

## Effect of Price Decline on Wheat Revenue Policies

| Original Guarantee set in Septmeber 2018 |               |              |
|--|---------------|--------------|
| <i>(Choose your guarantee)</i>           |               |              |
| Guar. bu/ac                              | Base Price/bu | \$ Guarantee |
| 24                                       | \$5.74        | \$137.76     |
| 26                                       | \$5.74        | \$149.24     |
| 28                                       | \$5.74        | \$160.72     |
| 30                                       | \$5.74        | \$172.20     |
| 32                                       | \$5.74        | \$183.68     |
| 34                                       | \$5.74        | \$195.16     |
| 36                                       | \$5.74        | \$206.64     |
| 38                                       | \$5.74        | \$218.12     |
| 40                                       | \$5.74        | \$229.60     |
| 42                                       | \$5.74        | \$241.08     |
| 44                                       | \$5.74        | \$252.56     |
| 46                                       | \$5.74        | \$264.04     |
| 48                                       | \$5.74        | \$275.52     |
| 50                                       | \$5.74        | \$287.00     |

| Bushels needed at harvest to compensate for price decline |                     |                    |
|---|---------------------|--------------------|
|   | <b>HYPOTHETICAL</b> | Bu Needed to       |
| \$ Guarantee  | Harvest Price*      | Equal \$ Guarantee |
| \$137.76  | \$4.50              | <b>31</b>          |
| \$149.24  | \$4.50              | <b>33</b>          |
| \$160.72  | \$4.50              | <b>36</b>          |
| \$172.20  | \$4.50              | <b>38</b>          |
| \$183.68  | \$4.50              | <b>41</b>          |
| \$195.16  | \$4.50              | <b>43</b>          |
| \$206.64  | \$4.50              | <b>46</b>          |
| \$218.12  | \$4.50              | <b>48</b>          |
| \$229.60  | \$4.50              | <b>51</b>          |
| \$241.08  | \$4.50              | <b>54</b>          |
| \$252.56  | \$4.50              | <b>56</b>          |
| \$264.04  | \$4.50              | <b>59</b>          |
| \$275.52  | \$4.50              | <b>61</b>          |
| \$287.00  | \$4.50              | <b>64</b>          |

Be aware that declines in price can trigger a claim even if you harvest more than your original bushel guarantee.

**It takes 28% more bushels to make up for a 22% decline in price.**

\*Harvest price - KCBT July Contract average June 1 - June 30\*

### Effect of Price Decline on 40 bu RP Guarantee

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| Original Guarantee set in Septmeber 2018 |               |              |
|--|---------------|--------------|
| Guar. bu/ac                              | Base Price/bu | \$ Guarantee |
| 40                                       | \$5.74        | \$229.60     |

| Bushels needed at harvest to compensate for price |                                       |                                       |
|---|---------------------------------------|---------------------------------------|
| \$ Guarantee                                      | <u>HYPOTHETICAL</u><br>Harvest Price* | Bu Needed to<br>Equal \$<br>Guarantee |
| \$229.60  | \$5.74                                | <b>40</b>                             |
| \$229.60  | \$5.50                                | <b>42</b>                             |
| \$229.60  | \$5.25                                | <b>44</b>                             |
| \$229.60  | \$5.00                                | <b>46</b>                             |
| \$229.60  | \$4.75                                | <b>48</b>                             |
| \$229.60  | \$4.50                                | <b>51</b>                             |
| \$229.60  | \$4.25                                | <b>54</b>                             |
| \$229.60  | \$4.00                                | <b>57</b>                             |
| \$229.60  | \$3.75                                | <b>61</b>                             |
| \$229.60  | \$3.50                                | <b>66</b>                             |
| \$229.60  | \$3.25                                | <b>71</b>                             |
| \$229.60  | \$3.00                                | <b>77</b>                             |
| \$229.60  | \$2.75                                | <b>83</b>                             |
| \$229.60  | \$2.50                                | <b>92</b>                             |