

<b>Exhibit Name:</b> WFRP Diversity Factor (DF) Example (Plan Code 76, Commodity Code 0076)				
<b>Exhibit Number:</b> P19-2		<b>Reinsurance Year:</b> 2024		
<b>Record Name:</b> WFRP Farm Reports		<b>Version:</b> Approved		
<b>Record Code:</b> P19		<b>Release Date:</b> 7/1/2023		
<b>Example of determining Diversity Factor (DF) based on P14-7 Example 2 and P19-1 calculations.</b>				
Minimum Qualifying Amount (MQA) = \$10,043				
	Expected Revenue		Percent of	Commodity
	Amount		Revenue*	Deviation**
Commodity 1	\$100,000	Eligible	0.667	0.417
Commodity 2	\$9,950			
Commodity 3	\$9,000			
Commodity 4	\$21,000	Eligible	0.140	0.110
Commodity 5	\$9,950			
	Commodity Deviation for grouped commodities			<u>0.366</u>
	Summed Commodity Deviation			0.893
Qualifying Commodity Count equals 4 based on "Eligible Commodity Count (2) + Grouped Commodity Count (2)".				
Commodity Factor equals 0.250 based on "1.00 / 4 (Qualifying Commodity Count)".				
Percent of Revenue(*) for each eligible commodity (not grouped) equals "Expected Revenue Amount / Total Expected Revenue Amount".				
Commodity Deviation(**) for <u>each</u> eligible commodity (not grouped) equals "Round(ABS((Expected Revenue Amount/Total Expected Revenue Amount) - Commodity Factor),3)".				
Commodity Deviation for grouped commodities equals "(Round(ABS((MQA/Total Expected Revenue Amount) - Commodity Factor),3) * Grouped Commodity Count)".				
Sum of Commodity Deviations equals "Eligible Commodity Deviations + Grouped Commodity Deviations".				
4 Commodities	Diversity Factor (DF)	0.670	= .474 + .0248208 * (0.893) + .218472 * (0.893) <sup>2</sup>	