

## RPowerD™ Locking in Market Price

Producers can manage their price risk by using any or all of the following methods:

- Lock in current **Market Price** and have until midnight the next day to buy the estimate or raise the trigger.
- Establish a guaranteed Additional Price Coverage to the Projected Price.
- Expand opportunity to achieve the highest possible Minimum Revenue Trigger by choosing up to twelve Alternative Price Discovery Periods in full or half month intervals now through August 2018.

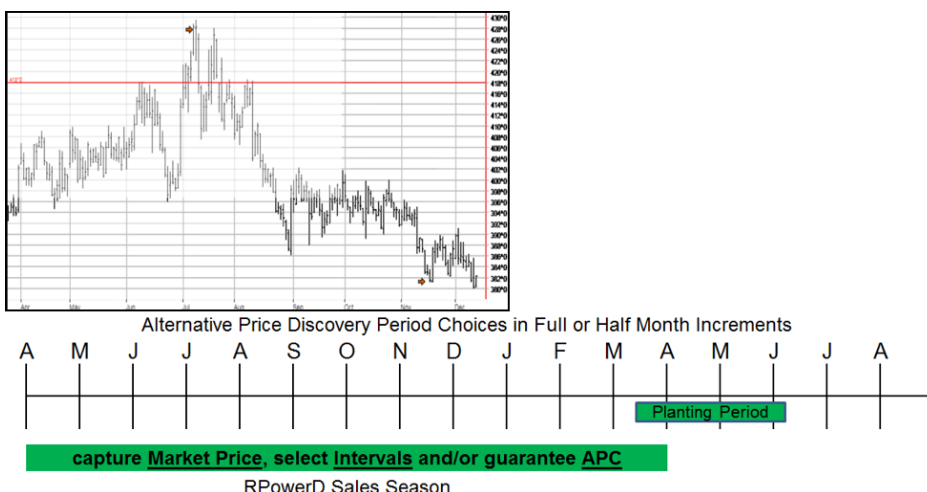
The Price used to establish the Minimum Revenue Trigger will be calculated using the higher of the Revenue Protection Projected Price, the Market Price chosen, the Additional Price Coverage selected, or the highest of any Alternative Price Discovery Periods elected.

Market Price is defined as the previous trading day's closing futures price for the commodity, month and year used to establish the Projected Price. Selecting "Opt-in" to Market Price in the RPowerD [estimator](#) establishes the Market Price displayed in the estimator as one of the prices used to create the RPowerD Revenue Trigger.

Selecting Market Price is a great way to both lock out bottom side price risk and establish a minimum revenue trigger to cover costs. Knowing your customer's revenue target and their approved yield will allow you to back into a Market Price target they would like to lock in if given the opportunity. ie: "I need a minimum revenue of \$640/acre on my corn and my Approved Yield is 180 bu/ac." So the agent will multiply the Approved Yield by the RPowerD coverage level desired (70%-95% in 1% increments). In this example we'll multiply 180 bu/ac x 85% RPowerD coverage = 153 bu/ac, then divide desired minimum revenue of \$640/ac / 153 bu/ac = \$4.18. So \$4.18 is the Market Price my customer does not want to see get away from them. Knowing this number allows the agent to "go to work" for their customers and prospects looking for opportunities to establish \$4.18 or higher as the minimum price to be used in the RPowerD Revenue Equation.

The bar chart price graph for 2018 corn overlaid with the RPowerD sales season timeline shows the opportunity to establish the desired Minimum Revenue Trigger at \$4.18 for the 2018 crop year was available for a total of 10 days during the month of July for our example customer.

Having revenue target conversations with our producers and then using the Market Price feature of RPowerD creates great value and differentiates agents who offer RPowerD from the rest.



**RPowerD**  
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