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Table 1. Estimated Weighted National Average Price and Projected % ACRE Price loss (05/22/09)

Crop	Wheat ¹		Grain		Soy-beans ¹	
	Month	Month	Corn ¹	Sorghum ¹		
	Jun	7.62	Sep	5.02	4.60	10.70
	Jul	7.16	Oct	4.37	3.96	9.94
	Aug	7.64	Nov	4.26	3.68	9.38
	Sep	7.43	Dec	4.05	2.87	8.97
	Oct	6.67	Jan	4.36	3.27	9.97
	Nov	6.28	Feb	3.87	2.83	9.55
	Dec	5.91	Mar	3.86	3.10	9.12
	Jan	5.90	Apr	3.87	2.99	9.89
	Feb	5.79	May			
	Mar	5.70	Jun			
	Apr	5.69	Jul			
	May		Aug			
1 USDA Est. 2008/09 NASS Price		6.85		4.20	3.30	9.85
2 % of 08-09 NASS Price Settled³		97%		76%	79%	82%
4 07-08 NASS Published Price¹		6.48		4.20	4.08	10.10
3 KSU Est. 2008/09 NASS Price²		\$6.77		\$4.15	\$3.37	\$9.80
ACRE						
5 2009 ACRE Strike Price, Average of 2007/08 & 2008/09 MYA Price		6.62		4.17	3.72	9.95
6 Assume an "Average" State Yield, 2009 ACRE Payment Price X 90%⁴		5.96		3.76	3.35	8.95
7 Assuming an "Average" Yield, Maximum ACRE Price to Exceed the 25% Cap on Payments⁵		4.47		2.82	2.51	6.72
8 USDA Est. 2009/10 NASS Price		4.70-5.70		3.70-4.50	3.15-3.85	8.45-10.45
9 KSU Forecast of the 2009/10 New Crop MYA Price⁶		6.16		4.39	4.15	8.71
10 \$ ACRE in (out) of the Money		-\$0.19		-\$0.63	-\$0.80	\$0.24
11 % ACRE in (out) of the Money		(2.9%)		(15.2%)	(21.5%)	2.4%

¹NASS Published Prices.

²The NASS 2008-09 marketing year is a weighted Marketing Year Average (MYA) price. The 2008-09 MYA price is averaged with the 2007-08 MYA price to set the strike price for the 2009 ACRE program. Also the 2008-09 MYA price is used to settle claims on the 2008 SURE programs.

³The estimated 2008-09 MYA price is about 95% complete for wheat because the wheat marketing year starts June 1 through May 31 while the marketing year for the other crops is September 1 through August 31 therefore the 2008-09 MYA price for corn, grain sorghum and soybeans is about 80% complete.

⁴The 2009/10 MYA price would need to fall below the strike price to trigger assuming the state yield is equal to the state Olympic 5 year average yield.

⁵The maximum 2009/10 MYA price necessary to hit the 25% of coverage payment limit. Once the ACRE 25% of coverage payment limit is hit, then prices will need to fall below 70% times the loan rate (\$1.365 for corn) to trigger additional payments because there is no counter cyclical payment. The maximum price will be lower for farmers over the \$73,000 payment limit.

⁶It is assumed the market traded nearby futures prices adjusted for percentage basis for MYA cash price over the past 24 months, is the best current estimate of the MYA price to settle ACRE claims.