

## RPowerD™ - Wheat Power Play opportunity

August 2, 2018

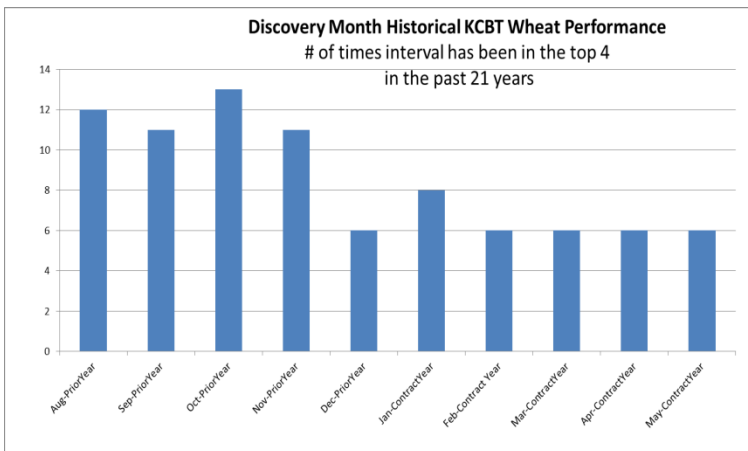
Right now, agents can help their customers establish minimum price and revenue guarantees on wheat using the RPowerD™ estimator at [www.AgenteVantage.com](http://www.AgenteVantage.com).

Multiple major producers of wheat around the world are being impacted by widespread adverse weather and the market is paying attention. World wheat cargoes have traded this week at the highest prices we have seen in many years. Fund and commercial buying in nearby wheat futures, while we are in a wide carrying charge market structure, is launching 2019 wheat prices to their highs and setting up a situation where wheat growers can use RPowerD “Market Price” Opt-in to establish the minimum price that will be used to create their 2019 minimum crop insurance revenue safety-net right now.

We suggest the following Quote set up for wheat growers:

- Maximum Price Movement Limit: 80 cents per bushel
- “Opt-in” to “Market Price” so you get yesterday’s closing price as the minimum price\*
- Set “Additional Price Coverage” to “N/A”
- If they have forward contracted a % of their 2019 crop, make the “Liability Adjustment Factor” equal the % of their non-contracted or hedged wheat
- Choose Aug ‘18, Sep ‘18, Nov ‘18, Jan ‘19, and April ‘19 as Alternative Price Discovery Periods
- RPowerD coverage level matches the chosen RP coverage level
- RPowerD acres at 110% of maximum planted acres in the past four years

RPowerD Premiums are due August 31, 2019. Minimum Price/Revenue can be raised and additional Alternative Price Discovery periods can be purchased through October 1, 2018.



|      | RPowerD Price: Opt-in to Mkt Px, Aug '18, Sep '18, Nov '18, Jan '19, Apr '19 Intervals | RP Projected | Amount Over RP Projected Price | %   | Harvest Price | Amount Over Harvest Price | %    |
|------|--|--------------|--------------------------------|-----|---------------|---------------------------|------|
| 1997 | \$4.31   | \$4.13       | \$0.18                         | 4%  | \$3.64        | \$0.67                    | 18%  |
| 1998 | \$3.94   | \$3.95       | -\$0.01                        | 0%  | \$3.04        | \$0.90                    | 30%  |
| 1999 | \$3.45   | \$3.16       | \$0.29                         | 9%  | \$2.84        | \$0.61                    | 21%  |
| 2000 | \$3.38   | \$3.34       | \$0.04                         | 1%  | \$3.02        | \$0.36                    | 12%  |
| 2001 | \$3.48   | \$3.31       | \$0.17                         | 5%  | \$3.09        | \$0.39                    | 13%  |
| 2002 | \$3.37   | \$3.34       | \$0.03                         | 1%  | \$3.09        | \$0.28                    | 9%   |
| 2003 | \$3.81   | \$3.73       | \$0.08                         | 2%  | \$3.14        | \$0.67                    | 21%  |
| 2004 | \$4.09   | \$3.40       | \$0.69                         | 20% | \$3.77        | \$0.32                    | 8%   |
| 2005 | \$3.61   | \$3.56       | \$0.05                         | 1%  | \$3.28        | \$0.33                    | 10%  |
| 2006 | \$4.45   | \$3.52       | \$0.93                         | 26% | \$4.81        | -\$0.36                   | -7%  |
| 2007 | \$4.94   | \$4.52       | \$0.42                         | 9%  | \$5.62        | -\$0.68                   | -12% |
| 2008 | \$9.41   | \$5.88       | \$3.53                         | 60% | \$8.87        | \$0.54                    | 6%   |
| 2009 | \$9.06   | \$8.77       | \$0.29                         | 3%  | \$6.35        | \$2.71                    | 43%  |
| 2010 | \$5.89   | \$5.42       | \$0.47                         | 9%  | \$4.79        | \$1.10                    | 23%  |
| 2011 | \$9.25   | \$7.14       | \$2.11                         | 30% | \$8.18        | \$1.07                    | 13%  |
| 2012 | \$8.48   | \$8.62       | -\$0.14                        | -2% | \$6.75        | \$1.73                    | 26%  |
| 2013 | \$9.15   | \$8.78       | \$0.37                         | 4%  | \$7.22        | \$1.93                    | 27%  |
| 2014 | \$7.57   | \$7.02       | \$0.55                         | 8%  | \$7.17        | \$0.40                    | 6%   |
| 2015 | \$6.45   | \$6.30       | \$0.15                         | 2%  | \$5.31        | \$1.14                    | 21%  |
| 2016 | \$5.43   | \$5.20       | \$0.23                         | 4%  | \$4.50        | \$0.93                    | 21%  |
| 2017 | \$4.73   | \$4.59       | \$0.14                         | 3%  | \$4.59        | \$0.14                    | 3%   |

|                          |     |        |     |     |        |     |
|--------------------------|-----|--------|-----|-----|--------|-----|
| % of time Intervals over | 90% | \$0.56 | 11% | 90% | \$0.85 | 17% |
| % of time over both      | 81% |        |     |     |        |     |

With worlds of uncertainty, the risk and opportunity between now and the wheat harvest of 2019, means that it’s time for agents to help their customers lock out the bottom side risk, cover their costs, and set them up to take the most they can out of the markets.

The tools an agent needs to learn, analyze, and quote RPowerD are located in the RPowerD estimator at [www.agentevantage.com](http://www.agentevantage.com) You can: Learn RPowerD with the interactive Scenario Calculator. Quote RPowerD and RP plans of insurance. Evaluate 10 years of on-leveled indemnity results to compare RP and RPowerD coverage levels and strategy results. Use the Matrix to view indemnities, revenue, margin and profit across any range of yields and prices.



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