



United States Department of Agriculture

Farm and Foreign Agricultural Services
Risk Management Agency

BULLETIN NO.: MGR-00-013

TO: All Reinsured Companies
All Risk Management Offices
All Other Interested Parties

FROM: Kenneth D. Ackerman /s/ Ken Ackerman 3-27-00
Administrator

SUBJECT: Automated Plan of Operations, Extended Date to File and State Licenses

BACKGROUND:

In the March 30, 1999, Informational Memorandum entitled "On-line Plan of Operations (Plan) and Extended Period for Submitting 2000 Reinsurance Year Plans," the instructions included a reference to the fact that "...as a back-up for the automated process, you will also be required to submit a hard-copy of the Plan to the Reinsurance Services Division (RSD)." This statement may have given companies the wrong impression.

The Automated Plan is not a complete substitution for the normal process of submitting a hard copy of the Plan of Operations to RSD for approval. It is being used to facilitate the submission and entry of particular information into the database. We realize that certain exhibits such as Financial Statements and Training Plans do not easily lend themselves to on-line entry and must be submitted in hard copy. For this reason, the past practice of submitting the hard copy plan to RSD for approval will continue as the primary source of documentation for the Plan of Operations.

Several companies have experienced problems with the software and hardware required for on-line entry. With the support of Research & Development, these problems have largely been resolved.



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The Risk Management Agency Administers and Oversees
All Programs Authorized Under the Federal Crop Insurance Corporation

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RSD Account Executives have reviewed and identified several concerns within the program for the Automated Plan. These focus on the preservation of a particular year's plan data and improving the descriptions, explanations and references contained in the help screens. We will continue to work with programmers to clarify help screens and improve the user friendliness of the Automated Plan.

RSD has received several questions regarding renewal dates for the state licenses of the reinsured companies and policy issuing companies.

ACTION:

1. With the current submission, the Federal Crop Insurance Corporation (FCIC) will accept for approval the hard copy 2001 Plan of Operations, part of which can be printouts of the exhibits entered on-line and which are designated as "APO" (for Automated Plan of Operations) in the Addendum to Appendix 2 of the Plan of Operations. A copy of the Addendum is attached to this Bulletin for your reference.
2. According to Section V.G.1.a. of the Standard Reinsurance Agreement, the Plan of Operations must be submitted to FCIC by April 1st of the preceding reinsurance year. Because of the confusion the Automated Plan may have caused, FCIC hereby extends the due date for submission of the 2001 plans from April 1, 2000 to May 1, 2000.
3. FCIC will accept a certification from the reinsured company, signed by the officer for the company with signature authority to sign the Standard Reinsurance Agreement, that the reinsured company and all policy issuing companies will renew all licenses as required by the applicable state agency governing insurance matters.

If you should have any questions, please contact your Account Executive.

DISPOSAL DATE:

This Bulletin is for the purpose of transmitting / updating information and the disposal date is December 31, 2000.

(Rev. March 29, 2000)

**ADDENDUM TO: APPENDIX 2
PLAN OF OPERATIONS**

The following Exhibit Numbers of the Plan of Operations are hereby designated as being provided by:

APO Entering via the Automated Plan of Operations on-line and printing out.

or

HARD COPY Document is prepared and submitted in hard copy only.

<u>Exhibit Nos.</u>	<u>Originating Medium</u>
A.	APO
B.	APO
C.	APO
D.	HARD COPY (if there is an MGA)
E.	APO (See APO #1C)
F.	APO
G.	APO
H.	APO
I.	HARD COPY
J.	APO
K.	APO
L.	APO
M.	APO
N.	APO
O.	HARD COPY
P.	HARD COPY
Q.	APO
R.	APO
S.	APO (See Check-Box in APO #1)
T.	HARD COPY
U.	HARD COPY
V.	HARD COPY
W.	HARD COPY
X.	HARD COPY
Y.	HARD COPY
Z.	HARD COPY
AA.	HARD COPY
BB.	HARD COPY
CC.	HARD COPY