21	(18.55)	0.0%	0.00	52.76	(23.74)		
1997	130	124	101.3	0.0%	2.45	0.00	32.90	(14.81)	2.73	2.81	0.0%	0.00	38.32	(17.25)	0.0%	0.00	49.06	(22.08)		
1998	139	135	105.3	0.0%	2.60	0.00	36.30	(16.33)	2.84	2.19	0.0%	0.00	41.44	(18.65)	0.0%	0.00	53.06	(23.88)		
1999	115	111	108.7	0.0%	2.10	0.00	30.26	(13.61)	2.40	2.01	5.0%	19.41	36.14	3.14	5.0%	19.41	46.27	(1.41)		
2000	129	125	109.0	0.0%	1.90	0.00	27.46	(12.36)	2.51	2.04	0.0%	0.00	37.92	(17.06)	0.0%	0.00	48.55	(21.85)		
2001	129	125	110.8	0.0%	2.05	0.00	30.12	(13.55)	2.46	2.08	0.0%	0.00	37.78	(17.00)	0.0%	0.00	48.37	(21.76)		
2002	90	87	112.5	14.2%	2.00	47.91	29.84	34.48	2.32	2.52	6.8%	26.61	36.19	10.32	14.2%	60.37	46.33	39.52		
2003	96	94	110.4	5.0%	2.20	18.17	32.21	3.68	2.42	2.26	11.3%	45.17	37.04	28.50	11.3%	45.17	47.42	23.83		
2004	152	151	109.7	0.0%	2.45	0.00	35.64	(16.04)	2.83	2.05	0.0%	0.00	43.03	(19.36)	0.0%	0.00	55.09	(24.79)		
2005	136	135	115.2	127.4	0.0%	2.20	0.00	37.17	(16.72)	2.32	2.02	0.0%	0.00	40.97	(18.43)	0.0%	0.00	52.45	(23.60)	
2006			116.9	116.9		2.00				2.59										
Total Farmer Paid Premium; Indemnity							1,075	455	603				1,790	572	1,218		2,177	708	1,445	
Farmer Paid Loss Ratio																			3.07	
Frequency of Claim																			69%	
Total Premium Including Subsidizes																			1,574	
Industry Loss Ratio																			1.38	
Break Even Premium Rate																			16.4%	

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Shawnee County, KS Corn GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified) (85% Coverage)

RMA's 2006 Expected County Yield 116.9 116.9 -16.2 Over/Under estimate

KSU's 2006 Expected County Yield 133.1 116.9 -16.2 ¹bu adjustment

150% Maximum Liability

Year	County			KSU RMA 85%			85%			85%			9.4%			GRIP-				
	Yd	Yd	Trend	Set	Cov	GRP	7.3%	Net	Coverage			7.4%	Net	GRIP-		GRIP-				
									Havst	Adj.	Trend			GRIP	GRIP		GRIP	HRO	GRIP-	HRO ³
1973	80	75	86.2		0.0%	1.20	0.00	11.28	(4.62)	1.38	2.46	0.0%	0.00	13.13	(5.38)	0.0%	0.00	16.75	(6.87)	
1974	56	46	88.3		38.5%	1.20	61.28	11.56	56.54	2.89	3.80	19.2%	73.48	28.18	61.93	38.5%	194.05	35.95	179.31	
1975	58	51	90.5		33.3%	1.40	63.25	13.81	57.59	2.72	2.91	28.6%	105.69	27.17	94.55	33.3%	131.48	34.66	117.27	
1976	65	55	92.6		29.9%	1.70	70.61	17.17	63.57	2.72	2.65	31.7%	119.79	27.81	108.39	31.7%	119.79	35.48	105.25	
1977	92	79	94.8		1.9%	1.70	4.70	17.57	(2.51)	2.73	2.09	24.9%	96.75	28.56	85.04	24.9%	96.75	36.44	81.81	
1978	89	81	96.9		1.2%	2.00	3.36	21.14	(5.31)	2.27	2.31	0.0%	0.00	24.29	(9.96)	1.2%	3.88	30.99	(8.83)	
1979	111	96	99.1		0.0%	2.00	0.00	21.60	(8.86)	2.59	2.78	0.0%	0.00	28.32	(11.61)	0.0%	0.00	36.14	(14.82)	
1980	36	19	101.2		77.7%	2.25	265.51	24.83	255.33	3.12	3.61	74.2%	351.62	34.86	337.33	77.7%	426.00	44.47	407.77	
1981	106	104	103.3		0.0%	2.70	0.00	30.43	(12.48)	3.77	2.91	8.9%	51.87	43.01	34.24	8.9%	51.87	54.88	29.37	
1982	100	94	105.5		0.0%	3.00	0.00	34.51	(14.15)	3.00	2.20	23.2%	110.29	34.94	95.96	23.2%	110.29	44.58	92.01	
1983	75	60	107.6		35.0%	2.70	152.40	31.69	139.41	2.88	3.48	21.4%	99.55	34.22	85.52	35.0%	196.43	43.66	178.53	
1984	102	98	109.8		0.0%	2.90	0.00	34.72	(14.23)	2.86	2.78	0.0%	0.00	34.66	(14.21)	0.0%	0.00	44.22	(18.13)	
1985	116	113	111.9		0.0%	2.85	0.00	34.79	(14.26)	2.66	2.23	0.7%	3.26	32.87	(10.22)	0.7%	3.26	41.94	(13.94)	
1986	120	115	114.1		0.0%	2.35	0.00	29.23	(11.99)	2.11	1.69	5.3%	19.17	26.57	8.27	5.3%	19.17	33.90	5.27	
1987	135	134	116.2		0.0%	2.00	0.00	25.35	(10.39)	1.69	1.83	0.0%	0.00	21.68	(8.89)	0.0%	0.00	27.66	(11.34)	
1988	112	108	118.4		0.0%	2.00	0.00	25.82	(10.58)	2.17	2.89	0.0%	0.00	28.36	(11.63)	0.0%	0.00	36.18	(14.83)	
1989	107	103	120.5		0.0%	2.60	0.00	34.17	(14.01)	2.71	2.39	11.7%	57.35	36.05	42.56	11.7%	57.35	46.00	38.49	
1990	106	106	122.7		0.0%	2.30	0.00	30.76	(12.61)	2.47	2.30	5.6%	25.62	33.45	11.90	5.6%	25.62	42.67	8.12	
1991	91	86	124.8		19.2%	2.30	82.50	31.30	69.67	2.59	2.51	21.7%	105.01	35.69	90.38	21.7%	105.01	45.53	86.34	
1992	146	141	126.9		0.0%	2.30	0.00	31.84	(13.05)	2.70	2.09	0.0%	0.00	37.84	(15.51)	0.0%	0.00	48.28	(19.79)	
1993	81	75	129.1		31.4%	2.30	139.89	32.38	126.61	2.40	2.49	28.8%	134.02	34.20	119.99	31.4%	151.44	43.64	133.55	
1994	107	101	95.2		0.0%	2.40	0.00	24.91	(10.21)	2.68	2.16	0.0%	0.00	28.16	(11.54)	0.0%	0.00	35.92	(14.73)	
1995	101	95	96.4		0.0%	2.25	0.00	23.64	(9.69)	2.57	3.23	0.0%	0.00	27.34	(11.21)	0.0%	0.00	34.88	(14.30)	
1996	133	132	96.5		0.0%	2.65	0.00	27.90	(11.44)	3.08	2.84	0.0%	0.00	32.83	(13.46)	0.0%	0.00	41.88	(17.17)	
1997	130	124	101.3		0.0%	2.45	0.00	27.06	(11.09)	2.73	2.81	0.0%	0.00	30.53	(12.52)	0.0%	0.00	38.94	(15.97)	
1998	139	135	105.3		0.0%	2.60	0.00	29.85	(12.24)	2.84	2.19	0.0%	0.00	33.01	(13.53)	0.0%	0.00	42.11	(17.27)	
1999	115	111	108.7		0.0%	2.10	0.00	24.88	(10.20)	2.40	2.01	0.0%	0.00	28.79	(11.80)	0.0%	0.00	36.73	(15.06)	
2000	129	125	109.0		0.0%	1.90	0.00	22.58	(9.26)	2.51	2.04	0.0%	0.00	30.20	(12.38)	0.0%	0.00	38.53	(15.80)	
2001	129	125	110.8		0.0%	2.05	0.00	24.77	(10.16)	2.46	2.08	0.0%	0.00	30.09	(12.34)	0.0%	0.00	38.39	(15.74)	
2002	90	87	112.5		9.1%	2.00	30.87	24.54	20.81	2.32	2.52	1.3%	5.14	28.82	(6.68)	9.1%	38.90	36.77	23.82	
2003	96	94	110.4		0.0%	2.20	0.00	26.49	(10.86)	2.42	2.26	6.0%	24.25	29.50	12.15	6.0%	24.25	37.64	8.82	
2004	152	151	109.7		0.0%	2.45	0.00	29.31	(12.02)	2.83	2.05	0.0%	0.00	34.27	(14.05)	0.0%	0.00	43.73	(17.93)	
2005	136	135	115.2	127.4	0.0%	2.20	0.00	30.56	(12.53)	2.32	2.02	0.0%	0.00	32.63	(13.38)	0.0%	0.00	41.63	(17.07)	
2006			116.9	116.9		2.00				2.59										
Total Farmer Paid Premium; Indemnity							874	341	521				1,383	415	968		1,756	512	1,226	
Farmer Paid Loss Ratio																				3.43
Frequency of Claim																				53%
Total Premium Including Subsidizes																				1,250
Industry Loss Ratio																				1.40
Break Even Premium Rate																				13.2%

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Thomas County, KS Corn GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 118.9 118.9 -13.8 Over/Under estimate
 KSU's 2006 Expected County Yield 132.7 118.9 -13.8 ¹bu adjustment
 150% Maximum Liability

Year	County		Trend Adj. Yield	Set Trend	90% Cov GRP	APH ² Price	7.3% GRP Pymt	Net GRP Prem	Net GRP Pymt	Plant ³ Price	Havst Price	90% Coverage			9.8% GRP ⁴ Prem	Net GRP Pymt	90% GRIP-			11.2% GRIP- HRO ³ Prem	GRIP- HRO Pymt												
	Havst Yd	Trend Yd										Plant Yd	Expt Yield	Adj. Yield			Pymt Rate	7.3% GRP Pymt	Net GRP Prem			Net GRP Pymt	Plant ³ Price	Havst Price	90% Coverage GRP Rate	9.8% GRP ⁴ Prem	Net GRP Pymt	90% GRIP- HRO Rate	11.2% GRIP- HRO ³ Prem	GRIP- HRO Pymt			
																															90% Cov GRP	90% Coverage GRP Rate	90% GRIP- HRO Rate
1973	131	119	102.5		0.0%	1.20	0.00	13.37	(6.02)	1.38	2.46	0.0%	0.00	20.83	(9.37)	0.0%	0.00	23.80	(10.71)														
1974	86	78	105.6		18.2%	1.20	34.65	13.78	28.44	2.89	3.80	0.0%	0.00	44.95	(20.23)	18.2%	109.71	51.36	86.60														
1975	107	94	108.7		4.4%	1.40	10.15	16.56	2.70	2.72	2.91	0.0%	0.00	43.57	(19.61)	4.4%	21.09	49.78	(1.31)														
1976	107	92	111.9		8.2%	1.70	23.27	20.68	13.96	2.72	2.65	10.5%	48.02	44.83	27.85	10.5%	48.02	51.22	24.97														
1977	121	109	115.0		0.0%	1.70	0.00	21.27	(9.57)	2.73	2.09	19.6%	92.30	46.26	71.49	19.6%	92.30	52.85	68.52														
1978	114	103	118.2		3.5%	2.00	12.57	25.70	1.01	2.27	2.31	1.8%	7.43	39.51	(10.35)	3.5%	14.52	45.14	(5.80)														
1979	127	120	121.3		0.0%	2.00	0.00	26.38	(11.87)	2.59	2.78	0.0%	0.00	46.28	(20.83)	0.0%	0.00	52.88	(23.80)														
1980	117	106	124.5		5.0%	2.25	21.05	30.45	7.35	3.12	3.61	0.0%	0.00	57.19	(25.74)	5.0%	33.77	65.35	4.37														
1981	147	136	127.6		0.0%	2.70	0.00	37.46	(16.86)	3.77	2.91	8.8%	63.19	70.85	31.30	8.8%	63.19	80.96	26.76														
1982	129	122	130.7		0.0%	3.00	0.00	42.65	(19.19)	3.00	2.20	24.2%	142.18	57.77	116.18	24.2%	142.18	66.01	112.48														
1983	114	107	133.9		11.2%	2.70	60.57	39.31	42.88	2.88	3.48	0.0%	0.00	56.79	(25.56)	11.2%	78.06	64.89	48.86														
1984	129	124	137.0		0.0%	2.90	0.00	43.21	(19.45)	2.86	2.78	2.6%	15.25	57.72	(10.72)	2.6%	15.25	65.95	(14.43)														
1985	144	136	140.2		0.0%	2.85	0.00	43.44	(19.55)	2.66	2.23	9.7%	54.39	54.92	29.67	9.7%	54.39	62.75	26.15														
1986	129	118	143.3		8.8%	2.35	44.63	36.62	28.15	2.11	1.69	27.0%	122.37	44.54	102.33	27.0%	122.37	50.89	99.47														
1987	145	140	146.4		0.0%	2.00	0.00	31.85	(14.33)	1.69	1.83	0.0%	0.00	36.45	(16.40)	0.0%	0.00	41.65	(18.74)														
1988	134	131	149.6		3.1%	2.00	13.74	32.53	(0.90)	2.17	2.89	0.0%	0.00	47.81	(21.52)	3.1%	19.85	54.63	(4.73)														
1989	134	121	152.7		11.9%	2.60	70.90	43.18	51.47	2.71	2.39	22.3%	138.48	60.96	111.05	22.3%	138.48	69.66	107.14														
1990	142	123	155.9		12.1%	2.30	64.84	38.99	47.30	2.47	2.30	18.1%	104.59	56.71	79.07	18.1%	104.59	64.79	75.43														
1991	154	145	159.0		0.0%	2.30	0.00	39.77	(17.90)	2.59	2.51	2.1%	12.77	60.66	(14.53)	2.1%	12.77	69.31	(18.42)														
1992	131	113	162.1		22.6%	2.30	126.49	40.56	108.24	2.70	2.09	40.1%	263.31	64.49	234.29	40.1%	263.31	73.68	230.15														
1993	125	117	165.3		21.1%	2.30	120.13	41.34	101.52	2.40	2.49	18.1%	107.74	58.43	81.44	21.1%	130.05	66.76	100.01														
1994	168	160	135.6		0.0%	2.40	0.00	35.39	(15.93)	2.68	2.16	0.0%	0.00	53.53	(24.09)	0.0%	0.00	61.17	(27.52)														
1995	116	110	137.8		11.2%	2.25	52.10	33.73	36.93	2.57	3.23	0.0%	0.00	52.18	(23.48)	11.2%	74.80	59.62	47.97														
1996	176	169	133.5		0.0%	2.65	0.00	38.47	(17.31)	3.08	2.84	0.0%	0.00	60.56	(27.25)	0.0%	0.00	69.19	(31.14)														
1997	141	138	135.6		0.0%	2.45	0.00	36.12	(16.25)	2.73	2.81	0.0%	0.00	54.52	(24.53)	0.0%	0.00	62.29	(28.03)														
1998	165	162	134.7		0.0%	2.60	0.00	38.07	(17.13)	2.84	2.19	0.0%	0.00	56.33	(25.35)	0.0%	0.00	64.36	(28.96)														
1999	161	158	136.4		0.0%	2.10	0.00	31.15	(14.02)	2.40	2.01	0.0%	0.00	48.23	(21.70)	0.0%	0.00	55.10	(24.80)														
2000	122	115	137.2		7.0%	1.90	27.24	28.36	14.48	2.51	2.04	24.4%	126.01	50.74	103.17	24.4%	126.01	57.98	99.92														
2001	135	125	134.4		0.0%	2.05	0.00	29.96	(13.48)	2.46	2.08	12.5%	62.18	48.70	40.26	12.5%	62.18	55.64	37.14														
2002	131	92	133.1		23.6%	2.00	94.16	28.94	81.14	2.32	2.52	17.0%	78.72	45.47	58.26	23.6%	118.64	51.96	95.26														
2003	145	99	127.5		13.4%	2.20	56.32	30.49	42.59	2.42	2.26	19.1%	88.44	45.44	68.00	19.1%	88.44	51.91	65.08														
2004	122	109	122.4		1.5%	2.45	6.76	32.62	(7.91)	2.83	2.05	28.7%	148.89	51.03	125.92	28.7%	148.89	58.31	122.65														
2005	126	120	120.1		0.0%	2.20	0.00	28.74	(12.93)	2.32	2.02	3.7%	15.65	41.05	(2.82)	3.7%	15.65	46.91	(5.46)														
2006			118.9	118.9		2.00				2.59																							
Total Farmer Paid Premium; Indemnity							840	469	358				1,692	756	936		2,083	842	1,235														
Farmer Paid Loss Ratio																																	
Frequency of Claim																																	
Total Premium Including Subsidizes																																	
Industry Loss Ratio																																	
Break Even Premium Rate																																	

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

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⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Republic County, KS Corn GRP and GRIP Historical Simulated Indemnity Payments based on 34 Years of Trend Adjusted Yields (Non-Irrigated, Dryland)

RMA's 2006 Expected County Yield 76.8 76.8 -6.8 Over/Under estimate
 KSU's 2006 Expected County Yield 83.6 76.8 -6.8 ¹bu adjustment

Year	150% Maximum Liability			County Trend Set Havst Adj. Trend Plant Expt Adj. Yield Yield	90% Coverage GRIP	13.5% GRIP ⁴ GRIP Pymt Prem	90% Net HRO GRIP- Pymt Rate	16.9% GRIP- HRO ³ GRIP- Pymt Prem	GRIP- HRO Pymt						
	KSU	RMA	90%												
	County	Trend	Set												
	Havst	Adj.	Trend												
1973	67	61	31.3	GRP is not available on Republic County dryland corn	1.38	2.46	0.0%	0.00	8.74	(3.93)	0.0%	0.00	10.93	(4.92)	
1974	41	28	32.7		2.89	3.80	0.0%	0.00	19.11	(8.60)	5.5%	10.18	23.90	(0.58)	
1975	34	21	34.1		2.72	2.91	26.0%	36.15	18.74	27.72	30.8%	45.87	23.44	35.32	
1976	28	10	35.5		2.72	2.65	70.0%	101.28	19.50	92.51	70.0%	101.28	24.39	90.31	
1977	54	27	36.9		2.73	2.09	36.5%	55.15	20.33	46.00	36.5%	55.15	25.43	43.70	
1978	55	43	38.2		2.27	2.31	0.0%	0.00	17.53	(7.89)	0.0%	0.00	21.93	(9.87)	
1979	76	53	39.6		2.59	2.78	0.0%	0.00	20.73	(9.33)	0.0%	0.00	25.93	(11.67)	
1980	21	10	41.0		3.12	3.61	67.9%	130.26	25.84	118.63	72.3%	160.38	32.32	145.83	
1981	74	67	42.4		3.77	2.91	0.0%	0.00	32.27	(14.52)	0.0%	0.00	40.36	(18.16)	
1982	60	54	43.7		3.00	2.20	0.0%	0.00	26.51	(11.93)	0.0%	0.00	33.17	(14.92)	
1983	29	27	45.1		2.88	3.48	19.3%	37.70	26.25	25.89	33.3%	78.31	32.84	63.53	
1984	80	64	46.5		2.86	2.78	0.0%	0.00	26.87	(12.09)	0.0%	0.00	33.61	(15.12)	
1985	80	80	47.9		2.66	2.23	0.0%	0.00	25.73	(11.58)	0.0%	0.00	32.18	(14.48)	
1986	88	83	49.2		2.11	1.69	0.0%	0.00	21.00	(9.45)	0.0%	0.00	26.26	(11.82)	
1987	82	82	50.6		1.69	1.83	0.0%	0.00	17.29	(7.78)	0.0%	0.00	21.63	(9.73)	
1988	37	27	52.0		2.17	2.89	23.0%	38.97	22.80	28.71	42.2%	95.13	28.52	82.30	
1989	59	52	53.4		2.71	2.39	4.8%	10.36	29.23	(2.79)	4.8%	10.36	36.56	(6.09)	
1990	65	60	54.8		2.47	2.30	0.0%	0.00	27.33	(12.30)	0.0%	0.00	34.19	(15.38)	
1991	31	19	56.1		2.59	2.51	62.6%	136.57	29.38	123.35	62.6%	136.57	36.75	120.03	
1992	101	94	57.5		2.70	2.09	0.0%	0.00	31.38	(14.12)	0.0%	0.00	39.25	(17.66)	
1993	88	85	58.9		2.40	2.49	0.0%	0.00	28.56	(12.85)	0.0%	0.00	35.72	(16.08)	
1994	85	82	60.3		2.68	2.16	0.0%	0.00	32.64	(14.69)	0.0%	0.00	40.82	(18.37)	
1995	75	68	61.6		2.57	3.23	0.0%	0.00	32.01	(14.41)	0.0%	0.00	40.04	(18.02)	
1996	89	84	63.0		3.08	2.84	0.0%	0.00	39.22	(17.65)	0.0%	0.00	49.06	(22.08)	
1997	75	74	64.4		2.73	2.81	0.0%	0.00	35.52	(15.99)	0.0%	0.00	44.44	(20.00)	
1998	99	98	65.8		2.84	2.19	0.0%	0.00	37.75	(16.99)	0.0%	0.00	47.22	(21.25)	
1999	99	96	67.2		2.40	2.01	0.0%	0.00	32.57	(14.65)	0.0%	0.00	40.74	(18.33)	
2000	61	58	68.5		2.51	2.04	23.3%	60.20	34.76	44.56	23.3%	60.20	43.48	40.63	
2001	84	78	69.9		2.46	2.08	0.0%	0.00	34.75	(15.64)	0.0%	0.00	43.47	(19.56)	
2002	32	27	71.3		2.32	2.52	53.8%	133.55	33.42	118.52	57.5%	154.94	41.80	136.13	
2003	36	31	72.7		2.42	2.26	55.7%	146.86	35.53	130.87	55.7%	146.86	44.45	126.85	
2004	109	108	74.0		2.83	2.05	0.0%	0.00	42.34	(19.05)	0.0%	0.00	52.96	(23.83)	
2005	99	97	75.4		2.32	2.02	0.0%	0.00	35.35	(15.91)	0.0%	0.00	44.23	(19.90)	
2006			76.8	76.8	2.59										
Total Farmer Paid Premium; Indemnity									887	414	473		1,055	499	537
Farmer Paid Loss Ratio															2.12
Frequency of Claim															38%
Total Premium Including Subsidizes										886					1,108
Industry Loss Ratio										1.00					0.95
Break Even Premium Rate										13.5%					16.1%

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Republic County, KS Corn GRP and GRIP Historical Simulated Indemnity Payments based on 34 Years of Trend Adjusted Yields (Irrigated)

RMA's 2006 Expected County Yield 165.5 165.5 -3.9 Over/Under estimate
 KSU's 2006 Expected County Yield 169.4 165.5 -3.9 ¹bu adjustment

150% Maximum Liability																				
County		Trend		Set		90% Cov		7.3%		Net		90% Coverage		9.8%		90% GRIP-		11.2% GRIP-		
Year	Havst	Plant	Expt	Adj.	Pymt	APH ²	GRP	GRP	GRIP	Plant ³	Havst	Pymt	GRIP	GRIP ⁴	Net	HRO	GRIP-	GRIP-	HRO	
Year	Yd	Yd	Yield	Yield	Rate	Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt	
1973	114	107	86.9		0.0%	1.20	0.00	11.34	(5.10)	1.38	2.46	0.0%	0.00	17.66	(7.95)	0.0%	0.00	20.18	(9.08)	
1974	94	85	89.3		0.0%	1.20	0.00	11.65	(5.24)	2.89	3.80	0.0%	0.00	38.00	(17.10)	0.0%	0.00	43.41	(19.54)	
1975	91	88	91.6		0.0%	1.40	0.00	13.95	(6.28)	2.72	2.91	0.0%	0.00	36.72	(16.52)	0.0%	0.00	41.95	(18.88)	
1976	110	73	94.0		14.1%	1.70	33.91	17.38	26.09	2.72	2.65	16.4%	62.74	37.67	45.78	16.4%	62.74	43.04	43.37	
1977	103	74	96.4		14.5%	1.70	35.74	17.82	27.72	2.73	2.09	34.6%	136.49	38.77	119.04	34.6%	136.49	44.29	116.56	
1978	122	115	98.8		0.0%	2.00	0.00	21.49	(9.67)	2.27	2.31	0.0%	0.00	33.03	(14.86)	0.0%	0.00	37.74	(16.98)	
1979	122	107	101.2		0.0%	2.00	0.00	22.00	(9.90)	2.59	2.78	0.0%	0.00	38.60	(17.37)	0.0%	0.00	44.10	(19.84)	
1980	98	90	103.6		3.0%	2.25	10.36	25.34	(1.04)	3.12	3.61	0.0%	0.00	47.59	(21.42)	3.0%	16.63	54.38	(7.84)	
1981	128	124	105.9		0.0%	2.70	0.00	31.11	(14.00)	3.77	2.91	0.0%	0.00	58.83	(26.47)	0.0%	0.00	67.21	(30.25)	
1982	105	98	108.3		0.0%	3.00	0.00	35.34	(15.90)	3.00	2.20	26.3%	128.39	47.87	106.85	26.3%	128.39	54.69	103.78	
1983	108	100	110.7		0.0%	2.70	0.00	32.50	(14.63)	2.88	3.48	0.0%	0.00	46.96	(21.13)	0.0%	0.00	53.66	(24.15)	
1984	132	129	113.1		0.0%	2.90	0.00	35.66	(16.05)	2.86	2.78	0.0%	0.00	47.64	(21.44)	0.0%	0.00	54.43	(24.49)	
1985	141	128	115.5		0.0%	2.85	0.00	35.79	(16.10)	2.66	2.23	0.0%	0.00	45.24	(20.36)	0.0%	0.00	51.69	(23.26)	
1986	128	122	117.8		0.0%	2.35	0.00	30.12	(13.55)	2.11	1.69	7.6%	28.30	36.63	11.82	7.6%	28.30	41.85	9.47	
1987	132	125	120.2		0.0%	2.00	0.00	26.15	(11.77)	1.69	1.83	0.0%	0.00	29.93	(13.47)	0.0%	0.00	34.20	(15.39)	
1988	140	140	122.6		0.0%	2.00	0.00	26.67	(12.00)	2.17	2.89	0.0%	0.00	39.19	(17.64)	0.0%	0.00	44.78	(20.15)	
1989	167	166	125.0		0.0%	2.60	0.00	35.34	(15.90)	2.71	2.39	0.0%	0.00	49.90	(22.45)	0.0%	0.00	57.01	(25.65)	
1990	130	129	127.4		0.0%	2.30	0.00	31.86	(14.34)	2.47	2.30	0.0%	0.00	46.34	(20.85)	0.0%	0.00	52.95	(23.83)	
1991	125	124	129.8		0.0%	2.30	0.00	32.46	(14.61)	2.59	2.51	0.0%	0.00	49.50	(22.28)	0.0%	0.00	56.56	(25.45)	
1992	152	149	132.1		0.0%	2.30	0.00	33.05	(14.87)	2.70	2.09	3.3%	17.74	52.55	(5.91)	3.3%	17.74	60.05	(9.28)	
1993	116	111	134.5		8.6%	2.30	39.83	33.65	24.69	2.40	2.49	5.2%	24.96	47.56	3.56	8.6%	43.12	54.34	18.67	
1994	151	147	136.9		0.0%	2.40	0.00	35.73	(16.08)	2.68	2.16	3.8%	20.77	54.05	(3.55)	3.8%	20.77	61.75	(7.01)	
1995	131	129	139.3		0.0%	2.25	0.00	34.08	(15.34)	2.57	3.23	0.0%	0.00	52.73	(23.73)	0.0%	0.00	60.25	(27.11)	
1996	177	177	141.7		0.0%	2.65	0.00	40.83	(18.37)	3.08	2.84	0.0%	0.00	64.28	(28.92)	0.0%	0.00	73.44	(33.05)	
1997	152	147	144.1		0.0%	2.45	0.00	38.38	(17.27)	2.73	2.81	0.0%	0.00	57.93	(26.07)	0.0%	0.00	66.19	(29.78)	
1998	146	139	146.4		0.0%	2.60	0.00	41.41	(18.63)	2.84	2.19	18.7%	116.71	61.26	89.15	18.7%	116.71	69.99	85.22	
1999	162	160	148.8		0.0%	2.10	0.00	33.99	(15.29)	2.40	2.01	0.0%	0.00	52.61	(23.68)	0.0%	0.00	60.11	(27.05)	
2000	144	141	151.2		0.0%	1.90	0.00	31.24	(14.06)	2.51	2.04	16.0%	90.82	55.90	65.66	16.0%	90.82	63.87	62.07	
2001	162	155	153.6		0.0%	2.05	0.00	34.24	(15.41)	2.46	2.08	5.0%	28.52	55.65	3.48	5.0%	28.52	63.59	(0.09)	
2002	161	157	156.0		0.0%	2.00	0.00	33.92	(15.27)	2.32	2.52	0.0%	0.00	53.30	(23.99)	0.0%	0.00	60.90	(27.40)	
2003	157	156	158.4		0.0%	2.20	0.00	37.89	(17.05)	2.42	2.26	0.0%	0.00	56.45	(25.40)	0.0%	0.00	64.49	(29.02)	
2004	170	168	160.7		0.0%	2.45	0.00	42.83	(19.27)	2.83	2.05	15.7%	107.07	67.00	76.92	15.7%	107.07	76.56	72.62	
2005	173	170	163.1	165.3	0.0%	2.20	0.00	39.55	(17.80)	2.32	2.02	0.6%	3.47	56.49	(21.95)	0.6%	3.47	64.54	(25.57)	
2006			165.5	165.5		2.00				2.59										
Total Farmer Paid Premium; Indemnity							120	434	(332)					766	708	58		797	780	(8)
Farmer Paid Loss Ratio									0.28						1.08			1.02		
Frequency of Claim									13%						34%			38%		
Total Premium Including Subsidizes									965						1,517			1,734		
Industry Loss Ratio									0.12						0.50			0.46		
Break Even Premium Rate									0.90%						5.0%			5.2%		

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²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

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⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Texas County, OK Corn GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 175.2 175.2 6.9 Over/Under estimate
 KSU's 2006 Expected County Yield 168.3 175.2 6.9 'bu adjustment

Year	150% Maximum Liability										90% Coverage				90% GRIP-HRO				16.8% GRIP-HRO	
	County		Trend	Set	Cov	11.0% Net					90% GRIP		16.0%		90% GRIP-HRO		16.8% GRIP-HRO			
	Havst	Adj.	Trend	GRP	APH ²	GRP	GRP	GRP	Plant ³	Havst	GRIP	GRIP	GRIP	Net	HRO	GRIP-	GRIP-	GRIP-		
	Yd	Yd	Yield	Yield	Rate	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt		
1973	103	79	55.2	0.0%	1.20	0.00	10.95	(4.93)	1.38	2.46	0.0%	0.00	18.29	(8.23)	0.0%	0.00	19.15	(8.62)		
1974	104	86	58.5	0.0%	1.20	0.00	11.61	(5.22)	2.89	3.80	0.0%	0.00	40.61	(18.27)	0.0%	0.00	42.51	(19.13)		
1975	89	71	61.8	0.0%	1.40	0.00	14.31	(6.44)	2.72	2.91	0.0%	0.00	40.38	(18.17)	0.0%	0.00	42.27	(19.02)		
1976	112	93	65.1	0.0%	1.70	0.00	18.31	(8.24)	2.72	2.65	0.0%	0.00	42.54	(19.14)	0.0%	0.00	44.53	(20.04)		
1977	103	74	68.4	0.0%	1.70	0.00	19.24	(8.66)	2.73	2.09	7.7%	21.48	44.87	1.29	7.7%	21.48	46.97	0.34		
1978	82	54	71.7	16.6%	2.00	35.75	23.73	25.07	2.27	2.31	15.2%	36.99	39.11	19.39	16.6%	41.29	40.94	22.87		
1979	123	79	75.0	0.0%	2.00	0.00	24.82	(11.17)	2.59	2.78	0.0%	0.00	46.68	(21.01)	0.0%	0.00	48.87	(21.99)		
1980	88	56	78.3	20.0%	2.25	52.80	29.15	39.68	3.12	3.61	7.4%	27.16	58.71	0.74	20.0%	84.72	61.46	57.06		
1981	122	52	81.6	29.8%	2.70	98.37	36.46	81.96	3.77	2.91	45.8%	211.31	73.94	178.04	45.8%	211.31	77.40	176.48		
1982	135	76	84.9	0.9%	3.00	3.27	42.15	(15.70)	3.00	2.20	27.3%	104.31	61.22	76.76	27.3%	104.31	64.09	75.47		
1983	158	87	88.2	0.0%	2.70	0.00	39.41	(17.74)	2.88	3.48	0.0%	0.00	61.06	(27.48)	0.0%	0.00	63.92	(28.76)		
1984	135	93	91.5	0.0%	2.90	0.00	43.92	(19.76)	2.86	2.78	0.0%	0.00	62.91	(28.31)	0.0%	0.00	65.85	(29.63)		
1985	127	88	94.8	0.0%	2.85	0.00	44.72	(20.12)	2.66	2.23	13.2%	50.08	60.62	22.80	13.2%	50.08	63.46	21.52		
1986	151	96	98.1	0.0%	2.35	0.00	38.16	(17.17)	2.11	1.69	12.6%	39.17	49.76	16.78	12.6%	39.17	52.09	15.73		
1987	141	112	101.5	0.0%	2.00	0.00	33.57	(15.11)	1.69	1.83	0.0%	0.00	41.20	(18.54)	0.0%	0.00	43.13	(19.41)		
1988	126	103	104.8	0.0%	2.00	0.00	34.67	(15.60)	2.17	2.89	0.0%	0.00	54.63	(24.58)	0.0%	0.00	57.18	(25.73)		
1989	161	145	108.1	0.0%	2.60	0.00	46.49	(20.92)	2.71	2.39	0.0%	0.00	70.37	(31.67)	0.0%	0.00	73.67	(33.15)		
1990	146	135	111.4	0.0%	2.30	0.00	42.38	(19.07)	2.47	2.30	0.0%	0.00	66.10	(29.75)	0.0%	0.00	69.20	(31.14)		
1991	145	122	114.7	0.0%	2.30	0.00	43.64	(19.64)	2.59	2.51	0.0%	0.00	71.37	(32.12)	0.0%	0.00	74.71	(33.62)		
1992	164	151	118.0	0.0%	2.30	0.00	44.90	(20.20)	2.70	2.09	0.0%	0.00	76.55	(34.45)	0.0%	0.00	80.13	(36.06)		
1993	143	133	121.3	0.0%	2.30	0.00	46.16	(20.77)	2.40	2.49	0.0%	0.00	69.95	(31.48)	0.0%	0.00	73.23	(32.95)		
1994	131	115	139.4	8.7%	2.40	43.47	55.35	18.56	2.68	2.16	26.4%	147.85	89.77	107.45	26.4%	147.85	93.97	105.56		
1995	155	133	142.1	0.0%	2.25	0.00	52.89	(23.80)	2.57	3.23	0.0%	0.00	87.75	(39.49)	0.0%	0.00	91.86	(41.34)		
1996	182	165	146.7	0.0%	2.65	0.00	64.34	(28.95)	3.08	2.84	0.0%	0.00	108.60	(48.87)	0.0%	0.00	113.69	(51.16)		
1997	159	143	154.7	0.0%	2.45	0.00	62.69	(28.21)	2.73	2.81	0.0%	0.00	101.45	(45.65)	0.0%	0.00	106.20	(47.79)		
1998	164	153	158.5	0.0%	2.60	0.00	68.18	(30.68)	2.84	2.19	17.1%	115.55	108.17	66.87	17.1%	115.55	113.23	64.60		
1999	186	181	161.5	0.0%	2.10	0.00	56.11	(25.25)	2.40	2.01	0.0%	0.00	93.14	(41.91)	0.0%	0.00	97.50	(43.88)		
2000	170	162	166.9	0.0%	1.90	0.00	52.46	(23.61)	2.51	2.04	12.4%	78.14	100.65	32.85	12.4%	78.14	105.36	30.73		
2001	163	146	169.1	4.1%	2.05	21.50	57.35	(4.31)	2.46	2.08	18.9%	118.19	99.95	73.21	18.9%	118.19	104.63	71.10		
2002	161	143	169.5	6.6%	2.00	33.45	56.09	8.20	2.32	2.52	0.0%	0.00	94.50	(42.53)	6.6%	42.14	98.93	(2.38)		
2003	149	115	169.5	24.7%	2.20	138.21	61.70	110.44	2.42	2.26	29.7%	182.66	98.57	138.30	29.7%	182.66	103.19	136.22		
2004	200	184	168.3	0.0%	2.45	0.00	68.23	(30.70)	2.83	2.05	11.8%	84.43	114.47	32.92	11.8%	84.43	119.82	30.51		
2005	165	150	173.0	3.6%	2.20	20.61	62.99	(7.73)	2.32	2.02	16.1%	96.79	96.47	53.38	16.1%	96.79	100.99	51.35		
2006			175.2	175.2	2.00				2.59											
Total Farmer Paid Premium; Indemnity						427	605	(186)					1,314	1,055	259		1,321	1,059	314	
Farmer Paid Loss Ratio																			1.25	
Frequency of Claim							25%							41%					44%	
Total Premium Including Subsidizes							1,344							2,248					2,353	
Industry Loss Ratio							0.32							0.58					0.56	
Break Even Premium Rate							3.50%							9.4%					9.4%	

¹KSU model underestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted upward so not to over under estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Whiteside County, IL Corn GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 156.8 156.8 4.6 Over/Under estimate
 KSU's 2006 Expected County Yield 152.2 156.8 4.6 ¹bu adjustment

Year	County			Trend		Set		Cov		90% Coverage				90% GRIP				7.3% GRIP		GRIP-HRO	
	Havst	Adj.	Trend	Adj.	Yield	Yield	GRP	GRP	GRIP	Plant ³	Havst	Pymt	GRIP	GRIP ⁴	Net	HRO	GRIP-	GRIP-	HRO		
	Plant	Expt	Adj.	Pymt	APH ²	GRP	GRP	GRIP	Plant ³	Havst	Pymt	GRIP	GRIP ⁴	Net	HRO	GRIP-	GRIP-	HRO	Pymt		
	Yd	Yd	Yield	Rate	Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt	Pymt		
1973	89	84	102.1		8.1%	1.20	14.85	5.57	12.34	1.38	2.46	0.0%	0.00	12.28	(5.52)	8.1%	30.43	15.43	23.49		
1974	74	66	102.2		28.3%	1.20	52.11	5.57	49.61	2.89	3.80	5.8%	25.58	25.73	14.00	28.3%	165.03	32.33	150.48		
1975	117	114	100.5		0.0%	1.40	0.00	6.39	(2.88)	2.72	2.91	0.0%	0.00	23.81	(10.72)	0.0%	0.00	29.92	(13.46)		
1976	104	100	103.5		0.0%	1.70	0.00	8.00	(3.60)	2.72	2.65	0.0%	0.00	24.53	(11.04)	0.0%	0.00	30.82	(13.87)		
1977	114	111	105.4		0.0%	1.70	0.00	8.14	(3.66)	2.73	2.09	10.4%	44.96	25.07	33.68	10.4%	44.96	31.50	30.79		
1978	110	108	108.4		0.0%	2.00	0.00	9.86	(4.44)	2.27	2.31	0.0%	0.00	21.45	(9.65)	0.0%	0.00	26.95	(12.13)		
1979	124	121	110.9		0.0%	2.00	0.00	10.08	(4.54)	2.59	2.78	0.0%	0.00	25.03	(11.26)	0.0%	0.00	31.45	(14.15)		
1980	118	115	114.6		0.0%	2.25	0.00	11.72	(5.27)	3.12	3.61	0.0%	0.00	31.16	(14.02)	0.0%	0.00	39.15	(17.62)		
1981	133	129	117.1		0.0%	2.70	0.00	14.37	(6.47)	3.77	2.91	5.2%	34.26	38.48	16.94	5.2%	34.26	48.35	12.50		
1982	128	125	121.4		0.0%	3.00	0.00	16.55	(7.45)	3.00	2.20	16.1%	87.97	31.74	73.69	16.1%	87.97	39.88	70.02		
1983	105	101	124.0		9.4%	2.70	47.31	15.21	40.47	2.88	3.48	0.0%	0.00	31.12	(14.00)	9.4%	60.98	39.09	43.39		
1984	114	110	124.3		1.3%	2.90	7.13	16.39	(0.24)	2.86	2.78	4.1%	21.76	30.99	7.81	4.1%	21.76	38.93	4.24		
1985	133	130	125.4		0.0%	2.85	0.00	16.24	(7.31)	2.66	2.23	3.8%	18.98	29.07	5.89	3.8%	18.98	36.53	2.54		
1986	131	129	128.1		0.0%	2.35	0.00	13.68	(6.16)	2.11	1.69	10.6%	42.85	23.56	32.25	10.6%	42.85	29.60	29.53		
1987	125	123	130.4		0.0%	2.00	0.00	11.85	(5.33)	1.69	1.83	0.0%	0.00	19.20	(8.64)	0.0%	0.00	24.12	(10.86)		
1988	54	51	132.5		57.3%	2.00	227.57	12.04	222.15	2.17	2.89	43.1%	185.76	25.05	174.49	57.3%	328.83	31.48	314.67		
1989	116	115	125.3		0.0%	2.60	0.00	14.81	(6.66)	2.71	2.39	10.3%	52.45	29.59	39.13	10.3%	52.45	37.18	35.72		
1990	126	121	126.0		0.0%	2.30	0.00	13.17	(5.93)	2.47	2.30	0.6%	2.69	27.12	(9.51)	0.6%	2.69	34.07	(12.64)		
1991	103	100	126.1		12.1%	2.30	52.51	13.18	46.57	2.59	2.51	14.8%	72.43	28.46	59.62	14.8%	72.43	35.76	56.34		
1992	141	138	124.8		0.0%	2.30	0.00	13.04	(5.87)	2.70	2.09	4.5%	22.99	29.36	9.78	4.5%	22.99	36.89	6.39		
1993	111	105	127.8		8.9%	2.30	39.32	13.36	33.30	2.40	2.49	5.5%	25.31	26.74	13.27	8.9%	42.57	33.60	27.45		
1994	152	150	126.5		0.0%	2.40	0.00	13.80	(6.21)	2.68	2.16	0.0%	0.00	29.55	(13.30)	0.0%	0.00	37.13	(16.71)		
1995	122	120	130.5		0.0%	2.25	0.00	13.34	(6.00)	2.57	3.23	0.0%	0.00	29.22	(13.15)	0.0%	0.00	36.71	(16.52)		
1996	141	138	130.5		0.0%	2.65	0.00	15.72	(7.07)	3.08	2.84	0.0%	0.00	35.02	(15.76)	0.0%	0.00	44.01	(19.80)		
1997	135	132	133.1	127.2	0.0%	2.45	0.00	14.16	(6.37)	2.73	2.81	0.0%	0.00	30.26	(13.62)	0.0%	0.00	38.02	(17.11)		
1998	152	149	135.0	131.2	0.0%	2.60	0.00	15.50	(6.98)	2.84	2.19	2.9%	16.04	32.47	1.43	2.9%	16.04	40.80	(2.32)		
1999	145	142	138.1	132.4	0.0%	2.10	0.00	12.64	(5.69)	2.40	2.01	0.2%	0.80	27.69	(11.66)	0.2%	0.80	34.79	(14.85)		
2000	139	136	139.9	133.6	0.0%	1.90	0.00	11.54	(5.19)	2.51	2.04	8.3%	41.57	29.22	28.41	8.3%	41.57	36.72	25.04		
2001	145	143	141.8	142.0	0.0%	2.05	0.00	13.23	(5.95)	2.46	2.08	5.3%	27.60	30.44	13.90	5.3%	27.60	38.25	10.38		
2002	154	152	143.5	142.0	0.0%	2.00	0.00	12.91	(5.81)	2.32	2.52	0.0%	0.00	28.71	(12.92)	0.0%	0.00	36.07	(16.23)		
2003	176	175	147.2	144.9	0.0%	2.20	0.00	14.49	(6.52)	2.42	2.26	0.0%	0.00	30.56	(13.75)	0.0%	0.00	38.40	(17.28)		
2004	183	181	152.7	147.5	0.0%	2.45	0.00	16.42	(7.39)	2.83	2.05	1.1%	6.86	36.38	(9.51)	1.1%	6.86	45.71	(13.71)		
2005	126	125	159.4	151.3	8.6%	2.20	42.74	15.13	35.93	2.32	2.02	20.4%	107.33	30.59	93.56	20.4%	107.33	38.44	90.03		
2006			156.8	156.8		2.00				2.59											
Total Farmer Paid Premium; Indemnity							441	181	295					838	418	420		1,122	508	704	
Farmer Paid Loss Ratio																				2.21	
Frequency of Claim																				64%	
Total Premium Including Subsidizes								403						899						1,130	
Industry Loss Ratio								1.09						0.93						0.99	
Break Even Premium Rate								3.31%						5.4%						7.3%	

¹KSU model underestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted upward so not to under estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Rawlins County, KS Grain Sorghum GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 52.5 52.5 0.4 Over/Under estimate
 KSU's 2006 Expected County Yield 52.1 52.5 0.4 ¹bu adjustment

Year	Maximum Liability																							
	150%			KSU			RMA			90%			90%			90%								
	County			Trend			Set			Cov			Coverage			GRIP-			15.5%			GRIP-		
	Havst	Adj.	Trend	Adj.	Trend	GRP	9.9%	Net	GRIP	11.6%	Net	HRO	GRIP-	GRIP-	HRO	GRIP-	GRIP-	HRO						
Plant	Expt	Adj.	Pymt	APH ²	GRP	GRP	GRIP	Plant ³	Havst	Pymt	GRIP	GRIP ⁴	GRIP	Pymt	HRO	HRO ³	Pymt							
Yd	Yd	Yield	Rate	Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt							
1973	50	31	23.9	0.0%	1.08	0.00	3.81	(1.72)	1.25	2.34	0.0%	0.00	5.20	(2.34)	0.0%	0.00	6.91	(3.11)						
1974	37	20	25.5	12.4%	1.08	5.15	4.07	3.31	2.60	3.61	0.0%	0.00	11.59	(5.21)	12.4%	17.20	15.41	10.26						
1975	43	17	25.7	28.1%	1.26	13.69	4.79	11.53	2.44	2.76	18.9%	17.80	10.98	12.86	28.1%	29.98	14.60	23.41						
1976	35	21	25.8	9.2%	3.00	10.67	11.43	5.53	2.45	2.52	6.4%	6.07	11.01	1.12	9.2%	8.96	14.64	2.37						
1977	68	39	26.3	0.0%	3.00	0.00	11.67	(5.25)	2.46	1.98	0.0%	0.00	11.31	(5.09)	0.0%	0.00	15.05	(6.77)						
1978	51	35	28.7	0.0%	3.00	0.00	12.74	(5.73)	2.04	2.19	0.0%	0.00	10.25	(4.61)	0.0%	0.00	13.63	(6.13)						
1979	61	32	30.5	0.0%	2.00	0.00	9.01	(4.05)	2.33	2.64	0.0%	0.00	12.40	(5.58)	0.0%	0.00	16.50	(7.42)						
1980	63	39	31.8	0.0%	2.25	0.00	10.58	(4.76)	2.81	3.43	0.0%	0.00	15.62	(7.03)	0.0%	0.00	20.77	(9.35)						
1981	67	57	33.7	0.0%	2.40	0.00	11.95	(5.38)	3.39	2.76	0.0%	0.00	19.94	(8.97)	0.0%	0.00	26.52	(11.93)						
1982	59	48	37.4	0.0%	2.80	0.00	15.47	(6.96)	2.70	2.09	0.0%	0.00	17.64	(7.94)	0.0%	0.00	23.45	(10.55)						
1983	46	36	39.9	0.4%	2.60	0.66	15.32	(6.24)	2.59	3.30	0.0%	0.00	18.06	(8.12)	0.4%	0.83	24.01	(9.97)						
1984	60	55	40.8	0.0%	2.75	0.00	16.57	(7.46)	2.57	2.64	0.0%	0.00	18.32	(8.24)	0.0%	0.00	24.36	(10.96)						
1985	64	55	43.9	0.0%	2.60	0.00	16.86	(7.59)	2.40	2.12	0.0%	0.00	18.36	(8.26)	0.0%	0.00	24.41	(10.99)						
1986	45	41	46.6	1.2%	2.20	1.78	15.15	(5.03)	1.89	1.61	16.0%	21.19	15.41	14.25	16.0%	21.19	20.50	11.97						
1987	69	63	47.8	0.0%	1.85	0.00	13.06	(5.88)	1.52	1.74	0.0%	0.00	12.69	(5.71)	0.0%	0.00	16.88	(7.60)						
1988	62	54	51.0	0.0%	1.85	0.00	13.93	(6.27)	1.95	2.74	0.0%	0.00	17.34	(7.80)	0.0%	0.00	23.06	(10.38)						
1989	27	22	53.1	53.2%	2.40	101.75	18.83	93.27	2.44	2.27	56.4%	109.63	22.61	99.45	56.4%	109.63	30.07	96.10						
1990	42	37	51.5	20.3%	1.65	25.90	12.56	20.25	2.23	2.18	21.9%	37.75	20.03	28.74	21.9%	37.75	26.63	25.77						
1991	67	62	51.0	0.0%	2.15	0.00	16.19	(7.28)	2.33	2.38	0.0%	0.00	20.74	(9.33)	0.0%	0.00	27.58	(12.41)						
1992	72	65	53.1	0.0%	2.15	0.00	16.86	(7.59)	2.43	1.98	0.0%	0.00	22.55	(10.15)	0.0%	0.00	29.99	(13.49)						
1993	54	50	56.2	0.8%	2.10	1.46	17.45	(6.39)	2.16	2.36	0.0%	0.00	21.18	(9.53)	0.8%	1.64	28.17	(11.04)						
1994	79	72	57.4	0.0%	2.20	0.00	18.67	(8.40)	2.41	2.05	0.0%	0.00	24.20	(10.89)	0.0%	0.00	32.18	(14.48)						
1995	42	37	60.7	32.8%	2.10	62.66	18.84	54.18	2.31	3.07	10.7%	22.50	24.51	11.48	32.8%	91.60	32.59	76.93						
1996	76	70	59.7	0.0%	2.50	0.00	22.04	(9.92)	2.77	2.70	0.0%	0.00	28.91	(13.01)	0.0%	0.00	38.45	(17.30)						
1997	63	58	62.6	0.0%	2.35	0.00	21.72	(9.77)	2.46	2.67	0.0%	0.00	26.83	(12.07)	0.0%	0.00	35.68	(16.06)						
1998	91	79	64.2	0.0%	2.30	0.00	21.81	(9.81)	2.55	2.08	0.0%	0.00	28.62	(12.88)	0.0%	0.00	38.07	(17.13)						
1999	82	77	68.3	65.5	0.0%	1.95	0.00	18.87	(8.49)	2.16	1.91	0.0%	0.00	24.70	(11.12)	0.0%	0.00	32.85	(14.78)					
2000	29	20	71.1	66.6	65.9%	1.75	115.13	17.22	107.38	2.26	2.00	69.8%	157.45	26.27	145.63	69.8%	157.45	34.93	141.73					
2001	62	60	67.0	69.8	5.0%	1.80	9.41	18.56	1.06	2.21	1.95	16.3%	37.83	26.98	25.69	16.3%	37.83	35.88	21.69					
2002	24	9	67.3	69.8	86.1%	1.98	178.40	20.42	169.21	2.09	2.39	84.0%	183.72	25.45	172.27	86.1%	215.34	33.84	200.11					
2003	34	22	61.5	72.0	66.2%	2.10	150.14	22.34	140.09	2.18	2.15	66.6%	156.74	27.38	144.42	66.6%	156.74	36.41	140.36					
2004	41	25	57.2	64.8	57.3%	2.35	130.82	22.50	120.70	2.71	1.97	68.9%	181.60	30.66	167.80	68.9%	181.60	40.78	163.25					
2005	42	40	53.9	58.3	24.5%	2.15	46.02	18.52	37.69	2.15	1.87	34.3%	64.51	21.89	54.67	34.3%	64.51	29.11	51.42					
2006			52.5	52.5		1.95				2.33														
Total Farmer Paid Premium; Indemnity						808	221	624					997	292	704		1,068	376	743					
Farmer Paid Loss Ratio																			2.84					
Frequency of Claim																			45%					
Total Premium Including Subsidizes									491						628				835					
Industry Loss Ratio									1.64						1.59				1.28					
Break Even Premium Rate									16.2%						18.5%				19.8%					

¹KSU model underestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted upward so not to under estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down. Beginning in 2004, Grain Sorghum prices are set based on the corn-grain sorghum USDA forecasted price ratio. Therefore, it was assumed the grain sorghum prices were 90% of corn for the years before 2004.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Brown County, KS Grain Sorghum GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 94.2 94.2 -0.3 Over/Under estimate
 KSU's 2006 Expected County Yield 94.5 94.2 -0.3 ¹bu adjustment

Year	Maximum Liability																		
	KSU			RMA			90%			90%			90%			9.2%			
	County		Trend	Set	Cov	Coverage			GRIP-			GRIP-			GRIP-				
	Havst	Adj.	Trend	GRP	5.9%	Net	GRIP	6.8%	Net	HRO	GRIP-	GRIP-	HRO	GRIP-	HRO	GRIP-	HRO		
Plant	Expt	Adj.	Pymt	APH ²	GRP	GRP	GRIP	Plant ³	Havst	Pymt	GRIP	GRIP ⁴	GRIP	Pymt	HRO	HRO ³	Pymt		
Yd	Yd	Yield	Rate	Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt		
1973	72	68	77.6	3.2%	1.08	4.07	7.40	0.74	1.25	2.34	0.0%	0.00	9.88	(4.45)	3.2%	8.82	13.30	2.84	
1974	51	47	79.0	34.3%	1.08	43.89	7.53	40.51	2.60	3.61	8.8%	27.12	20.99	17.68	34.3%	146.72	28.27	134.00	
1975	54	53	77.8	24.1%	1.26	35.41	8.65	31.52	2.44	2.76	14.3%	40.71	19.44	31.97	24.1%	77.56	26.17	65.79	
1976	66	61	78.8	14.0%	3.00	49.51	20.86	40.12	2.45	2.52	11.3%	32.76	19.69	23.90	14.0%	41.59	26.51	29.66	
1977	75	73	80.0	0.0%	3.00	0.00	21.18	(9.53)	2.46	1.98	18.8%	55.41	20.12	46.35	18.8%	55.41	27.09	43.22	
1978	76	73	82.4	1.3%	3.00	4.64	21.81	(5.18)	2.04	2.19	0.0%	0.00	17.20	(7.74)	1.3%	3.39	23.15	(7.03)	
1979	90	87	84.2	0.0%	2.00	0.00	14.86	(6.69)	2.33	2.64	0.0%	0.00	20.05	(9.02)	0.0%	0.00	27.00	(12.15)	
1980	55	51	87.4	35.3%	2.25	104.13	17.34	96.33	2.81	3.43	21.0%	77.46	25.08	66.18	35.3%	158.74	33.77	143.54	
1981	90	84	85.9	0.0%	2.40	0.00	18.19	(8.19)	3.39	2.76	12.0%	52.33	29.74	38.95	12.0%	52.33	40.05	34.31	
1982	78	75	87.8	5.7%	2.80	21.02	21.69	11.26	2.70	2.09	27.1%	96.29	24.24	85.38	27.1%	96.29	32.64	81.60	
1983	41	36	88.3	54.9%	2.60	188.91	20.24	179.80	2.59	3.30	42.6%	146.27	23.39	135.75	54.9%	239.77	31.49	225.60	
1984	57	55	84.3	27.7%	2.75	96.36	20.44	87.17	2.57	2.64	25.8%	83.94	22.15	73.97	27.7%	92.51	29.82	79.09	
1985	89	85	82.1	0.0%	2.60	0.00	18.83	(8.47)	2.40	2.12	0.0%	0.00	20.10	(9.04)	0.0%	0.00	27.06	(12.18)	
1986	107	102	83.6	0.0%	2.20	0.00	16.23	(7.30)	1.89	1.61	0.0%	0.00	16.19	(7.28)	0.0%	0.00	21.80	(9.81)	
1987	87	82	86.1	0.0%	1.85	0.00	14.05	(6.32)	1.52	1.74	0.0%	0.00	13.38	(6.02)	0.0%	0.00	18.02	(8.11)	
1988	71	67	86.1	13.8%	1.85	32.91	14.05	26.59	1.95	2.74	0.0%	0.00	17.15	(7.72)	13.8%	48.74	23.09	38.35	
1989	69	67	84.0	11.0%	2.40	33.27	17.78	25.27	2.44	2.27	17.1%	52.65	20.92	43.23	17.1%	52.65	28.17	39.97	
1990	111	99	82.2	0.0%	1.65	0.00	11.96	(5.38)	2.23	2.18	0.0%	0.00	18.69	(8.41)	0.0%	0.00	25.16	(11.32)	
1991	81	80	83.6	0.0%	2.15	0.00	15.86	(7.14)	2.33	2.38	0.0%	0.00	19.91	(8.96)	0.0%	0.00	26.82	(12.07)	
1992	100	98	82.0	0.0%	2.15	0.00	15.54	(6.99)	2.43	1.98	0.0%	0.00	20.37	(9.17)	0.0%	0.00	27.43	(12.35)	
1993	58	55	83.5	26.2%	2.10	68.86	15.46	61.90	2.16	2.36	19.3%	52.01	18.40	43.73	26.2%	77.39	24.77	66.24	
1994	100	98	80.8	0.0%	2.20	0.00	15.68	(7.05)	2.41	2.05	0.0%	0.00	19.91	(8.96)	0.0%	0.00	26.82	(12.07)	
1995	69	68	83.1	9.4%	2.10	24.70	15.39	17.77	2.31	3.07	0.0%	0.00	19.62	(8.83)	9.4%	36.11	26.41	24.22	
1996	95	93	81.9	0.0%	2.50	0.00	18.05	(8.12)	2.77	2.70	0.0%	0.00	23.20	(10.44)	0.0%	0.00	31.24	(14.06)	
1997	97	89	83.4	82.7	0.0%	2.35	0.00	17.14	(7.71)	2.46	2.67	0.0%	0.00	20.75	(9.34)	0.0%	0.00	27.94	(12.57)
1998	103	100	84.5	84.3	0.0%	2.30	0.00	17.10	(7.70)	2.55	2.08	0.0%	0.00	22.00	(9.90)	0.0%	0.00	29.62	(13.33)
1999	90	87	86.6	84.8	0.0%	1.95	0.00	14.58	(6.56)	2.16	1.91	0.0%	0.00	18.71	(8.42)	0.0%	0.00	25.19	(11.34)
2000	99	95	86.9	85.4	0.0%	1.75	0.00	13.18	(5.93)	2.26	2.00	0.0%	0.00	19.71	(8.87)	0.0%	0.00	26.54	(11.94)
2001	96	92	88.4	90.0	0.0%	1.80	0.00	14.29	(6.43)	2.21	1.95	0.2%	0.58	20.35	(8.58)	0.2%	0.58	27.41	(11.76)
2002	62	62	90.4	90.0	23.0%	1.98	61.35	15.72	54.27	2.09	2.39	11.8%	33.28	19.20	24.64	23.0%	74.05	25.85	62.42
2003	75	68	88.6	91.5	17.4%	2.10	50.06	16.95	42.43	2.18	2.15	18.4%	55.09	20.36	45.93	18.4%	55.09	27.41	42.76
2004	134	134	87.2	92.9	0.0%	2.35	0.00	19.26	(8.66)	2.71	1.97	0.0%	0.00	25.72	(11.57)	0.0%	0.00	34.63	(15.58)
2005	103	91	93.7	88.2	0.0%	2.15	0.00	16.73	(7.53)	2.15	1.87	0.0%	0.09	19.37	(8.62)	0.0%	0.09	26.08	(11.64)
2006			94.2	94.2		1.95				2.33									
Total Farmer Paid Premium; Indemnity						819	233	579					806	300	506		1,318	392	914
Farmer Paid Loss Ratio																			3.36
Frequency of Claim																			58%
Total Premium Including Subsidizes							517							647					871
Industry Loss Ratio							1.58							1.25					1.51
Break Even Premium Rate							9.3%							8.5%					13.9%

¹KSU model underestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted upward so not to under estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down. Beginning in 2004, Grain Sorghum prices are set based on the corn-grain sorghum USDA forecasted price ratio. Therefore, it was assumed the grain sorghum prices were 90% of corn for the years before 2004.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Nemaha County, KS Grain Sorghum GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield		81.2		81.2		-2.1		Over/Under estimate													
KSU's 2006 Expected County Yield		83.3		81.2		-2.1		'bu adjustment													
150% Maximum Liability		KSU RMA		90%		90%		90%													
County		Trend		Set		Cov		Coverage		GRIP-		9.2%		GRIP-							
Havst		Adj.		Trend		GRP		5.9%		Net		6.8%		Net		HRO					
Plant		Expt		Adj.		Pymt		APH ²		GRP		GRP		GRIP		GRIP ⁴		GRIP			
Year	Yd	Yd	Yield	Yield	Rate	Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt		
1973	64	61	63.6		0.0%	1.08	0.00	6.06	(2.72)	1.25	2.34	0.0%	0.00	8.09	(3.64)	0.0%	0.00	10.89	(4.90)		
1974	34	31	65.2		47.3%	1.08	49.95	6.21	47.15	2.60	3.61	26.9%	68.34	17.31	60.56	47.3%	166.95	23.31	156.46		
1975	57	55	63.1		2.2%	1.26	2.68	7.01	(0.47)	2.44	2.76	0.0%	0.00	15.75	(7.09)	2.2%	5.87	21.21	(3.67)		
1976	58	53	64.7		8.5%	3.00	24.79	17.12	17.08	2.45	2.52	5.7%	13.57	16.16	6.30	8.5%	20.82	21.76	11.03		
1977	59	57	65.8		3.8%	3.00	11.22	17.40	3.39	2.46	1.98	22.6%	54.81	16.53	47.37	22.6%	54.81	22.26	44.79		
1978	63	60	67.0		0.8%	3.00	2.28	17.74	(5.71)	2.04	2.19	0.0%	0.00	13.99	(6.29)	0.8%	1.66	18.83	(6.81)		
1979	80	73	68.0		0.0%	2.00	0.00	12.00	(5.40)	2.33	2.64	0.0%	0.00	16.19	(7.29)	0.0%	0.00	21.81	(9.81)		
1980	41	37	70.6		41.7%	2.25	99.26	14.01	92.95	2.81	3.43	28.8%	85.65	20.26	76.53	41.7%	151.31	27.28	139.04		
1981	83	77	68.4		0.0%	2.40	0.00	14.48	(6.51)	3.39	2.76	0.0%	0.00	23.67	(10.65)	0.0%	0.00	31.87	(14.34)		
1982	71	66	70.9		0.0%	2.80	0.00	17.51	(7.88)	2.70	2.09	20.1%	57.71	19.57	48.90	20.1%	57.71	26.35	45.85		
1983	39	36	71.4		44.8%	2.60	124.71	16.38	117.34	2.59	3.30	29.7%	82.62	18.93	74.11	44.8%	158.29	25.48	146.82		
1984	52	50	68.9		20.1%	2.75	57.17	16.71	49.64	2.57	2.64	18.0%	47.87	18.10	39.72	20.1%	54.88	24.38	43.91		
1985	84	79	67.7		0.0%	2.60	0.00	15.53	(6.99)	2.40	2.12	0.0%	0.00	16.58	(7.46)	0.0%	0.00	22.32	(10.04)		
1986	91	86	70.1		0.0%	2.20	0.00	13.60	(6.12)	1.89	1.61	0.0%	0.00	13.56	(6.10)	0.0%	0.00	18.26	(8.22)		
1987	75	72	72.0		0.0%	1.85	0.00	11.75	(5.29)	1.52	1.74	0.0%	0.00	11.19	(5.03)	0.0%	0.00	15.07	(6.78)		
1988	75	69	72.5		0.0%	1.85	0.00	11.82	(5.32)	1.95	2.74	0.0%	0.00	14.43	(6.49)	0.0%	0.00	19.43	(8.74)		
1989	40	38	72.2		40.9%	2.40	106.34	15.28	99.46	2.44	2.27	45.0%	118.78	17.98	110.69	45.0%	118.78	24.20	107.88		
1990	92	84	68.5		0.0%	1.65	0.00	9.97	(4.49)	2.23	2.18	0.0%	0.00	15.57	(7.01)	0.0%	0.00	20.97	(9.44)		
1991	66	65	69.3		0.0%	2.15	0.00	13.15	(5.92)	2.33	2.38	0.0%	0.00	16.51	(7.43)	0.0%	0.00	22.23	(10.00)		
1992	101	98	67.6		0.0%	2.15	0.00	12.81	(5.76)	2.43	1.98	0.0%	0.00	16.79	(7.56)	0.0%	0.00	22.61	(10.18)		
1993	45	42	70.4		33.6%	2.10	74.62	13.05	68.75	2.16	2.36	27.4%	62.44	15.52	55.46	33.6%	83.86	20.90	74.46		
1994	99	98	67.4		0.0%	2.20	0.00	13.07	(5.88)	2.41	2.05	0.0%	0.00	16.60	(7.47)	0.0%	0.00	22.36	(10.06)		
1995	64	63	70.5		1.2%	2.10	2.58	13.06	(3.29)	2.31	3.07	0.0%	0.00	16.64	(7.49)	1.2%	3.77	22.41	(6.31)		
1996	92	89	69.7		0.0%	2.50	0.00	15.37	(6.91)	2.77	2.70	0.0%	0.00	19.75	(8.89)	0.0%	0.00	26.60	(11.97)		
1997	93	88	72.4	73.3	0.0%	2.35	0.00	15.19	(6.84)	2.46	2.67	0.0%	0.00	18.39	(8.28)	0.0%	0.00	24.77	(11.14)		
1998	101	96	75.1	77.2	0.0%	2.30	0.00	15.66	(7.05)	2.55	2.08	0.0%	0.00	20.14	(9.06)	0.0%	0.00	27.13	(12.21)		
1999	83	79	78.3	77.9	0.0%	1.95	0.00	13.40	(6.03)	2.16	1.91	0.0%	0.00	17.19	(7.73)	0.0%	0.00	23.14	(10.42)		
2000	90	86	78.7	78.5	0.0%	1.75	0.00	12.12	(5.45)	2.26	2.00	0.0%	0.00	18.11	(8.15)	0.0%	0.00	24.39	(10.98)		
2001	85	84	80.3	84.0	0.0%	1.80	0.00	13.34	(6.00)	2.21	1.95	2.7%	7.47	19.00	(1.08)	2.7%	7.47	25.58	(4.04)		
2002	52	51	82.3	84.0	32.0%	1.98	79.90	14.67	73.30	2.09	2.39	22.2%	58.39	17.92	50.33	32.0%	96.44	24.13	85.59		
2003	50	45	80.0	85.8	41.3%	2.10	111.61	15.89	104.46	2.18	2.15	42.1%	117.87	19.09	109.28	42.1%	117.87	25.70	106.30		
2004	103	102	77.6	85.8	0.0%	2.35	0.00	17.78	(8.00)	2.71	1.97	3.8%	13.14	23.75	2.45	3.8%	13.14	31.98	(1.26)		
2005	87	73	81.6	81.2	0.0%	2.15	0.00	15.40	(6.93)	2.15	1.87	12.9%	33.72	17.83	25.70	12.9%	33.72	24.01	22.92		
2006			81.2	81.2		1.95				2.33											
Total Farmer Paid Premium; Indemnity							747	198	543				822	255	567				1,114	333	804
Farmer Paid Loss Ratio																				3.35	
Frequency of Claim																				52%	
Total Premium Including Subsidizes									439						549					740	
Industry Loss Ratio									1.70						1.50					1.51	
Break Even Premium Rate									10.0%						10.2%						13.8%

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down. Beginning in 2004, Grain Sorghum prices are set based on the corn-grain sorghum USDA forecasted price ratio. Therefore, it was assumed the grain sorghum prices were 90% of corn for the years before 2004.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Marshall County, KS Grain Sorghum GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield		85.4	85.4	-2.2 Over/Under estimate																			
KSU's 2006 Expected County Yield		87.6	85.4	-2.2 ¹ bu adjustment																			
150% Maximum Liability																							
County	Trend		Set		Cov		8.3%		Net		90% Coverage		9.2%		90% GRIP-		11.8% GRIP-		GRIP-				
	Havst	Adj.	Trend	Adj.	GRP	APH ²	GRP	GRP	GRIP	Plant ³	Havst	Pynt	GRIP	GRIP ⁴	Net	HRO	GRIP-	GRIP-	HRO	GRIP-			
Year	Yd	Yd	Yield	Yield	Rate	Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt	Prem	Pymt		
1973	67	64	61.9		0.0%	1.08	0.00	8.28	(3.72)	1.25	2.34	0.0%	0.00	10.68	(4.81)	0.0%	0.00	13.65		(6.14)			
1974	34	29	63.9		50.1%	1.08	51.87	8.55	48.02	2.60	3.61	30.8%	76.71	23.02	66.35	50.1%	173.37	29.43		160.13			
1975	49	47	61.6		14.9%	1.26	17.33	9.62	13.00	2.44	2.76	3.9%	8.78	20.88	(0.62)	14.9%	37.96	26.69		25.95			
1976	54	51	62.2		9.1%	3.00	25.43	23.13	15.02	2.45	2.52	6.3%	14.39	21.09	4.90	9.1%	21.36	26.96		9.23			
1977	42	40	63.0		29.4%	3.00	83.29	23.40	72.76	2.46	1.98	43.2%	100.36	21.47	90.70	43.2%	100.36	27.44		88.01			
1978	67	63	62.4		0.0%	3.00	0.00	23.18	(10.43)	2.04	2.19	0.0%	0.00	17.65	(7.94)	0.0%	0.00	22.56		(10.15)			
1979	80	75	64.0		0.0%	2.00	0.00	15.86	(7.14)	2.33	2.64	0.0%	0.00	20.68	(9.30)	0.0%	0.00	26.43		(11.89)			
1980	28	26	67.0		57.2%	2.25	129.35	18.69	120.94	2.81	3.43	47.7%	134.83	26.10	123.09	57.2%	197.19	33.36		182.18			
1981	78	69	63.8		0.0%	2.40	0.00	18.96	(8.53)	3.39	2.76	2.2%	7.06	29.94	(6.41)	2.2%	7.06	38.27		(10.16)			
1982	70	64	65.7		0.0%	2.80	0.00	22.81	(10.26)	2.70	2.09	16.2%	43.08	24.62	32.00	16.2%	43.08	31.46		28.92			
1983	49	46	66.3		22.1%	2.60	57.03	21.35	47.42	2.59	3.30	0.8%	2.17	23.83	(8.56)	22.1%	72.39	30.46		58.68			
1984	55	53	65.3		9.4%	2.75	25.37	22.24	15.36	2.57	2.64	7.0%	17.71	23.27	7.24	9.4%	24.35	29.74		10.97			
1985	85	81	64.6		0.0%	2.60	0.00	20.81	(9.36)	2.40	2.12	0.0%	0.00	21.45	(9.65)	0.0%	0.00	27.41		(12.34)			
1986	92	90	67.2		0.0%	2.20	0.00	18.31	(8.24)	1.89	1.61	0.0%	0.00	17.64	(7.94)	0.0%	0.00	22.54		(10.14)			
1987	71	67	69.8		0.0%	1.85	0.00	15.99	(7.20)	1.52	1.74	0.0%	0.00	14.71	(6.62)	0.0%	0.00	18.80		(8.46)			
1988	66	64	69.7		0.0%	1.85	0.00	15.97	(7.19)	1.95	2.74	0.0%	0.00	18.83	(8.47)	0.0%	0.00	24.07		(10.83)			
1989	43	40	69.5		35.8%	2.40	89.63	20.67	80.33	2.44	2.27	40.2%	102.30	23.49	91.73	40.2%	102.30	30.02		88.79			
1990	82	74	66.8		0.0%	1.65	0.00	13.65	(6.14)	2.23	2.18	0.0%	0.00	20.60	(9.27)	0.0%	0.00	26.33		(11.85)			
1991	50	49	66.6		18.1%	2.15	38.98	17.75	31.00	2.33	2.38	16.4%	38.26	21.53	28.57	18.1%	43.15	27.51		30.77			
1992	98	92	63.2		0.0%	2.15	0.00	16.83	(7.57)	2.43	1.98	0.0%	0.00	21.31	(9.59)	0.0%	0.00	27.23		(12.25)			
1993	54	49	65.7		17.3%	2.10	35.75	17.09	28.06	2.16	2.36	9.5%	20.21	19.64	11.37	17.3%	40.18	25.10		28.88			
1994	97	94	64.0		0.0%	2.20	0.00	17.43	(7.84)	2.41	2.05	0.0%	0.00	21.39	(9.62)	0.0%	0.00	27.34		(12.30)			
1995	68	66	67.4		0.0%	2.10	0.00	17.54	(7.89)	2.31	3.07	0.0%	0.00	21.60	(9.72)	0.0%	0.00	27.60		(12.42)			
1996	89	86	67.6		0.0%	2.50	0.00	20.95	(9.43)	2.77	2.70	0.0%	0.00	26.01	(11.70)	0.0%	0.00	33.25		(14.96)			
1997	94	89	70.3	66.3	0.0%	2.35	0.00	19.30	(8.69)	2.46	2.67	0.0%	0.00	22.57	(10.16)	0.0%	0.00	28.85		(12.98)			
1998	103	98	73.4	73.6	0.0%	2.30	0.00	20.97	(9.44)	2.55	2.08	0.0%	0.00	26.06	(11.73)	0.0%	0.00	33.31		(14.99)			
1999	87	84	76.9	74.3	0.0%	1.95	0.00	17.95	(8.08)	2.16	1.91	0.0%	0.00	22.24	(10.01)	0.0%	0.00	28.43		(12.79)			
2000	90	85	77.9	75.0	0.0%	1.75	0.00	16.26	(7.32)	2.26	2.00	0.0%	0.00	23.48	(10.57)	0.0%	0.00	30.01		(13.51)			
2001	95	92	80.1	73.7	0.0%	1.80	0.00	16.44	(7.40)	2.21	1.95	0.0%	0.00	22.62	(10.18)	0.0%	0.00	28.91		(13.01)			
2002	48	47	83.0	81.9	36.3%	1.98	88.41	20.09	79.37	2.09	2.39	27.1%	69.61	23.70	58.95	36.3%	106.71	30.29		93.08			
2003	37	34	80.1	83.5	54.6%	2.10	143.57	21.73	133.80	2.18	2.15	55.2%	150.50	25.21	139.16	55.2%	150.50	32.22		136.00			
2004	116	113	76.6	90.1	0.0%	2.35	0.00	26.23	(11.81)	2.71	1.97	0.0%	0.00	33.84	(15.23)	0.0%	0.00	43.25		(19.46)			
2005	109	107	82.3	81.4	0.0%	2.15	0.00	21.68	(9.76)	2.15	1.87	0.0%	0.00	24.26	(10.92)	0.0%	0.00	31.00		(13.95)			
2006			85.4	85.4		1.95				2.33													
Total Farmer Paid Premium; Indemnity							786	265	512					786	331	455		1,120	409	697			
Farmer Paid Loss Ratio																						2.74	
Frequency of Claim																						42%	
Total Premium Including Subsidizes										588						711						909	
Industry Loss Ratio										1.34						1.11						1.23	
Break Even Premium Rate										11.0%						10.2%						14.6%	

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down. Beginning in 2004, Grain Sorghum prices are set based on the corn-grain sorghum USDA forecasted price ratio. Therefore, it was assumed the grain sorghum prices were 90% of corn for the years before 2004.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Doniphan County, KS Soybeans GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 40.4 40.4 -2.5 Over/Under estimate
 KSU's 2006 Expected County Yield 42.9 40.4 -2.5 ¹bu adjustment

Year	County			Trend		Set		Cov		90% Coverage				90% GRIP-		7.7% GRIP-		GRIP-HRO Pymt		
	Havst	Adj.	Trend	Adj.	Trend	GRP	GRP	GRP	GRIP	GRIP	GRIP	GRIP	GRIP	HRO	GRIP-	HRO				
	Plant	Expt	Yield	Yield	Rate	APH ²	GRP	GRP	GRIP	Plant ³	Havst	Pymt	GRIP	Prem	GRIP	Pymt	HRO		Prem	
	Yd	Yd				Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt		Prem	Pymt
1973	29	25	28.3		0.9%	2.50	0.98	4.23	(0.92)	3.95	5.85	0.0%	0.00	10.19	(4.58)	0.9%	2.29	12.93	(3.53)	
1974	27	26	28.9		0.9%	3.00	1.23	5.20	(1.10)	6.30	8.59	0.0%	0.00	16.65	(7.49)	0.9%	3.54	21.14	(5.98)	
1975	26	25	29.6		4.5%	3.00	5.96	5.32	3.57	5.79	5.25	13.5%	34.64	15.67	27.58	13.5%	34.64	19.89	25.69	
1976	23	23	29.7		14.0%	3.50	21.88	6.23	19.08	5.08	6.41	0.0%	0.00	13.80	(6.21)	14.0%	40.10	17.52	32.22	
1977	33	33	29.5		0.0%	3.50	0.00	6.18	(2.78)	6.96	5.31	5.9%	18.09	18.78	9.64	5.9%	18.09	23.84	7.37	
1978	32	31	30.5		0.0%	3.50	0.00	6.39	(2.87)	5.76	6.84	0.0%	0.00	16.04	(7.22)	0.0%	0.00	20.36	(9.16)	
1979	37	37	31.1		0.0%	4.50	0.00	8.37	(3.77)	6.97	6.70	0.0%	0.00	19.80	(8.91)	0.0%	0.00	25.13	(11.31)	
1980	33	32	32.5		0.0%	6.00	0.00	11.65	(5.24)	7.29	8.57	0.0%	0.00	21.60	(9.72)	0.0%	0.00	27.42	(12.34)	
1981	41	40	32.9		0.0%	7.00	0.00	13.77	(6.19)	8.26	6.56	0.0%	0.00	24.80	(11.16)	0.0%	0.00	31.48	(14.17)	
1982	34	33	34.1		0.0%	7.00	0.00	14.28	(6.42)	6.76	5.32	16.1%	55.74	21.04	46.27	16.1%	55.74	26.70	43.72	
1983	23	23	34.2		25.2%	6.00	77.66	12.29	72.13	6.33	8.43	0.5%	1.47	19.80	(7.44)	25.2%	109.10	25.14	97.79	
1984	22	20	33.3		31.8%	6.50	103.20	12.94	97.38	7.11	6.14	41.1%	145.70	21.59	135.99	41.1%	145.70	27.40	133.37	
1985	38	37	32.0		0.0%	6.50	0.00	12.43	(5.59)	6.06	5.05	0.0%	0.00	17.69	(7.96)	0.0%	0.00	22.46	(10.11)	
1986	42	40	32.6		0.0%	5.25	0.00	10.26	(4.62)	5.15	4.82	0.0%	0.00	15.37	(6.92)	0.0%	0.00	19.51	(8.78)	
1987	36	35	33.2		0.0%	5.00	0.00	9.93	(4.47)	4.71	5.38	0.0%	0.00	14.29	(6.43)	0.0%	0.00	18.14	(8.16)	
1988	27	26	33.5		12.6%	5.00	31.61	10.02	27.10	6.43	7.93	0.0%	0.00	19.67	(8.85)	12.6%	50.10	24.97	38.87	
1989	22	22	32.4		25.4%	6.17	76.20	11.98	70.80	7.24	5.62	42.1%	148.39	21.46	138.73	42.1%	148.39	27.24	136.13	
1990	36	35	30.9		0.0%	5.55	0.00	10.27	(4.62)	5.95	6.12	0.0%	0.00	16.81	(7.56)	0.0%	0.00	21.34	(9.60)	
1991	35	32	31.3		0.0%	5.50	0.00	10.29	(4.63)	6.15	5.60	0.0%	0.00	17.56	(7.90)	0.0%	0.00	22.29	(10.03)	
1992	44	43	30.6		0.0%	5.50	0.00	10.07	(4.53)	6.06	5.37	0.0%	0.00	16.94	(7.62)	0.0%	0.00	21.51	(9.68)	
1993	36	34	31.7		0.0%	5.70	0.00	10.82	(4.87)	5.86	6.15	0.0%	0.00	16.99	(7.65)	0.0%	0.00	21.57	(9.70)	
1994	45	45	32.0		0.0%	5.90	0.00	11.28	(5.08)	6.48	5.41	0.0%	0.00	18.91	(8.51)	0.0%	0.00	24.00	(10.80)	
1995	36	35	33.2		0.0%	5.50	0.00	10.92	(4.91)	5.85	6.56	0.0%	0.00	17.71	(7.97)	0.0%	0.00	22.48	(10.12)	
1996	43	42	33.2		0.0%	6.75	0.00	13.41	(6.04)	7.23	7.07	0.0%	0.00	21.92	(9.86)	0.0%	0.00	27.82	(12.52)	
1997	43	43	34.2	36.2	0.0%	6.15	0.00	13.32	(6.00)	6.97	6.82	0.0%	0.00	23.05	(10.37)	0.0%	0.00	29.26	(13.17)	
1998	39	39	35.2	36.2	0.0%	6.00	0.00	13.00	(5.85)	6.64	5.46	0.4%	1.53	21.96	(8.35)	0.4%	1.53	27.87	(11.01)	
1999	38	38	35.9	39.8	0.0%	5.25	0.00	12.51	(5.63)	5.11	4.85	0.0%	0.15	18.58	(8.21)	0.0%	0.15	23.58	(10.46)	
2000	35	35	36.1	40.2	3.9%	5.16	12.09	12.41	6.50	5.32	4.72	14.6%	46.96	19.54	38.17	14.6%	46.96	24.80	35.81	
2001	46	45	36.2	40.7	0.0%	5.26	0.00	12.81	(5.77)	4.67	4.37	0.0%	0.00	17.36	(7.81)	0.0%	0.00	22.04	(9.92)	
2002	33	31	37.5	40.6	14.6%	5.00	44.44	12.15	38.97	4.50	5.45	0.0%	0.00	16.69	(7.51)	14.6%	48.44	21.18	38.91	
2003	34	31	36.9	41.0	16.3%	5.30	53.22	13.01	47.37	5.26	7.32	0.0%	0.00	19.70	(8.87)	16.3%	73.51	25.01	62.26	
2004	55	54	36.6	40.8	0.0%	5.60	0.00	13.67	(6.15)	6.72	5.26	0.0%	0.00	25.05	(11.27)	0.0%	0.00	31.79	(14.31)	
2005	53	53	38.8	39.5	0.0%	5.00	0.00	11.82	(5.32)	5.53	5.75	0.0%	0.00	19.95	(8.98)	0.0%	0.00	25.33	(11.40)	
2006			40.4	40.4		5.15				6.18										
Total Farmer Paid Premium; Indemnity							428	154	270					453	278	175		778	341	426
Farmer Paid Loss Ratio																			2.28	
Frequency of Claim																			45%	
Total Premium Including Subsidizes																			758	
Industry Loss Ratio																			1.03	
Break Even Premium Rate																			7.9%	

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

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⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Brown County, KS Soybeans GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 36.1 36.1 -3.2 Over/Under estimate
 KSU's 2006 Expected County Yield 39.3 36.1 -3.2 ¹bu adjustment

Year	150% Maximum Liability																		
	County			Trend			RMA			90% Coverage			90% GRIP-			9.6% GRIP-			
	Havst	Adj.	Set	Cov	6.0%	Net	90%	7.2%	Net	HRO	GRIP-	GRIP-	HRO	GRIP-	GRIP-	HRO			
	Plant	Expt	Adj.	Pymt	APH ²	GRP	GRP	GRIP	Plant ³	Havst	Pymt	GRIP	GRIP ⁴	GRIP	Pymt	HRO	HRO ³	Pymt	
1973	29	28	25.9	0.0%	2.50	0.00	5.88	(2.64)	3.95	5.85	0.0%	0.00	11.10	(4.99)	0.0%	0.00	14.67	(6.60)	
1974	23	22	26.6	9.7%	3.00	11.56	7.22	8.31	6.30	8.59	0.0%	0.00	18.15	(8.17)	9.7%	33.10	24.00	22.30	
1975	25	24	27.2	1.8%	3.00	2.23	7.39	(1.09)	5.79	5.25	11.1%	26.15	17.09	18.46	11.1%	26.15	22.59	15.98	
1976	19	18	27.3	27.6%	3.50	39.46	8.64	35.57	5.08	6.41	8.6%	17.95	15.03	11.19	27.6%	72.32	19.87	63.38	
1977	35	34	26.6	0.0%	3.50	0.00	8.44	(3.80)	6.96	5.31	0.0%	0.00	20.10	(9.04)	0.0%	0.00	26.57	(11.96)	
1978	26	26	27.9	0.0%	3.50	0.00	8.84	(3.98)	5.76	6.84	0.0%	0.00	17.40	(7.83)	0.0%	0.00	23.01	(10.35)	
1979	32	31	28.0	0.0%	4.50	0.00	11.43	(5.14)	6.97	6.70	0.0%	0.00	21.20	(9.54)	0.0%	0.00	28.03	(12.61)	
1980	25	25	28.9	3.0%	6.00	7.81	15.70	0.75	7.29	8.57	0.0%	0.00	22.82	(10.27)	3.0%	11.16	30.18	(2.42)	
1981	39	39	28.7	0.0%	7.00	0.00	18.21	(8.19)	8.26	6.56	0.0%	0.00	25.73	(11.58)	0.0%	0.00	34.02	(15.31)	
1982	30	29	30.1	0.0%	7.00	0.00	19.09	(8.59)	6.76	5.32	15.9%	48.44	22.06	38.51	15.9%	48.44	29.16	35.31	
1983	17	16	30.1	39.4%	6.00	106.88	16.36	99.52	6.33	8.43	19.4%	55.51	20.67	46.20	39.4%	150.15	27.34	137.85	
1984	18	17	28.7	33.8%	6.50	94.56	16.88	86.96	7.11	6.14	42.8%	130.87	22.09	120.93	42.8%	130.87	29.21	117.73	
1985	36	36	27.1	0.0%	6.50	0.00	15.94	(7.17)	6.06	5.05	0.0%	0.00	17.79	(8.01)	0.0%	0.00	23.52	(10.58)	
1986	41	40	28.0	0.0%	5.25	0.00	13.32	(5.99)	5.15	4.82	0.0%	0.00	15.65	(7.04)	0.0%	0.00	20.69	(9.31)	
1987	33	33	28.9	0.0%	5.00	0.00	13.09	(5.89)	4.71	5.38	0.0%	0.00	14.77	(6.65)	0.0%	0.00	19.53	(8.79)	
1988	20	19	29.3	26.6%	5.00	58.52	13.27	52.55	6.43	7.93	9.6%	27.02	20.42	17.83	26.6%	92.75	27.01	80.60	
1989	23	23	27.8	6.3%	6.17	16.20	15.56	9.20	7.24	5.62	27.3%	82.53	21.85	72.70	27.3%	82.53	28.89	69.53	
1990	35	34	27.1	0.0%	5.55	0.00	13.65	(6.14)	5.95	6.12	0.0%	0.00	17.52	(7.89)	0.0%	0.00	23.17	(10.43)	
1991	28	28	27.3	0.0%	5.50	0.00	13.60	(6.12)	6.15	5.60	0.0%	0.00	18.20	(8.19)	0.0%	0.00	24.07	(10.83)	
1992	42	41	26.1	0.0%	5.50	0.00	13.03	(5.86)	6.06	5.37	0.0%	0.00	17.18	(7.73)	0.0%	0.00	22.72	(10.22)	
1993	28	27	27.4	0.0%	5.70	0.00	14.12	(6.36)	5.86	6.15	0.0%	0.00	17.39	(7.83)	0.0%	0.00	23.00	(10.35)	
1994	40	39	27.2	0.0%	5.90	0.00	14.52	(6.53)	6.48	5.41	0.0%	0.00	19.08	(8.59)	0.0%	0.00	25.23	(11.35)	
1995	30	30	28.3	0.0%	5.50	0.00	14.08	(6.34)	5.85	6.56	0.0%	0.00	17.92	(8.06)	0.0%	0.00	23.70	(10.66)	
1996	46	45	28.4	0.0%	6.75	0.00	17.36	(7.81)	7.23	7.07	0.0%	0.00	22.24	(10.01)	0.0%	0.00	29.41	(13.24)	
1997	37	37	30.2	32.0	0.0%	6.15	0.00	17.83	(8.02)	6.97	6.82	0.0%	0.00	24.19	(10.88)	0.0%	0.00	31.98	(14.39)
1998	41	41	31.0	32.4	0.0%	6.00	0.00	17.61	(7.93)	6.64	5.46	0.0%	0.00	23.33	(10.50)	0.0%	0.00	30.85	(13.88)
1999	33	32	32.1	36.5	1.2%	5.25	3.46	17.36	(4.35)	5.11	4.85	6.2%	17.43	20.23	8.33	6.2%	17.43	26.75	5.40
2000	26	25	31.9	36.9	24.0%	5.16	68.62	17.25	60.86	5.32	4.72	32.5%	95.78	21.29	86.20	32.5%	95.78	28.15	83.11
2001	45	44	31.3	37.4	0.0%	5.26	0.00	17.82	(8.02)	4.67	4.37	0.0%	0.00	18.94	(8.52)	0.0%	0.00	25.05	(11.27)
2002	23	22	32.8	35.9	32.6%	5.00	87.75	16.26	80.44	4.50	5.45	18.4%	44.49	17.52	36.61	32.6%	95.65	23.17	85.23
2003	31	30	31.6	36.3	6.8%	5.30	19.56	17.43	11.72	5.26	7.32	0.0%	0.00	20.71	(9.32)	6.8%	27.02	27.38	14.70
2004	51	50	31.8	34.5	0.0%	5.60	0.00	17.50	(7.88)	6.72	5.26	0.0%	0.00	25.14	(11.31)	0.0%	0.00	33.25	(14.96)
2005	54	53	33.9	36.1	0.0%	5.00	0.00	16.35	(7.36)	5.53	5.75	0.0%	0.00	21.65	(9.74)	0.0%	0.00	28.63	(12.88)
2006			36.1	36.1		5.15				6.18									
Total Farmer Paid Premium; Indemnity						517	205	305					546	291	255		883	372	499
Farmer Paid Loss Ratio																			2.38
Frequency of Claim																			39%
Total Premium Including Subsidizes								455											826
Industry Loss Ratio								1.14											1.07
Break Even Premium Rate								6.86%											10.2%

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Clay County, IN Soybeans GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 45.6 45.6 -0.9 Over/Under estimate
 KSU's 2006 Expected County Yield 46.5 45.6 -0.9 ¹bu adjustment

Year	Maximum Liability																		
	KSU			RMA			90%			90%			90%			90%			
	County		Trend	Set	Cov	Coverage						GRIP-			6.9%			GRIP-	
	Havst	Adj.	Trend	GRP	2.5%	Net	GRIP	5.5%	Net	HRO	GRIP-	GRIP-	HRO	GRIP-	HRO				
Plant	Expt	Adj.	Pymt	APH ²	GRP	GRP	GRIP	Plant ³	Havst	Pymt	GRIP	GRIP ⁴	GRIP	Pymt	HRO	GRIP-	GRIP-	HRO	
Yd	Yd	Yield	Rate	Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt	Pymt	
1973	25	25	29.9	6.3%	2.50	7.04	2.81	5.78	3.95	5.85	0.0%	0.00	9.75	(4.39)	6.3%	16.47	12.18	10.99	
1974	22	21	29.9	20.2%	3.00	27.26	3.38	25.74	6.30	8.59	0.0%	0.00	15.60	(7.02)	20.2%	78.05	19.47	69.29	
1975	36	36	29.2	0.0%	3.00	0.00	3.30	(1.49)	5.79	5.25	0.0%	0.00	14.02	(6.31)	0.0%	0.00	17.50	(7.88)	
1976	36	36	30.0	0.0%	3.50	0.00	3.95	(1.78)	5.08	6.41	0.0%	0.00	12.62	(5.68)	0.0%	0.00	15.75	(7.09)	
1977	34	34	31.1	0.0%	3.50	0.00	4.09	(1.84)	6.96	5.31	6.8%	22.02	17.92	13.96	6.8%	22.02	22.36	11.96	
1978	34	34	31.8	0.0%	3.50	0.00	4.19	(1.89)	5.76	6.84	0.0%	0.00	15.16	(6.82)	0.0%	0.00	18.93	(8.52)	
1979	33	32	32.5	0.0%	4.50	0.00	5.51	(2.48)	6.97	6.70	0.0%	0.00	18.78	(8.45)	0.0%	0.00	23.44	(10.55)	
1980	35	34	32.9	0.0%	6.00	0.00	7.42	(3.34)	7.29	8.57	0.0%	0.00	19.83	(8.92)	0.0%	0.00	24.75	(11.14)	
1981	33	33	33.4	0.0%	7.00	0.00	8.81	(3.96)	8.26	6.56	13.0%	53.66	22.86	43.38	13.0%	53.66	28.54	40.82	
1982	35	35	33.7	0.0%	7.00	0.00	8.89	(4.00)	6.76	5.32	10.1%	34.39	18.87	25.90	10.1%	34.39	23.56	23.79	
1983	25	25	34.1	19.5%	6.00	60.04	7.71	56.57	6.33	8.43	0.0%	0.00	17.90	(8.06)	19.5%	84.34	22.34	74.29	
1984	34	34	33.5	0.0%	6.50	0.00	8.21	(3.69)	7.11	6.14	3.2%	11.46	19.73	2.58	3.2%	11.46	24.62	0.38	
1985	42	42	34.0	0.0%	6.50	0.00	8.31	(3.74)	6.06	5.05	0.0%	0.00	17.04	(7.67)	0.0%	0.00	21.27	(9.57)	
1986	39	38	35.0	0.0%	5.25	0.00	6.92	(3.11)	5.15	4.82	0.0%	0.00	14.94	(6.72)	0.0%	0.00	18.65	(8.39)	
1987	37	37	35.7	0.0%	5.00	0.00	6.73	(3.03)	4.71	5.38	0.0%	0.00	13.95	(6.28)	0.0%	0.00	17.41	(7.84)	
1988	28	27	36.3	16.9%	5.00	45.93	6.84	42.86	6.43	7.93	0.0%	0.00	19.33	(8.70)	16.9%	72.80	24.13	61.95	
1989	36	36	35.5	0.0%	6.17	0.00	8.25	(3.71)	7.24	5.62	13.7%	53.00	21.29	43.42	13.7%	53.00	26.57	41.04	
1990	38	37	35.9	0.0%	5.55	0.00	7.49	(3.37)	5.95	6.12	0.0%	0.00	17.68	(7.95)	0.0%	0.00	22.06	(9.93)	
1991	41	40	36.0	0.0%	5.50	0.00	7.46	(3.36)	6.15	5.60	0.0%	0.00	18.34	(8.25)	0.0%	0.00	22.89	(10.30)	
1992	41	41	36.5	0.0%	5.50	0.00	7.56	(3.40)	6.06	5.37	0.0%	0.00	18.32	(8.24)	0.0%	0.00	22.87	(10.29)	
1993	42	41	37.1	0.0%	5.70	0.00	7.95	(3.58)	5.86	6.15	0.0%	0.00	17.99	(8.09)	0.0%	0.00	22.45	(10.10)	
1994	45	45	37.6	0.0%	5.90	0.00	8.35	(3.76)	6.48	5.41	0.0%	0.00	20.17	(9.08)	0.0%	0.00	25.17	(11.33)	
1995	40	39	38.7	0.0%	5.50	0.00	8.02	(3.61)	5.85	6.56	0.0%	0.00	18.76	(8.44)	0.0%	0.00	23.41	(10.54)	
1996	35	35	39.1	0.0%	6.75	0.00	9.95	(4.48)	7.23	7.07	2.1%	8.74	23.42	(1.80)	2.1%	8.74	29.24	(4.42)	
1997	40	39	39.3	41.4	0.0%	6.15	0.00	9.59	(4.31)	6.97	6.82	0.0%	0.00	23.89	(10.75)	0.0%	0.00	29.82	(13.42)
1998	35	35	39.8	42.4	8.7%	6.00	33.34	9.58	29.03	6.64	5.46	24.9%	105.20	23.31	94.71	24.9%	105.20	29.10	92.11
1999	45	44	39.7	41.9	0.0%	5.25	0.00	8.28	(3.73)	5.11	4.85	0.0%	0.00	17.73	(7.98)	0.0%	0.00	22.13	(9.96)
2000	49	48	40.5	42.4	0.0%	5.16	0.00	8.24	(3.71)	5.32	4.72	0.0%	0.00	18.68	(8.40)	0.0%	0.00	23.31	(10.49)
2001	47	47	41.9	42.8	0.0%	5.26	0.00	8.48	(3.81)	4.67	4.37	0.0%	0.00	16.55	(7.45)	0.0%	0.00	20.66	(9.30)
2002	43	43	42.9	43.6	0.0%	5.00	0.00	8.21	(3.69)	4.50	5.45	0.0%	0.00	16.25	(7.31)	0.0%	0.00	20.28	(9.12)
2003	36	35	43.1	44.1	11.6%	5.30	40.68	8.80	36.72	5.26	7.32	0.0%	0.00	19.21	(8.64)	11.6%	56.18	23.97	45.40
2004	52	52	42.6	45.2	0.0%	5.60	0.00	9.53	(4.29)	6.72	5.26	0.0%	0.00	25.15	(11.32)	0.0%	0.00	31.39	(14.13)
2005	53	53	44.2	44.2	0.0%	5.00	0.00	8.32	(3.74)	5.53	5.75	0.0%	0.00	20.24	(9.11)	0.0%	0.00	25.26	(11.37)
2006			45.6	45.6		5.15				6.18									
Total Farmer Paid Premium; Indemnity						214	105	106					288	272	16		596	329	256
Farmer Paid Loss Ratio																			1.81
Frequency of Claim																			36%
Total Premium Including Subsidizes								233						585					730
Industry Loss Ratio								0.92						0.49					0.82
Break Even Premium Rate								2.31%						2.7%					5.6%

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.

Whiteside County, IL Soybeans GRP and GRIP Historical Simulated Indemnity Payments based on 35 Years of Trend Adjusted Yields (No Practice Specified)

RMA's 2006 Expected County Yield 48.5 48.5 -0.8 Over/Under estimate
 KSU's 2006 Expected County Yield 49.3 48.5 -0.8 ¹bu adjustment

Year	150% Maximum Liability																		
	KSU			RMA			90%			90%			90%			7.1%			
	County		Trend	Set	Cov	Coverage						GRIP-	GRIP-		GRIP-	GRIP-			
	Havst	Adj.	Trend	GRP	2.5%	Net	Coverage			GRIP-	6.0%	Net	HRO	GRIP-	7.1%	GRIP-			
Plant	Expt	Adj.	Pymt	APH ²	GRP	GRP	GRIP	Plant ³	Havst	Pymt	GRIP	GRIP ⁴	GRIP	Pymt	HRO	HRO ³	Pymt		
Yd	Yd	Yield	Rate	Price	Pymt	Prem	Pymt	Price	Price	Rate	Pymt	Prem	Pymt	Rate	Pymt	Prem	Pymt		
1973	33	33	34.5	0.0%	2.50	0.00	3.25	(1.46)	3.95	5.85	0.0%	0.00	12.27	(5.52)	0.0%	0.00	14.58	(6.56)	
1974	23	22	34.8	28.6%	3.00	44.70	3.93	42.93	6.30	8.59	2.6%	8.51	19.70	(0.36)	28.6%	128.00	23.41	117.46	
1975	39	39	33.7	0.0%	3.00	0.00	3.81	(1.71)	5.79	5.25	0.0%	0.00	17.58	(7.91)	0.0%	0.00	20.89	(9.40)	
1976	32	32	34.7	0.0%	3.50	0.00	4.57	(2.06)	5.08	6.41	0.0%	0.00	15.86	(7.14)	0.0%	0.00	18.84	(8.48)	
1977	43	43	34.6	0.0%	3.50	0.00	4.56	(2.05)	6.96	5.31	0.0%	0.00	21.71	(9.77)	0.0%	0.00	25.80	(11.61)	
1978	35	35	35.9	0.0%	3.50	0.00	4.73	(2.13)	5.76	6.84	0.0%	0.00	18.61	(8.37)	0.0%	0.00	22.11	(9.95)	
1979	42	42	36.3	0.0%	4.50	0.00	6.14	(2.76)	6.97	6.70	0.0%	0.00	22.75	(10.24)	0.0%	0.00	27.03	(12.16)	
1980	41	41	37.1	0.0%	6.00	0.00	8.39	(3.77)	7.29	8.57	0.0%	0.00	24.35	(10.96)	0.0%	0.00	28.94	(13.02)	
1981	46	45	37.9	0.0%	7.00	0.00	9.99	(4.50)	8.26	6.56	0.0%	0.00	28.19	(12.69)	0.0%	0.00	33.50	(15.08)	
1982	40	40	39.4	0.0%	7.00	0.00	10.37	(4.67)	6.76	5.32	11.5%	45.85	23.93	35.08	11.5%	45.85	28.44	33.05	
1983	40	40	39.7	0.0%	6.00	0.00	8.96	(4.03)	6.33	8.43	0.0%	0.00	22.61	(10.17)	0.0%	0.00	26.87	(12.09)	
1984	35	34	40.2	5.3%	6.50	20.65	9.85	16.22	7.11	6.14	18.2%	77.86	25.73	66.28	18.2%	77.86	30.57	64.10	
1985	43	43	40.3	0.0%	6.50	0.00	9.85	(4.43)	6.06	5.05	1.4%	5.26	21.96	(4.62)	1.4%	5.26	26.10	(6.48)	
1986	42	41	40.9	0.0%	5.25	0.00	8.09	(3.64)	5.15	4.82	0.0%	0.00	18.99	(8.55)	0.0%	0.00	22.57	(10.16)	
1987	43	43	41.6	0.0%	5.00	0.00	7.83	(3.52)	4.71	5.38	0.0%	0.00	17.65	(7.94)	0.0%	0.00	20.97	(9.44)	
1988	25	25	42.3	34.9%	5.00	110.69	7.96	107.11	6.43	7.93	19.7%	80.52	24.48	69.50	34.9%	175.45	29.09	162.36	
1989	45	45	40.5	0.0%	6.17	0.00	9.41	(4.23)	7.24	5.62	5.2%	22.77	26.40	10.89	5.2%	22.77	31.37	8.66	
1990	44	42	41.3	0.0%	5.55	0.00	8.64	(3.89)	5.95	6.12	0.0%	0.00	22.15	(9.97)	0.0%	0.00	26.33	(11.85)	
1991	42	41	41.5	0.0%	5.50	0.00	8.59	(3.87)	6.15	5.60	0.0%	0.00	22.96	(10.33)	0.0%	0.00	27.28	(12.28)	
1992	45	44	41.8	0.0%	5.50	0.00	8.66	(3.90)	6.06	5.37	0.0%	0.00	22.83	(10.27)	0.0%	0.00	27.12	(12.21)	
1993	43	40	42.5	0.0%	5.70	0.00	9.12	(4.10)	5.86	6.15	0.0%	0.00	22.42	(10.09)	0.0%	0.00	26.64	(11.99)	
1994	51	51	42.4	0.0%	5.90	0.00	9.42	(4.24)	6.48	5.41	0.0%	0.00	24.73	(11.13)	0.0%	0.00	29.39	(13.23)	
1995	47	47	43.7	0.0%	5.50	0.00	9.06	(4.08)	5.85	6.56	0.0%	0.00	23.02	(10.36)	0.0%	0.00	27.35	(12.31)	
1996	48	47	44.4	0.0%	6.75	0.00	11.30	(5.08)	7.23	7.07	0.0%	0.00	28.90	(13.01)	0.0%	0.00	34.35	(15.46)	
1997	48	47	45.4	45.0	6.15	0.00	10.42	(4.69)	6.97	6.82	0.0%	0.00	28.23	(12.70)	0.0%	0.00	33.54	(15.10)	
1998	53	53	45.9	45.8	6.00	0.00	10.35	(4.66)	6.64	5.46	0.0%	0.00	27.37	(12.32)	0.0%	0.00	32.53	(14.64)	
1999	48	48	47.0	47.8	5.25	0.00	9.45	(4.25)	5.11	4.85	0.0%	0.00	21.98	(9.89)	0.0%	0.00	26.12	(11.76)	
2000	45	45	47.4	48.3	5.16	0.00	9.38	(4.22)	5.32	4.72	8.8%	33.99	23.13	23.58	8.8%	33.99	27.48	21.62	
2001	46	46	47.6	48.9	5.26	0.00	9.68	(4.36)	4.67	4.37	2.7%	9.26	20.55	0.02	2.7%	9.26	24.42	(1.73)	
2002	50	50	47.7	49.6	5.00	0.00	9.34	(4.20)	4.50	5.45	0.0%	0.00	20.09	(9.04)	0.0%	0.00	23.87	(10.74)	
2003	35	35	48.5	50.2	22.7%	5.30	90.48	10.02	85.97	5.26	7.32	0.0%	0.00	23.76	(10.69)	22.7%	124.96	28.24	112.25
2004	51	51	47.2	50.1	5.60	0.00	10.56	(4.75)	6.72	5.26	11.6%	58.78	30.30	45.14	11.6%	58.78	36.01	42.57	
2005	47	47	48.2	48.6	5.00	0.00	9.15	(4.12)	5.53	5.75	0.0%	0.00	24.19	(10.88)	0.0%	0.00	28.74	(12.93)	
2006			48.5	48.5	5.15				6.18										
Total Farmer Paid Premium; Indemnity						267	120	143					343	337	6		682	388	281
Farmer Paid Loss Ratio																			1.76
Frequency of Claim																			30%
Total Premium Including Subsidizes							266							725					862
Industry Loss Ratio								1.00						0.47					0.79
Break Even Premium Rate								2.52%						2.8%					5.6%

¹KSU model overestimated trend adjusted yields versus RMA trend adjusted yields, therefore KSU trend yields were adjusted downward so not to over estimate payments.

²NASS county yields for the 2006 wheat, corn, sorghum, and soybean harvest will not be released until about March of 2007. Any GRIP/GRP claims will only be paid after the NASS county yield is published. Kansas wheat GRIP/GRP claims will be paid approximately 9 months after harvest.

³MPCI-APH and GRP in the past used different price elections. This year GRP will use the MPCI-APH announced price but not the market price if one is offered. In future RMA plans to use the same price election for all products. Therefore the best estimated price used to calculate the simulated GRP indemnity payment is the maximum RMA set price election for MPCI-APH.

⁴The RMA has converted the GRIP price elections to the CRC price elections. There is also a \$2.00 price limit move up or down.

⁵The assumed price volatility factor of 0.21 was used to calculate GRIP and GRIP-HRO premiums. Like price elections the volatility is reset each year.