

Board Memorandum No. 693  
Docket No. CI-LRP-Swine-02-1  
Expansion of the Livestock Risk Protection Plan of Insurance for Swine -  
Submitted by American Agri-Business Insurance Company Beginning in the 2003 Crop Year -  
Section 508(h) Submission

FINAL RESOLUTION

RESOLVED, That Docket No. CI-LRP-Swine-02-1, Exhibit No. 2151, authorizing implementation of the expansion of the Livestock Risk Protection plan of insurance for Swine into Illinois, Indiana, Minnesota, and Nebraska beginning in the 2003 crop year, with reinsurance, risk subsidy in an amount equal to 13 percent of the net book premium, and administrative and operating subsidy in an amount equal to 24.5 percent of the net book premium, as authorized under section 508(h) of the Federal Crop Insurance Act, is hereby not approved by the Board and the submitting entity is notified of the Board's intent to disapprove Docket No. CI-LRP-Swine-02-1, Exhibit No. 2151, on the basis that the Livestock Risk Protection plan of insurance for Swine is a pilot program, that pilot programs are experimental in nature and tests are needed to ensure that the pilot works as intended, and that Board policy has been to not approve any requests for expansion of pilot programs until such time as the testing is complete and the program demonstrates that the premium rates are actuarially sufficient, the interests of producers are protected, and that there are no adverse affects on program integrity. This notice of intent to disapprove will also be provided to the submitting entity in writing.

Adopted by the Board of Directors on: December 18, 2002

/s/ Diana Moslak  
Diana Moslak, Secretary  
Federal Crop Insurance Corporation

[SEAL]

Approved by:

/s/ Keith Collins  
Keith Collins  
Chairman of the Board

12/18/02  
Date