

# Example – How AgriStability responds

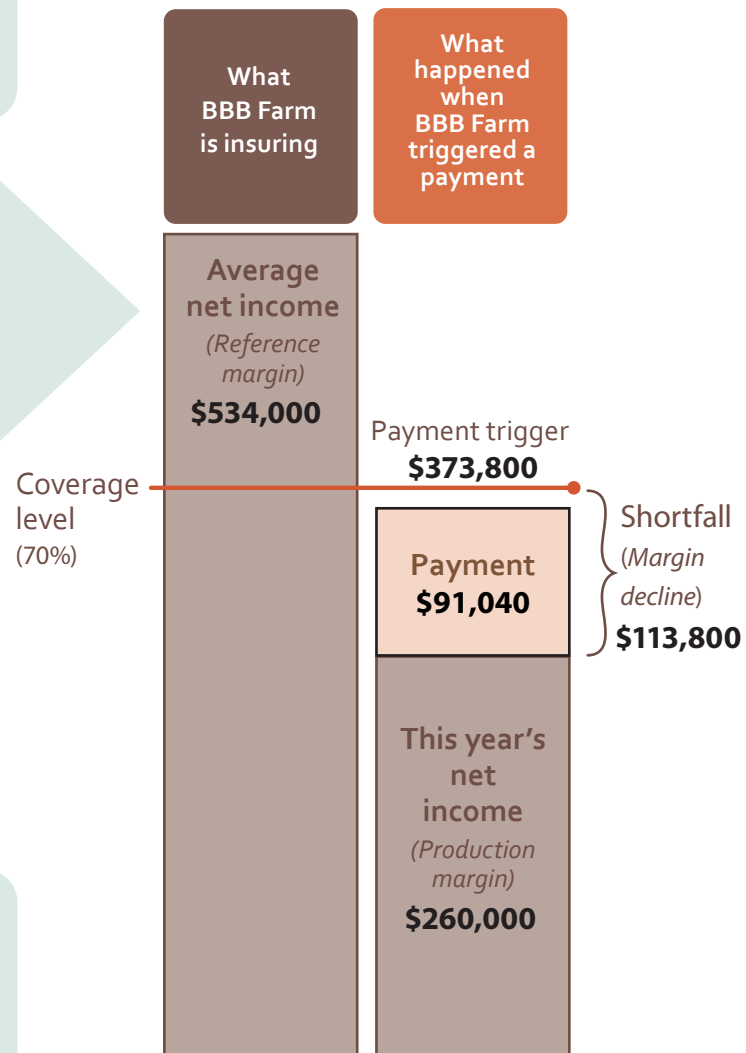
## Beef operation

### Example scenario:

**BBB Farm** has 150 head of cattle and 1,000 acres of hay for sale and feed. This year, increased costs for raising cattle led to a big loss of income for the farm. As a result, BBB Farm's net income was \$260,000 this year.

### Important numbers used in payment calculation

Average net income <i>(Reference margin)</i>	<b>\$534,000</b>
Payment trigger	<b>\$373,800</b>
This year's net income <i>(Production margin)</i>	<b>\$260,000</b>
Shortfall <i>(Margin decline)</i>	<b>\$113,800</b>
<b>Payment</b> <i>(Shortfall x 80% compensation rate)</i>	<b>\$91,040</b>



### How AgriStability responded:

**BBB Farm** got a payment of \$91,040 when things didn't go well, which allowed them to continue producing cattle and helped the farm stay in business.