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Estimated Weighted National Average Price and Projected % ACRE Price loss (07/31/09)

Crop	Wheat ¹		Corn ¹		Grain Sorghum ¹	Soy-beans ¹	
	Month	08	09	Month			
	Jun	7.62	5.67	Sep	5.02	4.60	10.70
	Jul	7.15	4.92	Oct	4.37	3.96	9.94
	Aug	7.61		Nov	4.26	3.68	9.38
	Sep	7.43		Dec	4.05	2.87	8.97
	Oct	6.65		Jan	4.36	3.27	9.97
	Nov	6.29		Feb	3.87	2.83	9.55
	Dec	5.95		Mar	3.86	3.10	9.12
	Jan	6.20		Apr	3.85	3.12	9.79
	Feb	5.79		May	3.97	3.35	10.70
	Mar	5.71		Jun	4.03	3.53	11.40
	Apr	5.75		Jul	3.33	3.12	10.30
	May	8.54		Aug			

1 USDA 2008/09 NASS Price¹	6.78	4.05	3.20	10.00
KSU Est. 2008/09 March	6.89	4.34	3.34	9.91
2 % of 08-09 NASS Price Settled ²	100%	81%	82%	86%
3 07-08 NASS Published Price¹	6.48	4.20	4.08	10.10
4 KSU Est. 2008/09 NASS Price³	\$6.78	\$4.10	\$3.38	\$9.87

ACRE

4 2009 ACRE Strike Price, Average of 2007/08 & 2008/09 MYA Price	6.63	4.15	3.73	9.99
5 Assume an "Average" State Yield, 2009 ACRE Payment Price X 90%⁴	5.97	3.73	3.36	8.99
6 Assuming an "Average" Yield, Maximum ACRE Price to Exceed the 25% Cap on Payments⁵	4.48	2.80	2.52	6.74
7 USDA Est. 2009/10 NASS Price⁶	4.80-5.80	3.35-4.15	2.85-3.55	8.30-10.30
8 KSU Forecast of the 2009/10 New Crop MYA Price and range of price⁷	5.38 4.57 - 6.18	3.45 2.76 - 4.14	3.06 2.60 - 3.52	8.66 7.07 - 10.25

9 \$ ACRE in (out) of the Money	\$0.59	\$0.29	\$0.30	\$0.33
10 % ACRE in (out) of the Money	8.9%	6.9%	8.0%	3.3%
Next Year's Cup & Cap				
12 Min 09/10 Price to trigger 10% Cup	5.15	3.37	3.33	8.10
13 Max 09/10 Price to trigger 10% Cap	6.35	4.12	4.01	9.90

¹NASS Published Prices. The 2008/09 MYA wheat price is final.

²The 2008-09 MYA price is 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 85% complete.

³The 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. The 2008/09 MYA wheat price is final.

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.

⁶USDA forecasted price released on July 10, 2009.

⁷It 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.

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