

United States
Department of
Agriculture

Federal
Crop Insurance
Corporation



Product
Development
Division

FCIC 18040

GROUP RISK PLAN (GRP) INSURANCE STANDARDS HANDBOOK

**General and Individual Crops
1998 and Succeeding Crop Years**

**GROUP RISK PLAN INSURANCE STANDARDS HANDBOOK
SUMMARY OF CHANGES/CONTROL CHART**

Major Changes: See changes or additions in text which have been redlined. Three stars (***) identify information that has been removed.

- 1 Changes:
 - A Removes preliminary payment language (no longer applicable).
 - B Inserts note that GRP barley coverage is not offered for the 1998 crop year.
 - C Inserts a generic Group Risk Plan Disclaimer.
 - D Inserts exhibits for each GRP crop replacing individual GRP crop supplemental handbooks.
 - E Updated GRP optional worksheet.

CONTROL CHART FOR: GROUP RISK PLAN INSURANCE STANDARDS HANDBOOK FCIC-18040						
	SC Pages	TC Pages	Text Pages	Exhibits	Date	Directive Number
Remove	All GRP Crop Handbooks and Replace with 18040					
Current Index	1-2	1-2	1-14	1 (15-16) 2 (17-18) 3 (19-20) 4 (21-22) 5 (23-24) 6 (25-26) 7 (27-28) 8 (29-30) 9 (31-32) 10 (33-34) 11 (35-36) 12 (37-38)	2-98 2-98 2-98 2-98 2-98 2-98 2-98 2-98 2-98 2-98 2-98 2-98	FCIC-18040 FCIC-18040 FCIC-18040 FCIC-18040 FCIC-18040 FCIC-18040 FCIC-18040 FCIC-18040 FCIC-18040 FCIC-18040 FCIC-18040 FCIC-18040

(RESERVED)

GROUP RISK PLAN (GRP) INSURANCE HANDBOOK

TABLE OF CONTENTS

PART 1 GENERAL

	<u>PAGE</u>
1 Purpose	1
2 Special Instructions	1
3 Operating Policy	1
4 Abbreviations	2
5 Forms and Procedures	2
6 Definitions	2
7 Responsibilities	2
8 Insurance Contract Information	3

PART 2 APPLICATION STANDARDS

9 General Application Standards	6
10 Application Form Standards	7
11 Summary of Protection	9

PART 3 ACREAGE REPORT STANDARDS

12 General Acreage Reporting Standards	10
13 Acreage Report Form Requirements	10
14 Acreage Report Review Selection	12
15 Acreage Report Review Criteria	12
16 Acreage Report Review Summary	13

PART 4 INDEMNITY STANDARDS

17 General Indemnity Payment Standards	13
18 Notice of Indemnity Payment	13

EXHIBITS

1 Definitions	15
2 GRP Forms	17
3 Disclaimer	19
4 Wheat	21
5 Cotton	23
6 Forage Production	25
7 Corn	27
8 Grain Sorghum	29
9 Peanut	31
10 Soybean	33
11 Barley	35
12 Group Risk Plan Worksheet	37

(RESERVED)

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

FEDERAL CROP INSURANCE HANDBOOK		NUMBER: 18040
SUBJECT: GROUP RISK PLAN (GRP) INSURANCE STANDARDS HANDBOOK 1998 AND SUCCEEDING CROP YEARS	DATE: February 12, 1998	
	OPI: Product Development Division	
	APPROVED: Deputy Administrator, Research and Development	

PART 1 GENERAL

1 PURPOSE

- A The Group Risk Plan of insurance (hereafter called "GRP") is a risk management tool offered by the Federal Crop Insurance Corporation (FCIC) as an alternative program to the Actual Production History (APH) plan of insurance.
- B This Handbook is to provide (with available Common Group Risk Plan Policy Basic Provisions) necessary information needed for those involved with GRP. Because of the broad scope of information this encompasses, references are made to other handbooks or issuances as appropriate.

2 SPECIAL INSTRUCTIONS

This issuance supersedes Directive 18040.1, General Group Risk Plan (GRP) Insurance Handbook (dated February, 1994); Directive 18030, General (Pilot Program) GRP Insurance Handbook; Directive 18031, Wheat Supplementary Handbook; Directive 18032, Forage Supplementary Handbook; Directive 18034, Corn Supplementary Handbook; Directive 18035, Cotton Supplementary Handbook; Directive 18036, Grain Sorghum Supplementary Handbook; Directive 18037, Peanut Supplementary Handbook; Directive 18038, Soybean Supplementary Handbook; and Directive 18033, Barley Supplementary Handbook.

NOTE: Barley coverage is not offered under a GRP program for the 1998 crop year.

3 OPERATING POLICY

Insurance Providers. Insurance providers must use this handbook as a basis for selling and servicing GRP insurance products.

4 ABBREVIATIONS

APH	Actual Production History
CAT	Catastrophic Risk Protection
FCIC	Federal Crop Insurance Corporation
GRP	Group Risk Plan
MPCI	Multiple Peril Crop Insurance
NCS	Non-Standard Classification System
RMA	Risk Management Agency

5 FORMS AND PROCEDURES

- A Insurance providers are to use FCIC-approved standard procedures in developing procedures, training, forms and completion instructions.
- B Exhibit 2 contains a listing of the forms used to administer GRP. Insurance providers may determine that other forms are necessary. They are to obtain approval from the FCIC Product Development Division in Kansas City, prior to using such forms. Internal insurance providers memos and routine administrative procedures or instructions do not require approval; however, insurance providers are to ensure compliance with the GRP Policy, standards requirements, and guidelines in this book.

6 DEFINITIONS

- A General. Terms and Definitions that are general (not crop specific) to loss adjustment are identified in the LAM.
- B Specific. Terms and definitions specific to GRP and this handbook, which are not defined in this section, are defined as they appear in the text.
- C Exhibit 1 is reserved for other terms which may require definition.

7 RESPONSIBILITIES

GRP responsibilities, while similar to the multiple peril crop insurance (MPCI) program, are different in many respects:

- A FCIC Product Development Division
 - (1) Review and approve all insurance provider procedures and forms prior to their use.
 - (2) Provide guidance and clarification, as needed, regarding these standards.

B Insurance Providers

- (1) Comply with and implement the GRP standards (requirements) and guidelines provided in this handbook, the Group Risk Plan Basic Provisions, the Special Provisions, and any applicable FCIC Manager's Bulletins and Research and Development Informational Memorandums.
- (2) Comply with other requirements issued by FCIC in the administration of contracts between the insurance provider and FCIC.
- (3) Determine whether contract provisions or requirements for GRP have been complied with by the insured.
- (4) Issue any payment due the insured within 30 days of release of the payment yield.
- (5) If an Assignment of Indemnity is requested, the lender is to be advised of the Disclaimer form signed by the insured, and of the differences between the GRP and APH plans of insurance.

8 INSURANCE CONTRACT INFORMATION

GRP is an alternative risk management tool based on the experience of the COUNTY rather than INDIVIDUAL FARMS. It indemnifies the insured in the event the county average per-acre yield (the "payment yield") falls below the insured's "trigger yield." All GRP insured crop acreage reported in the county by the acreage reporting date listed on the actuarial documents is insured. FCIC releases the payment yield to all insurance providers, for each county, following the crop year. (This date is contained in the specific-crop policy.)

A GRP is available for specific crops ONLY in the states and counties listed in the actuarial documents.

B GRP coverage standards consist of the following requirements:

- (1) Coverage is to be provided in accordance with the terms of the FCIC approved GRP policies.
- (2) Unless otherwise specifically allowed by the GRP policy, or actuarial documents, insureds CANNOT insure the same crop through any other federally subsidized multiple peril crop insurance program in counties where they carry GRP coverage.
- (3) The GRP Plan Code is 12. The crop code is found in the actuarial documents.
- (4) Coverage levels, amounts of protection, and rates are contained in the actuarial documents. Catastrophic Risk Protection (CAT) coverage is available only for GRP Forage Production.

- (5) Protection is limited to the maximum protection per acre shown in the actuarial documents.
 - (6) For each GRP offer (i.e., the practices and/or types listed for the crop in the actuarial documents for the county):
 - (a) Indemnity payments are calculated independently and are not offsetting.
 - (b) The insured must choose a whole-dollar amount of protection.
 - (c) The insured must choose a coverage level.
 - (d) The insured must report acreage by share arrangement.
- C The following APH coverages do not apply to GRP:
- (1) Hail and fire exclusion provisions;
 - (2) High risk land exclusion provisions;
 - (3) Late Planting provisions;
 - (4) Replant requirements;
 - (5) Replanting payment provisions;
 - (6) Prevented planting provisions;
 - (7) Nonstandard classification system (NCS); or
 - (8) Experience adjustment factors.
- D Billing dates for the year are found in the Special Provisions.
- E Yield history and production records. Insureds are NOT required to report yield history or maintain production records for GRP. However, they are encouraged to maintain yield and acreage history for possible future use in the APH plan.
- (1) GRP participation will NOT break the continuity of APH plan experience for premium adjustment purposes. Any APH experience adjustment will be reinstated when the individual GRP contract is canceled and an APH plan application is signed. Experience adjustment factors are not used in GRP.
 - (2) APH plan coverage must be canceled for crops insured under GRP. An APH plan cancellation form for each APH plan insured crop to be insured under GRP must be signed at the time of application for GRP coverage. If the APH coverage for the proposed GRP-insured crop is not canceled, the APH coverage remains in effect and GRP coverage must be voided.

- (3) If GRP insureds return to the APH plan:
 - (a) Their APH NCS experience continues;
 - (b) Their APH yield history database will be updated ONLY if continuous production reports (including the period insured under GRP) are filed when they return to the APH plan. Failure to file the most recent year's production report will limit the insured's choices regarding APH plan optional units.

- F Any unpaid (billed) amounts due the company arising from GRP or APH plan insurance participation are to be deducted from payments owed to the insured.

- G Disputes - The company must provide appeal or arbitration rights to the insured as provided in the Common Group Risk Plan Policy.

- H Rounding rules for GRP are as follows:
 - (1) Acres to tenths (X.X);
 - (2) Pounds to whole pounds (X);
 - (3) Tons to tenths (X.X);
 - (4) Bushels to tenths (X.X);
 - (5) Share and factors to thousandths (X.XXX);
 - (6) Dollars to whole dollar (\$X) except Maximum Subsidy per Acre which is in dollars and cents (X.XX);
 - (7) Payment calculation factor to thousandths (X.XXX).

- I Coverage available:
 - (1) GRP coverages are expressed as dollar amounts of protection. Insureds may select any dollar amount of protection from 60 through 100 percent of the maximum protection per acre contained in the Special Provisions.
 - (2) The expected county per-acre yield times the coverage level percentage selected equals the insured's "trigger yield."

- J Rates are stated in dollars per one-hundred dollars of protection. Example: If the rate is 1.00 percent and the protection per acre is \$225, the premium per acre is (1.00 X \$225 X 1%= \$2.25 per acre.)

- K Payment calculations:
- (1) The "expected county yield" shown on the county ActuarialDocument represents an average of annual NASS county yields adjusted for yield trends.
 - (2) The insured receives a payment if the county's payment yield falls below the insured's trigger yield. The amount of payment is determined by the policy protection and severity of the yield shortfall. See the policy for a detailed example of payment calculations.
- L Insureds must report all acreage (insurable and uninsurable) in which they have an interest by share for each practice and type listed in the Actuarialdocuments, by the acreage reporting date.
- M More than one GRP crop program may be available in a county. For a specific crop, separate GRP offers may be listed on the Actuarialdocuments; however, all offers must be insured.
- N Applicants are required to sign a disclaimer form at the time of application. A copy of the form may be found in the exhibits of this handbook.
- O The Group Risk Plan Worksheet. in Exhibit 11 in this handbook, may be copied for use in explaining GRP.
- P GRP is a continuous contract unless canceled in writing by either the insured or the insurance provider by the cancellation date.

PART 2- APPLICATIONS STANDARDS

9 GENERAL APPLICATION STANDARDS

Application standards for GRP consist of the following general requirements with which companies must comply in accepting and reporting applications for GRP.

- A Sales Closing Dates are listed in the Special Provisions.
- B Late-Filed Applications will be accepted ONLY when there is documented evidence that:
- (1) The primary reason for the application being late filed is the action or inaction of an insurance provider agent or employee, or
 - (2) It was the producer's intent to make timely application, but circumstances beyond that persons control prevented them from doing so.
- C Levels of Coverage - 65 (for GRP Forage Production CAT coverage only), 70, 75, 80, 85, or 90 percent. The applicant may choose a different level of coverage for each GRP offer (crop and as applicable, type and/or practice in the county).

- D Eligible Counties - listed in the actuarial documents. Multiple county contracts may be insured, but land physically located in a county will be subject to that county's actuarial documents; the county or county code must be shown on the application.
- E Insurable Acreage - only GRP crop acreage planted and reported by the acreage reporting date listed in the Special Provisions and grown in counties listed in the actuarial documents is insurable. Unless otherwise directed by separate CAT procedures for GRP Forage Production Cat Coverage, a \$50 administrative fee must be paid:
- (1) At the time of application, for the first year of coverage or
 - (2) For subsequent years' coverage, at the time of filing the acreage report.
- F Protection Per Acre - any dollar amount per acre from 60 through 100 percent of the maximum protection per acre specified on the actuarial document. The applicant must choose a dollar amount of protection for each GRP offer.
- G Policy Protection - the dollar amount the insured will receive if the payment-yield is zero. It is equal to the insured's protection per acre times the insured's NET acres of the GRP-insured crop.
- H A Mandatory Disclaimer Form Must Be Prepared by the agent when a GRP application is prepared.
- (1) The agent is to review and discuss the disclaimer form with each applicant.
 - (2) The agent and applicant are to sign and date a disclaimer form for each GRP crop when the application is signed.
 - (a) Furnish a copy of the signed disclaimer to the applicant.
 - (b) The signed original disclaimer is to be filed in the applicant's contract folder.
 - (3) The approved disclaimer form (Exhibit 3) may be photocopied for use in this program.

10 APPLICATION FORM STANDARDS

Companies may utilize their FCIC-APPROVED application form to accommodate required entries. All GRP applications are to contain AT LEAST the following information:

A Applicant:

- (1) First name/initial, middle name/initial, and last name.

- (2) Mailing address, city or town, state, and zip code.
 - (3) Area code and telephone number.
 - (4) Social Security Number (SSN) or Employer Identification Number (EIN). Persons and/or entities with 5 percent or more interest in the insurable entity must report their name, address, phone number, and SSN/EIN number type and entity type on a "Social Security Number (SSN) and Employer Identification Number (EIN) Reporting Form" approved by FCIC.
 - (5) Applicant's signature and date application is signed (applicant's signature must match the name entry in item A(1), above).
- B Agent or Service Office:
- (1) Agent or office name.
 - (2) Mailing address, city or town, state, and zip code.
 - (3) Area code and telephone number.
 - (4) Agent code number.
 - (5) Agent's signature and date application is signed.
- C Insurance Provider Name
- D State Where Acreage Is Located and Is To Be Insured
- (1) State name as designated on the actuarial document.
 - (2) Two-digit state code number as designated on the actuarial document.
- E Counties Where Acreage Is Located and Is To Be Insured. List the name of each county as listed in the actuarial document, where insurance is to attach and three-digit county code numbers.
- F Policy or Contract number.
- G Effective crop year. Appropriate four-digit year, such as "19XX."
- H Crop name. Name of the GRP insured crop as listed in the actuarial document.
- I Coverage level. Two-digit coverage level percent elected by applicant for each GRP offer.
- J Amount of protection. The insured's dollar amount of protection elected for each GRP offer, from 60 through 100 percent of the maximum protection per acre listed in the actuarial document.

- K GRP offer number. Each offer is shown on the actuarial document and is to be entered for each applicable line of the acreage report.

11 SUMMARY OF PROTECTION STANDARDS

Insurance providers are to issue each GRP insured a summary of protection which contains AT LEAST the following information:

- A State name or code - as shown on the actuarial document.
- B County name - as shown on the actuarial document, for each county insured.
- C Crop year - appropriate crop year per policy definition; e.g., 1998 (or 98).
- D Policy/contract number - the assigned policy/contract number (may include the numeric state and county code).
- E Insured's name and address - the insured's complete name and address as shown on the application.
- F Agent servicing office - the agent's complete name, address, and phone number.
- G Name of crop - crop name as listed in the actuarial document.
- H Total reported acreage - reported gross acres, to tenths of an acre, from the acreage report.
- I Insured's share - the insured's share, expressed as a three-place decimal, taken from the acreage report.
- J GRP offer number - the three-digit practice or type code shown on the actuarial document, applicable to the line entry.
- K Trigger yield - the expected county yield listed in the actuarial document, multiplied by the coverage level percent listed on accepted application.
- L Protection per acre - The gross (before share) protection per acre listed on the accepted application.
- M Protection - the dollar amount of protection (nearest whole dollar) for the line.
- N Premium - the amount of premium due (nearest whole dollar).

PART 3 ACREAGE REPORT STANDARDS

12 GENERAL ACREAGE REPORTING STANDARDS

GRP acreage reporting standards consist of the following general requirements with which insurance providers must comply in obtaining and processing acreage reports under GRP.

- A Companies must obtain an acreage report from all GRP insureds.
- B GRP and APH plan acreage must be reported on separate acreage reports.
- C Acreage report data must be timely and properly submitted by insurance providers to FCIC as stated in the Standard Reinsurance Agreement.
- D Acreage reporting dates are stated in the Special Provisions. All GRP-insurable acreage in the county must be reported. This report must be received by the agent each year on or before the acreage reporting date specified in the specific crop Special Provisions. If the acreage reporting date falls on a Saturday, Sunday, or legal holiday, then the date by which the crop acreage must be reported will be extended to the next business day.
- E Late-filed acreage reports. Acreage reports received at the agent's office after the specified acreage reporting date will be either accepted or rejected by the company ON A COUNTY BASIS.
- F Corrected/revised acreage reports may be taken prior to the published acreage reporting date for any reason. After the published date, a corrected acreage report will be made at the company's discretion and identified as "Revised" if the correction affects the Summary of Protection.
- G The GRP contract is void in accordance with policy terms if the insured has concealed or misrepresented any material fact or committed fraud in reporting acreage under GRP.

13 ACREAGE REPORT FORM REQUIREMENTS

All acreage reports for GRP are to contain AT LEAST the following information.

NOTE: Companies may utilize unused columns of their FCIC-APPROVED acreage report form to accommodate required entries.

- A State name - as listed in the actuarial document.
- B County name - as listed in the actuarial document.
- C Policy/contract number - the assigned policy/contract number (may include the numeric state and county code).

- D Crop year - appropriate four-digit crop year designating the calendar year in which the crop is normally harvested.
- E Insured's name and address - the insured's complete name and address as shown on the application.
- F Agent servicing office - the agent's complete name, address, and phone number.
- G Name of crop - crop name as listed in the actuarial document.
- H Insured acres - all insurable gross acres, to tenths of an acre, for each offer listed in the actuarial document. This includes all acreage physically located in the county, planted to the insurable crop, and reported on or before the acreage reporting date. GRP coverage is by county but multiple counties may be reported on a single acreage report, if such a report has been previously approved by FCIC.

NOTE: Document (in the uninsured acreage/remarks section) the estimated or actual number of acres, by share (and practice and type, as applicable), of any uninsurable acreage of the crop.

- I Insured Share - the insured's share expressed as a 3 place decimal. Differing GRP insured crops, crop shares, and practices or types listed in the Special Provisions or actuarial documents, as applicable, require separate acreage report line entries. ALL ACREAGE WITH THE SAME SHARE AND PRACTICE AND TYPE (GRP OFFER), REGARDLESS OF NAME OF OTHER PERSON(S) SHARING IN THE CROP, CAN BE ENTERED ON A SINGLE LINE OF THE REPORT.

NOTE: The share of the spouse and dependent children IS TO BE INCLUDED under the named insured's share.

- J Expected County Yield - the expected county per-acre yield as listed in the actuarial documents.
- K Coverage level - the coverage level percent selected by the insured from those offered on the actuarial document.
- L GRP offer number - the practice and/or type code as listed in the actuarial documents for each GRP-insured crop. Record as a five-digit number in the column "Unit Number." If a type number is specified, record its number as the first three digits; e.g, type code 011 would be listed as "0110." If a separate practice code is specified, drop off its preceding zero and record its number as the last two digits; e.g., practice code 002 would be listed as "0002." (Number 1102 would be listed for the combination, if applicable.) Use "0997" for each line for all acreage in the county for which no practice or type is specified.

14 ACREAGE REPORT REVIEW SELECTION

Companies are to perform acreage report field reviews at least 30-days prior to the date FCIC determines the Payment Yield, as listed in the GRP Crop Provisions. Such reviews must be made prior to the destruction of the crop residue. The following reviews are required:

- A ALL policies of company/FCIC employees or representatives, adjusters, agents, etc:
- B ALL policies for which misrepresentation or concealment of material facts is suspected;
- C ALL late-filed acreage reports;
- D ALL missing (not reported) acreage reports;
- E ALL "zero" acreage reports; and
- F Not less than a 3-percent random sample of each specific crop GRP policy. Where policies have been selected that have multiple GRP crops, the reviewer may verify the acreage report information for the other crops. Those verifications will apply toward the required reviews for that company for those crops, even though such reviews were not random.

15 ACREAGE REPORT REVIEW CRITERIA

Acreage report reviews are to verify:

- A Actual versus reported acreage (including uninsurable acreage).
- B Insurable interest and share in the crop.
- C Insurability of the acreage (GRP insurable crop, type, and/or practice as specified in the actuarial documents, located within the county, and planted and reported on or before the published acreage reporting date).

NOTE: To simplify GRP acreage reporting, the acreage location and other entity sharing in the crop are not required on the acreage report. However, DURING A REVIEW, all acreage legal descriptions and shares are to be verified to the extent necessary to satisfy subparagraphs 15 A, B, C.

16 ACREAGE REPORT REVIEW SUMMARY

Thirty days prior to the date FCIC releases the Payment Yield for the insured crop, the company is to submit a written summary of its completed GRP acreage report reviews to the FCIC Compliance Division, Washington, D.C. The summary is to identify, separately by category listed in paragraph 15, any discrepancies found from that originally reported. Acreage reports are considered to be within tolerance if the premium and indemnity discrepancies for each separate crop, county, type and practice are less than \$250.

PART 4 INDEMNITY PAYMENT STANDARDS

17 GENERAL INDEMNITY PAYMENT STANDARDS

There are no field claims activities for GRP. GRP has no "loss adjustment." Indemnity payment standards for GRP consist of the following general requirements:

- A Preliminary payments are no longer applicable to GRP.
- B Indemnity payments are to be paid according to the GRP Policy Provisions, utilizing the payment yield released by FCIC and the insured's trigger yield.
- C Indemnity payments shall be calculated separately for each county, type and practice.
- D Companies are to make any indemnity payments within 30 days of receiving GRP payment yields from FCIC.

18 NOTICE OF INDEMNITY PAYMENT

The company is to acknowledge each indemnity payment with a "notice of indemnity payment" for each indemnified GRP insured county and crop by GRP offer. This notice must contain AT LEAST the following:

- A Insured's name and address.
- B Agent's name and address.
- C Contract/policy number.
- D Crop name of the GRP insured crop as specified in the GRP Crop Provisions.
- E Crop year, as a 4-digit number (e.g., 1998) or 2-digit number (e.g., 98).
- F Insured share, to three decimal places.
- G Percent coverage level elected.

- H Protection elected per acre, in whole dollars.
- I Payment yield after it is released by FCIC, following the crop year insured. This yield will not be revised because of any subsequent NASS yield revision.
- J Trigger yield.
- K Total indemnity - Total GRP payment for the insured GRP crop offer in the county, in whole dollars.
- L Final Payment, in whole dollars. This entry is to reflect any reduction for any amounts due the company.
- M Check number and date, reflecting the actual check number with date of issue; date in the form MM/DD/YY.
- N GRP offer number as reported on the acreage report.

DEFINITIONS

(RESERVED)

DEFINITIONS
(cont.)

(RESERVED)

GRP FORMS**1 GENERAL INFORMATION**

The following list of forms is used to administer GRP. Supplemental information has been provided in paragraph 3, herein for forms that have specialized uses or requirements in GRP.

2 APPLICABLE GRP FORMS

- A Statement of Facts (Special Report, etc.)
- B Application
- C Contract changes form
- D Receipt of payment
- E Acreage report
- F Assignment of Indemnity
- G Transfer of Right to an Indemnity
- H GRP County Actuarial(Special Provisions and Coverage and Rate Table)
- I Power of Attorney
- J Summary of protection
- K Policy confirmation
- L Schedule of insurance
- M Summary (Notice of Loss Payment)
- N Disclaimer
- O Group Risk Plan Worksheet for the insured crop
- P See the Loss Adjustment Manual (LAM) for examples of any applicable forms

3 SPECIAL USES OR REQUIREMENTS FOR APPLICABLE GRP FORMS

- A Application

A producer cannot carry GRP and APH plan (MPCI) coverage on the same crop in the same county, unless otherwise allowed by the actuarial documents.

B Transfer of Right to an Indemnity

A Transfer of Right to an Indemnity for GRP must be made at least 15 days prior to the date the payment yield is established for the affected crop. This is to ensure that any indemnity payments are made to the proper entity. The form should indicate that the contract covers the share transferred only to the end of the current crop year for the specific crop.

C FCI-35

The GRP County Coverage and Rate Table and Special Provisions contain county actuarial data that includes the following GRP-specific information: Expected County Yield; Maximum Protection/Acre; Maximum Subsidy Amount/Acre; Limited Subsidy Amount /Acre; Trigger Yields; Unsubsidized Rates; applicable Practices and Types (GRP offer number(s)), and the dollar figure at or above which the maximum subsidy applies for the respective coverage level.

GROUP RISK PLAN
DISCLAIMER

YOU NEED TO UNDERSTAND THE FOLLOWING:

- THIS IS NOT A PLAN OF INSURANCE AGAINST INDIVIDUAL LOSS. THE TERMS AND CONDITIONS OF THIS PLAN ARE DIFFERENT FROM THOSE OF THE ACTUAL PRODUCTION HISTORY PLAN OF MULTIPLE PERIL CROP INSURANCE.
- FINAL PAYMENT WILL BE MADE ACCORDING TO THE APPLICABLE CROP PROVISIONS. PREMIUM WILL BE DUE 30 DAYS AFTER THE BILLING DATE SPECIFIED IN THE ACTUARIAL DOCUMENTS AND WILL USUALLY BE DUE BEFORE A LOSS IS DETERMINED OR AN INDEMNITY IS PAID.
- YOU MAY HAVE A LOW YIELD ON YOUR FARM AND NOT RECEIVE PAYMENT UNDER THE GROUP RISK PLAN. THIS PROGRAM IS BASED UPON COUNTY YIELDS, NOT INDIVIDUAL FARM YIELDS.
- YOU SHOULD CONTINUE TO MAINTAIN ALL YOUR PRODUCTION RECORDS IN CASE YOU WISH TO PURCHASE THE ACTUAL PRODUCTION HISTORY PLAN OF MULTIPLE PERIL CROP INSURANCE IN FUTURE YEARS.

I understand the terms of the Common Group Risk Plan Policy, Basic Provisions and Crop Provisions. I am aware that the Actual Production History plan of insurance is available and that I cannot obtain the Actual Production History plan of insurance coverage on crops insured under the Group Risk Plan of insurance in counties in which I purchase a Group Risk Plan Policy. I have read and fully understand this Group Risk Plan Disclaimer.

INSURED _____ AGENT _____
DATE _____ DATE _____

(RESERVED)

**WHEAT (Crop Code - 0011 - Plan 12)
(Pilot Program)**

- A This exhibit replaces the Wheat GRP Supplementary Handbook, #18031, July 1993.
- B. Except for dryland wheat in Texas (where harvested National Agricultural Statistics Service, NASS, yield data is used), planted-acreage NASS yield data is used to establish expected county yield, trigger yield, and maximum protection per acre. Planted-acreage NASS data is used for irrigated GRP wheat acreage for all counties where GRP wheat is insured.
- B GRP wheat is insured by GRP offer. Program yields, premium, and indemnities will be separately calculated on this basis. All insurable (and uninsurable) acreage of wheat is to be reported by GRP offer and share.

(RESERVED)

COTTON (Crop Code-0021 - Plan 12)

- A This exhibit replaces the Cotton GRP Supplementary Handbook, #18035, February 1994.
- B National Agricultural Statistics Service (NASS) data, adjusted for yield trends, is used to establish the expected county yield.
- C The insured crop includes all cotton intended for harvest. Specialty cotton may be insured by written agreement. See the Cotton Crop Provisions.
- D Acreage destroyed as a criteria for participation in any other government program is not insurable and must be deleted from the acreage report, by a revised acreage report, if such acreage was previously reported as insurable.

(RESERVED)

FORAGE (PRODUCTION) (Crop Code-0033 - Plan 12)

- A This exhibit replaces the Forage Production GRP Supplementary Handbook, #18032, July 1993.
- B Forage acreage is not insurable the year of seeding: if the forage is seeded on or after July 1, it also is not insurable in the calendar year following seeding.

(RESERVED)

CORN (Crop Code- 0041 - Plan 12)

- A This exhibit replaces the Corn GRP Supplementary Handbook, #18034, February 1994.
- B National Agricultural Statistics Service (NASS) data, adjusted for yield trends, is used to establish the expected county yield.
- C The crop insured is field corn planted for harvest as grain or silage. Hybrid seed corn, popcorn, and sweetcorn may be insured only by written agreement. The request must be submitted to the agent not later than the sales closing date if such crops are to be insured.
- E Acreage destroyed as a criteria for participation in any other government program is not insurable and must be deleted from the acreage report, by a revised acreage report, if such acreage was previously reported as insurable.

(RESERVED)

GRAIN SORGHUM (Crop Code 0051 - Plan 12)

- A This exhibit replaces the Grain Sorghum Supplementary Handbook, #18036, February 1994.
- B National Agricultural Statistics Service (NASS) data, adjusted for yeild trends, is used to establish expected county yield.
- D The crop insured is all combine type grain sorghum planted for harvest as grain. Hybrid sorghum seed may be insured only by written agreement. The request must be submitted to the agent not later than the sales closing date if hybrid sorghum seed is to be insured.
- E Acreage destroyed as a criteria for participation in any other government program is not insurable and must be deleted from the acreage report, by a revised acreage report, if such acreage was previously reported as insurable.

(RESERVED)

PEANUT (Crop Code 0075 - Plan 12)

- A This exhibit replaces the Peanut GRP Supplementary Handbook, #18037, February 1994.
- B National Agricultural Statistics Service (NASS) data, adjusted for yield trends, is used to establish the expected county yield.
- C The crop insured is peanuts grown for harvest as peanuts. This includes all farmer stock and green peanuts (grown for boiling).
- D Acreage destroyed as a criteria for participation in any other government program is not insurable and must be deleted from the acreage report, by a revised acreage report, if such acreage was previously reported as insurable.

(RESERVED)

SOYBEAN (Crop Code 0081 - Plan 12)

- A This exhibit replaces the Soybean GRP Supplementary Handbook, #18038, February 1994.
- B National Agricultural Statistics Service (NASS) data, adjusted for yield trends, is used to establish the expected county yield.
- C The crop insured is soybeans intended for harvest as grain.
- D Acreage destroyed as a criteria for participation in any other government program is not insurable and must be deleted from the acreage report, by a revised acreage report, if such acreage was previously reported as insurable.

(RESERVED)

BARLEY (crop Code 0091 - Plan 12)

- A This exhibit replaces the Barley Supplementary Handbook, #18033, February 1994.
- B National Agricultural Statistics Service (NASS) data, adjusted for yield trends, is used to establish the expected county yield.
- C The insured crop includes all barley intended for harvest.
- D Acreage destroyed as a criteria for participation in any other government program is not insurable and must be deleted from the acreage report, by a revised acreage report, if such acreage was previously reported as insurable.

(RESERVED)

GROUP RISK PLAN WORKSHEET

Grower Name: _____ Date: _____

State: _____ () County: _____ ()

Grower Selection

Maximum protection \$ _____ Per Acre Minimum protection \$ _____ Per Acre (Minimum is 60% of the maximum)	\$ _____ Per Acre
Coverage Levels: 70 75 80 85 90	(circle one) 70 75 80 85 90 For CAT enter applicable CAT % _____
Trigger Yield (Expected County Yield _____ Bu. or Tons per Acre times Coverage Level)	_____ Bu. or Tons Per Acre
Premium Rate Per \$100 protection	\$ _____ Per \$100
Insured Acreage (Net Acres) (Estimated acreage of wheat in the insured county times insurable share)	_____ Net Acres
Maximum Policy Protection (Net Acres times Protection Per Acre)	\$ _____
Gross Premium (Maximum Policy Protection times Premium Rate Times .01)	\$ _____
Premium Subsidy Amount per Acre: Limited \$ _____ Per Net Acre or Maximum \$ _____ Per Net Acre	(Net Acres X \$ _____) (Must be above dollar amount of protection/acre listed in the Special Provisions to qualify for maximum subsidy)
Premium due from Grower (Total Premium - Subsidy Amount)	\$ _____

Prepared by: _____ Grower's
Initials _____

(RESERVED)