



United States
Department of
Agriculture

February 17, 2006

Risk
Management
Agency

INFORMATIONAL MEMORANDUM: R&D-06-007

6501 Beacon Drive
Kansas City,
MO 64133-4676

TO: All Reinsured Companies
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Tim B. Witt /s/ *Tim B. Witt*
Deputy Administrator

SUBJECT: Addendum to 2006 Crop Year (CY) Actuarial Document (Special Provisions) – **(Crop Revenue Coverage (CRC))** Cotton Base Price and Low & High Price Factors; **(Group Risk Income Protection (GRIP))** Cotton Expected Price and Price Volatility Factor; **(Income Protection (IP & Indexed IP))** Corn, Cotton, and Soybeans Projected Prices; and **(Revenue Assurance (RA))** Corn, Cotton, and Soybeans Projected Harvest Prices and Price Volatility Factors Announcement

CROP REVENUE COVERAGE

The following 2006 CY base price and low & high price factors have been approved for CRC cotton in counties with a February 28 or March 15 cancellation date.

<u>Crop</u>	<u>Base Price</u>	<u>Price Factors</u>	
		<u>Low</u>	<u>High</u>
Cotton	\$0.60/pound	0.056	0.056

GROUP RISK INCOME PROTECTION

The following 2006 CY expected price and price volatility factor have been approved for GRIP cotton in counties with a February 28 or March 15 cancellation date.

<u>Crop</u>	<u>Expected Price</u>	<u>Volatility Factor</u>
Cotton	\$0.60/pound	0.19



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

An Equal Opportunity Employer

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INCOME PROTECTION

The following 2006 CY projected prices have been approved for IP cotton and soybeans and for Indexed IP corn and soybeans in counties with a February 28 sales closing date.

<u>Crop</u>	<u>Projected Price</u>
Corn	\$2.53/bushel
Cotton	\$0.60/pound
Soybeans	\$6.13/bushel

REVENUE ASSURANCE

The following 2006 CY projected harvest prices and price volatility factors have been approved for RA corn and soybeans in counties with a cancellation date prior to March 15 and for RA cotton in all covered states.

<u>Crop</u>	<u>Projected Harvest Price</u>	<u>Volatility Factor</u>
Corn	\$2.57/bushel	0.23
Cotton	\$0.60/pound	0.19
Soybeans	\$6.19/bushel	0.21

DISPOSAL DATE

This Informational Memorandum is for the purpose of transmitting information and the expiration date is December 31, 2006.