Exhibit Name:	WFRP Diversity Factor (DF) Example (Plan Code 76, Commodity Code 0076)		
Exhibit Number:	P19-2	**Reinsurance Year:**	2017
Record Name:	WFRP Farm Reports	**Version:**	Approved
Record Code:	P19	**Release Date:**	7/1/2016

Example of determining Diversity Factor (DF) based on P14-7 Example 2 and P19-1 calculations.

Minimum Qualifying Amount (MQA) = $10,043

	Expected Revenue Amount		Percent of Revenue*	Commodity 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		0.366
		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 each 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 $= .474 + .0248208 * (0.893) + .218472 * (0.893)^2$