SUMMARY OF CHANGES FOR THE GROUP RISK PLAN OF INSURANCE, BASIC PROVISIONS (99-102) (Rev. 11-98), CORN CROP PROVISIONS (99-141), COTTON CROP PROVISIONS (99-121), PEANUT CROP PROVISIONS (99-175), SORGHUM CROP PROVISIONS (99-151), AND SOYBEAN CROP PROVISIONS (99-181).

The following are a brief description of significant changes to the Group Risk Plan Of Insurance (GRP), Basic Provisions, Corn Crop Provisions, Cotton Crop Provisions, Peanut Crop Provisions, Sorghum Crop Provisions, and Soybean Crop Provisions effective for the 1999 crop year. Please refer to the Basic and Crop Provisions for more complete information.

- Standardize, as appropriate, the GRP Basic Provisions with the Common Policy Basic Provisions (7 CFR part 457).

- Add definitions for “Catastropic risk protection,” “Limited coverage,” and “Additional coverage.” Add provisions explaining applicability of the administrative fees and revised amounts.

- Change Cat coverage references to 55 percent of the Maximum Protection per Acre.

- Rename section 14 “Suit Against Us” to read “Legal Action Against Us,” and expand the language regarding the legal basis for a suit and the insured’s right to recover damages.

- Modify the language in section 15 regarding the percentage we charge for administrative expenses when an insured is found to be ineligible.

- Rename section 18 “Life of Policy and Policy Renewal” to read “Life of the Policy, Cancellation, and termination,” and expand the provisions regarding what happens when an amount due is not paid before the termination date.

- Add a new section 20 “Eligibility for Other Farm Benefits.”

- Modify the definition of “NASS yield” in the Crop Provisions, and clarify in the Basic Provisions that the county’s expected yield and payment yield is the NASS yield data, as modified by FCIC.

- Remove the definition “Acreage reporting date” from all crop provisions because it is defined in the Group Risk Plan Basic Provisions.

- Provide for written agreements to insure specialty cotton such as “colored lint cotton” in the GRP Cotton Crop Provisions.

- Rename “Grain Sorghum Crop Provisions to read “Sorghum Crop Provisions” to more appropriately identify the insured crop, that includes sorghum harvested for grain or silage.

99-102 **(Rev. 11-98)**

INSURANCE PROVIDER
Group Risk Plan Common Policy

(This is a continuous policy. Refer to Section 18.)

This insurance policy establishes a risk management program created by the Federal Crop Insurance Corporation (FCIC), an agency of the United States Government, under the authority of the Federal Crop Insurance (Act), as amended (7 U. S. C. 1501 et seq.).

This insurance policy is reinsured by FCIC under the provisions of the Act. All terms of the policy and rights and responsibilities of the parties are subject to the Act and all regulations under the Act published in 7 CFR chapter IV, and may not be waived or varied in any way by the crop insurance representative, any other representative or employee of the company, any representative or employee of FCIC, the Risk Management Agency, or the Farm Service Agency (FSA). All provisions of State and local law in conflict with the provisions of this policy as published in 7 CFR part 407 are preempted and the provisions of such part will control.

Throughout this policy, "you" and "your" refer to the person shown on the accepted application and "we," "us," and "our" refer to the reinsured company issuing this policy. Unless the context indicates otherwise, the use of the plural form of a word includes the singular use and the singular form of the word includes the plural.

The Group Risk Plan of Insurance (GRP) is designed as a risk management tool to insure against widespread loss of production of the insured crop in a county. It is primarily intended for use by those producers whose farm yields tend to follow the average county yield. It is possible for you to have a low yield on the acreage that you insure and still not receive a payment under this plan.

For limited or additional coverage you may select any percent coverage level shown on the actuarial documents. Multiplying your coverage level percent by the expected county yield shown on the actuarial documents gives your trigger yield. If the payment yield that FCIC publishes for the insured crop year falls below your trigger yield, you will receive a payment.

On or before the sales closing date, you may select any dollar amount of protection between 60 and 100 percent (except for Catastrophic Risk Protection (CAT) which is 55 percent) of the maximum protection per acre shown on the actuarial documents. This protection will be provided for each acre of the crop planted by the acreage reporting date and shown on your acreage report (unless otherwise provided in the crop provisions) in which you have a share.

In accordance with the Act, FCIC will pay a portion of your premium, as published in the actuarial documents. The premium rates, practices, types, maximum protection per acre, and maximum subsidy per acre are also shown on the actuarial documents.

FCIC will issue the payment yield in the calendar year following the crop year insured. This yield will be the official estimated yield published by the National Agricultural Statistics Service (NASS). You will be paid if the payment yield falls below your trigger yield. The amount of your payment per net insured acre will be calculated by subtracting the payment yield from the trigger yield, dividing that quantity by the trigger yield, and multiplying that result by your protection per acre for each net acre that you have insured.

To be eligible to participate in the Group Risk Plan of Insurance for any crop in any county, and to receive an indemnity thereunder, you must have an insurable interest in an insured crop that is planted in the county shown on the approved application. The crop must be planted for harvest and be reported to us by the acreage reporting date. You may only purchase coverage under the Group Risk Plan of Insurance on your net acres of the insured crop.

The insurance contract shall become effective upon the acceptance by us of a duly executed application for insurance on our form. Acceptance occurs when we issue a Summary of Protection to you. The policy shall consist of the accepted application, Group Risk Plan of Insurance Common Policy Basic Provisions, Crop Provisions, Special Provisions, actuarial documents, and any amendments, endorsements, or options.

AGREEMENT TO INSURE

In return for your payment of the premium and your compliance with all applicable provisions, we agree to provide risk protection as stated in this policy. If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Catastrophic Risk Protection Endorsement, if applicable; (2) the Special Provisions; (3) the Crop Provisions; and (4) the Group Risk Plan Basic Provisions, with (1) controlling (2), etc.

Terms and Conditions
Group Risk Plan of Insurance Basic Provisions

1. Definitions.

Acreage report - A report required by section 7 of these Basic Provisions that contains, in addition to other information, your report of your share of all acreage of an insured crop in the county, whether insurable or not insurable.

Acreage reporting date - The date contained in the Special Provisions by which you must submit your acreage report in order to be eligible for Group Risk Insurance.

Act - Federal Crop Insurance Act, (7 U.S.C. 1501 et seq.).

Actuarial documents - The material for the crop year which is available for public inspection in your insurance provider's local office, and which shows the maximum protection per acre, expected county yield, coverage levels, premium rates, practices, program dates, and other related information regarding crop insurance in the county.

Additional coverage - For GRP, an amount of protection greater than or equal to: 80 percent of the expected county yield indemnified at 95 percent of the maximum amount of protection (80/95); or 85 percent of the expected county yield indemnified at 90 percent of the maximum amount of protection (85/90); or 90 percent of the expected county yield indemnified at 85 percent of the of the maximum amount of protection (90/85). The protection is on a per acre basis as specified in the actuarial documents for the crop, practice, and type.

Billing date - The date, contained in the actuarial documents, by which we will bill you for the premium and administrative fee on the insured crop.

Cancellation date - The calendar date specified in the Crop Provisions on which insurance for the next crop year will automatically renew unless the policy is canceled in writing by either you or us or terminated in accordance with policy terms.

Catastrophic risk protection - The minimum level of coverage offered by FCIC. For GRP, an amount of protection equal to 65 percent of the expected county yield indemnified at 55 percent of the maximum protection per acre specified in the actuarial documents for the crop, practice, and type.

County - Any county, parish, or other political subdivision of a state shown on your accepted application.

Crop practice - The combination of inputs such as fertilizer, herbicide, and pesticide, and operations such as planting, cultivation, and irrigation, used to produce the insured crop. The insurable practices are contained in the actuarial documents.

Crop Provisions - The part of the policy that contains the specific provisions of insurance for each insured crop.

Crop year - The period of time within which the insured crop is normally grown and designated by the calendar year in which the crop is normally harvested.

Dollar amount of protection per acre - The percentage of coverage selected by you multiplied by the maximum protection per acre specified in the actuarial documents for the crop, practice, and type. The dollar amount of protection per acre is shown on your Summary of Protection.

Expected county yield - The yield contained in the actuarial documents, on which your coverage for the crop year is based. This yield is determined using historical NASS county average yields, as adjusted by FCIC.

FCIC - The Federal Crop Insurance Corporation, a wholly owned corporation within USDA.

FSA - The Farm Service Agency, an agency of the United States Department of Agriculture, or a successor agency.

Good farming practices - The cultural practices generally in use in the county for the crop to make normal progress toward maturity, and are those recognized by the Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the county.

GRP - Group Risk Plan of Insurance.

Insurance provider - The FSA or a private insurance company approved by FCIC which provides crop insurance coverage to producers participating in any Federal crop insurance program administered under the Act.

Limited coverage - For GRP, an amount of protection greater than or equal to 70 percent of the expected county yield indemnified at 60 percent of the maximum amount of protection (70/60) and less than 80/95, 85/90, and 90/85.

Maximum protection per acre - The highest amount of protection specified in the actuarial documents.

MPCI - Multiple peril crop insurance, an insurance product based on an individual yield or amount of insurance.

NASS - National Agricultural Statistics Service, an agency within USDA, or its successor, that publishes the official United States Government yield estimates.

Net acres - The planted acreage of the insured crop multiplied by your share.

Payment yield - The yield determined by FCIC based on NASS yields for each insurable crop's type and practice, as adjusted by FCIC, and used to determine whether an indemnity will be due.

Person - An individual, partnership, association, corporation, estate, trust, or other legal entity, and wherever applicable, a state or a political subdivision or agency of a state.

Sales closing date - The date contained in the Special Provisions by which an application must be filed. The last date by which you may change your crop insurance coverage for a crop year.

Share - Your percentage of interest in the insured crop, as an owner, operator, or tenant at the time insurance attaches. Premium will be determined on your share as of the acreage reporting date. However, only for the purpose of determining the amount of indemnity, your share will not exceed your share at the acreage reporting date or on the date of harvest, whichever is less.

Special Provisions - The part of the policy that contains specific provisions of insurance for each crop that may vary by geographic area.

Subsidy - The portion of your premium, shown in the actuarial documents as limited and maximum amounts per acre, that FCIC will pay in accordance with the Act.

Summary of Protection - Our statement to you of the crop insured, dollar amount of protection per acre, premiums, and other information obtained from your accepted application, acreage report, and the actuarial documents.

Termination date - The calendar date contained in the Crop Provisions upon which insurance ceases to be in effect because of nonpayment of any amount due us under the policy, including premium and administrative fees.

Trigger yield - The result of multiplying the expected county yield by the coverage level percentage chosen by you. When the payment yield falls below the trigger yield, an indemnity is due.

Type - Plants of the insured crop having common traits or characteristics that distinguish them as a group or class, and which are designated in the actuarial documents.

USDA - United States Department of Agriculture.

2. Insured Crop.

The insured crop will be the crop shown on your accepted application, as specified in the applicable Crop Provisions, and must be grown on insurable acres.

3. Insured and Insurable Acreage.

(a) The insurable acreage is all of the acreage of the insured crop for which premium rates are provided by the actuarial documents and in which you have a share and which is in the county listed in your accepted application. The dollar amount of protection per acre, amount of premium, and indemnity will be calculated separately for each county, type, and practice.

(b) Only the acreage seeded to the insured crop on or before the acreage reporting date (unless otherwise provided in the Crop Provisions) and physically located in the county listed on your accepted application will be insured. Crops grown on acreage physically located in another county must be reported and insured separately.

(c) We will not insure any crop grown on any acreage where the crop was destroyed or put to another use during the insurance period for the purpose of conforming with, or obtaining a payment under, any other program administered by the USDA.

(d) We will not insure any acreage where you have failed to follow good farming practices for the insured crop.

4. Policy Protection.

(a) For catastrophic risk protection GRP policies, the dollar amount of protection per acre will be 55 percent of the maximum protection per acre specified on the actuarial documents for each insured crop, practice, and type. For limited and additional coverage GRP policies, you may select any dollar amount of protection from 60 percent through 100 percent of the maximum protection per acre shown on the actuarial documents for the crop, practice, and type.

(b) The dollar amount of protection per acre, multiplied by your net insured acreage, is your policy protection for each insured crop, practice, and type specified in the actuarial documents.

(c) All yields are based on NASS determinations, and such determinations for the county will be conclusively presumed to be accurate.

5. Coverage Levels.

(a) For catastrophic risk protection GRP policies, the coverage level is shown on the actuarial documents for each insured crop, practice, and type. For limited and additional coverage GRP policies, you may select any percentage of coverage shown on the actuarial documents for the crop, practice, and type.

(b) Your coverage level multiplied by the expected county yield shown on the actuarial documents is your trigger yield. If the payment yield published by FCIC for the insured crop, practice, and type for the insured crop year falls below your trigger yield, you will receive an indemnity payment.

(c) You may change the coverage level or amount of protection for each insured crop on or before the sales closing date. Changes must be in writing and received by us by the sales closing date.

6. Payment Calculation Factor.

Your payment calculation factor will be ((your trigger yield - payment yield) ÷ your trigger yield) for the purposes of calculating an indemnity payment.

7. Report of Acreage and Share.

(a) You must report on our form all acreage for each insured crop in which you have a share (insurable and not insured) by practice and type specified in the actuarial documents in each county listed on your accepted application. This report must be submitted each year on or before the acreage reporting date for the insured crop contained in the actuarial documents. If you do not submit an acreage report by the acreage reporting date, we will determine your acreage and share or deny liability on the policy.

(b) We will not insure any acreage of the insured crop planted after the acreage reporting date, unless otherwise provided in the Crop Provisions.

(c) Your premium will be based on the greater of the acreage reported on the acreage report or the acreage determined by us to be accurate.

(d) The payment of an indemnity will be based on your insurable acreage on the acreage reporting date.

(e) If you misrepresent or omit any information, we will revise the premium or liability or both for each insured crop in the county, by type and practice, to the amount we determine to be correct.

(f) You may insure only your share of the crop, which includes any share of your spouse and dependent children unless it is demonstrated to our satisfaction, prior to the sales closing date, that you and your spouse maintain completely separate farming operations and that each spouse is the operator of his or her own separate operation. Any commingling of any part of the operations will cause shares of you and your spouse to be combined.

8. Administrative Fees and Annual Premium.

(a) If you obtain a catastrophic risk protection GRP policy you will pay an administrative fee:

(1) Of $60 per crop per county;

(2) Payable to the insurance provider on the billing date for the crop.

(b) If you obtain a limited coverage GRP policy, you will pay an administrative fee under the same terms and conditions as the premium for the policy:

(1) Of $50 per crop per county;

(2) Not to exceed $200 per county;

(3) Up to a maximum of $600 per producer.

(4) Limited resource farmers as defined at 7 CFR § 457.8 may apply for a waiver of administrative fees for the limited coverage policy.

(c) If you obtain an additional coverage GRP policy, you will pay an administrative fee:

(1) Of $20 per crop per county;

(2) Payable under the same terms and conditions as the premium for the policy.

(d) For limited and additional coverage GRP policies, your premium is determined by multiplying your policy protection by the premium rate per hundred dollars of protection for your coverage level contained in the actuarial documents, by 0.01, and subtracting the applicable subsidy.

(e) For catastrophic risk protection, limited, and additional coverage GRP policies, payment of an administrative fee will not be required if you file a bona fide zero acreage report on or before the acreage reporting date for the crop (if you falsely file a zero acreage report you may be subject to criminal and administrative sanctions).

(f) The annual premium is earned and payable at the time the insured crop is planted. For each insured crop, you will be billed for premium and the administrative fee by the billing date specified in the Special Provisions. Premium, administrative fee, and any other amount owed us is due on the billing date and interest will accrue if the premium, administrative fee, or any other amount owed is not received by us before the first day of the month following the premium billing date.

(g) The premium, administrative fee, and any other amount due, plus any accrued interest, will be considered delinquent if it is not paid on or before the termination date specified in the Crop Provisions. This may affect your eligibility for benefits under other USDA programs. A debt for any crop insured with us under the authority of the Act will be deducted from any indemnity due you for this or any other crop insured with us.

(h) Failure to pay the premium and any administrative fee due, plus any accrued interest and penalties, by the termination date will make you ineligible for any crop insurance under the Act for subsequent crop years until the sales closing date after the date the debt, including interest and penalties, is paid or satisfactory arrangements acceptable to us for such payment are made.

9. Written Agreements.

Terms of this policy which are specifically designated for the use of written agreements may be altered by written agreement in accordance with the following:

(a) You must apply in writing for each written agreement no later than the sales closing date;

(b) The application for written agreement must contain all variable terms of the contract between you and us that will be in effect if the written agreement is not approved;

(c) If approved by us, the written agreement will include all variable terms of the contract, including, but not limited to, crop type or variety, the protection per acre, premium rate, and price election; and

(d) Each written agreement will only be valid for one year. If the written agreement is not specifically renewed the following year, insurance coverage for subsequent crop years will be in accordance with the printed policy.

10. Access to Insured Crop and Record Retention.

We may examine the insured crop and any records relating to the crop and this insurance at any location where such crop or such records may be found or maintained, as often as we reasonably require. Records relating to the planting of the insured crop and your net acres must be retained for three years after the end of the crop year or three years after the date of payment of the final indemnity, whichever is later. We may extend the record retention period beyond three years by notifying you of such extension in writing. Failure to maintain such records will, at our option, result in cancellation of the policy or a determination that no indemnity is due.

11. Transfer of Coverage and Right to Indemnity.

If you transfer any part of your share during the crop year, you may transfer your coverage rights, if the transferee is eligible for crop insurance. We will not be liable for any more than the liability determined in accordance with your policy that existed before the transfer occurred. The transfer of coverage rights must be on our form and will not be effective until approved by us in writing. Both you and the transferee are jointly and severally liable for payment of the premium. The transferee has all rights and responsibilities under this policy consistent with the transferee's interest.

12. Assignment of Indemnity.

You may assign to another person your right to an indemnity for the crop year. The assignment must be on our form and will not be effective until approved in writing by us.

13. Other Insurance.

You may not obtain any other crop insurance issued under the authority of the Act on your share of the insured crop. If we determine that more than one policy on your share is intentional, you may be subject to the sanctions authorized under this policy, the Act, or any other applicable statute. If we determine that the violation was not intentional, the policy with the earliest date of application will be in force and all other policies will be void. Nothing in this paragraph prevents you from obtaining other insurance not issued under the Act.

14. Legal Action Against Us.

(a) You may not bring legal action against us unless you have complied with all of the policy provisions.

(b) If you do take legal action against us, you must do so within 12 months of the date of denial of a claim. Suit must be brought in accordance with the provisions of 7 U.S.C. 1508(j).

(c) Your right to recover damages (compensatory, punitive, or other), attorney's fees, or other charges is limited or excluded by this contract or by Federal Regulations.

15. Restrictions, Limitations, and Amounts Due Us.

(a) We may restrict the amount of acreage we will insure to the amount allowed under any acreage limitation program established by USDA.

(b) Violation of Federal statutes including, but not limited to, the Act; the controlled substance provisions of the Food Security Act of 1985; the Food, Agriculture, Conservation, and Trade Act of 1990; and the Omnibus Budget Reconciliation Act of 1993, and any regulation promulgated thereunder, will result in cancellation, termination, or voidance of your crop insurance contract. We will recover any and all monies paid to you or received by you during your period of ineligibility, and your premium will be refunded, less a reasonable amount for expenses and handling not to exceed 20 percent of the premium paid or to be paid by you.

(c) Our maximum liability under this policy will be limited to the policy protection specified in section 4 of this policy. Under no circumstances will we be liable for the payment of damages (compensatory, punitive, or other), attorney's fees, or other charges in connection with any claim for indemnity, whether we approve or disapprove such indemnity.

(d) Interest will accrue at the rate not to exceed 1.25 percent simple interest per calendar month, or any part thereof, on any unpaid premium or administrative fee balance. For the purpose of premium and administrative fee amounts due us, interest will begin to accrue on the first day of the month following the premium billing date specified in the Special Provisions.

(e) For the purpose of any amounts due us, such as repayment of indemnities found not to have been earned, interest will start to accrue on the date that notice is issued to you for the collection of the unearned amount. Amounts found due under this paragraph will not be charged interest if payment in full is made within 30 days of issuance of notice by us. The amount will be considered delinquent if not paid in full within 30 days of the date the notice is issued by us.

(f) All amounts paid will be applied first to expenses of collection (see subsection (g) of this section) if any, second to reduction of accrued interest, and then to reduction of the principal balance.

(g) If we determine that it is necessary to contract with a collection agency or to employ an attorney to assist in collection, you agree to pay all of the expenses of collection.

(h) A portion of the amount paid to you to which you were not entitled may be collected through administrative offset from payments you receive from United States government agencies in accordance with 31 U.S.C. chapter 37.

16. Determinations.

(a) If you and we fail to agree on any factual determination, the disagreement will be resolved in accordance with the rules of the American Arbitration Association. Failure to agree with any factual determination made by FCIC must be resolved through the FCIC appeal provisions published at 7 CFR part 11.

(b) No award determined by arbitration or appeal can exceed the amount of liability established or which should have been established under this policy.

17. Holidays and Weekends.

If any date specified in this program falls on Saturday, Sunday, or a legal Federal holiday, that date will be extended to the next business day.

18. Life of Policy, Cancellation, and Termination.

(a) This is a continuous policy and will remain in effect for each crop year following the acceptance of the original application until canceled by you in accordance with the terms of the policy or terminated by operation of the terms of the policy or by us.

(b) Your application for insurance must contain all the information required by us to insure the crop. Applications that do not contain all social security numbers and employer identification numbers, as applicable (except as stated herein), coverage level, price election, crop, type, variety, or class, plan of insurance, and any other material information required to insure the crop, are not acceptable. If a person with a substantial beneficial interest in the insured crop refuses to provide a social security number or employer identification number, the amount of coverage available under the policy will be reduced proportionately by that person's share of the crop.

(c) After acceptance of the application, you may not cancel this policy for the initial crop year. Thereafter, the policy will continue in force for each succeeding crop year unless canceled or terminated as provided below.

(d) Either you or we may cancel this policy after the initial crop year by providing written notice to the other on or before the cancellation date shown in the Crop Provisions.

(e) If any amount due, including premium, is not paid on or before the termination date for the crop on which an amount is due:

(1) For a policy with the unpaid premium, the policy will terminate effective on the termination date immediately subsequent to the billing date for the crop year;

(2) For a policy with other amounts due, the policy will terminate effective on the termination date immediately after the account becomes delinquent;

(3) Ineligibility will be effective as of the date that the policy was terminated for the crop for which you failed to pay an amount owed and for all other insured crops with coincidental termination dates;

(4) All other policies that are issued by us under the authority of the Act will also terminate as of the next termination date contained in the applicable policy;

(5) If you are ineligible, you may not obtain any crop insurance under the Act until payment is made, you execute an agreement to repay the debt and make the payments in accordance with the agreement, or you file a petition to have your debts discharged in bankruptcy;

(6) If you execute an agreement to repay the debt and fail to timely make any scheduled payment, you will be ineligible for crop insurance effective on the date the payment was due until the debt is paid in full or you file a petition to discharge the debt in bankruptcy and subsequently obtain discharge of the amounts due. Dismissal of the bankruptcy petition before discharge will void all policies in effect retroactive to the date you were originally determined ineligible to participate;

(7) Once the policy is terminated, the policy cannot be reinstated for the current crop year unless the termination was in error;

(8) After you again become eligible for crop insurance, if you want to obtain coverage for your crops, you must reapply on or before the sales closing date for the crop (since applications for crop insurance cannot be accepted after the sales closing date, if you make any payment after the sales closing date, you cannot apply for insurance until the next crop year); and

(9) If we deduct the amount due us from an indemnity, the date of payment for the purpose of this section will be the date you sign the properly executed claim for indemnity.

(10) For example, if crop A, with a termination date of October 31, 1997, and crop B, with a termination date of March 15, 1998, are insured and you do not pay the premium for crop A by the termination date, you are ineligible for crop insurance as of October 31, 1997, and crop A's policy is terminated on that date. Crop B's policy is terminated as of March 15, 1998. If you enter an agreement to repay the debt on April 25, 1998, you can apply for insurance for crop A by the October 31, 1998, sales closing date and crop B by the March 15, 1999, sales closing date. If you fail to make a scheduled payment on November 1, 1998, you will be ineligible for crop insurance effective on November 1, 1998, and you will not be eligible unless the debt is paid in full or you file a petition to have the debt discharged in bankruptcy and subsequently receive discharge.

(f) If you die, disappear, or are judicially declared incompetent, or if you are an entity other than an individual and such entity is dissolved, the policy will terminate as of the date of death, judicial declaration, or dissolution. If such event occurs after coverage begins for any crop year, the policy will continue in force through the crop year and terminate at the end of the insurance period and any indemnity will be paid to the person or persons determined to be beneficially entitled to the indemnity. The premium will be deducted from the indemnity or collected from the estate. Death of a partner in a partnership will dissolve the partnership unless the partnership agreement provides otherwise. If two or more persons having a joint interest are insured jointly, death of one of the persons will dissolve the joint entity.

(g) We may terminate your policy if no premium is earned for 3 consecutive years.

(h) The cancellation and termination dates are contained in the Crop Provisions.

19. Contract Changes.

(a) We may change any terms and conditions of this policy from year to year.

(b) Any changes in policy provisions, expected county yields, maximum amounts of protection, premium rates, and program dates will be provided by us to your local crop insurance provider not later than the contract change date contained in the Crop Provisions. You may view the documents or request copies from your local crop insurance provider.

(c) You will be notified, in writing, of changes to the Basic Provisions, Crop Provisions, and Special Provisions of this policy not later than 30 days prior to the cancellation date for the insured crop. Acceptance of changes will be conclusively presumed in the absence of notice from you to change or cancel your insurance coverage.

20. Eligibility for Other Farm Program Benefits.

To remain eligible for benefits under the Agriculture Marketing Transition Act, the conservation reserve program, or certain farm loans, you are required to obtain at least the catastrophic level of coverage for either GRP or any other plan of insurance that is available in the county, for all crops of economic significance, or execute a waiver of your rights to any emergency crop assistance on or before the sales closing date for the crop.

An Example to Demonstrate How GRP Works

Producer A buys 90 percent coverage and selects $160 protection per acre. Producer B buys 75 percent coverage and selects $185 protection per acre. Both producers have 100 percent share and both plant 200 acres of a crop in the county. The expected county yield is 45 bushels per acre. The premium rate for 90 percent coverage is $6.14 per hundred dollars of protection and the premium rate for 75 percent coverage is $3.30 per hundred dollars of protection. The maximum subsidy amount per acre is $3.07 and the limited subsidy amount is $2.21 per acre.

A's trigger yield is 40.5 bushels per acre (90% X 45), and the total premium due is $1,965 ($160 X $6.14 X 200 acres X 0.01). Of that amount, FCIC pays $614 (200 acres X the maximum subsidy of $3.07 per acre). A's policy protection is $32,000 ($160 X 200 acres).

B's trigger yield is 33.8 bushels per acre (75% of 45), and the total premium due is $1,221 ($185 X $3.30 X 200 acres X 0.01). Of that amount, FCIC pays $442 (200 acres X the limited subsidy amount of $2.21 per acre). B's policy protection is $37,000 ($185 X 200 acres).

Scenario 1 (likely)
FCIC issues a payment yield of 46 bushels per acre. This is above both producers' trigger yields, so no indemnity payment is made, even if one or both have individual yields that are below the trigger yield.

Scenario 2 (less likely)
FCIC issues a payment yield of 38 bushels per acre. A's payment calculation factor is 0.062 ((40.5 - 38)÷ 40.5). This number multiplied by the policy protection yields an indemnity payment of $1,984 (.062 X $32,000). B's trigger yield is less than the payment yield, so no indemnity payment is made.

Scenario 3 (least likely)
FCIC issues a payment yield of 22 bushels per acre. A's payment calculation factor is 0.457 ((40.5 - 22) ÷ 40.5). The payment is $14,624 (0.457 X $32,000). B's payment calculation factor is 0.349 ((33.8 - 22) ÷ 33.8), and the final indemnity payment is $12,913 (0.349 X $37,000).