



United States
Department of
Agriculture

January 18, 2007

Risk
Management
Agency

6501 Beacon Drive
Kansas City,
MO 64133-4676

INFORMATIONAL MEMORANDUM: PM-07-003

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 2007 Crop Year (CY) Actuarial Document (Special Provisions) – **(Crop Revenue Coverage (CRC))** Corn, Cotton, Grain Sorghum, Rice and Soybeans Base Prices and Low & High Price Factors; **(Group Risk Income Protection (GRIP))** Corn, Cotton, Grain Sorghum and Soybeans Expected Prices and Volatility Factors; and **(Income Protection (IP))** Grain Sorghum Projected Price Announcement

CROP REVENUE COVERAGE

The following 2007 CY base prices, along with the low and high price factors, have been approved for CRC corn, grain sorghum and soybeans in counties with a cancellation date prior to March 15, and for CRC cotton and rice in counties with a January 31 cancellation date.

<u>Crop</u>	<u>Base Price</u>	<u>Price Factor</u>	
		<u>Low</u>	<u>High</u>
Corn	\$3.76/bushel	0.640	0.640
Cotton	\$0.58/pound	0.065	0.065
Grain Sorghum	\$3.55/bushel	0.604	0.604
Rice	\$0.104/pound	0.006	0.006
Soybeans	\$7.11/bushel	0.790	0.790



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

An Equal Opportunity Employer

GROUP RISK INCOME PROTECTION

The following 2007 CY expected prices and price volatility factors have been approved for GRIP corn, grain sorghum and soybeans in counties with a cancellation date prior to March 15, and for GRIP cotton in counties with a January 31 cancellation date.

<u>Crop</u>	<u>Expected Price</u>	<u>Volatility Factor</u>
Corn	\$3.76/bushel	0.27
Cotton	\$0.58/pound	0.16
Grain Sorghum	\$3.55/bushel	0.27
Soybeans	\$7.11/bushel	0.18

INCOME PROTECTION

The following 2007 CY projected price has been approved for IP grain sorghum counties with a cancellation date prior to March 15.

<u>Crop</u>	<u>Projected Price</u>
Grain Sorghum	\$3.55/bushel

DISPOSAL DATE

This Informational Memorandum is for the purpose of transmitting information and the expiration date is December 31, 2007.