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Department of
Agriculture**

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**Risk
Management
Agency**

**Product
Development
Division**

**FCIC 24020
(11-04)**

2005 WRITTEN AGREEMENT HANDBOOK

Standards and Instructions for the Processing
of Actuarial Requests and Written Agreements

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U.S. DEPARTMENT OF AGRICULTURE
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FEDERAL CROP INSURANCE CORPORATION DIRECTIVE		NUMBER: 24020
SUBJECT: 2005 WRITTEN AGREEMENT HANDBOOK	DATE:	November 18, 2004
	OPI: Product Development Division	
	APPROVED:	<i>/s/ Tim B. Witt</i> Deputy Administrator Research and Development

1 PURPOSE

To provide standards, criteria, and instructions to the Risk Management Agency (RMA) Regional Offices (RO) and approved insurance providers for the processing of actuarial requests and written agreements. The procedures contained in this handbook are consistent with applicable regulations affecting the issuance of written agreements. No written agreement may be issued unless expressly authorized by the policy.

NOTE: IF THERE IS A CONFLICT BETWEEN THE ACT, THE REGULATIONS PUBLISHED AT 7 CFR CHAPTER IV, AND THIS HANDBOOK, THE ORDER OF PRIORITY IS AS FOLLOWS: (1) THE ACT; (2) THE REGULATIONS IN 7 C.F.R. CHAPTER IV; AND (3) THIS HANDBOOK, WITH (1) CONTROLLING (2), ETC. THIS HANDBOOK WILL CONTROL THOSE PROVISIONS RELATED TO WRITTEN AGREEMENTS IN THE CROP INSURANCE HANDBOOK (CIH). WITH RESPECT OTHER PROVISIONS NOT RELATED TO WRITTEN AGREEMENTS, THE CIH WILL CONTROL.

2 CANCELLATION

A Effective Date. The FCIC 24020 Written Agreement Handbook is effective for those Crop Provisions that have a contract change date on or after November 30, 2004.

B Issuance. This issuance is for the 2005 and succeeding crop years.

C Issuances Rescinded. This handbook replaces Transmittal No. 24020 dated November 9, 2000.

D Filing Instructions.

Remove

Insert

Entire Handbook

New Handbook

DISTRIBUTION:

Directors, Washington, D.C., Kansas City, Regional and Compliance Offices; National Appeals Division; Insurance Providers, and National Crop Insurance Services.

3 PROCESSING ACTUARIAL REQUESTS AND WRITTEN AGREEMENTS

A written agreement is a document designed to provide crop insurance for insurable crops when coverage or rates are unavailable or to modify existing terms and conditions in the crop insurance policy when specifically permitted by the policy. RMA's ROs are authorized to conduct the underwriting and approve or deny requests for actuarial change and written agreements on behalf of FCIC.

3A General rules.

Unless otherwise specified, the following requirements are applicable to all written agreements.

- (1) Each written agreement will only be valid for the number of crop years specified in the written agreement (The written agreement will only apply for any crop year if all terms and conditions in the written agreement are still applicable for the crop year and the conditions under which the written agreement has been provided have not changed prior to the beginning of the insurance period. If a written agreement is not renewed in writing after it expires, is not applicable for a crop year, or is canceled by the insurance provider, producer or FCIC in accordance with the terms of such agreement, insurance coverage will be in accordance with the terms and conditions stated in the policy, without regard to the written agreement).
- (2) Requests for written agreements must include all information required in section 3B. Written agreement requests will not be accepted for crops that do not have Crop Provisions, Crop Provisions that specifically preclude written agreements or to alter policy provisions not specifically designated for alteration by written agreement in the policy. Price elections, dates, transitional yields (T-yield) or rate map areas, etc. cannot be altered unless specifically authorized in the policy and provided for in this handbook.
- (3) For requests establishing insurability after the sales closing date, the insurance provider must conduct an appraisal of the crop for which a written agreement is requested to determine if the crop's potential yield by field for the acreage specified in the written agreement is equal to or greater than 90 percent of the yield used to determine the production guarantee or the amount of insurance (and the insurance provider must comply with all applicable appraisal procedures).
 - (a) If any field does not have a potential yield equal to or greater than 90 percent of the yield used to determine the production guarantee or the amount of insurance, the field will not be insurable and the RO must note on the written agreement those fields that are not insurable and the reason.
 - (b) No inspection is required for written agreements for:
 - 1 Requests accepted by the RO before the crop is planted; or
 - 2 Fall planted crops unless required by RMA.
 - (c) Except as provided in subparagraph (d), crop appraisals must be conducted on the same day the written agreement is signed by the

producer.

- (d) For written agreements that establish insurability where the crop has not been planted, a crop inspection is required to occur at a specific stage of growth determined by FCIC (e.g., broadcast soybeans, crops seeded by airplane, etc.).
- (4) Any existing policy and actuarial requirements will remain in effect if:
- (a) The request is denied or not accepted by the RMA RO or insurance provider;
 - (b) The written agreement offer is not accepted by the producer;
 - (c) The written agreement offer is accepted by the producer after the expiration date; or
 - (d) The crop's minimum potential yield per acre specified in section 3A(3) above is not met.
- (5) The producer will only have the option to accept or reject in total any written agreement issued by the RO. The producer cannot pick and choose which terms of a written agreement to accept or reject.
- (6) Written agreements are not authorized for any policies insured under the Catastrophic Risk Protection Endorsement (CAT).
- (7) If the date by which the producer or insurance provider is required to submit and postmark a request for issuance or re-issuance of a written agreement falls on a Saturday, Sunday, or a Federal holiday, such documentation must be submitted on the next business day.
- (8) For acceptance of written agreements or reissued written agreements, the producer must sign the written agreement by the expiration date stated in the written agreement regardless of what day of the week such date falls on.
- (9) Policy provisions that refer to "agree in writing" mean the same thing as "written agreement."
- (10) For high-risk land and unrated land based on extreme risks, in addition to the premium rates determined in section 4, the additional premium associated with the high risk land must be included in the premium rate.

3B Required information for requests for written agreements.

- (1) ALL REQUESTS must be signed by the authorized representative of the insurance provider and the producer and contain the producer's acceptance of the following statements:

"I have read and understand the following:

- (a) I will have the option to accept or reject any written agreement approved by FCIC based on this request for actuarial change. I cannot pick and choose which terms of the written agreement to accept or reject.

- (b) I agree that I must accept the written agreement by the expiration date or the written agreement will be rejected.
 - (c) I agree that if I submit multiple Request for Actuarial Change forms, regardless of when the forms are submitted, for the same condition or for the same crop (e.g., to insure corn on ten legal descriptions where there are no actuarial documents in the county or the request is to change the premium rates from the high risk rates) they may be treated as one request by FCIC and I will have the option of accepting or rejecting the written agreement in its entirety. I cannot reject some terms and conditions of the written agreement and accept others.
 - (d) If a crop inspection is required, I agree my written agreement will be rejected by FCIC if: (1) an appraisal of the planted acreage by the insurance provider determined the crop's potential is less than 90 percent of the yield used to determine the production guarantee or the amount of insurance, as determined on the same day the written agreement is presented to me; (2) I fail to sign and accept the written agreement on the date of the appraisal; or (3) the insurance provider has failed to comply with all applicable appraisal procedures.
 - (e) If this request is denied or is not accepted by FCIC or the insurance provider, the written agreement is not approved by FCIC, I reject the written agreement under subparagraph (a), I do not accept the written agreement by the expiration date specified in the written agreement, or the written agreement is not timely returned to the Risk Management Agency and I am unable to establish that I complied with all deadlines, I agree that:
 - 1 If insurance is available in the county for the crop, I must accept the rate and coverage from the policy and actuarial documents or
 - 2 If this request is to initially establish a rate and coverage not otherwise available in the county, no insurance will be provided.
 - (f) I agree that regardless of the determinations described in subparagraph (e), I cannot cancel my policy after the cancellation date.
 - (g) I agree that a written agreement is not effective until signed by FCIC.
 - (h) I agree that I am bound by the preceding statements in any reconsideration, mediation, or appeal related to this request for a written agreement.”
- (2) To be accepted by FCIC, a request for a new written agreement must contain:
- (a) For all new written agreement requests:
 - 1 A completed “Request for Actuarial Change” form;
 - 2 Except for policies that do not require APH, in accordance with the provisions of section 4, provide for at least the most recent crop year during the base period:

- i An Actual Production History (APH) form containing all the information needed to determine the approved yield for the current crop year (completed APH form), signed by the producer, for at least the most recent crop year during the base period for crop and county for which the producer is requesting a written agreement if required by the RO; or
 - ii An unsigned completed APH form with applicable production reports signed and dated by the producer based on verifiable records of actual yields for the crop and county for crop and county for which the producer is requesting a written agreement, if required by the RO; and
 - iii Verifiable records of actual yields if required by the RO;
 - 3 Evidence from agricultural experts or the organic agricultural industry, as applicable, that the crop can be produced in the county if the request is to provide insurance for practices, types, or varieties that are not insurable, unless such evidence is not required by the RO;
 - 4 All of the following:
 - i The legal description of the land (in areas where legal descriptions are available);
 - ii, Farm Service Agency (FSA) Farm Serial Number (FSN) including tract number; and
 - iii A FSA aerial photograph or an acceptable Geographic Information System (GIS), Global Positioning System (GPS) maps, or other legible maps issued by a state or federal agency delineating field boundaries where the producer intends to plant the crop, or where the crop is planted, for which an actuarial change is requested; and
 - 5 For any perennial crop, an acceptable inspection report completed by the insurance provider and a Producer's Pre-Acceptance Worksheet, if required by the CIH.
- (b) For new written agreement requests for counties without actuarial documents for the crop, the requirements in section 3B(2)(a) (except section 3B(2)(a)2) and:
- 1 A completed APH form (except for policies that do not require APH) based on verifiable records of actual yields for the crop and county for at least the most recent three consecutive crop years in which the crop was grown during the base period (If the producer expands to acreage that adjoins the farming operation and such acreage crosses a county or state line into a county without actuarial documents, RMA may consider existing production reports as sufficient);

- 2 Acceptable production records of actual yields (as specified in the CIH) for at least the most recent three consecutive crop years in which the crop was grown. Production records are not required if records of crop production are not used to establish either insurance coverage or losses paid under the policy;
 - 3 The dates the producer and other growers in the area normally plant and harvest the crop, if applicable;
 - 4 The name, location of, and approximate distance to the place the crop will be sold or used by the producer; and
 - 5 For any irrigated practice, the water source, method of irrigation, and the amount of water needed for an irrigated practice for the crop.
- (c) Such other information as specified in section 4 of this handbook, the Special Provisions or required by the RMA RO.

3C Consideration of requests for written agreements.

- (1) Requests for new written agreements must be reviewed to determine if any requested acreage was previously insured by a written agreement approved for another person or entity. If this review identifies any such acreage, a written agreement will only be issued if requirements in section 3N are met with respect to the previous written agreement on the acreage. (If section 3N is not applicable, the requirements will be considered met).
- (2) A request for written agreement may be approved if, based on an evaluation of all the information provided with the request for written agreement and the criteria specified in this handbook:
 - (a) Insurance would not violate sound insurance principles, such as over-insuring the crop, inappropriate premium rates, etc., or create program vulnerabilities, such as increasing the possibility of fraud, waste, and abuse;
 - (b) Actuarially sound premium rates and yields can be determined;
 - (c) Price elections and other terms of insurance are appropriate for the crop in the area it is being produced; and
 - (d) No grounds for denial exist.
- (3) A request for written agreement must be denied if:
 - (a) Requirements in the policy and this handbook are not met;
 - (b) The RO determines that adequate information is not available to establish an actuarially sound premium rate and insurance coverage for the insurable crop and acreage;
 - (c) The crops, types, practices, or varieties are not determined to be adapted to prevalent production conditions of the county by agricultural experts or

- the organic agricultural industry;
- (d) A single request for an actuarial change is submitted that covers more than one producer;
 - (e) The crop or type is not commercially grown in the county and there is inadequate evidence that a market for the crop or type is available based on sales receipts, contemporaneous feeding records or contracts to purchase the crop (For the purpose of this handbook, "Commercially grown" means the crop is produced for sale in the retail or wholesale market. "Viable marketing outlet" means there is a stable market willing to purchase the crop at the quality under which it is normally produced and located such that the costs of shipping do not make the crop unprofitable (For example, if the price of safflowers is \$.08, it costs \$.04 to ship the crop to market, and it costs more than \$.04 to produce the crop, there is no viable marketing outlet);
 - (f) The risks are determined to be excessive in accordance with section 3N;
 - (g) The requested change to the terms of insurance is determined by RMA to not conform to sound insurance principles (such as over insuring or underinsuring the crop, insuring an existing loss, increased potential for fraud, waste or abuse, etc.);
 - (h) The requested changes to the terms and conditions of insurance are not permitted by the Federal Crop Insurance Act, as amended, or by the policy.
 - (i) The producer has never produced at least 50 percent of the T-Yield, obtained from a county with similar agronomic conditions and risk exposure, for the crop, type and practice for which the written agreement is requested for at least one crop year in which the producer produced the crop.
- (4) The RO must provide notice of denial of the request for written agreement by certified mail to the producer, with a copy to the insurance provider. The notice of denial must state the reasons for denial and provide appeal rights in accordance with section 3J, if applicable.
 - (5) The ROs must review all written agreement files in the county to verify the appropriate yield and rates are used. If all conditions are the same, the same rate, yield, etc, should be used for all other similar written agreements.

3D Deadlines for producers to submit written agreement requests.

- (1) Submission deadlines for written agreement requests are listed below. The producer must sign, date, and submit a request for a written agreement, or renewal of a written agreement, in writing to the agent no later than the applicable deadline. The request and all required supporting documentation must be submitted in the format approved by the insurance provider, provided there is a means to verify the date of submission.
- (2) Any written agreement request that is submitted later than the applicable deadline will not be accepted by the RO.

- (3) Requests for written agreements must be submitted not later than the sales closing date except as provided in section 3D(4).
- (4) Requests for written agreement may be submitted:
- (a) After the sales closing date, but on or before the acreage reporting date, if the producer can prove his or her physical inability to apply prior to the sales closing date (For example, the producer was hospitalized or a blizzard has made it impossible to submit the written agreement request timely);
- (b) For the first year the written agreement will be in effect only:
- 1 On or before the acreage reporting date, to:
- a Insure unrated land, or an unrated practice, type or variety of a crop including those specified in sections 4E, H, I, L, O;
- b Establish optional units that otherwise would not be allowed as specified in section 5;
- c Change the premium rate or T-Yield for designated high risk land as specified in section 4B;
- d To change or establish a tobacco classification as specified in section 4O, or
- e To insure acreage that is greater than 5 percent of the planted acreage in the unit where the acreage has not been planted and harvested or insured in at least one of the three previous crop years as specified in section 4C; or
- 2 On or before the cancellation date contained in the Crop Provisions or Special Provisions, if applicable, to insure a crop in a county that does not have actuarial documents for the crop. If the Crop Provisions or Special Provisions do not provide a cancellation date for the county:
- a Use the cancellation date for other insurable crops in the same state that have similar final planting and harvesting dates; or
- b If there are no other insurable crops with similar final planting and harvesting dates in the state, use the cancellation date in the closest county or state where the crop is insurable.
- 3 On or before the date contained in the Crop Provisions or Special Provisions for any type of written agreements not specified in subparagraphs (a) or (b)1 and (b)2; or
- (c) On or before the sales closing date for all requests for renewal of written

agreements:

- 1 Where an existing written agreement was canceled for any reason; or
 - 2 The period for which an existing written agreement is valid ends, except as provided in subparagraph (a).
- (5) Any request to add land or crops to an existing written agreement or to add land or crops to a request for a written agreement will not be accepted by FCIC unless the request to add the land or crops is submitted by the deadlines specified in this subsection.

3E Individual/multiple requests for written agreements.

- (1) A separate "Request for Actuarial Change" form with all information required by this handbook must be submitted for each producer for each county in which the producer is requesting a change.
- (2) If multiple producers are included on a request, the RO will return the request as unacceptable.
- (3) When a single Request for Actuarial Change form is submitted, regardless of how many requests for changes are contained on the form, the producer must accept or reject the written agreement in its entirety (the producer cannot reject specific terms of the written agreement and accept others);
- (4) Multiple Request for Actuarial Change forms submitted prior to the applicable deadline in section 3D for the same condition or for the same crop (i.e., to insure corn on ten legal descriptions where there are no actuarial documents in the county or the request is to change the premium rates from the high risk rates), will be treated as one request by FCIC. The producer must accept or reject the written agreement in its entirety (the producer cannot reject specific terms of the written agreement and accept others); and
- (5) When multiple Request for Actuarial Change forms are submitted, regardless of when the forms are submitted (as long as submission is prior to the applicable deadline in section 3D), for different conditions or for different crops, separate agreements may be issued by FCIC and the producer will have the option to accept or reject each written agreement.

3F Processing written agreement requests.

- (1) It is the insurance provider's responsibility to review all requests for written agreement to determine whether all the required information is provided. If any information is missing and there is still time before the deadline contained in paragraph (2), the insurance provider must request the missing information from the producer. If the required information is not received by such deadline, the request for written agreement cannot be sent to the RO and the producer should be notified in writing by the insurance provider that the request for written agreement is not acceptable.

- (2) If all information is timely submitted, the insurance provider must send the request for written agreement and all required information to the RO not later than 15 business days after the applicable deadlines in section 3D.
- (3) The RO will record the date the request is received.
- (4) The RO must determine or confirm the type of written agreement request.
- (5) The RO must determine whether the request is timely submitted and all the required information is included. Requests for written agreements that are received by the RO earlier than 15 business days after the applicable deadlines in section 3D and have missing information, the RO:
 - (a) Should determine whether the missing information is contained in the office (e.g. production records have been provided by the tenant but were not included in the request for the landlord, the tenants records may be used).
 - (b) May attempt to obtain the missing information by telephone, facsimile, e-mail or mail if the RO discovers the missing information before the expiration of the 15-day period. Communicate to the insurance provider that the missing information must be postmarked by the United States Post Office, or a similar organization, telephoned or faxed to the RO not later than 15 business days after the applicable deadlines contained in section 3D.
- (6) The RO must notify the producer and the insurance provider in writing that the request is not accepted:
 - (a) For crops that do not have Crop Provisions;
 - (b) For crops where the Crop Provisions expressly exclude written agreements;
 - (c) To alter policy provisions not specifically designated in the policy for alteration by written agreement;
 - (d) When missing information is not provided by the deadline in paragraph (5)(b);
 - (e) When requests for written agreements were postmarked to the RO on the 20th day after the applicable deadlines in section 3D and are missing information; or
 - (f) When requests for written agreements were not submitted in accordance with the deadlines in section 3D.
- (7) A request for additional information by the RO in accordance with section 3B(2)(c) may be sent to the insurance provider if such information is necessary to evaluate the request for written agreement or determine actuarially sound premium rates.
 - (a) Any request for additional information must state the date that such information must be received by the RO. For information that must be

received within 24 hours, the request for information can be oral, but must be documented in the file. For information that may take longer to obtain, the RO should request such information in writing.

- (b) The RO must record the date of the request for additional information, the date such information must be provided to the RO, and the "pending more information" code.
 - (c) Failure of the producer or insurance provider to timely provide the additional requested information will result in the RO not accepting the request.
- (8) For those requests for written agreement that are accepted by the RO, evaluate the request to determine whether it meets all the conditions in section 3C and section 4, as applicable.
- (9) The RO should either issue an approved written agreement, provide notice that the request has not been accepted, deny the request within 15 calendar days of receiving all required information. If there has been a delay, the written agreement or other response to the request must be provided within 30 calendar days after the receipt of all required information.
- (10) When denying, or not accepting, a request for a written agreement, the RO must use certified mail to send a notice to the producer with a copy to the insurance provider and include a notice of appeal rights in accordance with section 3J, if applicable.
- (11) The RO must record the type of written agreement requested in the written agreement log. See section 3H(2) for codes. Record the date the notice is mailed to the producer as the date of denial or not acceptance and the code for non acceptance, withdrawing, or denying the request for a written agreement.
- (a) Codes for not accepting the request:
 - 1 Late requests. Use code (LAT) to record requests received in the RO office after the applicable deadline in section 3D.
 - 2 Incomplete requests. Use code (INC) to record request for written agreement that do not contain the required information. Also use when the RO requested additional or missing information and it was not provided by the deadline (See sections 3B(2)(c) and 3F(5) and (7)).
 - 3 Inappropriate requests. Use code (INA) to record requests that do not require a written agreement (e.g., a written agreement was issued the preceding year and changes are now included in the actuarial documents) or are not authorized by the policy.
 - (b) Code for withdrawn requests. Use code (WDN) when the insurance provider or producer withdraws a request and send a letter to the insurance provider and producer confirming the withdrawal and indicating no appeal rights are applicable.
 - (c) Codes for denial:

- 1 Denied requests. Use code (DEN) to record cases in which the RO declines to make the requested change (e.g., the inability to determine an actuarially sound premium rate).
- 2 Excessive Risk. Use code (EXP) for adverse insurance experience when a written agreement request is denied due to excessive risk. See section 3N.

3G Written agreement provisions.

- (1) Required Written Agreement Provisions. Written agreements must be issued using the general format contained in the Exhibits.
 - (a) For written agreements providing coverage in counties without actuarial documents, the agreement will include:
 - 1 T-yields or classifications or any other basis of insurance coverage as appropriate for the crop or as contained on the actuarial documents of the reference state and county determined in accordance with section 3O.
 - 2 The premium rates as determined in accordance with section 4Q(2)(b) rates;
 - 3 The reference state and county determined in accordance with section 3O for determining the Special Provisions and other actuarial documents. The RO may attach a copy of the Special Provisions of the reference county to the written agreement.
 - 4 Terms and conditions of the reference state and county determined in accordance with section 3O.
 - 5 The expiration date established in accordance with section 3G(3).
 - 6 Other necessary administrative statements as provided in this handbook or other statements as approved by Insurance Services (IS)/Research and Development (R&D).
 - 7 The practice, type or variety, as applicable.
 - 8 The price election or amount of insurance or a reference to where it may be found when it is issued by FCIC. Except as provided in sections 4D, G, N, P, and Q, the price or amount will not exceed that established by FCIC for the crop in the county used to establish the other terms of the written agreement. If the price election announced by FCIC for the county that is used to establish the other terms of the written agreement is not reflective of the expected harvest price for the county in which the written agreement is applicable, the price established by FCIC for another county that is closest to the local market price must be used.
 - (b) For all other written agreements, all contract changes will be specified in the written agreement and determined in accordance with this paragraph

or sections 3O and 4, if applicable. These include:

- 1 The actuarial documents, including applicable Special Provisions, forms, terms, or conditions amended by the agreement.
 - 2 Written agreements that require the establishment of a price election or amount of insurance (except as provided in sections 4D, G, M, O, and P) will not exceed the price or amount established by FCIC for the crop in the county used to establish other terms of the written agreement. If the price election announced by FCIC for the county that is used to establish the other terms of the written agreement is not reflective of the expected harvest price for the county in which the written agreement is applicable, the price established by FCIC for another county that is closest to the local market price must be used.
 - 2 The terms and conditions of the agreement including, as applicable, premium rates, yields, and exceptions to the Special Provisions of the reference state and county.
 - 3 The expiration date established in accordance with section 3G(3).
 - 4 Other necessary administrative statements as provided in this handbook, other statements, or directives as approved by IS/R&D.
- (2) The late planting option or late planting provision, if authorized by the policy, will apply to acreage of a crop covered by the written agreement that is planted after the final planting date.
 - (3) Determining the Expiration Date of the Written Agreement. The expiration date is the date by which the producer must accept the written agreement issued by the RO.
 - (a) A written agreement issued by the RO 30 calendar days or more before the sales closing date remains a valid offer until 12:01 am on the day following the sales closing date.
 - (b) Written agreements issued by the RO less than 30 calendar days before the sales closing date or after the sales closing date are valid offers for 30 calendar days from the date the agreement is issued by the RO.
 - (c) Written agreements issued by the RO where a crop inspection is required to occur at a specific stage of growth (e.g., broadcast soybeans, crops seeded by airplane, etc.) are valid offers until the date of inspection.
 - (d) Written agreements are considered issued on the date they are signed by the RO.
 - (4) If there are any errors in a written agreement approved by FCIC, such errors may be corrected by FCIC as follows:
 - (a) For single year or multi-year agreements, for the current crop year only, If such errors are open and obvious (i.e., T-Yield is written as 1,000 bushels instead of 100 bushels, legal description recorded incorrectly, etc.),

- 1 A notice of the modification of the agreement must be sent to the producer and insurance provider; and
 - 2 The producer and insurance provider cannot reject RO corrections to approved written agreements for obvious errors;
- (b) For single and multi-year agreements for the current crop year, if the error is not obvious (i.e., premium rate is written as 0.11 instead of the proper rate of 0.10):
 - 1 Insurance will continue under the terms of the written agreement for the current crop year unless:
 - i The error is adverse to the producer; and
 - ii The RO is notified of such error prior to the end of the insurance period.
 - 2 For all subsequent requests for a written agreement, the RO will make sure the correct information is included.
- (c) For multi-year agreements, if the error is not obvious (i.e., T-yield is written as 7 tons instead of 8 tons, for the subsequent crop year):
 - 1 The written agreement with the error must be canceled in writing, with notice to the producer and insurance provider, and a new written agreement issued containing the modified terms at least 30 days prior to the cancellation date.
 - 2 For the new written agreement to be effective, it must be signed by the producer by the expiration date contained in the written agreement.
 - 3 The producer has the right to reject the modification by the applicable cancellation date for the crop. If rejected, the written agreement is no longer in effect.

3H Recording of written agreements.

- (1) The RO will record the type of written agreement, the date the written agreement is signed by the RO, as applicable, and the logging codes in the written agreement log.
- (2) Logging Codes by Type of Written Agreement:
 - (a) For GRP and GRIP policies, use code (GP).
 - (b) For high rate areas, use code (HR) if the agreement is to change the rate on high-risk land.
 - (c) For acreage (If greater than five percent of the planted acres in the unit) not planted and harvested or insured in one of the three previous crop

- years, use code (NB).
- (d) To establish coverage for unrated nursery plant materials, use code (NL).
 - (e) To provide coverage for organic crops, use code (OC).
 - (f) For a rate class option that does not have a premium rate on the actuarial documents, use code (OP).
 - (g) For other policy changes specifically permitted by the crop policy that are not otherwise referred to herein, use code (PE).
 - (h) To authorize rotation exceptions, use code (RE).
 - (i) To establish coverage for special purpose corn, use code (SC).
 - (j) To establish coverage for strip-mined land where the crop has been produced less than five consecutive crop years, use code (SM).
 - (k) To insure seed potato acreage that is greater than 125 percent of the average number of acres entered into and passing certification in the potato certified seed program in the three previous crop years, use code (SP).
 - (l) To establish coverage for non-irrigated corn grain where only irrigated corn grain and silage and non-irrigated corn silage are listed on the actuarial documents, use code (TC).
 - (m) For types of dry beans not on the actuarial document, use code (TD).
 - (n) For listing reconsiderations for tobacco, use code (TL).
 - (o) For an unrated practice, type or variety, use code (TP).
 - (q) To establish a different unit structure than that authorized in the Policy, use code (UA).
 - (r) For acreage designated as unrated, unclassified, or uninsurable on the actuarial documents, use code (UC).
 - (s) For a county with no actuarial documents for the crop, use code (XC).
- (3) The RO must log any written agreement timely executed by the producer and insurance provider not later than 5 days after receipt of the written agreement.

3I Issuing and processing the written agreement.

- (1) When a written agreement is issued to the insurance provider by the RO, instructions will be provided to the insurance provider that indicate it is the insurance provider's responsibility to process the written agreement in accordance with this subsection.
- (2) The RO must mail the written agreement directly to the insurance provider within the time frames specified in section 3F.

- (a) If the insurance provider accepts the written agreement, the insurance provider must provide a copy of the written agreement to the producer as expeditiously as possible to permit the producer to accept the written agreement by the expiration date.
 - (b) If the insurance provider elects not to accept the written agreement:
 - 1 The insurance provider must not sign the written agreement and must return the original written agreement to the RO with the applicable reason for non-acceptance;
 - 2 The insurance provider must notify the producer by certified mail that the written agreement is not accepted and state the reason for such non-acceptance (The notice must also provide the producer with a right to arbitrate the non-acceptance in accordance with section 20 of the Basic Provisions);
 - 3 The insurance provider must retain a copy of the agreement (including the stated reason the written agreement is not in effect) as a permanent part of the producer's file folder; and
 - 4 The RO must record the code why the written agreement is not effective (see section 31(8)).
 - (c) Once the written agreement is provided to the producer, it is presumed to be accepted by the insurance provider.
- (3) In addition to the requirements in paragraphs (1) and (2), for written agreements requested after the sales closing date which establish insurability:
- (a) The insurance provider will perform a crop appraisal, as required in section 3A(3), and obtain the producer's signature **ONLY IF** the crop appraisal requirements are met.
 - (b) For written agreements timely signed by the producer, the insurance provider must sign the written agreement and send it to the RO postmarked not later than 10 calendar days after the expiration date.
 - (c) The RO will record the date the written agreement was signed by the RO and the date the agreement was postmarked from the insurance provider to the RO.
 - (d) If approved, the RO will retain a copy of the written agreement for their records. The written agreements must be filed by the RO in such a manner as to make them readily available. The RO will send the original agreement to the insurance provider for distribution. The insurance provider must place the original in the producer's file folder, forward a copy to the producer and, if applicable, to the agent.
- (4) In addition to the requirements in paragraphs (1) and (2), for written agreements requested by the sales closing date or requested after the sales closing date not establishing insurability that the insurance provider provides to the producer:

- (a) The insurance provider will obtain the producer's signature if the producer is accepting the offer for the written agreement by the expiration date.
 - (b) The insurance provider shall only sign those written agreements that are timely submitted by the producer.
 - (c) After signing, the insurance provider will retain the original of the written agreement in the producer's file. A copy will be forwarded to the producer, agent, and the RO.
 - (d) The RO will record the date the written agreement was signed by the RO, the producer, and the insurance provider and the date the agreement was postmarked from the insurance provider to the RO. The written agreements must be filed by the RO in such a manner as to make them readily available.
- (5) If the producer rejects the written agreement, an appraisal of the acreage by the insurance provider (as required by section 3A(3)) determined the crop does not meet the standards for acceptance, or the insurance provider has failed to comply with all applicable appraisal procedures when conducting the crop appraisal, or the producer did not sign the written agreement by the expiration date:
- (a) The insurance provider must return the original written agreement to the RO with the applicable reason that it is not in effect. The insurance provider must retain a copy of the written agreement (with stated reason the written agreement is not in effect) as a permanent part of the producer's file folder.
 - (b) The RO Director, or a designated authorized representative, will withdraw approval or deny issued written agreements, as applicable. Notification of such denial must be made by certified mail to the producer, with a copy to the insurance provider, and should state the reasons for denial and provide the producer's appeal rights under section 3J, as applicable.
 - (c) The RO must record the date the written agreement was signed by the producer or the postmark, the date the notice of denial is sent to the producer, and the reason for the denial (see section 3I(8)).
- (6) If the written agreement returned to the RMA RO by the insurance provider, but not postmarked within 10 calendar days of the expiration date, accept the written agreement and refer the issue to the Compliance Office for failure to follow FCIC approved procedures.
- (7) When the written agreement is NOT returned to the RO within 30 days after the expiration date, approval for the written agreement must be withdrawn in accordance with paragraph (5), unless the producer can provide acceptable documentary evidence that the producer timely signed the written agreement and submitted it to the insurance provider. Acceptable documentary evidence includes certified mail receipt or similar evidence.
- (8) Codes:
- (a) Denial of written agreement. Use code (DWA) to record cases in which

the RO issues a written agreement but has not yet approved it (e.g., inspection is required).

- (b) Withdrawal of approval. Use code (WOA) when the written agreement has been approved by the RO but it has not been returned or timely executed by the producer.
- (c) Producer rejection. Use code (IRJ) when the producer has rejected the written agreement.
- (d) Insurance provider rejection. Use code (IPR) when the insurance provider has rejected the written agreement.

3J Administrative review, mediation, and appeal.

- (1) If the written agreement offer provides terms and conditions that are different from those contained in the request for written agreement, the RO should notify the producer of a right to an administrative review (hereinafter referred to as “reconsideration”) in accordance with 7 C.F.R. part 400, subpart J.
 - (a) Requests for written agreement that just contain general requests (such as the “best available rates”, “requesting lower rates”, or a request for a change that does not state the change) or the written agreement offer provides what is requested, there is no right to reconsideration.
 - (b) For those written agreement offers where reconsideration rights have been provided, the RO should also notify the producer that:
 - 1 A request for reconsideration does not affect the producer’s responsibility to accept or reject the written agreement offer on or before the expiration date;
 - 2 If the producer rejects or fails to sign the written agreement by the expiration date, the producer will not be able to receive insurance under the terms of the written agreement if the request for reconsideration and any subsequent appeal is denied; and
 - 3 If the producer accepts the offer by the expiration date, the producer will receive insurance under the terms of the written agreement unless the producer prevails on the request for reconsideration or any subsequent appeal.
 - (c) If the producer seeks reconsideration, subsequently appeals in accordance with 7 C.F.R. part 11, and later drops the appeal, the RO does not have to provide notice of the right to reconsideration, mediation or appeal for any subsequently filed request for written agreement that requests the same terms and conditions that were the subject of the appeal unless additional information is submitted in support of the request.
 - (d) If the producer appeals in accordance with 7 C.F.R. part 11, and the RO decision is upheld, the RO does not have to provide notice of the right to reconsideration, mediation or appeal for any subsequently filed request for written agreement that requests the same terms and conditions that

were the subject of the appeal unless additional information is submitted in support of the request.

- (2) Except as provided in paragraph (3), notification that a request for written agreement is denied must include a notice of the right to reconsideration and mediation in accordance with 7 C.F.R. part 400, subpart J or appeal in accordance with 7 C.F.R part 11.
- (3) When the RO does not accept a request for written agreement because the policy does not authorize the written agreement requested, the notice must state that the determination is not appealable and the determination of non-appealability is appealable to the Director of the National Appeals Division (NAD) in accordance with 7 C.F.R. § 11.6(a).
- (4) If the issued written agreement is denied due to a failed crop appraisal required in section 3A(3) or the insurance provider failed to do a crop appraisal when required or failed to comply with the applicable appraisal procedures, the notice of denial of the written agreement must state that if the producer disagrees with this determination, it may be arbitrated in accordance with section 20 of the Basic Provisions.

3K Incorporation of written agreements.

- (1) The RO should maintain a working log of all requests for written agreements and use the information to update the actuarial documents so that repeated requests are minimized.
- (2) The RO should review the written agreements to determine when the classifications, terms, or conditions can be incorporated into the actuarial documents.
- (3) To the maximum extent practicable, the RO must correct errors and update insurance experience, and rework actuarial documents, if necessary, before publishing the terms of expiring written agreements.
- (4) Classifications, terms, or conditions must be incorporated into the FCI-32: (Rules Page, Listing, or Statements), FCI-33: (Rules page, map, or statements), and FCI-33 Supplement: (Rules page and listing), as applicable.

3L Renewal request for expired or canceled written agreements.

- (1) Renewal requests:
 - (a) Once the period for which an existing written agreement is valid ends or the written agreement is canceled for any reason, a request to renew the written agreement must be submitted by the producer or insurance coverage will be in accordance with the policy.
 - (b) The request to renew a written agreement must be completed by the producer and submitted to the insurance provider in accordance with section 3D.
 - (c) A request to renew a written agreement need only contain:

- 1 A photocopy of the previous written agreement;
 - 2 If applicable, the current APH form;
 - 3 A new Request for Actuarial Change form, which has been signed and dated by the producer and the insurance provider's authorized representative, and
 - 4 For perennial crops only, a Producer's Pre-Acceptance Worksheet (if applicable).
- (d) The insurance provider must submit the request for renewal of a written agreement, including any required documentation, to the RO in accordance with section 3D. If the request for renewal of the written agreement is postmarked after the applicable deadline, the RO will not accept the request for renewal.
- (2) Approval Process for Requests for Renewal:
- (a) Except as provided in subparagraph (b), timely submitted requests for renewal of a written agreement will be denied if the insurance experience for the crop, unit, or acreage covered by the agreement is not favorable as determined in accordance with section 3N.
 - (b) The insurance experience tests in section 3N are not applicable to requests for renewal for the following types of written agreements:
 - 1 Nursery Plant List;
 - 2 Written Unit Agreements;
 - 3 High-risk land;
 - 4 GRP and GRIP; and
 - 5 Seed potato acreage greater than 125 percent of past average acres.
 - (c) A renewal written agreement offer will not be issued if:
 - 1 It is determined the written agreement was issued in error (i.e. was not authorized by the policy, etc.);
 - 2 The written agreement terms and conditions have been incorporated into county actuarial documents;
 - 3 The written agreement is no longer applicable or consistent with the Act, the regulations published at 7 C.F.R. chapter IV, or the policy; or
 - 4 The type of loss incurred or loss experience under the written agreement indicates the factual basis relied upon to issue the written agreement or the assigned premium rate is not valid. (For example, a premium reduction is provided by written agreement

because a levee was built to eliminate or substantially mitigate exposure to flooding or ponding under circumstances where there is excess precipitation in the area. The insured incurred a loss due to flooding when the area received excess precipitation. The premium reduction is no longer reasonable because loss experience has demonstrated exposure to the peril still exists and the claim that the levee will prevent flooding or ponding is not valid.)

- (d) Producers who have had their request for renewal of their written agreement denied under subparagraph (a) cannot apply for a new written agreement in a subsequent crop year until the requirements in section 3N have been met.
- (3) If the previous agreement needs updating because of a new FSN, legal description, etc., note this information on the photocopy. The RO will evaluate the request and reissue the agreement if it is appropriate. The agreement may be modified. The insurance provider must be notified of the change. If more information is needed, the RO will contact the insurance provider.

3M Multi-year written agreements.

- (1) Multi-year written agreements may be cancelled for any crop year by the producer or the insurance provider by providing written notification by the cancellation date specified in the policy or the agreement, as applicable.
- (2) If the farming operation changes with respect to the basis for the agreement, the agreement will not be effective for that crop year. (For example, the producer receives a written agreement to reduce the premium rate because a levee was built. The following crop year, before insurance attaches, the levee is destroyed by a flood and not repaired. The written agreement would not be in effect for that crop year and the producer would receive the original premium rate. If the producer repairs the levee prior to the next crop year, the written agreement would again be in effect and the producer could receive the reduced premium rate.)
- (3) Multi-year written agreements must be reviewed by the RO yearly to verify the determinations made are still appropriate for the situation for which the written agreement was developed.
- (4) The RO will provide written notice to the producer and insurance provider that the written agreement is canceled not later than 30 days prior to the cancellation date specified in the policy or written agreement, as applicable, if:
 - (a) It is determined the written agreement experience determined in 3N is not favorable;
 - (b) Policy changes no longer permit the agreement; or
 - (c) The policy provisions or actuarial documents provide coverage that was previously provided under the written agreement.
- (5) The RO may, at its sole discretion, issue the following types of written agreements as multi-year agreements:

- (a) High-risk land.
 - (b) Unrated, unclassified, or uninsurable acreage.
 - (c) Unrated practice, type, variety, or rate class option.
 - (d) Insurance of hybrid seed corn, popcorn, sweet corn, or other specialty corn as GRP/GRIP corn (unless not allowed by the policy).
 - (e) Rotation exceptions.
 - (f) Crops in counties without actuarial documents.
- (6) If the policy is canceled and transferred to another insurance provider, any multi-year agreement in effect is also canceled. A request for re-issuance of the agreement must be submitted in accordance with section 3L.

3N Written agreement experience.

This subsection is not applicable to written agreements for Nursery Plant List (NL), Written Unit Agreements (UA); High-risk land (HR); GRP and GRIP (GP); and Seed potato acreage greater than 125 percent of past average acres (SP).

- (1) To determine whether the written agreement experience is favorable, the RO must:
- (a) Examine the loss experience of the acreage covered by the written agreement for all years the written agreement was in effect, which must include a review of the insurance provider submitted data to RMA to ensure the data was transmitted in accordance with the terms provided in the approved written agreement;
 - (b) Calculate the cumulative excess loss cost ratio for all acreage covered by the written agreement:
 - 1 Cumulative means the total for all liability, premium, and indemnity for all years a written agreement is in effect.
 - 2 The excess loss cost ratio is: [(indemnity divided by liability) minus (the total premium divided by liability)]. (For example, the liability is \$100,000, the total premium is \$5,000, and the indemnity is \$40,000. The excess loss ratio is $.40(\$40,000 \div \$100,000) - .15(\$5,000 \div \$100,000) = .25$);
 - (c) For all years the written agreement was in effect, calculate the cumulative loss ratio for all acreage covered by the written agreement. (The loss ratio is indemnity divided by total premium); and
 - (d) For all years the written agreement was in effect, calculate the cumulative loss ratio for additional coverage (buy-up) in the county as specified in paragraph (3).

- (2) Written agreement experience will NOT be considered favorable if all of the following apply:
- (a) An indemnity payment exceeded total premium paid on the acreage insured by the written agreement in the previous crop year;
 - (b) A minimum of two crop years in which an indemnity paid exceeded total premium earned in each of the crop years in which an indemnity was paid for the acreage; and
 - (c) The cumulative excess loss cost ratio for the acreage insured by the written agreement for all crop years the written agreement was in effect is greater than 0.15.
- (3) In addition to the requirements in paragraph (2), if there is the same crop, or a different crop that would be similarly affected by the cause and time of loss, produced in the county, the written agreement experience will NOT be considered favorable if the cumulative loss ratio for all acreage insured by the written agreement is equal to or greater than 1.5 times higher than the cumulative loss ratio for additional coverage (buy-up) the same years in the county for:
- 1 The same crop, including different varieties or types, if insurance for the commodity is otherwise available in the county; or
 - 2 A different crop that would be similarly affected by the cause and time of loss, if insurance for the commodity is unavailable, use the crop with the most similar risk exposures to that insured by the written agreement, which has the most insured acreage in the county during the most recent crop year.
- (4) Once a producer has been determined to have unfavorable experience under paragraphs (2) or (3):
- (a) A subsequent request for a written agreement will not be approved unless the producer can show no loss would have occurred for two succeeding crop years following the unfavorable experience determination and provide additional acceptable information on the insured crop, practice or type or acreage that can be used to establish a premium rate more appropriate for the crop, practice or type or acreage in the county.
 - (b) If a new written agreement is approved and the producer subsequently has a loss on the same acreage insured under the previous written agreement (total indemnity is greater than total premium), the written agreement will be canceled if the producer's experience is unfavorable in accordance with paragraphs (2) or (3) based solely on the producer's experience under the written agreement for all years a written agreement was in effect.
 - (c) Each subsequent unfavorable experience determination under subparagraph (b) is subject to the requirements of this paragraph.

30 Reference counties.

Reference counties must be selected using the following criteria:

- (1) Select the closest county that has the most similar agronomic conditions where the crop is insured, with the same practices, types, varieties, or insurance plans, to the maximum extent practicable (Resources to consider include plant hardiness zone maps, land grant universities, Extension Service, state agriculture departments, crop production guides published by USDA, universities, etc.). Use the T-Yields, premium rates, prices, program dates, crop, type, and practice codes, Special Provision statements from that county to the extent that such terms and conditions are appropriate for the crop;
- (2) In the absence of a county with similar agronomic conditions for the crop or if certain terms are not appropriate for the crop (i.e. Special Provision statements, dates, etc.):
 - (a) Select a county where the crop is produced to determine the crop, type, and practice codes, price elections and Special Provision statements, if applicable (Price elections will not exceed the price election contained in the Special Provisions, or an addendum thereto, for the county that is used to establish the other terms of the written agreement); and
 - (b) Determine the premium rate, T-Yield and other applicable terms in accordance section 4.
- (3) If there is no county where the crop exists, deny the request. If there is no county where the practice, type or variety is the same, the terms of insurance should be determined in accordance with section 4P.

3P REPORTING OF WRITTEN AGREEMENTS

- (1) The insurance provider must transmit to RMA the appropriate terms and conditions under which the written agreement was approved to RMA's data acceptance system (DAS), or its successor. These transmissions must be formatted and transmitted to RMA in accordance with Appendix III of the Standard Reinsurance (SRA) and include the applicable written agreement number.
- (2) Failure to timely submit the written agreement data with the same terms as issued by the RO will subject the insurance provider to the sanctions contained in the SRA.
- (3) Insurance providers will be provided both an electronic file from RMA of insurance provider submitted and RMA accepted written agreements, and an electronic file of RMA RO approved written agreements for the applicable reinsurance year. RMA will also provide an electronic file which compares the two files for the purposes of reconciliation.
- (4) Insurance providers must reconcile the information contained in the files specified in paragraph (3) to ensure that all RMA approved written agreements are transmitted to RMA. Failure of the insurance provider to reconcile the information will subject the insurance provider to the sanctions contained in the SRA.

- (5) A copy of the electronic file which compares the two files specified in paragraph (3) must be sent to the applicable RO by RMA. The RO must monitor each discrepancy in the file until the insurance provider has reconciled each one. If the RO discovers a discrepancy that has not been reconciled and the insurance provider has not provided an adequate explanation for the failure, the RO must notify Compliance.

RESERVED

4 GUIDELINES FOR WRITTEN AGREEMENT DETERMINATIONS**4A GP TYPE: Insurance of hybrid seed corn, popcorn, sweet corn, and other specialty corn and hybrid sorghum seed under group risk insurance provisions.**

Hybrid seed corn, popcorn, sweet corn, and other specialty corn may be insured by written agreement under the Group Risk Plan (GRP) or Group Risk Income Protection (GRIP) programs if GRP or GRIP is available in the county for corn. Hybrid sorghum seed may be insured by written agreement under the GRP or GRIP programs if GRP or GRIP is available in the county for sorghum.

- (1) In lieu of section 3B(2), the producer does not need to provide:
 - (a) A completed APH form;
 - (b) Aerial photographs or other maps of the land (The legal description or FSN must still be shown on the request.); or
 - (c) Evidence of adaptability, unless required by the RO.
- (2) Hybrid seed corn, popcorn, sweet corn, or other specialty corn for which GRP or GRIP coverage is requested must otherwise be insurable under the applicable MPCl Crop Provisions. For example, popcorn not produced under a processor contract, as required in the Popcorn Crop Provisions, will not be insurable by written agreement under GRP or GRIP.
- (3) In accordance with the requirements of section 3G, the written agreement must indicate that only acreage intended for production of the hybrid seed corn, popcorn, sweet corn, or other specialty corn will be insured as field corn under the GRP or GRIP provisions. For example, acreage occupied by separate rows of male plants or consisting of border rows primarily intended to pollinate or protect genetic purity within a field intended to produce hybrid seed corn will not be insurable.
- (4) In addition to the requirements of section 3C, any request to insure these types of corn in a county without an established field corn GRP or GRIP plan of insurance or if the practice is not eligible for insurance under the field corn GRP or GRIP plan of insurance must be denied.
- (5) If approved, a written agreement will make the hybrid seed corn, popcorn, sweet corn, or other specialty corn crop insurable as field corn under the GRP or GRIP provisions. All rates and coverage applicable to GRP or GRIP will be assigned by the written agreement to insurable acreage of such crop.

4B HR AND UC TYPES: High rate areas and acreage designated as unrated, unclassified, and uninsurable on the actuarial documents.

- (1) When producers request coverage for unrated land or request reconsideration of an existing high-risk area premium rate, in addition to the requirements of section 3C, evaluate the request based on the risk involved.

- (a) Review any available information pertaining to the risk classification applicable to the land. Estimate the frequency and severity of probable loss from all perils in accordance with the Classifications Standards Handbook. Make these estimates using NRCS soil surveys, Army Corp of Engineers data, topographical maps, river-level readings, or other sources of available information.
 - (b) Evaluate the adequacy of peril control or management practices as part of the rating process.
- (2) For unrated land located in a wildlife protection or management area:
- (a) In addition to the requirements of section 3B, the producer must provide a copy of the current contract between the wildlife management agency and the producer.
 - (b) In addition to the requirements of section 3C:
 - 1 Review the contract between the wildlife management agency and the producer and identify the acreage or percent of acreage intended for harvest on the written agreement.
 - 2 Consider the risk associated with the terms of the producer/wildlife agency contract and the physical conditions on the acreage when determining rates.
 - 3 If the contract between the wildlife management agency and the producer stipulates that the producer is not eligible for USDA farm program benefits, deny the request for written agreement.
- (3) For individual rating of flood, excessive moisture, high salinity, sandy, poorly drained, toxicity, etc. prone land or land with differing frost/freeze potential, in accordance with the requirements of section 3Gi.:
- (a) To determine a rate for flood, excessive moisture, high salinity, sandy, poorly drained, toxicity, etc. prone land or land with differing frost/freeze potential that is not rated or land that is rated and a lower rate is requested, all of the following should be considered:
 - 1 The rate listed on the Coverage and Rates table.
 - 2 Whether the insured risks are less than the risk underlying the rate established on the county actuarial tables.
 - 3 The location of the cropland as outlined on aerial photos or other maps.
 - 4 The frequency and severity of the peril on the cropland.
 - 5 The presence of risk abatement measures, farming practices

(such as irrigation, fallowing, unique tillage methods, etc.), or other land improvements that prevent or reduce the risk on the land.

- 6 Insurance experience for the individual and/or the acreage, if available.
- 7 Timing of the request for written agreement is NOT a consideration when determining appropriate rates.
- 8 Favorable overall contract experience on all or a portion of the land in the farming operation is not a basis to reduce the premium rate on high risk land.

- (b) If all the data suggests that the land is prone to the risk, a lower rate may be provided if the producer can provide verifiable hardcopy records of all planted crops for at least the most recent twenty years that only apply to the specific cropland for which the lower rate is being requested that demonstrates the acreage has experienced the risk less frequently and severely than the frequency and severity of the risk upon which the rate was based.
- (c) Using the considerations required in subparagraph (a), apply the Classifications Standards Handbook to determine an appropriate rate.

(4) For individual rating of fragile or highly erodible land:

- (a) Except as provided in subclause d, in addition to the requirements of section 3B, if there is no loss experience for the acreage, the producer must provide at least 5 years of yield history for the crop on the high rate land.
- (b) In addition to the requirements of section 3C:

1 To determine if the land should be removed from the high rate area, consider the following:

- a If insurance experience is available, compare the simple lost cost ratio (SLCR) for the high rate land to the county insurance experience for the closest type or practice for the crop for the same years to determine the variability.

EXAMPLE

Experience (LCR)		
Year	Producer	County
2000	0	.05
2001	0	.10
2002	.60	.25
2003	.40	.15
2004	.80	.50
SLCR	.36	.21

- b If insurance experience is not available, compare the producer's yield for the high rate land only to the county NASS yield for the closest type or practice for the crop for the same years to determine the variability using a theoretical loss cost ratio (LCR) approach at the highest coverage level for any of the requested crops, which uses the actual history of the producer and county to determine what losses would have been if the acreage had been insured.

To determine the theoretical lost cost ratio:

1. Average the producer's actual yields and the county actual yields for all crop years;
2. Multiply the producer's and county average yield by the highest coverage level available in the county to determine the theoretical loss point;
3. For each crop year, determine whether the producer's and county's actual yields fell below the theoretical loss point and the amount of production under;
4. Total the amounts in 3;
5. Divide the result in 4 by the number of crop years of yields; and
6. Divide the result in 5 by the theoretical loss point.

EXAMPLE

Actual yields (bu/ac)

Year	Producer	County
2000	36	42
2001	38	38
2002	10	20
2003	16	28
2004	5	12
Ave.	21	28

1. 21 bushel producer average, 28 bushel county average
2. $21 \times .85$ highest coverage level = 17.9 bushel theoretical lost point for the producer
 $28 \times .85 = 23.8$ bushel theoretical lost point for the county

3. For the 2002 through 2004 crop years, the producer's actual yields fall below the theoretical lost point by 7.9, 1.9, and 12.9 bushels respectively and the county's is 3.8 and 11.8
 4. Add the losses per year to get the total bushels of loss $(7.9 + 1.9 + 12.9) = 22.7$ for the producer and $(3.8 + 11.8) = 15.6$ for the county
 5. For the producer $22.7 \div 5 = 4.5$ and for the county $15.6 \div 5 = 3.1$
 6. The theoretical simple loss cost ratio is $4.5 \div 17.9 = .25$ for the producer variability and $3.1 \div 23.8 = .13$ for the county variability
- c If the producer variability:
- i Is equal to or less than the county variability, approve the request.
 - ii Is greater than the county, go to subclause d.
- d Determine if the soil mapping units comprising the cropland of the requested acreage meets the guidelines of the map area as established in accordance with the Classifications Standards Handbook.
- i If the cropland in question consists of land with a lower percentage of soils meeting the High Risk Area criteria than the established standard for the county, approve the request; or
 - ii If the requested land consists of soils typical of the land in the high rate area, deny the request.
- e If neither the standard rate nor the rate determined in accordance with subparagraph (c) is appropriate, deny the request.
- (c) In accordance with the requirements of section 3G, the rate will be established as follows:
- 1 If the producer's experience or yield suggests the standard rates would be appropriate, apply the standard rates; or
 - 2 If the producer's experience or yield suggests the standard rates would not be appropriate and there is an intermediate rate area in the county, determine whether the intermediate rate area is similar to the producer's acreage based on soil, topography and climatic

conditions and yield. If the intermediate rate area is similar, use the intermediate rate area to determine the rate classification for premium rates contained in the actuarial documents.

4C NB TYPE: Acreage (If greater than five percent of the planted acres in the unit) not planted and harvested or insured in one of the three previous crop years.

- (1) In addition to the requirements of section 3B:
 - (a) The request must clearly identify the acreage on which coverage is requested and for what crops.
 - (b) The producer must provide:
 - 1 FSA aerial photographs (GIS or GPS photographs) that show the location and size of the farm fields.
 - 2 The date the land was cleared or broken out of sod, pasture, or perennial legume.
 - 3 The APH for the same crops the producer intends to plant on the newly broken ground.
- (2) In addition to the requirements of section 3C:
 - (a) Use NRCS soil surveys with the aerial photos to determine soil types that will be farmed under the new breaking. Soil surveys may be used to identify additional risks including salinity, drainage and moisture problems, etc.
 - (b) To approve a request for written agreement:
 - 1 Consider the date the land was cleared or broken out. Agricultural experts must determine that there has been sufficient time for the organic matter to break down and to allow the soil moisture to regenerate. If the date of breakout makes moisture a limiting factor or other additional risks such as salinity exist, T-Yields should be reduced by 50 percent. If the expected yields for the acreage are less than 50 percent of the T-Yield, the request must be denied.
 - 2 Prevented planting coverage is not available for any written agreement approved under this subsection and the written agreement must contain a statement to this effect.
 - 3 Deny requests for land with soil types not suited to the requested crop.

4D NL TYPE: Written agreements for unrated nursery plant materials.

- (1) In addition to section 3B, the producer must provide:

- (a) A list of exact names of genus, species, subspecies, cultivar, (e.g., scientific name), common name (if available), patented name (if applicable), plant or container sizes, and number of plants to be insured, as appropriate;
 - (b) The practice (e.g., container or field grown);
 - (c) The county in which the nursery and plants are located; and
 - (d) Two copies of all current wholesale catalogs/price lists that are used by the nursery for its sales. (The RO must determine whether the wholesale catalogs/price lists are bona fide and representative of the prices at which the requested plants were sold. The crop year, name, address and phone number of the nursery must be shown on the catalogs/price lists. The insurance provider must add their name, the name of the insured and the policy number to the applicable catalog. A crop Inventory Valuation Estimate cannot be used as a substitute for a catalog/price list.)
- (2) In addition to the requirements of section 3C, a written agreement is available only for plants not insurable under the Eligible Plant Listing and Plant Price Schedule (EPLPPS). Any request for written agreement to alter the terms of insurance of plants listed on the EPLPPS (e.g. pricing methods, different or missing plant sizes, to add practices, to change hardiness zones, etc.) must be denied.
- (a) When plants are not listed on the EPLPPS for the area at any botanical level (i.e., types, species or cultivars), the RO will determine if the plants are listed in another RO EPLPPS. The pricing information contained in another RO EPLPPS, if available, must be used unless the price in the catalog provided by the producer is lower.
 - 1 If the plants are found in another EPLPPS listing, the RO may approve a request for written agreement if it determines:
 - a Plants are being grown in a hardiness zone that generally has temperatures suitable for growth and meets the:
 - i Minimum hardiness zone limitations for field grown or container grown material, as applicable:
 - I Field grown hardiness zone limitations cannot be adjusted for regional requirements if they are obtained from another RO's EPLPPS; and
 - II Container hardiness zone limitations may be adjusted if an appropriate regional storage key is assigned; or
 - ii The storage key requirements; and

- b The assigned storage keys are appropriate for the region or the assigned storage key can be adjusted to meet the regional requirement.
- 2 If the plants are not on another EPLPPS listing or they fail to meet the standards in paragraph (2)(a)1a and b, the RO will:
- a Request assistance from a designated consultant or use hardiness zone publications, if available, to verify the minimum hardiness zone for field grown plants.
 - b With respect to assistance from designated consultants, submit the plant names for determination of:
 - i Correct nomenclature for the plants;
 - ii Plant types;
 - iii Required hardiness zone limitations; and
 - iv Appropriate cold protection measures and storage keys.
 - c Deny the request if the designated consultant is unable to provide assistance with any of these determinations or hardiness zone publications do not provide the minimum hardiness zones.
 - d If the requirements of subclause a or b are met, determine whether the catalogs/price lists provide adequate information to price the plants. If an average price cannot be developed for the plant using the information in the catalog(s):
 - i Compare the prices with other like plant material (e.g. plants in the same genus/species) in the EPLPPS;
 - ii If the prices in the catalog or pricelist are comparable (within 10 percent) to other like plants, establish the price at 90 percent of the catalog or pricelist price; or
 - iii If there are no like plants, the request must be denied.
- (b) In accordance with the requirements listed in the section 3G, the written agreement must contain all of the following information:
- 1 The scientific name including any commercial botanical name or

identifier and, if available, the common name for each plant;

2 The price by practice, type, and size;

3 The hardiness zones for each plant and practice; and

4 The applicable storage key for each plant and practice.

- (c) The RO must provide a copy of the necessary data to the designated consultant so the information can be included in the subsequent crop year's EPLPPS.

4E OC TYPE: Written agreements for organic crops.

- (1) In addition to the requirements of section 3B, the producer must provide:
- (a) For certified organic acreage, a written certification in effect from a certifying agent indicating the name of the entity certified, effective date of certification, certificate number, types of commodities certified, and the name and address of the certifying agent.
 - (b) For transitional acreage, a certificate described in subparagraph (a), or written documentation from a certifying agent indicating an organic plan is in effect for the acreage.
 - (c) Records from the certifying agent showing the specific location of each field of certified organic, transitional, buffer zone, and acreage not maintained under organic management.
- (2) In addition to the requirements of section 3C, only certified organic, transitional acreage being converted to organic in accordance with an organic plan, and buffer zone acreage are eligible for a written agreement under this subsection.
- (3) In accordance with the requirements of section 3G, if the requirements in paragraphs (1) and (2) have been met, the producer will receive:
- (a) The applicable T-Yield for the crop or an adjusted T-Yield for an organic practice if specifically contained in the actuarial documents for the county or reference county, as applicable;
 - (b) The price established by RMA for the crop or for the organic practice if established by RMA and approved by the Administrator of RMA; and
 - (c) A premium surcharge determined by establishing the expected losses for the organic practice and adding sufficient premium to the base premium rate to cover the expected losses and a reasonable reserve determined in accordance with RMA's standard premium rating methodology.

4F OP TYPE: A rate class option that does not have a premium rate on the actuarial documents

- (1) In addition to the requirements of section 3B, the producer must provide evidence the crop is commercially grown in the area and a viable marketing outlet is available.
- (2) In addition to the requirements of section 3C, to approve a request for written agreement, all of the following conditions applicable for the specific request must be met. If any condition is not met the request must be denied.
 - (a) The actuarial documents in another county permits coverage for the specific option coverage for which a written agreement is requested.
 - (b) If the option involves quality, any quality adjustment coverage or other special loss adjustment provisions can be applied accurately and consistently according to the provisions of the option. (If the quality adjustment standards applied by the crop industry in the area for which the option is being requested is different from the quality adjustment standards in the option, the request must be denied.)
 - (c) All other policy terms are appropriate for insuring the unrated option.
 - (d) The unrated option is for a type or quality that is commercially grown in the area and a viable marketing outlet is available.
 - (e) The agricultural experts or organic agricultural experts agree the requested type is adapted to the area or the required quality is readily attainable in the county.
- (3) In accordance with section 3G, use the following criteria to determine proper statements, rates, and other appropriate provisions:
 - (a) From the legal description of the acreage, FSN, aerial photographs, etc. identify where the crop using the unrated option will be grown and determine the soil types, topography, and other relevant agronomic conditions on the acreage that could affect the risk.
 - (b) For all plans of insurance, premium rates must be determined as follows:
 - 1 Use the premium rates or factors from the reference county determined in accordance with section 3O;
 - 2 If the reference county premium rate for the option varies by coverage level, use the premium rate for the 65 percent coverage level and specify in the written agreement to multiply the rate by the differential in the actuarial documents for the reference county if the producer's coverage level is different (See Exhibit 7 for an example); or
 - 3 If the premium rates or factors from the reference county are not appropriate because there are additional risks or the risks are different for the unrated option:

- i Determine the risks and expected losses in the county with the unrated option (sources of data to determine risks could include prior insurance experience, NASS data, climatic data, etc.);
 - ii Review the base premium rate and factor for the option in the reference county; and
 - iii Increase or decrease the factor for the option as necessary to cover the expected losses.
- (4) In addition to section 3C, deny requests for written agreements if:
- (a) There is inadequate water for an irrigated practice, if known at the time of processing the request; or
 - (b) For perennial crops, the inspection report recommends the acreage not be insured.

4G PE TYPE: Other policy changes specifically permitted by the crop policy that are not otherwise referred to herein.

- (1) Underage Citrus (Arizona and California). The Crop Provisions allow a written agreement to insure acreage that has not reached at least the 6th growing season after being set out. Only citrus trees entering the 4th or 5th growing season will be considered.
- (a) In addition to the requirements of section 3B, the request for written agreement must provide:
 - 1 A current pre-acceptance inspection report on the requested underage acres;
 - 2 For acreage that has reached the 5th growing season after being set out, actual or appraised production from the 3rd growing season and 4th growing season must be provided.
 - 3 For acreage that has reached the 4th growing season after being set out, actual or appraised production from the 3rd growing season must be provided.
 - (b) In addition to the requirements of section 3C:
 - 1 Requests for written agreement may be approved, if the citrus trees have produced fruit in at least the previous growing season.
 - 2 Deny requests for written agreements if:
 - a The request is for trees entering the 1st, 2nd, or 3rd growing season;

established price anywhere in the state choose a similar variety in the producer's county and use that variety's price election for the requested variety.

- 3 The price established for any unlisted variety should not be higher than the price actually received by the producer in the past year or the highest price established for an existing similar variety in the county.
- (3) Texas Citrus Tree. The Crop Provisions allow the use of written agreements to insure trees that do not have the potential to produce at least 70 percent of the county average yield for the crop and age.
- (a) In addition to the requirements of section 3B, the request for written agreement must provide an inspection report describing the damage done to the trees and a prognosis for the orchard from an insurance provider representative, the Extension Service, or other agricultural expert.
- (b) In addition to the requirements of section 3C:
- 1 A written agreement may be approved only for those situations where the tree has suffered a mild freeze that has damaged the budwood but the tree is otherwise healthy and vigorous.
- 2 Deny requests for written agreements if there is not adequate evidence that trees are still healthy and vigorous.
- (4) Underage peaches. The Crop Provisions allow use of written agreements to insure peach acreage that has produced at least 100 bushels of peaches per acre but have not reached at least the fourth growing season after being set out.
- (a) In addition to the requirements of section 3B, the request for written agreement must provide:
- 1 The current APH and supporting records that show at least 100 bushels per acre have been produced on the acreage for which the written agreement being requested;
- 2 A county map showing the location of the orchard; and
- 3 An explanation of why the orchard is producing high yields at a young age.
- (b) In addition to the requirements of section 3C, deny requests for written agreements if:
- 1 The applicable acreage has not produced at least 100 bushels per acre in the prior year; or
- 2 The reason for the high yields at a young orchard age is not

sustainable.

- (c) In accordance with section 3G, assign the producer's actual yield obtained from the acreage during the most recent crop year as the T-yield. The assigned T-yield should not exceed the appropriate county T-yield for trees of a similar planted density that are of insurable age.
- (5) Macadamia nuts, stonefruit, fall planted wheat or barley insured as spring planted or other situations where the Crop Provisions allow insurance for crops if an inspection reveals that the crop will meet a specified yield potential.
- (b) In lieu of the requirements in section 3, the insurance provider must only inspect the crop to determine if the yield potential specified in the Crop Provisions has been met.
 - (c) The insurance provider must notify the producer in writing of whether the crop met the required yield potential.
 - (d) If insurance is denied, the notice to the producer must state that the producer has a right to arbitrate the decision in accordance with section 20 of the Basic Provisions.
- (6) Raisin reconditioning. In lieu of the requirements of section 3, if the insurance provider agrees that it is not practical to recondition the raisins, the amount of production reading RAC standards that could be obtained if the raisins were reconditioned must be determined in accordance with the appropriate raisin handbook.
- (7) Underage trees, insufficient stands, insufficient production or similar situations.
- (a) Crops may be insured even if they have not reached the specified age, produced the required amount, or have an insufficient stand if expressly allowed by the Crop Provisions (e.g. Figs, walnuts, almonds, plums, etc.).
 - (b) In lieu of section 3, except as specified herein,
 - 1 The insurance provider must conduct an inspection of the crop and determine whether it is willing to insure the crop. If the insurance provider is willing to insure the crop, it must provide to the RO not later than 30 days after the production reporting date, unless extended by the RO:
 - a A copy of the signed and dated form requesting the assignment of an appropriate yield and premium, if applicable;
 - b The APH form and the production records for the crop in accordance with section 3B(2)(b)1; and
 - c A copy of the pre-acceptance inspection report completed in accordance with section 7F of the CIH.

- 2 The RO must evaluate the information provided to determine the effect of the current condition of the crop or acreage on the yield and make the appropriate adjustment to the yield.
 - 3 Determine the appropriate premium rate or factor by:
 - a Using the premium rate or factor contained on the actuarial document for the county for the determined yield, if applicable; or
 - b If there is not a premium rate or factor for the determined yield, determine the expected losses based on the condition of the crop and acreage and determine the premium rate necessary to cover such losses and a reasonable reserve determined in accordance with RMA's standard premium rating methodology.
 - 4 Send a copy of the determined yield and premium rate (the RO may issue a written agreement when specific rates are assigned) to the insurance provider and include appeal rights in accordance with section 3J.
- (8) Direct marketing where the Crop Provisions specifically allow insurance by written agreement when the crop is direct marketed. In addition to the requirements of section 3, the producer must provide the insurance provider the records supporting the producer's reported income on the Schedule F Tax Form, and a copy of the Schedule F Tax Form if requested by the RO, for the crop that is direct marketed.

4H RE TYPE: Rotation exceptions.

- (1) There are very few instances where rotation exceptions can or should be made by written agreement. Exceptions may be applied only if allowed by the Crop Provisions or the Special Provisions which require a written a agreement, (e.g. onions and safflowers). The potential for types of exceptions is highly variable across the country due to climate, disease, soil characteristics, and customary farming practices.
- (2) In addition to the section 3B, the request for written agreement must contain:
 - (a) A written and detailed recommendation indicating the acceptability of any rotation deviation from the agricultural experts, based on the crop and soils;
 - (b) Detailed soils and map locations of exactly where the crop is planted;
 - (c) All related APH history for the crop; and
 - (d) If disease control is recommended by the agricultural experts, evidence that the recommended disease control (such as fumigation) has been

applied or the means of application are available if application of the disease control was not required when the written agreement was requested.

- (3) In accordance with section 3G, assess the impact of the requested rotation deviation on yield and risk. Make appropriate adjustments in the agreement. If the data suggests:
- (a) There are no reasonable disease mitigation measures and there is no recommendation indicating the acceptability of any rotation deviation from Experts that will offset the risks associated with the crop sequence, deny the request; or
 - (b) If reasonable disease mitigation measures exist or there is a recommendation of adaptability indicating the acceptability of any rotation deviation from agricultural experts, approve the request.
 - (c) If the request can be approved under subparagraph (b), in accordance with section 3G, if:
 - 1 The yields will be significantly different:
 - a Use the producers APH history and production history for other producers in the area using the same or similar rotation practices and calculate a T-Yield for the rotation exception;
 - b A separate APH database must be maintained for the rotation exception;
 - c Determine the expected losses associated with the rotation exception based on information from the agricultural experts and available yield history;
 - d Assign a rate or surcharge that will cover the expected losses and a reasonable reserve determined in accordance with RMA's standard premium rating methodology (For example, for onions, based on the increased risks and loss of yield, an additional 50 percent rate surcharge is included in the written agreement).
 - 2 The crop sequence will not significantly affect the risk or the yield, assign a standard rate and yield (For example, for potatoes, if the producer uses a Sudan grass manure cover crop immediately following harvest of potatoes, this manure acts as a bio-fumigant. The yield and risk are similar to standard practices and, therefore, no rate or yield adjustments are necessary); or
 - 3 There is an increased risk due to additional disease pressure but no likely effect on the yield, assign a rate commensurate with the additional risk in accordance with clause 1c and d (For example,

for sugar beets, a slight increase in risk due to additional disease pressure is possible, but very little difference in average yield is expected. A 5 percent rate surcharge was appropriate to cover this additional frequency of loss).

4I SC TYPE: Special purpose corn.

Special purpose corn is defined in the Coarse Grains Provisions as high-amylose, flint, flour, Indian, blue corn, wildlife adapted, or any open pollinated varieties.

- (1) In addition to the requirements in section 3C:
- (a) Compare the dates the producer normally plants and harvests the crop to the county and those recommended by an agricultural expert and adjust the appropriate dates as necessary.
 - (b) Examine the information regarding irrigation to ensure that the producer has adequate water at the appropriate times if insurance is sought for irrigated practice. If there is inadequate water for an irrigated practice, deny the written agreement.
 - (c) From the legal description of the acreage, FSN, aerial photographs, etc. identify where the crop will be grown and determine the soil types, topography, and other relevant agronomic conditions on the acreage that could affect the risk.
 - (d) Examine the information from agricultural experts or the organic agricultural industry to determine whether all experts are in agreement regarding adaptability of the crop to county. The Natural Resource Conservation Service maps must be consulted to determine whether the crop is adapted to the soil and agronomic conditions on the acreage. If there is a question regarding an opinion of adaptability received, the RO should consult another agricultural expert. If there is any opinion from an expert that says the crop is not adaptable to the county or acreage, the request for written agreement must be denied.
 - (e) If all of the following conditions are met, the request for written agreement may be approved. If one or more of the conditions are not met, determine whether the condition can be modified to meet the conditions of the acreage to be insured under the written agreement. If the condition cannot be modified, the request for written agreement must be denied.
 - 1 The policy must permit coverage for the specific practice, type, variety, or option of the crop for which insurance is requested.
 - 2 The end of the insurance period, cancellation, termination or other dates must be consistent with the growing season for the crop in the county.
 - 3 Quality adjustment/moisture adjustment or other special loss adjustment provisions can be applied consistently and the

intended use of the crop is defined as acceptable in the policy.

- 4 All other policy terms are appropriate for insuring the crop and acreage.
 - 5 The crop is commercially grown in the county and a viable marketing outlet is available.
- (2) In accordance with section 3G, use the following criteria to determine proper dates, statements, rates, and other appropriate provisions:
- (a) Determining the T-Yield for special purpose corn.
 - 1 Potential yields of different special purpose corn varieties may be 40-85 percent of conventional varieties. Obtain yield information from unbiased third parties such as the Extension Service, University or private plant geneticists, processors, any publications for special purpose corn in the area, and any published yield data to determine the yield potential of the special purpose corn as compared to conventional corn.
 - 2 The special purpose corn T-Yield is determined by multiplying the result of clause 1 times the T-Yield that would be applicable for conventional corn for the appropriate farming practice.

Example:

Blue corn has a yield that is 40 percent of the yield for conventional corn varieties. In Adams County, Illinois, the T-Yield for corn is 150 bushels per acre for a non-irrigated practice. The special purpose blue corn T-Yield is 60 bushels (.40 x 150).
 - 3 APH history for the special purpose corn provided with the request should be used to determine whether the T-Yield determined in clause 2 is appropriate. If the simple average of the APH actual yields for the special purpose corn varies more than 10 percent from the T-Yield determined in clause 2, the T-Yield determined in clause 2 is not appropriate.
 - a Except as provided in section 3C(3)(i), if the simple average of actual yields is less than 90 percent of the T-Yield determined in clause 2, assign the simple average as the new T-Yield.
 - b Except as provided in clause 4, if the simple average of actual yields is greater than 110 percent of the T-Yield determined in clause 2, assigned the simple average not to exceed 120 percent of the T-Yield determined in clause 2.
 - 4 Under no circumstances should the T-Yield determined in clause

2 be higher than the T-Yield for conventional corn.

- (b) Premium rates will be based on the conventional corn premium rates for the county for the approved yield.
- (c) Price elections published in the actuarial documents for conventional field corn will apply for special purpose corn varieties.
- (3) In addition to the requirements of section 3G, the written agreement must contain the practice, type, and variety.

4J SG TYPE: Small grains or crops where provided for in the Crop Provisions that are interplanted with another crop, planted into an established grass or legume, or planted as a nurse crop.

- (1) In addition to the requirements of section 3B, the producer must provide:
 - (a) A written and detailed recommendation on the acceptability of the practice from the Extension Service on the producer's acreage based on the crops and soils;
 - (b) Detailed soils and map locations of where the crop is planted;
 - (c) All production history for the crop for the acreage that had been previously been interplanted; and
 - (d) If disease or weed control is recommended by the Extension Service, evidence of:
 - 1 The application of such disease or weed control; or
 - 2 The means of application are available if application of the disease or weed control was not required when the written agreement was requested.
- (2) In addition to requirements of section 3C:
 - (a) Both crops must be able to be cared for and harvested separately;
 - (b) The recommendation from the Extension Service must have determined the practice is acceptable for the producer's acreage;
 - (c) The producer must have at least two years of production records for the interplanted practice for the small grain or other insured crop that demonstrates that such crop can produce the producer's APH yield for such crop; and
 - (d) Evidence of disease control must be provided if recommended by the Extension Service.

4K SM TYPE: Strip-mined land. Crop has been produced less than five

consecutive crop years.

A producer may qualify for a written agreement on uninsurable strip mined land if an agricultural commodity, other than a cover, hay, or forage crop (except corn silage), has been harvested from the acreage for less than five crop years after the strip-mined land was reclaimed if the productivity potential of the reclaimed strip-mined land is equivalent to similar non-strip mined land in the county.

- (1) In addition to the requirements of section 3B, the request for written agreement must include:
 - (a) Description of the Reclamation Process Report;
 - (b) Date the reclamation was completed;
 - (c) All APH for the reclaimed acreage; and
 - (d) Natural Resource and Conservation Service (NRCS) soil mapping (if available).
- (2) In addition to the requirements of section 3C, examine whether the yield for the reclaimed acreage is comparable to other similar insured acreage of the producer or the county or the surrounding area if the producer's acreage is not similar:
 - (a) If the yields and variability of the yields are comparable, assign the standard rates for the county;
 - (b) If the yields and variability of the yields are not comparable, (1) deny the request if it is impossible to accurately determine the risk and appropriate rates or the risk is excessive; (2) assign a rate comparable to a high risk area in the county; or (3) assign a rate that is appropriate for the risk if it is possible to determine; or
 - (c) If no yields are available, deny the request.

4L SP TYPE: Seed potato acreage greater than 125 percent of past average acres entered into and passing certification in the potato certified seed program in the three previous crop years.

In accordance with section 3C,

- (1) Written agreements cannot be approved unless:
 - (a) There is a change in the farming operation that results in a change in the acreage being farmed in a county or the insured entity. Changes in the farming operation include:
 - 1 There is a revised entity, dissolution of partnership, etc.
 - 2 There is a change in location of the operation:

- a Expansion to another county; or
 - b Planting acreage in fewer counties.
- (b) The written agreement is to retain the capping of liability at no greater than that determined from 125 percent of the average acreage of seed potatoes previously entered into and passing certification in the potato certified seed program for the previous three crop years. For example, two brothers become partners and each had previously entered 100 acres in the certified seed program and pass certification for the past three crop years. Under a written agreement, the partnership's liability would be capped at a value corresponding to 250 acres of certified seed potatoes $((100 \times 1.25) + (100 \times 1.25))$. If a producer previously entered 100 acres in the certified seed program in County A and 50 acres in County B for the three previous crop years, passed certification for all acres, and decided to move the whole farming operation to County A, the producer's liability would be capped at a value corresponding to 187.5 acres under the written agreement $((100 \times 1.25) + (50 \times 1.25))$.
- (2) Under no circumstance can the written agreement over-ride the liability cap determined from 125 percent of acres.

4M TC TYPE: Non-irrigated corn grain where only irrigated corn grain and silage and non-irrigated corn silage are listed on the actuarial documents.

- (1) In addition to the requirements of section 3B, the request for written agreement must include:
- (a) A minimum of three years of actual corn grain production history on an APH form verified by the insurance provider of non-irrigated corn production in the county and the acceptable supporting records:
 - 1 The production history cannot be based on conversion from corn silage records to corn grain records;
 - 2 Only years of records the producer actually shared in the non-irrigated corn grain crop will be considered as a year of records to qualify the producer (However, an operator with three or more years of acceptable records will qualify a sharing landlord); and
 - 3 If the producer expands to acreage that adjoins the farming operation and such acreage crosses a county or state line into a county without actuarial documents, the existing production reports from the current crop production are sufficient.
 - (b) Production records that show that, in at least one of the years, 50 percent or more of the producer's acreage in the county was harvested as grain.
- (2) In addition to the requirements of section 3C:

- (a) From the legal description of the acreage, FSN, aerial photographs, etc. identify where the crop will be grown and determine the soil types, topography, and other relevant agronomic conditions on the acreage that could affect the risk.
 - (b) Examine information from agricultural experts or the organic agricultural industry to determine whether all experts are in agreement regarding adaptability of the crop to county. The Natural Resource Conservation Service maps must be consulted to determine whether the crop is adapted to the soil and agronomic conditions on the acreage. If there is a question regarding an opinion of adaptability received, the RO should consult another agricultural expert. If there is any opinion from an expert that says the crop is not adaptable to the county or acreage, the request for written agreement must be denied.
- (3) In accordance with section 3G:
- (a) Determine the T-Yield by dividing the non-irrigated corn silage T-Yield by 0.15.
 - (b) Premium rates must be determined as follows:
 - 1 Use the premium rates from the reference county determined in accordance with section 3O; or
 - 2. If the premium rates or factors from the reference county are not appropriate because there are additional risks or the risks are different for the non-irrigated corn grain practice or type:
 - a Determine the risks and expected losses in the county associated with the non-irrigated corn grain practice or type (sources of data to determine risks could include prior insurance experience, NASS data, climatic data, etc);
 - b Review the base premium rate and factor for the non-irrigated corn grain practice or type in the reference county; and
 - c Increase or decrease the factor for non-irrigated corn grain practice or type as necessary to cover the expected losses.
- (4) In addition to the requirements of section 3G, the written agreement must:
- (a) Specify map area if applicable.
 - (b) Contain the following statement: "This written agreement was prepared on the basis that corn grain records were certified to and verified in accordance with RMA approved procedures. If it is determined that grain records were obtained by factoring silage production, this agreement is null and void."

4N TD TYPE: Type of dry beans not on actuarial documents.

- (1) In addition to the requirements of section 3B, the request for written agreement must also include for each type of bean:
 - (a) Two years of production reports and prices received; or
 - (b) University or seed company test plot results and evidence of market potential including the price buyers are willing to pay for the class (Sales records of the producer, a contract, or statements from the buyer can be used as evidence of market potential).
- (2) In addition to the requirements of section 3G, a request for written agreement may be approved on dry bean types not designated in the Special Provisions, provided that insurance for dry beans is available in the county.
- (3) In accordance with section 3G:
 - (a) Determine the T-Yield as follows.
 - 1 If the production history for the type is equal to or greater than the current T-Yield of the major type in the county, use the current T-Yield (The major type of dry bean in the county based on the type that historically has the highest number of acres in the county based on NASS data or Farm Service Agency data if NASS data is not available); or
 - 2 If the current T-Yield of the major type in the county is higher than the average of actual history for the type, the current T-Yield must be reduced to reflect the expected yield for the type in the county (Determine the expected yield for the type in the county based on all available production history in the county or other counties with similar agricultural conditions, yield trials, or the advice of agricultural experts).
 - (b) If the dry bean type is not listed on the actuarial documents for the county but is in other counties, use the price election RMA has established for that type. For all other types that are not insurable in any county, the price election will be:
 - 1 The Mung bean price election;
 - 2 The contract price if the dry beans are under contract; or
 - 3 For those crops where the contract prices in the area are lower than the Mung Bean price election, the contract price even if the beans are not under contract.

- 4 Any dry bean class/type not on the Master Price List (MPL) must be coded (999) for class/type, and the reference state/county must be the same as location state/county.

(c) When determining the premium rate:

- 1 Combine records by type/practice and utilize standard APH rules to obtain an average yield.

EXAMPLE: 305 Type, 003 Practice - Producer has two years of 305 records.

T-Yield = 700	Year	Acres	Yield
	1998	-	N 630
	1999	-	N 630
	2000	-	A1200
	2001	-	<u>A 400</u>

APH YLD FOR 305 - 2002 Crop Year--- $2860/4 = 715$

- 2 If the requested type was insurable in the same type group as a type still insurable, use the standard rate for that type.

EXAMPLE: Requested type is 305, which was in the same type group as 309 Navys in 1990. Use the average yield for the requested type determined in (c) 1 and 309 standard rates for the current year to arrive at the applicable rate.

NOTE: For carryover insureds, apply a yield limitation (10% percent) to the APH yield used to determine the rate in a previous crop year.

- 3 If the requested type was not insurable in a type group still insurable, determine the type group most comparable to the requested type and use the standard rate for that type. Use the average yield for the requested type determined in (c) 1 and the standard rates of the comparable type for the current year to arrive at the applicable rate.

- 4 T-Yields must be identified as standard T-Yields, or T-Yields for high risk or unrated areas.

(d) In addition to the requirements of section 3G, the written agreement will contain the practice, type, and variety.

40 TL TYPE: Listing reconsiderations for tobacco.

A producer may obtain a change to the FCI-32, Actuarial Classification Listing.

- (1) In addition to the requirements of section 3B, the producer must provide:

- (a) The producer’s classification for other tobacco practices or types in other counties; and
 - (b) In addition to the provisions of section 3B(1)(a) through (h), new producers who request a classification based on their involvement in the farming operation of a family member only, must include in the request the following signed statement. “I certify that I have been involved in the farming operation of [insert name of family member] and have had management responsibility in their tobacco operation.” “Management responsibility” means the producer has been involved in the decisions regarding the planting, fertilization, pest control, harvesting and marketing of the tobacco crop.
- (2) In addition to the requirements of section 3G, the RO must:
- (a) For producers who request a classification because they were coded as being inactive or did not appear on the FCI-32 Listing, in the written agreement:
 - 1 Assign a classification based on all production history contained in the tobacco database for the applicable base period using the standard classification rules; and
 - 2 Provide a premium rate that is the higher of:
 - a. The premium rate associated with the classification; or
 - b. A premium rate equal to the requesting entities' cumulative loss cost ratio for tobacco (The sum of all indemnities divided by the sum of all liabilities for all years insurance experience is available) for the base period plus a reasonable reserve determined in accordance with RMA’s standard premium rating methodology.

For Example:

Crop Year	Indemnities	Liabilities
1999	\$500	\$2,000
2000	0	\$2,500
2001	\$1,500	\$2,000
2002	0	\$1,000
2003	\$1,800	\$2,000
Totals	\$3,800	\$9,500

Cumulative loss cost ratio equals $\$3,800 \div \$9,500 = .40$

- (b) For producers who change the name of their existing farming operation (i.e. individual, partnership, or corporation), in the written agreement:
 - 1 Assign a classification for the current crop year based on the

production history of the entity with records (old entity);

2 Change the name and identification number on the production records in the database; and

3 Remove the name of the old entity from the database and the listing.

(c) For producers who are expanding their operation into a new county (county with less than three years of records) AND who have three or more years of production records in another county:

1 Provide a classification based on the records of the other county if the producer's cumulative loss ratio in the other county is less than the cumulative county loss ratio for that county using the same years the producer has grown the crop in the other county; and

2 If the producer cumulative loss ratio is less than the cumulative county loss ratio for the same crop years, provide a classification based on the producer index from the existing county multiplied by the county average yield of the new county. Refer to the following example of the producer index and section 4D of the Classification Standard Handbook for further explanation.

The producer index is determined as follows:

1. Total the producer's average yields for all crop years in his database;
2. Total the existing county average yields for the same crop years;
3. Divide the results of step 1 by the result of step 2;
4. Total the new county average yields for the same base period contained in the existing counties base period;
5. Divide the result of step 4 by the number of years;
6. Multiply the result of step 5 by result of step 3;
7. The result of step 6 is used to determine the classification in the new county from the actuarial documents.

For Example:

STATE 47 COUNTY 213 – Wally TOBACCO 233

NAME.....SMITH		JOHN W			
YEAR	ACRES	AVG YIELD	EXISTING CNTY AVG YIELD	NEW COUNTY AVG. YIELD	
1993	0.00	0	2000	1800	
1994	0.00	0	2020	1632	
1995	0.00	0	2055	1305	
1996	0.00	0	1970	1462	
1997	0.00	0	2345	2956	
1998	0.12	1517	1525	1576	
1999	0.13	1569	2400	1543	
2000	0.64	3320	3845	3280	
2001	1.18	3331	3450	3002	
2002	0.61	1695	2750	2783	

1. Total producers annual average yields = 11,432 (1517 + 1569 + 3320 + 3331 + 1695)
2. Total of existing counties average yields for the same crop years 13,970 (1525 + 2400 + 3845 + 3450 + 2750)
3. Divide step 1 by step 2 = $11,432 \div 13,970 = 0.82$
4. Total of new counties average yields 21,339 (1800 + 1632 + 1305 + 1462 + 2956 + 1576 + 1543 + 3280 + 3002 + 2783)
5. Divide step 4 by the number of years = $21,339 \div 10 = 2,134$
6. Multiple step 5 by step 3 = $2,134 \times .82 = 1750$
7. The result of step 6 is used to determine the classification.

3 The classification in the new county cannot exceed the classification of the existing county.

(d) For household members having different classifications and separate classifications are not warranted, combine the production history under the correct person's name in the database and issue the written agreement with a correct classification in that person's name.

(e) For producers who request a classification due to the creation or dissolution of an entity:

- 1 If an entity is created and the producers forming the entity will no longer be active as individuals, combine the yield data in the database and issue a written agreement based on the combined data using standard classification rules. The individuals will not appear on the listing in subsequent years.

If a new entity is created and the individuals will continue to farm as individuals and as the entity, combine the yield data of the individuals using standard classification rules and issue a written agreement only if the combined loss ratio of all of the individuals is less than county loss ratio using the same years the individuals produced the crop. The yield data in the database will not be duplicated for the entity. A written agreement may be reissued from year to year until the entity has 3 years of actual yield data in the database provided the new entity loss ratio is less than the county loss ratio. (To determine the combined loss ratio, add the premium for each individual for each year the individual has data and add the indemnities paid for each individual for each year the individual has data, and divide the total indemnity by the total premium for both individuals.

For example: John Jones and Ed Doe forms a partnership J & D Farms, and John Jones will continue to farm as an individual.

John Jones:	Premium	Indemnity
2000	1000	150
2001	800	1300
2002	1000	1600
2003	800	0

Ed Doe:	Premium	Indemnity
1998	1200	1500
1999	1100	200
2001	1250	1800
2002	1000	1400

Combined data:	Premium	Indemnity
1998	1200	1500
1999	1100	200
2000	1000	150
2001	2050	3100
2002	2000	3000
2003	800	0
Total	8150	7950

Combined loss ratio = 0.96

2 If an entity is dissolved, divide the yield data associated with the entity, assign such data to the individuals comprising the former entity who will farm such acreage, and issue written agreements to the individuals using standard classification rules. The entity will not appear on the listing in subsequent years.

(f) With respect to new producers who request a classification based on their involvement in the farming operation of a family member under paragraph (1)(b), contact FSA County Executive Director or County Extension

Service Agent for further verification of involvement. If verified, issue a written agreement in the new producer's name based on the classification received by the family member. A written agreement may be reissued from year to year as long as the new producer loss ratio is less than the county loss ratio or the new producer has 3 years of records in the database. If a "Successor-In-Interest" application has been approved by the insurance provider, the applicant will also receive the complete history of the family member by changing the name in the database. A copy of the approved "Successor-In-Interest" application must be obtained from the insurance provider and retained in the file.

- (3) Any producer whose request for written agreement indicates that the FCI-32 actuarial classification is incorrect will be mailed a copy of their yield history with an explanation of how their classification was determined. The producer will be given 30 days to have the FSA County Office mail any corrections or omissions to the RO. If yield history received from FSA indicates a correction should be made, the RO must update the yield history in the database and issue a classification using standard classification rules.

4P TP TYPE: Unrated practice, type or variety.

- (1) In addition to the requirements of section 3B, the producer must provide evidence the crop is commercially grown in the area and a viable marketing outlet is available. For example, the price of Austrian winter peas is \$.12, it costs \$.05 to ship the crop to market, and it costs less than \$.07 to produce the crop.
- (2) In addition to the requirements of section 3C:
 - (a) Compare the dates the producer normally plants and harvests the crop using the unrated practice, type or variety to the reference county and those recommended by agricultural experts and adjust the appropriate dates as necessary.
 - (b) Examine the information regarding irrigation to ensure that the producer has adequate water at the appropriate times, if insurance is sought for an irrigated practice.
 - (c) From the legal description of the acreage, FSN, aerial photographs, etc. identify where the crop using the unrated practice, type or variety will be grown and determine the soil types, topography, and other relevant agronomic conditions on the acreage that could affect the risk.
 - (d) Examine the information from agricultural experts or the organic agricultural industry to determine whether all experts are in agreement regarding adaptability of the unrated practice, type or variety to area. The Natural Resource Conservation Service maps must be consulted to determine whether the unrated practice, type or variety is adapted to the soil and agronomic conditions on the acreage. If there is a question regarding an opinion of adaptability received, the RO should consult another agricultural expert.

- (e) Use the inspection report for perennial crops to determine insurable acreage, the age of the stand, whether the inspector recommends insurance for the acreage, any noted perils or hazards unique to the acreage.
- (f) If all of the following conditions are met, the request for written agreement may be approved. If one or more of the conditions are not met, the written agreement must be denied.
 - 1 The actuarial documents in another county permits coverage for the specific unrated practice, type or variety of the crop for which insurance is requested.
 - 2 Quality adjustment, moisture adjustment or other special loss adjustment provisions can be applied consistently and the intended use of the crop is defined as acceptable in the policy.
 - 3 All other policy terms are appropriate for insuring the unrated practice, type or variety and acreage.
 - 4 The unrated practice, type or variety is commercially grown in the area and a viable marketing outlet is available.
 - 5 All the agricultural experts or organic agricultural experts agree the unrated practice, type or variety is adapted to the area.
 - 6 If the unrated practice, type or variety has been planted previously, the same production practices must be used and the same agronomic conditions must exist for the acreage to be covered under the written agreement.
- (g) Requests for written agreements must also be denied if :
 - 1 If there is inadequate water for an irrigated practice, if known at the time of processing the request;
 - 2 For perennial crops, if the inspection report recommends the acreage not be insured; or
 - 3 If it is not possible to determine an appropriate premium rate or T-yield.
- (3) In accordance with section 3G, use the following criteria to determine proper dates, statements, rates, and other appropriate provisions:
 - (a) Determine a T-Yield.
 - 1 For an unrated practice, type or variety using county T-Yields:
 - a Use the T-Yield of the reference county; or

- b If the reference county T-Yield is not appropriate or available, determine a T-Yield using NASS or other yield data from Extension Service or other unbiased sources in accordance with the Transitional Yield Guide.
 - 2 For counties with T-Yield maps (not county T-Yields) or high risk areas with separate T-Yields, determine an appropriate T-Yield by multiplying the T-Yield determined in clause 1 by the area factor applicable to the area where the acreage to be insured under the written agreement is located. For acreage located in more than one area, separate T-Yields must be determined.
 - 3 APH history provided with the request should be used to determine whether the reference county T-Yields are appropriate. If the APH yield varies more than 10 percent from the reference county T-Yield, the reference county T-Yield is not appropriate.
 - 4 Under no circumstances should the T-Yield be higher than the T-Yield for the reference county.
- (b) For all plans of insurance, premium rates must be determined as follows:
- 1 For counties with continuous rating, use the premium rates from the reference county determined in accordance with section 3O;
 - 2 For counties with one premium rate for all yields, use the premium rate for the 65 percent coverage level and inform the insurance provider to multiply the rate by the differential in the actuarial documents for the reference county if the producer's coverage level is different; or
 - 3 If the premium rates from the reference county are not appropriate because there are additional risks or the risks are different for the unrated practice, type or variety or there is no appropriate reference county:
 - a Determine the risks and expected losses in the county associated with the unrated practice, type or variety (sources of data to determine risks could include prior insurance experience, NASS data, climatic data, etc);
 - b Review the base premium rate and factor for the unrated practice, type or variety in the reference county; and
 - c Increase or decrease the factor for the unrated practice, type or variety as necessary to cover the expected losses
 - 4 In addition to the rates determined in clauses 1 through 3, for high-risk land, determine the add-on rate in accordance with section 4B of this handbook and the Classification Standards

Handbook.

- (c) For dollar plans of insurance:
 - 1 The amount of insurance is obtained from the actuarial documents of the reference county determined in accordance with section 3O; or
 - 2 If the amount of insurance in the actuarial documents in the reference county is not appropriate, determine the dollar amounts for which the crop using the unrated practice, type or variety was sold for in the county from NASS or other similar sources and subtract any post harvest costs, if applicable.
- (4) Monitor the insurance experience of the unrated practice, type, or variety to determine any necessary rate adjustments or whether to include the practice, type, or variety on the actuarial documents.

4Q XC TYPE: Counties with no actuarial documents for the crop.

- (1) In addition to the requirements of section 3C:
 - (a) Compare the dates the producer normally plants and harvests the crop to the reference county and those recommended by agricultural expert and adjust the appropriate dates as necessary.
 - (b) Examine the information regarding irrigation to ensure that the producer has adequate water at the appropriate times if insurance is sought for irrigated practice. If there is inadequate water for an irrigated practice, deny the written agreement, if known at the time of processing the request.
 - (c) From the legal description of the acreage, FSN, aerial photographs, etc. identify where the crop will be grown and determine the soil types, topography, and other relevant agronomic conditions on the acreage that could affect the risk.
 - (d) Examine the information from agricultural experts or the organic agricultural industry to determine whether all experts are in agreement regarding adaptability of the crop to area. The Natural Resource Conservation Service maps must be consulted to determine whether the crop is adapted to the soil and agronomic conditions on the acreage. If there is a question regarding an opinion of adaptability received, the RO should consult another agricultural expert. If there is any opinion from an expert that says the crop is not adaptable to the area or acreage, the request for written agreement must be denied.
 - (e) Use the inspection report for perennial crops to determine insurable acreage, the age of the stand, whether the inspector recommends insurance for the acreage, any noted perils or hazards unique to the acreage. If the inspector recommends the acreage not be insured, the

request for written agreement must be denied.

- (f) If all of the following conditions are met, the request for written agreement may be approved. If one or more of the conditions are not met, the request for written agreement must be denied.

- 1 The policy must permit coverage for the specific practice, type, variety, or option of the crop for which insurance is requested.
- 2 The causes of loss provided for in the policy must be consistent with those conditions that may reasonably be expected to occur in the county.
- 3 The end of the insurance period, cancellation, termination or other dates must be consistent with the growing season for the crop in the county.
- 4 Quality adjustment/moisture adjustment or other special loss adjustment provisions can be applied consistently and the intended use of the crop is defined as acceptable in the policy.
- 5 All other policy terms are appropriate for insuring the crop and acreage.
- 6 The crop is commercially grown in the area and a viable marketing outlet is available.
- 7 If the crop has been planted previously, the same production practices must be used and the same agronomic conditions must exist for the acreage to be covered under the written agreement.

- (2) In accordance with section 3G, use the following criteria to determine proper dates, statements, rates, and other appropriate provisions:

- (a) Determine a T-Yield.

- 1 For crops using county T-Yields:
 - a Use the T-Yield of the reference county; or
 - b If the reference county T-Yield is not appropriate, determine a T-Yield using NASS or other yield data from Extension Service or other unbiased sources in accordance with the Transitional Yield Guide.
- 2 For counties with T-Yield maps (not county T-Yields) or high risk areas with separate T-Yields, determine an appropriate T-Yield by multiplying the T-Yield determined in clause 1 by the area factor applicable to the area where the acreage to be insured under the written agreement is located. For acreage located in more than one area, separate T-Yields must be determined.

- 3 APH history provided with the request should be used to determine whether the reference county T-Yields are appropriate. If the APH yield varies more than 10 percent from the reference county T-Yield, the reference county T-Yield is not appropriate. Under no circumstances should the T-Yield be higher than the T-Yield for the reference county.
 - 4 Verifiable records of actual yields will be used to determine whether the APH yield is supported, whether there are any quality or moisture issues that require an adjustment in policy terms, whether the dates of harvest support the end of the insurance period, or to determine whether other terms of insurance are appropriate. Verification of the records of actual yields must be done by the insurance provider and will not be performed by the RO.
- (b) For all plans of insurance, premium rates must be determined as follows:
- 1 For counties with continuous rating, use the premium rates from the reference county determined in accordance with section 3O;
 - 2 For counties with one premium rate for all yields, use the premium rate for the 65 percent coverage level and inform the insurance provider to multiply the rate by the differential in the actuarial documents for the reference county if the producer's coverage level is different; or
 - 3 If the premium rates from the reference county are not appropriate because there are additional risks or the risks are different, compare the premium rates of a crop with similar risk exposure in the reference county and county where the acreage to be covered under the written agreement is located, determine the differential between the two rates and multiply the differential by the premium rate or rates from the reference county, as appropriate (If there is no crop with a similar risk exposure, deny the written agreement); and
 - 4 In addition to the rates determined in clauses 1 through 3, for high-risk land, determine the add on rate in accordance with section 4B of this handbook and the Classification Standards Handbook.
- (c) For dollar plans of insurance:
- 1 The amount of insurance is obtained from the actuarial documents of the reference county determined in accordance with section 3O; or
 - 2 If the amount of insurance in the actuarial documents in the reference county is not appropriate, determine the dollar amounts

for which the crop using the unrated practice, type or variety was sold for in the county from NASS or other similar sources and subtract any post harvest costs, if applicable.

- (3) Monitor the insurance experience of the unrated crop to determine any necessary rate adjustments or whether to include the crop on the actuarial documents.

5 GUIDELINES FOR WRITTEN UNIT AGREEMENTS**5A UA TYPE: Written unit agreements.**

The insurance provider must conduct the underwriting, draft the written agreement and submit the written unit agreements to the RO for approval. For all written unit agreements:

(1) Process.

(a) Producer Responsibilities:

- 1 The producer **MUST** comply with the production reporting and record-keeping requirements specified in the applicable crop policy or actuarial documents and procedures for optional units. For each succeeding crop year the written unit agreement is in effect, the producer must file acceptable production reports by the production reporting date to support the designated optional units for each crop. If the insured does not file such reports for a crop, units will be determined according to the policy provisions applicable to that crop.
- 2 Provide all the information required in this section and assist the insurance provider in drafting the written unit agreement.
- 3 For the crop year in which the written unit agreement is requested, the written unit agreement must be signed and dated by the producer, and submitted by the acreage reporting date.
- 4 If the written unit agreement is canceled or the period for which the written unit agreement is effective ends, a new written unit agreement must be submitted by the producer and received by the insurance provider not later than the applicable sales closing date for the crop.

(b) Insurance Provider Responsibilities:

- 1 The information required to be submitted by the producer and relied upon by the insurance provider to write a written unit agreement must be provided to the RO.
- 2 Each proposed optional unit must be delineated on a map or photo, showing and identifying the boundaries of the proposed optional unit and the sections, section equivalents or FSN, and such other information as may be required in each subsection. The FSN, tract or multi-track number, and field number for each parcel contained in the optional unit must also be noted on a map or photo (The map may be a county road map, tax map, aerial photo, GIS maps or other legible map issued by a state or federal agency).

- a The map/photo must be specifically referenced in the written unit agreement and attached to the agreement (the map/photo is considered part of the agreement).
 - b The map/photo must be of a reproducible size and quality (or 3 copies provided) for attachment to each copy of the written unit agreement.
 - c The optional units must be referenced on the map in a manner that can be easily coordinated with the producer's acreage report.
- 3 The written unit agreements must use the format and statements contained in Exhibit 3.
- 4 Unit agreements may be written for multiple years.
 - a Multi-year written agreements may be cancelled for any crop year by the producer or the insurance provider by providing written notification by the cancellation date specified in the policy or the agreement, as applicable.
 - b If the producer transfers to another insurance provider, the written unit agreement does not automatically transfer when a cancellation/transfer is executed by the producer. A new request for written unit agreement must be submitted to the assuming insurance provider by the applicable date, along with a copy of the previous issued agreement, approved APH forms/records etc. The ceding insurance provider will provide the assuming insurance provider a copy of the preceding written unit agreement according to standard transfer procedure.
 - c Multi-year written agreements should be reviewed by the insurance provider yearly to verify the determinations made are still appropriate for the situation for which the agreement was developed.
- 5 The insurance provider must review and evaluate all the information submitted with the written unit agreement and determine whether the applicable requirements in this section have been met.
- 6 If the applicable criteria are met, the insurance provider must submit the written unit agreement to the RO for approval not later than 35 days after the deadline for the producer to submit the written unit agreement to the insurance provider.
- 7 If the producer fails to submit the written unit agreement and all the necessary information by the acreage reporting date, the

insurance provider must deny the written unit agreement in accordance with 8b.

8 If the applicable criteria are not met, the insurance provider must:

a Deny the request for a written unit agreement;

b Notify the producer by certified mail that the written agreement is denied and should state the reason for denial. The notice must provide the producer with a right to arbitrate the denial in accordance with section 20 of the Basic Provisions.

9 The written unit agreement must be signed and dated by the insurance provider. Submission of a signed written unit agreement by the insurance provider to the RO will be considered as acceptance by the insurance provider of such agreement.

10 The insurance provider must maintain a copy of the written unit agreement and supporting documents (written unit agreement request, aerial photos, maps, etc.).

(c) RO Responsibilities:

1 If it is determined policy changes no longer permit the agreement, the RO will provide written notice to the producer and insurance provider that the written agreement is canceled not later than 30 days prior to the cancellation date specified in the policy or agreement, as applicable.

2 The RO will return any written unit agreement to the insurance provider without taking any action if the RO determines that the requirements of this section have not been met.

3 Written unit agreements will not be effective unless the RO approves the terms of such agreement and signs the written agreement.

a The RO will return all approved and unapproved written agreements to the insurance provider. If the written agreement is not approved by the RO, the RO will provide the basis for disapproval and provide the producer with the right to appeal.

b If the RO approves the written unit agreement, the insurance provider and producer cannot reject or deny the written unit agreement.

(2) Limitations.

(a) A written unit agreement will not be allowed for high-risk land.

- (b) To be applicable for an insured crop, the written unit agreement must be submitted to the insurance provider by the acreage reporting date for that crop. Crops for which the written unit agreement is submitted after the acreage reporting date may be included under the written unit agreement for the subsequent crop year.
- (c) Each additional optional unit must be separated by identifiable boundaries such as permanent field boundaries, fences, permanent waterways, woodlands, physical features (canyons, lakes, rivers, mountains, reclamation ditches), roadways or similar features that are not readily movable and comply with the requirements in sections 5B through 5D, as applicable.
- (d) Only one written unit agreement, by county, will be effective for the producer, unless the producer is insured with two or more insurance providers. The written unit agreement will establish the same optional units for all insured crops with optional units that are insured under any applicable policy by any insurance provider (including any qualifying crop subsequently added to the policy). If it is discovered that the producer has more than one written unit agreement with the same insurance provider for the county, the agreement with the earliest signature date will apply. Any other written unit agreement will be void.
- (e) Companion policies will have separate written unit agreements and are not required to have the same optional units designated under each agreement. If a landlord and a tenant have different optional units, each entity or policy will have its own approved APH yield and unit arrangement and keep acreage and production records and file acceptable production reports accordingly.
- (f) If the producer has policies with more than one agent (i.e., individual crops in the same county are insured with different agents), the producer must decide which agent to work with to develop the written unit agreement. The producer must advise all other agents a written unit agreement has been requested and provide copies of any approved written unit agreement to each agent.
- (g) The written unit agreement is not crop specific, i.e., any insured crop qualifies for optional units under the written unit agreement provided all other optional unit requirements are met and optional units for the crop are not otherwise limited by the specific Crop Provisions.

5B Creating optional units from an oversized section, section equivalents, and FSN

Acreage in an oversized section, section equivalent (where units are authorized by sections), or FSN, (where optional units are authorized by FSN), may qualify for additional optional units if each oversized section, section equivalent, or FSN is located on contiguous land and can be divisible into two or more blocks each containing at least 640 acres.

EXHIBITS

General Instructions:

Exhibits 3 thru 8 are for RO use to establish basic formats for written agreements. It may be necessary to modify these formats and basic statements depending on the type of actuarial request, the change being made, or unique characteristics of the insured land or crop.

Deadlines and Documentation. The following chart shows the types of written agreement requests, deadlines, and required documentation. All written agreements must be approved by the RMA RO. Insureds must sign and date a request for written agreement by the deadline for each request type shown below. Review section 3 in this handbook for additional information on deadlines and minimum supporting documentation.

In addition to the minimum supporting documentation shown below in the table, all requests for a written agreement must include:

1. A completed Request for Actuarial Change form (Refer to Exhibit 2 in this handbook.);
2. Evidence of adaptability for the crop/type/practice/etc. being requested (Unless not required by the RMA RO.);
3. The insured's Actual Production History (APH) form for the most current crop year, unless the policy does not require the form (Refer to Footnote 2a below.);
4. The legal description of the land and FSA aerial photographs or legible maps delineating field boundaries where the applicant intends to plant the crop for which insurance is requested and;
5. If applicable, all required inspections if the request involves a perennial crop.

Additional documentation may be required on individual requests. In certain instances, the RMA RO may issue additional guidelines used to determine adaptability. Additional time may be granted if additional documentation is not listed above or under "MINIMUM SUPPORTING DOCUMENTATION."

TYPE OF AGREEMENT	DEADLINE	MINIMUM SUPPORTING DOCUMENTATION
Group risk insurance plans (GRP/GRIP) to insure hybrid grain sorghum, hybrid seed corn, popcorn, sweet corn, and other specialty corn as basic grain sorghum or basic corn. Request Type: GP	Sales Closing	-Check with the appropriate RMA RO to see if evidence of adaptability is required. -Aerial photographs or maps are not required.
High-risk or rate areas. Request Type: HR	Initial: Acreage Reporting Date Subsequent Years: Sales Closing Date	-For fragile or highly erodible land, five years of records may be required. Refer to section 4B(4)(a) in this handbook.
Acreage (if greater than five percent of the planted acres in the unit) not planted and harvested in one of the three previous crop years. Request Type: NB	Initial: Acreage Reporting Date Subsequent Years: Sales Closing Date, but re-issuance is not normally required unless the acreage covered by the prior written agreement was not planted.	-Date land was broken out of sod, pasture or perennial legume. -Intended planted acreage of the crop. -Soil surveys.
Unrated nursery plant materials. Request Type: NL	New Insured: With application Carryovers/subsequent years: Cancellation Date	-Completed Request for Actuarial Change, which contains a typed list of exact names of genus, species, subspecies, cultivars, common name (if applicable), plant and container size, number of plants to be insured, practices, container or field grown. -Nursery grower's published wholesale price catalog or price list that includes the name of the nursery and

TYPE OF AGREEMENT	DEADLINE	MINIMUM SUPPORTING DOCUMENTATION
Organic crops. (If coverage is not available in the actuarial documents for the organic practice.) Request Type: OC	Initial: Acreage Reporting Date Subsequent Years: Sales Closing Date	price information for the requested plants. -Copy of the written certification (previous year's certification or other acceptable documentation). [See the Crop Insurance Handbook for additional information and instructions.]
Unrated rate class option. Request Type: OP	Sales Closing Date	-APH specifically for acreage that would be under the option being requested. -Evidence that the crop optional coverage is being requested for is commercially grown with a viable marketing outlet.
Policy exceptions, if authorized in Crop Policies or Special Provisions of Insurance. (Not defined in this table as another request type.) Request Type: PE	Initial: Sales Closing Date or date specified in Crop Provisions or Special Provisions of Insurance. Subsequent Years: Sales Closing Date	-Contact the appropriate RMA RO.
Rotation exceptions, if provided for by the Special Provisions of Insurance Request Type: RE	Sales Closing Date	-Evidence of adaptability of rotation practice deviation. -Detailed information regarding steps taken to mitigate disease concerns. -NRCS soils map. -Exact field location.
Special purpose corn, if coverage is not provided by the Special Provisions of Insurance. Request Type: SC	Initial: Acreage Reporting Date Subsequent Years: Sales Closing Date	-Normal planting and harvesting dates and marketing outlets.
Small grains or crops, if provided for in the Crop Provisions: (i) interplanted with another crop; (ii) planted into an established grass or legume; or (iii) planted as a nurse Crop. Request Type: SG	15 calendar days after the Acreage Reporting Date	-NRCS soils map. -Exact field location. -Detailed recommendation from state extension/research specialist. -If weed control is recommended, proof of application.
Strip-mined land. (Crop produced less than five consecutive crop years.) Request Type: SM	Sales Closing Date	-Description of reclamation process report. -Date reclamation completed. -NRCS soils map.
Seed potato acreage greater than 125% of past average acres. Request Type: SP	Sales Closing Date	-Reason for acreage increase. -Certification that all requested acreage will be managed according to state standards.
Non-irrigated corn grain	Initial: Acreage Reporting Date,	-At least three years of actual corn grain production

TYPE OF AGREEMENT	DEADLINE	MINIMUM SUPPORTING DOCUMENTATION
where irrigated corn (grain and silage) listed on actuarial documents only. Request Type: TC	unless otherwise stated in the Special Provisions Subsequent Years: Sales Closing Date	records. -The RO may require additional documentation. -Refer to the Special Provisions for minimum requirements.
Type of dry beans not on actuarial documents. (Including Chickpeas or Garbanzo Beans.) Request Type: TD	Sales Closing Date	-Report prices received for the specific class (type) and Either, (1) two years of university test plot data and its recommendations, -Or, (2) two years of seed company data supplemented by university data. -If items (1) or (2) are not available, then two years of production data for the requested class and prices received may be submitted. -The variety of the specific class (type) that will be planted. -Current year's APH form certifying all dry bean records (including Chickpea/Garbanzo Bean records for those classes/types).
Listing reconsiderations for tobacco. Request Type: TL	Initial: Acreage Reporting Date Subsequent Years: Sales Closing Date	-Insured's classification for other practices or types in other counties. -Production information for the insured and other entities in which the insured has participated.
Unrated practice, type or Variety (P/T/V). Request Type: TP	Initial: Acreage Reporting Date 4 Subsequent Years: Sales Closing Date	-Evidence of adaptability of the practice or type for the area. -APH showing the specific P/T/V involved with the request. -Evidence that the P/T/V is commercially grown with viable marketing outlet.
Written unit agreements. (Oversized sections, section equivalents, or FSNs.) Request Type: UA	Initial: Acreage Reporting Date Subsequent Years: Sales Closing Date	-The aerial photos or legible maps must delineate permanent boundaries of the oversized section or FSN.
Unrated land. Request Type: UC	Initial: Acreage Reporting Date Subsequent Years: Sales Closing Date	-Check with the appropriate RMA RO to see if evidence of adaptability is required.
Counties with no actuarial documents for the crop. Request Type: XC	Cancellation Date (for the crop in the area) specified in the crop endorsement for which coverage is requested. Refer to Footnote <u>1</u>	- Footnote <u>2</u> - Footnote <u>3</u>

Footnotes:

1 Exception: On or before the cancellation date contained in the Crop Provisions or Special Provisions, if applicable, to insure a crop in a county that does not have actuarial documents for the crop. If the Crop Provisions or Special Provisions do not provide a cancellation date for the county:

- a Use the cancellation date for other insurable crops in the same state that have similar final planting and harvesting dates; or
 - b If there are no other insurable crops with similar final planting and harvesting dates in the state, use the cancellation date in the closest county or state where the crop is insurable.
- 2 The following information is required:
- a A completed APH form (except for crop policies that do not use the form) that contains all the information needed to determine the approved yield for the current crop year and is signed by the producer, or the APH form may be submitted unsigned with the applicable production reports signed and dated by the producer based on verifiable records of actual yields for the crop and county;
 - b Acceptable production records of actual yields for the crop for at least the most recent three consecutive APH crop years during the base period. Refer the Crop Insurance Handbook to determine requirements for acceptable production records.
 - i Production records provided to or requested by the RMA RO that are subsequently determined to be unacceptable may result in a request being incomplete and denied.
 - ii Landlords, with tenants that meet qualifications and also submit an actuarial request, may qualify with less than the three most recent consecutive crop years, by providing supporting documentation.
 - iii Production records are not required if records of crop production are not used to establish either insurance coverage or losses paid under the policy;
 - c The dates the applicant and other growers in the area normally plant and harvest the crop, if applicable;
 - d The name, location of, and approximate distance to the location at which the crop will be sold or used by the applicant;
 - e For any irrigated practice, the water source, method of irrigation, and the amount of water needed for an irrigated practice for the crop; and
 - f Evidence from agricultural experts that the crop can be produced in the area if the request is to provide insurance for practices, types, or varieties that are not insurable, unless not required by the RMA RO.
- 3 For the Pecan Revenue Policy only: At least four years of production and gross sales records are required for XC request types. All other request types involving pecans must contain at least two years of production and gross sales records.
- 4 For written agreements where the other crop types insurable in the county do not have similar planting and harvesting dates to the type provided on the written agreement request, the producer/insurance provider should submit the request prior to or during the planting period, to allow for coverage by written agreement during the growing season. For example: Spring Forage is insurable and the acreage reporting date is April 2005, Fall forage is only insurable by written agreement. In this situation if the producer waits until such date, coverage cannot be provided by written agreement as the insurance period (growing season) has passed, and causes of loss may have been incurred thus the written agreement would not be authorized.

Written agreements are not available for situations not listed here. Written agreement requests will not be accepted for crops for which there is no crop policy, endorsement, and crop provision; or to alter policy provisions, price elections, etc. unless specifically permitted by approved RMA procedures. (Contact the RMA RO for details.)

REQUEST FOR ACTUARIAL CHANGE											
(NACAT)											Crop Year
(Please Type or Print Legibly)											
Insurance Plan	Coverage Level	All applicable information below must be completed, along with attaching any required documentation, before submitting to RMA/RO.							Request Type Code		
Agency or Service Office Name and Address						Servicing Office Name and Address					
Agent Code:								Company RO Code:			
E-mail Address:								E-mail Address:			
Phone:								Phone:			
1. Producer name and address as shown on the application (where two or more Entities insure the same land a request must be completed for each contract)							2. State		County		
							3. Contract number:				
							4. Social Security /Tax Id. No.:				
Town			State		Zip Code			5. Producer is:			
								Landlord	Operator	Owner/Operator	
6. Provide the following information for the land on which the actuarial change is requested:											
DESCRIPTION OF FARM											
SECTION (To the nearest 1/4 Section)	TWP	RANGE	FSA Farm/Tract CLU/Field No.'s	NAME OF CROP	WHOLE ACRES	PRACTICE	TYPE, CLASS VARIETY	CURRENT AREA NO.	INSURED SHARE	NAME OF OTHER PERSON(S) SHARING IN CROP (Print)	
7. Actuarial change, which is requested (Be specific - identify classification area and provide reasons which support this actuarial change for qualifying insurance plan). If additional space is needed, attach a separate page to this form.											
8. Land identified in item 6:						9. Any other pertinent information? (Thoroughly describe any land improvements such as drainage, levee elevation, pump capacities, etc., Attach a separate page, if necessary)					
a) Has been in crop production for						years					
b) Has been operated						years by the present operator					
c) Comprises an entire unit?			Yes		No						
If no, what other land is included in the unit (section, township, range, FSN(s)/Tract(s) and/or farm location).											
d) Has the crop been planted?			Yes		No						
e) Is a High Risk Land Exclusion Option in effect?			Yes		No						
Note: Initial written agreements requested to establish insurability after the Sales Closing Date require an inspection <u>the same day the written agreement would be offered to the insured</u> , if the crop has been planted.											

Request for Actuarial Change (Reverse Side)
MINIMUM SUPPORTING DOCUMENTATION CHECKLIST

Note: A request is not considered timely received unless legible minimum documentation is included.

REISSUANCES (Always Sales Closing Date Deadline)

- ___ Completely filled out, signed and dated Request for Actuarial Change (Required for all types). Separate forms and supporting documentation must be submitted by and county.
- ___ Updated APH (Required for Request Types XC, TD, SC, TC, RE, SM, UA, TP, NB, HR, & UC)
- ___ Copy of Most Recent Previous Agreement (Required for all types)
- ___ Producer's Pre-Acceptance Worksheet (applicable to perennial crops)

INITIAL REQUESTS: SEE THE WRITTEN AGREEMENT HANDBOOK FOR THE DEADLINES, MINIMUM SUPPORTING DOCUMENTATION AND DETAILED INFORMATION.

I have read and understand the following:

- (a) I will have the option to accept or reject any written agreement approved by FCIC based on this request for actuarial change. I cannot pick and choose which terms of the written agreement to accept or reject.
- (b) I agree that I must accept the written agreement by the expiration date or the written agreement will be rejected.
- (c) I agree that if I submit multiple Request for Actuarial Change forms, regardless of when the forms are submitted, for the same condition or for the same crop (e.g., to insure corn on ten legal descriptions where there are no actuarial documents in the county or the request is to change the premium rates from the high risk rates) they may be treated as one request by FCIC and I will have the option of accepting or rejecting the written agreement in its entirety. I cannot reject some terms and conditions of the written agreement and accept others.
- (d) If a crop inspection is required, I agree my written agreement will be rejected by FCIC if: (1) an appraisal of the planted acreage by the insurance provider determined the crop's potential is less than 90 percent of the yield used to determine the production guarantee or the amount of insurance, as determined on the same day the written agreement is presented to me; (2) I fail to sign and accept the written agreement on the date of the appraisal; or (3) the insurance provider has failed to comply with all applicable appraisal procedures.
- (e) If this request is denied or is not accepted by FCIC or the insurance provider, the written agreement is not approved by FCIC, I reject the written agreement under subparagraph (a), I do not accept the written agreement by the expiration date specified in the written agreement, or the written agreement is not timely returned to the Risk Management Agency and I am unable to establish that I complied with all deadlines, I agree that:
 - 1 If insurance is available in the county for the crop, I must accept the rate and coverage from the policy and actuarial documents, or
 - 2 If this request is to initially establish a rate and coverage not otherwise available in the county, no insurance will be provided.
- (f) I agree that regardless of the determinations described in subparagraph (e), I cannot cancel my policy after the cancellation date.
- (g) I agree that a written agreement is not effective until signed by FCIC.
- (h) I agree that I am bound by the preceding statements in any reconsideration, mediation, or appeal related to this request for a written agreement.

I hereby certify that to the best of my knowledge and belief the information contained herein and supporting documentation submitted for the designated crop(s) on the above identified farm(s) is accurate and correct.		I have reviewed the above information and to the best of my knowledge and belief it represents accurate information.		I recommend that the requested actuarial change be approved.	
Signature of Producer	Date	Signature of Agent	Date	Signature of Company Representative	
		Print Agent Name		Print Company Representative Name	


COLLECTION OF INFORMATION AND DATA (PRIVACY ACT)

To the extent that the information requested herein relates to your individual capacity as opposed to your business capacity, the following statements are made according to the Privacy Act of 1974, as amended (5 U.S.C. 552a). The authority for requesting information to be furnished on this form is the Federal Crop Insurance Act, (7 U.S.C. 1501 et seq.) and the Federal crop insurance regulations contained in 7 C.F.R. chapter IV.

Collection of the social security account number (SSN) or the employer identification number (EIN) is authorized by section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506), and is required as a condition of eligibility for participation in the Federal crop insurance program. The primary use of the SSN or EIN is to correctly identify you, and any other person with an interest in you or your entity of 10 percent or more, as a policyholder within the systems maintained by the Federal Crop Insurance Corporation (FCIC). Furnishing the SSN or EIN is voluntary; however, failure to furnish that number will result in denial of program participation and benefits.

The balance of the information requested is necessary for the insurance company and RMA to process this form to: provide insurance; provide reinsurance; determine eligibility; determine the correct parties to the agreement; determine and collect premiums or other monetary amounts (including administrative fees and over payments); and pay benefits. The information furnished on this form will be used by Federal agencies, RMA employees, insurance companies, and contractors who require such information in the performance of their duties. The information may be furnished to: RMA contract agencies, employees and loss adjusters; reinsured companies; other agencies within the United States Department of Agriculture; The Department of Treasury including the Internal Revenue Service; the Department of Justice, or other Federal or State law enforcement agencies; credit reporting agencies and collection agencies; other Federal agencies as requested in computer matching programs; and in response to judicial orders in the course of litigation. The information may also be furnished to congressional representatives and senators making inquiries on your behalf. Furnishing the information required by this form is voluntary; however, failure to report the correct and complete information requested may result in rejection of this form; rejection of any claim for indemnity, replanting payment, or other benefit; ineligibility for insurance; and a unilateral determination of any monetary amounts due.

NONDISCRIMINATION STATEMENT

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, and Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer. 

WRITTEN AGREEMENT (COVER PAGE)Instructions:

The heading contains entries for the date, insurance provider's name and address, and agent's name. Entries made for items 1-9 are transferred from the logging system to actual written agreement forms.

- (1-2) Enter the state and county where crop to be insured is located.
- (3) Enter the request number. The first three characters identify the Regional Office, (e.g. 001 - 010). The remaining five characters are a unique numeric number.
- (4) Enter the policy number, if known.
- (5 – 7) Enter the insured's name, address, and social security number or tax identification as shown on the application for insurance.
- (8) Enter the effective crop year.
- (9) Enter the applicable crop(s) and crop code(s).
- (10) List general instructions to insurance providers for processing the agreement.
- (11) Use "Remarks" as necessary to provide further processing instructions or identify special circumstances that apply to the written agreement or actuarial request. Use this space to inform the insurance provider when a crop inspection is required.
- (12) {Optional for cover page} Identify for signature the name of the second level approving authority designated by the RO Director.

United States
Department of
Agriculture

Risk
Management
Agency

Regional
Office

3500 West Wall Avenue
New Berlin, IL 62707

(217) 241-6600 FAX (217) 241-6618

{Heading}

March 15, 2004

Farmer's Insurance Services
101 East Main Street
South Bend, IA 43434

Agent: James Agency

(1) STATE: Illinois [17]	(2) COUNTY: Sangamon [167]
(3) REQUEST: 00414277	(4) POLICY: 1234567
(5) INSURED: J. B. Harrison	
(6) ADDRESS: 1521 S. Park, Adamsville, IL 62707	
(7) SSN/TAX ID NO: 411-11-2345	(8) CROP YEAR: 2004

(9) Crop(s)
(0041) CORN

Crop(s)
(0081) SOYBEANS

(10) Enclosed is a Written Agreement for the insured. If the terms of the agreement are acceptable to the insured:

The insured and an authorized company representative need to sign in the designated places.

The company should retain the original signed agreement.

Return a signed copy of the agreement to this office and provide copies to the insured and agent.

If the terms of this agreement are not acceptable, please write "Rejected" on the agreement and initial and date.

Please return a copy of the agreement, whether accepted or rejected to this office.

(11) {Remarks:}

If you have any questions, please contact this office.

(12)
John Johnson
Senior Risk Management Specialist

Enclosure(s)

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

WRITTEN AGREEMENT (Standard Example)Instructions:

- The document heading is duplicated from the Written Agreement Cover Page.
- (1-9) Items 1-9 are duplicated from the Written Agreement Cover Page.
 - (10) The request/written agreement type is shown as entered from the actuarial request form. Refer to section 3H for codes used.
 - (11) Enter the provisions and/or actuarial document form(s) affected by the written agreement. If necessary, attach the appropriate forms.
 - (12) Provide changes to policy terms made by the written agreement. Use a table or specific language to identify the crop, type, practice, and land description for which the written agreement assigns different policy terms, rates, and/or yields.
 - (13) If a reference state and reference county are used to establish terms and conditions in the written agreement, identify the appropriate state and county here. Refer to Section 3O.
 - (14) Add statements to further define how changes identified in (12) are applied or to establish additional terms and conditions of insurance.
 - (15) Identify the crop year(s) the written agreement will apply to. Refer to section 3L and M.
 - (16) This statement is required. A written agreement is void for all acreage insured under the Catastrophic Risk Protection Plan Endorsement, a pilot program, or insurance plan for which a specific type of written agreement is not authorized.
 - (17) This statement is required if the agreement assigns premium rates that are not standard in the county for crops that may be excluded by the High Risk Land Exclusion Option.
 - (18) This statement is required for all agreements. Enter the expiration date. A written agreement issued 30 calendar days or more before the sales closing date remains a valid offer until 12:01 a.m. on the day following the sales closing date. Written agreements issued less than 30 calendar days before the sales closing date are valid offers for 30 calendar days.
 - (19) Signature of insured and date signed indicating terms and conditions in the agreement were accepted.
 - (20-24) Insurance provider must complete the company name, signature of authorized representative, and company address, date the agreement was signed, and the company code.
 - (25-26) Enter RO providing authorization for the written agreement. Signature of RO Director, Deputy, or senior level staff, determined by the Director, authorizing the written agreement and date signed.

If a crop inspection is required, issue the written agreement unsigned. When an acceptable crop inspection is returned with the agreement, sign and issue the authorized agreement to the insurance provider.

- (27) This statement is required for all written agreements.
- (28) Provide additional notice of how copies need to be distributed in the event a cover page is separated from the written agreement.

WRITTEN AGREEMENT

{Heading}

March 15, 2004

Page 1 of 2

Farmer's Insurance Services
 101 East Main Street
 South Bend, IA 43434

Agent: Joe Agent

(1) STATE:	Illinois [17]	(2) COUNTY:	Sangamon [167]
(3) REQUEST:	00414277	(4) POLICY:	1234567
(5) INSURED:	J. B. Harrison		
(6) ADDRESS:	1521 S. Park, Adamsville, IL 62707		
(7) SSN/TAX ID NO:	411-11-2345	(8) CROP YEAR:	2004

(10) **Request Type:** HR - High Risk Land

(9) **Crop(s)** _____
 (0041) CORN

Crop(s) _____
 (0081) SOYBEANS

Under the above insurance policy for the respective insured crop(s), the undersigned parties expressly agree that the following is an endorsement to the (11). The policy covering the stated crop(s) is revised as follows:

(12)

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
<i>*Rates listed below are Additive Rates</i>							
0041	016	003	NW1/4NE1/4 of Section 26 T17N-R6W		0.1000	N	
0041	016	003	SE1/4 of Section 34 T17N-R6W		0.1000	N	
0081	997	053	NW1/4NE1/4 of Section 26 T17N-R6W		0.1000	N	
0081	997	053	SE1/4 of Section 34 T17N-R6W		0.1000	N	

(13) {{ Reference State: Michigan (26) Reference County: Lee (105) }}

(14)

(15) This Written Agreement applies to the 2004 Crop Year only.

(16) This agreement does not apply to any acreage insured under the Catastrophic Risk Protection (CAT) Plan Endorsement or insurance plans and pilot crops for which this type of written agreement is not authorized.

(17) If you have signed a High Risk Land Exclusion Option, any high risk acreage identified on this Written Agreement which is assigned an add-on, multiplicative, or designated rate is not insurable under the terms and conditions of this agreement.

(18) This offer expires at 11:59 p.m. on 04/14/2004.

WRITTEN AGREEMENT

March 15, 2004

Page 2 of 2

STATE: Illinois [17]	COUNTY: Sangamon [167]
REQUEST: 00414277	POLICY: 1234567
INSURED: J. B. Harrison	
ADDRESS: 1521 S. Park, Adamsville, IL 62707	
SSN/TAX ID NO: 411-11-2345	CROP YEAR: 2004

ACCEPTANCE: I certify that I have carefully reviewed this endorsement and agree to its terms and conditions. I further agree and understand that nothing contained herein will otherwise change any of the other terms or conditions of the policy.

(19)

(INSURED'S SIGNATURE)

_____/_____/_____
(DATE)

(20)

(COMPANY NAME)

(21)

(SIGNATURE OF COMPANY REP.)

(22)

(COMPANY ADDRESS)

(23)

_____/_____/_____
(DATE)

(24)

(COMPANY ADDRESS)

(COMPANY CODE)

(25) Approved by: Risk Management Agency, New Berlin Regional Office

(26)

John Johnson
Senior Risk Management Specialist

_____/_____/_____
(DATE)

(27) RMA authorizes the use of this Written Agreement. Any modification to the Written Agreement voids RMA authorization.

(28) DISTRIBUTION: Original to the Insurance Provider; copy to the agent, insured, and Risk Management Regional Office.

WRITTEN UNIT AGREEMENT
(Creating optional units from oversized sections, section equivalents, or FSNs.)

Instructions:

Refer to section 5 in this handbook for additional procedures the insurance provider must follow when completing this written agreement.

The written agreement heading must include all items shown in this exhibit (agent, insurance provider, insured, policy number, applicable crop(s), etc.).

The written agreement format (text boxes, font, letter style) does not need to be identical to the example shown.

All coverage statements in this example of the written unit agreement must be included in each agreement prepared by the insurance provider.

The written unit agreement may be created by the agent and insured at the insurance provider's discretion. If the agreement is accurate and acceptable to the insurance provider, it must signify its acceptance in writing on the agreement and forward it to the RMA RO for approval by the dates specified in section 5.

WRITTEN UNIT AGREEMENT

(Creating optional units from oversized sections, section equivalents, or FSNs.)

March 15, 2004

Page 1 of 2

Farmer's Insurance Services
101 East Main Street
South Bend, IA 43434

Agent: Joe Agent

STATE:	Illinois [17]	COUNTY:	Sangamon [167]
REQUEST:	00414277	POLICY:	1234567
INSURED:	J. B. Harrison		
ADDRESS:	1521 S. Park, Adamsville, IL 62707		
SSN/TAX ID NO:	411-11-2345	CROP YEAR:	2004

Request Type: UA - Written Unit Agreement

Crop(s) _____
(0041) CORN

Crop(s) _____
(0081) SOYBEANS

Under the above insurance policy for the respective insured crop(s), the undersigned parties expressly agree that the following is an endorsement to Section 34 of the Common Crop Insurance Policy Basic Provisions. The policy is revised as follows:

The optional unit division structure applicable to the above insurance policy is modified as shown on the attached map(s) /or/ aerial photograph(s) dated: _____.

Each optional unit must contain at least 640 acres of continuous land within permanent field boundaries.

You can only have one agreement per county for all of your insured crops that are eligible for optional unit division unless you are insured with more than one insurance provider for different crops. If it is determined you have two or more agreements for the same crop in the same county, the agreement with the earliest date will be applicable to all crops and the other agreement(s) will be void.

You must comply with all applicable policy provisions to qualify for all optional units.

All other provisions of the policy not in conflict with this agreement are applicable.

This agreement will not apply to acreage identified as high-risk, or insured under the Catastrophic Risk Protection Endorsement, or to insurance plans and pilot crop insurance programs for which written agreements are not authorized.

This written unit agreement will be in effect for the _____ and succeeding crop years provided no significant changes occur to the farming operation that invalidate the approved unit structure. If significant changes occur, this written agreement is null and void. Any party to the agreement may cancel this agreement in writing by the earliest crop cancellation date applicable under the agreement.

WRITTEN UNIT AGREEMENT

(Creating optional units from oversized sections, section equivalents, or FSNs.)

March 15, 2004

Page 2 of 2

This agreement is not effective until approved by the Risk Management Agency. Any information certified by you that is incomplete, incorrect, or otherwise deficient and that is used to qualify for this agreement or to determine the terms and conditions of insurance will cause this agreement to be voided for the crop year and succeeding crop years.

ACCEPTANCE: I certify that I have carefully reviewed this endorsement and agree to its terms and conditions. I further agree and understand that nothing contained herein will otherwise change any of the other terms or conditions of the policy.

_____/_____/_____
(INSURED'S SIGNATURE) (DATE)

(COMPANY NAME) (SIGNATURE OF COMPANY REP.)

_____/_____/_____
(COMPANY ADDRESS) (DATE)

(COMPANY ADDRESS) (COMPANY CODE)

Approved by: Risk Management Agency, New Berlin Regional Office

_____/_____/_____
John Johnson (DATE)
Senior Risk Management Specialist

RMA authorizes the use of this Written Agreement. Any modification to the Written Agreement voids RMA authorization.

DISTRIBUTION: Original to the Insurance Provider; copy to the agent, insured, and Risk Management Regional Office.

**REQUEST FOR ACTUARIAL CHANGE/WRITTEN
AGREEMENT REVIEW DOCUMENTATION**

Instructions:

- A File documentation must be used to summarize actions taken on actuarial or written agreement requests reviewed. Use the document shown in this exhibit, or a similar version modified by the Regional Office, or an automated version when:
- (1) A name is added to or deleted from a supplement or listing resulting from an actuarial request.
 - (2) A change is made in an FCI-33 specifically to modify an insured's classification.
 - (3) A written agreement is prepared or an insured's request is denied.
 - (4) A detailed review was made, but changes are pending.
- B Preparation:
- (1) Heading: Complete all entries.
 - (2) Insurance Experience Review: Obtain and review all insurance experience as necessary to evaluate the type of request. Assure compliance with acceptable loss criteria as established by the RMA. Discretion should be used to avoid printing copies of any unnecessary insurance experience for file folders.
 - (3) Information From Local Resource People: If applicable, reference dates and comments of local personnel and other sources contacted during the review.
 - (4) Other Information Reviewed And Findings (Applicable APH, production records, soils, aerial photos, etc.): Indicate the relevant information reviewed and findings.
 - (5) Changes In Classification Made: Explain what change is being made, why, how it is determined, and how it will be applied (written agreement, supplement, map change, etc.).
 - (6) Follow-up: Enter future actions recommended, additional comments, or specifics to watch during future reviews. Note any possible instances of non-compliance.
 - (7) Sign and date the review form.
- C Retain this documentation indefinitely in the request file. A copy of this form should also be maintained in the county work folder if a specific change to the FCI-33, Actuarial Map or Supplement is made as a result of a request.

REQUEST FOR ACTUARIAL CHANGE/WRITTEN AGREEMENT REVIEW DOCUMENTATION

State:	Crop Year:
County:	Crops:
Name:	Cont. No./Prod ID:

Insurance Experience Review:
Information From Local Resource People:
Other Information Reviewed And Findings (Applicable APH, production records, soils, aerial photos, etc.):
Changes in Classification Made:
Follow-up:

Reviewer

Date

ACTUARIAL REQUEST CHECKLIST

Instructions:

- A The Regional Office reviewer must complete an Actuarial Request Checklist for each request received. Use the checklist shown in this exhibit, a similar version used for specific request types, or an automated version, if available.
- B Preparation:
- (1) Heading: Complete all entries.
 - (a) The 1st Reviewer is the originator of the written agreement.
 - (b) The 2nd Reviewer is the designated approving authority. (Director, Deputy, or Senior staff designated by the Director.)
 - (2) Request Types: Determine the type of actuarial request. Refer to section 3H.
 - (3) Required Documentation: Review the minimum supporting documentation submitted with the actuarial request.
 - a. Make an appropriate mark under the request type if the information is complete.
 - b. If required minimum supporting information is missing, refer to sections 3F(5), 3F(6), and 3F(7).
- C This document and the Request For Actuarial Change Review Documentation must be maintained in the office file for each request.

ACTUARIAL REQUEST CHECKLIST

Name: _____ Policy No.: _____ Crop Year: _____

State: _____ County: _____ SSN/EIN: _____

Request Type: _____ Crop(s): _____ Company: _____

New/Reissue (N or R): _____ History in File (Y or N/A): _____ Past WA Terms Applied? (Y/N or N/A): _____

Completed Request for Actuarial Change (Y or N): _____ Approved, Denied, or Incomplete (A,D, or I): _____

Determination (RO Specialist): _____ Date: _____
(Signature)

I, the 2nd RO Reviewer, have personally reviewed the materials and find them complete and accurate.

2nd RO Reviewer: _____ Date: _____
(Signature)

Comments:

FOR ALL REQUEST TYPES (Unless not required for a specific request type shown below):

- ___ A completed Request for Actuarial Change form;
- ___ Evidence of adaptability for the crop/type/practice/etc, if required by RO¹;
- ___ A completed APH, if applicable for the crop;
- ___ The legal description of the land and FSA aerial photographs or legible maps delineating field boundaries where the applicant intends to plant the crop for which insurance is requested; and
- ___ If applicable, all required inspections if the request involves a perennial crop.

RENEWAL: RENEWAL IN SUBSEQUENT YEARS

Photocopy of the previous agreement.
Not required: evid. of adapt, legals, or aerial photos.

GP TYPE: SPECIALTY CORN OR GRAIN SORGHUM REQUEST FOR GRP/GRIP

Not required: aerial photos.

HR TYPE: HIGH RATE AREAS

Additional years of records for fragile/highly erodible land may be required.

NB TYPE: ACREAGE NOT PLANTED AND HARVESTED IN 1 OF THE 3 PREVIOUS POLICY CROP YEARS

Intended planted acres.
Date land broken out of sod, pasture or perennial legume.
NRCS soils info.

NL TYPE: UNRATED PLANT MATERIALS FOR NURSERY INSURANCE

Price catalog or list.
A separate list of the plants for which the agreement is requested.

OC TYPE: ORGANIC FARMING PRACTICES RECOGNIZED AS GOOD FARMING PRACTICES

Copy of written certification.

OP TYPE: UNRATED RATE CLASS OPTION

Evidence of crop being commercially grown and with a viable marketing outlet.
APH must be specific for acreage under option.

PE TYPE: POLICY EXCEPTIONS

Established by the RMA RO.

RE TYPE: ROTATION EXCEPTION WHERE PROVIDED FOR ON THE SPEC. PROVISIONS OF INSURANCE

Evidence of adaptability of rotation deviation.¹
Detailed info. about steps taken to mitigate disease or pest concerns.
NRCS soils info. and exact field location.

SC TYPE: SPECIAL PURPOSE CORN

Normal planting and harvesting dates and marketing outlets.

SG TYPE: INTERPLANTED WITH ANOTHER CROP

NRCS soils info. and exact field location.
Recommendation from state extension/expert.
Weed control and proof of application, if recommended.

SM TYPE: STRIP MINED LAND

Description Of Reclamation Report Process And Date Reclamation Completed.
NRCS soils info.

SP TYPE: CERTIFIED SEED POTATO ACREAGE INCREASE

Reason for increase. [Entity or county changes]
Cert. that all acreage will be managed according to state standards.

- TC TYPE:** **NON-IRRIGATED CORN GRAIN**
Determined by the Special Provisions of Insurance.
- TD TYPE:** **DRY BEAN TYPE NOT IN ACTUARIAL DOCUMENTS**
APH must be for all dry beans.
Prices received for the requested type.
Two years of university test plot data and recommendations OR the Above Plus Seed Company data OR two years of requester APH data for the requested type
The specific variety/cultivar (not type or class) to be planted. [Optional – dependent upon RO]
- TL TYPE:** **LISTING RECONSIDERATIONS FOR TOBACCO**
Insured's classification for other practices or types in other counties.
Production info. for the insured and other entities in which the insured has participated.
- TP TYPE:** **UNRATED PRACTICE/TYPE/VARIETY**
APH must be for the specific P/T/V.
Evidence of adaptability of the P/T/V to the area.¹
- UA TYPE:** **WRITTEN UNIT AGREEMENT (OVERSIZED FSNs, SECTIONS, OR SECTION EQUIVALENTS)**
Aerial photos or legible map must delineate permanent boundaries.
- UC TYPE:** **UNRATED LAND**
No additional requirements.
- XC TYPE:** **COUNTIES WITH NO ACTUARIAL TABLE FOR THE CROP**
Acceptable production records.
Dates normally planted and harvested, if applicable.
Name, loc., dist. to market or use of the crop.
Info. on irrigated practice.

¹ Duplicate university or other information that show adaptability is not needed for repeat requests from the same area or for reissuances. Evidence of adaptability could include producer's own history on the crop. RMA may also consider existing production reports from local producing areas or companion operators for initial requests.

GENERAL COVERAGE AND PREMIUM RATING PROVISIONS

Instructions:

Under each type code in this exhibit are examples of statements included in the written agreement to define the changes it makes. These statements are inserted as Items 12-14 in the standard written agreement format. (Refer to exhibit 4.)

Use coverage and premium rating statements to establish insurability, specify terms or conditions, and to explain how appropriate changes will be applied. The statements shown below are basic guides only. They are not intended to fit every situation addressed by a written agreement. The RMA RO will need to refine these statements and develop new ones as needed to address local situations and insurance program changes from year to year.

GP TYPE: SPECIALTY CORN OR GRAIN SORGHUM REQUEST FOR GRP/GRIP

Coverage Statements:

It is agreed and understood that female acreage planted by the insured for the commercial production of HYBRID SEED CORN in the county will be insurable as field corn under the GRIP CORN provisions. Male acreage planted for the commercial production of hybrid seed corn is not insurable. Rates and coverage levels assigned for GRIP CORN in the county will apply.

It is agreed and understood that acreage planted by the insured for the commercial production of POPCORN in the county will be insurable as field corn under the GRIP CORN provisions. Rates and coverage levels assigned for GRIP CORN in the county will apply.

HR TYPE: HIGH RATE AREAS

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
<i>*Rates listed below are Additive Rates</i>							
0041	016	003	NW1/4NE1/4 of Section 26 T17N-R6W		0.1000	N	
0041	016	003	SE1/4 of Section 34 T17N-R6W			Y	
0081	997	053	NW1/4NE1/4 of Section 26 T17N-R6W		0.1000	N	20.00
0081	997	053	SE1/4 of Section 34 T17N-R6W			Y	

Coverage Statements:

Coverage(s) will be based on the approved Actual Production History yield per acre.

The "T-Yield" assigned above will be used as the Transitional Yield for the identified acreage.

Premium Rating Statements:

Any acreage identified on the Written Agreement will have a rate determined in accordance with continuous rating rules applicable for the crop using the APH yield and the **{Appropriate**

Percent} percent coverage level additive rate in the column identified as "Rate". High-risk rates shown in the Additional Coverage and High Risk Rates Table do not apply.

Any acreage identified on the Written Agreement with a "Y" in the "Std APH" column will have a rate determined in accordance with the continuous rating rules applicable for the crop using the APH yield. High-risk rates or factors shown on the Additional Coverage and High Risk Rates Table do not apply.

NB TYPE: ACREAGE NOT PLANTED TO ANY CROP AND HARVESTED OR INSURED IN ONE OF THE THREE PREVIOUS POLICY CROP YEARS

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
<i>*Rates listed below are Additive Rates</i>							
0081	997	053	NW1/4NE1/4 of Section 15 T18N-R1W			Y	20.00

Coverage Statements:

Coverage(s) will be based on the approved Actual Production History yield per acre.

A yield shown in the column identified as T-Yield will be the Transitional Yield for the described land. The unit of measure (bushels, pounds, tons, etc.) for this yield is defined in the applicable Crop Insurance Policy; the County Actuarial Table, Special Provisions of Insurance; or the County Actuarial Table, FCI-35 Coverage and Rates.

Premium Rating Statements:

Any acreage identified on the Written Agreement with a "Y" in the "Std APH" column will have a rate determined in accordance with the continuous rating rules applicable for the crop using the APH yield

NL TYPE: UNRATED PLANT MATERIALS FOR NURSERY INSURANCE

Coverage Statements:

Under the above insurance policy and respective insured crop, the undersigned parties expressly agree that the following is an endorsement to the 2004 Nursery Plant/Price Schedule. The following plant(s) are insured based on the attached listed over-winterization requirements and field grown minimum insurable hardiness zone(s) at the listed price. If the wholesale price contained on the producer's price listing or catalog is less than the price contained on this written agreement, the producer's wholesale price will be used to establish the plant's inventory value for affected plants.

Botanical Name	Common Name	Type	Storage Key	Protection		Min. Field	Size	Practice	Price
				Required	Not Required				
Cattleya	Cattleya Hybrid Orchid	FO	G3	5-6		N/A	2 gal	Container	\$23.47

							3 gal	Container	\$33.88
	N/A = Plant is not insurable under the field grown practice								

OC TYPE: ORGANIC FARMING PRACTICES RECOGNIZED AS GOOD FARMING PRACTICES

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
<i>*Rates listed below are Additive Rates</i>							
0041	016	003	NW1/4NE1/4 of Section 26 T17N-R6W			N	120.00
0041	016	003	SE1/4 of Section 34 T17N-R6W			N	120.00
0081	997	053	NW1/4NE1/4 of Section 26 T17N-R6W			N	39.00
0081	997	053	SE1/4 of Section 34 T17N-R6W			N	39.00

Coverage Statements:

Standard T-Yields contained in the actuarial documents apply to the transitional and certified organic acreage. Separate APH databases are required for conventional and transitional or certified organic acreage as shown on the CONVENTIONAL/ TRANSITIONAL/CERTIFIED ORGANIC APH EXAMPLE” included with this written agreement. Standard APH procedures not in conflict with this agreement or the Organic Crop Insurance Underwriting Guide will apply. Procedures for added land, new database, etc. must be applied in accordance with the same method of farming, conventional, transitional, or certified organic.

The price elections or dollar amounts of insurance applicable to both certified organic acreage and transitional acreage will be the price elections or dollar amounts of insurance published for the crop for the current crop year.

Premium Rating Statements:

An organic premium factor will be used to calculate your premium in accordance with the rating rules applicable for the crop, county, and practice or type. The organic premium factor is **{Appropriate Factor}** and applies to both certified organic acreage and transitional acreage insured under this written agreement.

OP TYPE: UNRATED RATE CLASS OPTION

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
<i>*Rates listed below are Multiplicative Rate Factors</i>							
0084	161	002	(PRQA) Processing Quality / Quality #1		2.3600	N	
0084	161	002	(PRQA) Processing Quality / Quality		1.3700	N	

			#1 or Better				
0084	261	002	(PRQA) Processing Quality / Quality #1		2.3600	N	
0084	261	002	(PRQA) Processing Quality / Quality #1 or Better		1.3700	N	

Coverage Statements:

The Processing Quality Option is provided by this written agreement to land operated by the insured in the county that is planted to Type 161 or Type 261 Potatoes using an irrigated practice.

Premium Rating Statements:

The applicable Rate Class Option Factors by Type/Practice are shown in the column identified as "Rate" above.

RE TYPE: ROTATION EXCEPTION WHERE PROVIDED FOR ON THE SPECIAL PROVISIONS OF INSURANCE

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
<i>*Rates listed below are Fixed Rates</i>							
0013	205	002	Section 26 T7N-R35E		0.1580	N	232.0

Coverage Statements:

In accordance with Section 8(a) in the Crop Provisions, and with exception to the Special Provisions of Insurance crop rotation statement, onions planted on acreage that was previously planted to onions will be insurable.

A yield shown in the column identified as T-Yield will be the Transitional Yield for the described land. The unit of measure (bushels, pounds, tons, etc.) for this yield is defined in the applicable Crop Insurance Policy; Special Provisions of Insurance; or the County Actuarial Table FCI-35 Coverage and Rates.

The Transitional Yield for the re-cropping to onions practice will be 232 cwt. per acre. Coverage for the re-cropping to onions acreage will be based on a separate Actual Production History (APH) database using prior production and acreage of the re-cropping to onions practice and, if applicable, the Transitional Yield assigned herein. Coverage for onions insurable under the standard actuarial structure (onions grown on acreage not planted to onions in the previous crop year) will be based on a separate APH database using prior production and acreage of the standard insurable practice and, if applicable, the Transitional yield assigned by the effective actuarial documents.

All applicable actuarial documents including the Special Provisions of Insurance, the County Actuarial Table FCI-35 Coverage and Rates (excluding the Transitional Yield Table and any base premium rate information), and price elections effective for the identified state and county

will apply to the land described above. This written agreement establishes the Transitional Yield and base premium rate.

Premium Rating Statements:

Land described above is assigned the **{Appropriate Percent}** coverage level base premium rate shown in the column identified as "Rate". Tables located on the appropriate County Actuarial Table, FCI-35 Coverage and Rates will be used to calculate base premium rates at different coverage levels for unit or coverage options elected and to determine the subsidized producer premium.

SC TYPE: SPECIAL PURPOSE CORN IF NOT PROVIDED BY SPECIAL PROVISIONS

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
0041	016	003	Tippecanoe County, Indiana			N	103.00

Coverage Statements:

Acreage planted for commercial production of High Amylose corn will be insurable as field corn. Production from acreage used as border rows that is rejected by the contracting buyer will not be insurable. The Common Crop Insurance Policy Basic Provisions, Coarse Grain Provisions, Special Provisions, Price Elections, and county insurance rates established for field corn will apply with the following exceptions:

Coverage will be based on the Approved Actual Production History (APH) yield calculated for High-Amylose acreage using the Transitional Yield (T-Yield) shown above except that:

1. A separate APH database will be established and maintained for High Amylose acreage and for field corn acreage on the unit.
2. Yield change limitations or floors established for field corn will not be applied to APH approved Yields determined for High Amylose acreage.

Unit division guidelines established by the Provisions apply. No additional unit division for High Amylose acreage is authorized by this agreement.

Premium Rating Statements:

The premium rates for High Amylose acreage will be the higher of: (1) the continuous rating base rate for High Amylose corn acreage on the unit, or (2) the continuous rating base rate for field corn acreage on the same unit, or (3) the high risk rating (if acreage is designated high risk on the FCI-33 Crop Insurance Map effective for field corn.

SG TYPE: INTERPLANTED WITH ANOTHER CROP, PLANTED INTO AN ESTABLISHED GRASS OR LEGUME OR PLANTED AS A NURSE CROP

There are no statement examples or no current agreements are in effect.

SM TYPE: STRIPMINED LAND (Crop has been produced less than five consecutive crop years)

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
<i>*Rates listed below are Additive Rates</i>							
0081	997	053	SE1/4 of Section 20 T5S-R9W (that consists of reclaimed strip mined land only)		0.1000	N	

Coverage Statements:

Coverage(s) will be based on the approved Actual Production History yield per acre.

Premium Rating Statements:

Any acreage identified on the Written Agreement will have a rate determined in accordance with continuous rating rules applicable for the crop using the APH yield and the **{Appropriate Percent}** percent coverage level additive rate in the column identified as "Rate".

SP TYPE: CERTIFIED SEED POTATO ACREAGE INCREASE > 125%

There are no statement examples or no current agreements are in effect.

TC TYPE: NON-IRRIGATED CORN GRAIN WHERE ONLY IRRIGATED CORN GRAIN IS INSURABLE

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
0041	016	003	Land located in Pennington County, South Dakota			Y	31.00

Coverage Statements:

A yield shown in the column identified as T-Yield will be the Transitional Yield for the described land. The unit of measure (bushels, pounds, tons, etc.) for this yield is defined in the applicable Crop Insurance Policy; the County Actuarial Table, Special Provisions of Insurance; or the County Actuarial Table FCI-35 Coverage and Rates.

All applicable actuarial documents including the County Special Provisions of Insurance, the County Actuarial Table FCI-35 Coverage and Rates, and price elections effective for the identified reference state and reference county will apply to the land described above. This written agreement assigns the Transitional Yield. If grain production records used as a basis for authorizing this agreement were obtained by factoring silage production, this written agreement is null and void.

Premium Rating Statements:

Any acreage identified on the Written Agreement with a “Y” in the “Std APH” column will have a rate determined in accordance with the continuous rating rules applicable for the crop using the APH approved yield.

TD TYPE: DRY BEAN TYPE NOT IN ACTUARIAL DOCUMENTS (Including chickpeas/garbanzo beans)

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
<i>*Rates listed below are Fixed Rates</i>							
0047	321	003	All insurable land in St. Clair County, MI		0.4640	N	942.0

Coverage Statements:

Reference State/County: Minnesota (27) / Meeker (093)

Adzuki dry beans will be insurable in St. Clair County, Michigan under the following provisions. The Transitional Yield (T-Yield) must be used in the APH database according to standard RMA approved procedures (variable T-Yields, yield Adjustments (YA), etc.). The established price election is \$0.19/lb. The final planting date is 06/25/04 and the initial planting date is 04/26/04. The identified reference state and reference county are used for data acceptance purposes only.

Premium Rating Statements:

Land described above is assigned the **{Appropriate Percent}** percent coverage level base premium rate shown in the column identified as “Rate”. Tables located in the appropriate County Actuarial Table FCI-35 Coverage and Rates will be used to calculate base premium rates at different coverage levels, for unit or coverage options elected, and to determine subsidized producer premium.

TL TYPE: LISTING RECONSIDERATIONS FOR TOBACCO

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
0230	022	997	All land in Montgomery Co., TN on which the insured is the producer.	T12		N	

Coverage Statements:

Land operated by the insured, except land specifically classified by FSN on the FCI-32, Operator Listing, will be assigned classifications shown in the column identified as “Rate Class” for the Types and Practices shown above.

TP TYPE: UNRATED PRACTICE, TYPE OR VARIETY

Coverage Statements:

In addition to the planting practices shown on the FCI-35, irrigated broadcast soybean acreage will be insurable provided a crop appraisal based on stand count is made by an approved loss adjuster and provided the appraisal shows the crop will produce at least ninety (90) percent of the yield on which the guarantee is based.

Coverage will be based on the approved APH yield for irrigated broadcast soybean acreage. Transitional Yields will be those assigned for the irrigated practices by the actuarial table. Separate production records and APH yield databases for irrigated broadcast soybean acreage will be established and maintained.

Premium Rating Statements:

The premium for such acreage will be determined using rates for the Irrigated Practice (002) based on your APH approved yield. High Risk Rates will apply to any acreage located in a High Risk Area on the county FCI-33, Actuarial Map.

UC TYPE: UNRATED LAND

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
<i>*Rates listed below are Additive Rates</i>							
0041	016	003	NW1/4NE1/4 of Section 26 T17N-R6W		0.1000	N	
0041	016	003	SE1/4 of Section 34 T17N-R6W			Y	
0081	997	053	NW1/4NE1/4 of Section 26 T17N-R6W		0.1000	N	20.00
0081	997	053	SE1/4 of Section 34 T17N-R6W			Y	

Coverage Statements:

Coverage(s) will be based on the approved Actual Production History yield per acre.

The "T-Yield" assigned above will be used as the Transitional Yield for the identified acreage.

A yield shown in the column identified as T-Yield will be the Transitional Yield for the described land. The unit of measure (bushels, pounds, tons, etc.) for this yield is defined in the applicable Crop Insurance Policy; the County Actuarial Table, Special Provisions of Insurance; or the County Actuarial Table, FCI-35 Coverage and Rates.

Premium Rating Statements:

Any acreage identified on the Written Agreement will have a rate determined in accordance with continuous rating rules applicable for the crop using the APH yield and the **{Appropriate Percent}** percent coverage level additive rate in the column identified as "Rate".

Any acreage identified on the Written Agreement with a “Y” in the “Std APH” column will have a rate determined in accordance with the continuous rating rules applicable for the crop using the APH approved yield.

XC TYPE: COUNTIES WITH NO ACTUARIAL TABLE FOR THE CROP

Basic Written Agreement Rate and Yield Table:

Crop	Type	Prac	Narrative	Rate Class	Rate*	Std APH	T-Yield
0084	080	002	E1/2SE1/4 Section 28 T19N-R4E	002		N	244.0

Coverage Statements:

Reference State/County: Indiana (18) / St. Joseph (141)

All applicable actuarial documents including the County Special Provisions of Insurance, the Transitional Yield Table, the County Actuarial Table FCI-35 Coverage and Rates, and price elections effective for the identified reference state and reference county will apply to the land described above.

Coverage(s) will be based on the approved Actual Production History yield per acre.

Premium Rating Statements:

Premium rates for Rate Map Area 002 will apply to all land described above.