

Table 2 - Estimated Payment Factor Examples Assuming \$2 Billion in Payments

Sales Range	Predicted Ratio of Variable Costs to Sales Per Farm*	57,000 Applicants	113,000 Applicants	170,000 Applicants	227,000 Applicants
Up to \$49,999	0.903	11.3%	5.7%	3.8%	2.8%
\$50,000 - \$99,999	0.849	10.6%	5.3%	3.6%	2.7%
\$100,000 - \$499,999	0.826	10.3%	5.2%	3.5%	2.6%
\$500,000 - \$999,999	0.771	9.6%	4.9%	3.2%	2.4%
\$1 million or more	0.748	9.3%	4.7%	3.1%	2.3%

*Cents spent on variable costs per dollar in sales (farms with up to \$49,999 in sales are expected to spend 90.3 cents on variable costs per dollar of sales)