

## 2006 FCIC 24040 Written Agreement Handbook (WAH) Summary of Changes

Listed below are the changes to the WAH that have the most significant impact. Minor changes and corrections are not included in this listing. Refer to the actual 2005 WAH to identify clarification/changes that have been made effective for 2006.

Reference	Description of Changes, Clarifications, or additions
3A(2)	Clarified requests not based on policy are denied. Also clarified that we are only talking about policy changes.
3A(3)	Clarified we are talking about requests which have submission deadlines after sales closing. Also clarified appraisals procedures.
3A(3)(c)	Modified to address multiple field appraisals.
3B(1)(d)	Clarified when agreement must be signed.
3B(2)	Clarified that the insured must sign and date the APH form below the certification statement, and clarified what records are needed
3B(2)(b) <u>1</u>	Removed adjoining county reference and added similar crop reference
3B(2)(b) <u>2</u>	Added when we require disinterested third party records and similar crop reference
3B(2)(b) <u>3</u>	Added similar crop
3C(2)	Clarified send letter to producer with copy to Insurance Provider.
3C(3)	Clarified when the RO discovers past history for an insured they may use 3N criteria.
3C(7)	RO's must ensure consistent terms and conditions for similar written agreements
3C(4) –(7), also 3F(5) – (10)	Clarified what written agreements are considered not accepted and which are considered denied.
3D(4)(1)(a)	Removed O due to tobacco changes.
3D(5)	Clarified Successor In Interest must apply for written agreement.
3E(2)	Clarified when rejecting a written agreement for multiple producers listed you send it back to the insurance provider.
3F(6)	Clarified that when not accepting a written agreement send notification regular mail to insured with a copy to insurance provider.
3F(11)(c)	Clarified when policy does not authorize it is denied.
3G(3)(c)	Clarified when offers are valid.
3G(3)(d)	Clarified that Written agreements are considered issued on the date they are printed.
3I(3)	Clarified which written agreements we are referring to.
3I(3)(a)	Clarified insurance provider's responsibilities to let the producers know when fields are not insurable.
3I(5)(b)	Notification of a withdrawal made via regular mail with a copy to the insurance provider.
3J(2)	Clarified that the producer may do either reconsideration or mediation.
3J(4)	Clarified the insurance provider must return original written agreement to the RO.
3L(1)	Clarified when a written agreement is considered a renewal.
3L(2)(a)	Added reference
3L(2)(b)	Added types of written agreements to which the 3N criteria do not apply.
3M(3)	Clarified who reviews the written agreements yearly.
3M(4)	Clarified item d.
3M(5)	Clarified unit agreements are multi-year.
3N	Clarified this does not apply to NB or TL.
3N	Clarified comparisons for experience, and what constitutes a loss when insurance is not in effect.

3O(3)	Clarified when policy dates may be altered.
3P (5) & (6)	Clarifies what file is being sent and who is sending it. Also clarifies whom to notify when the written agreement data is incorrect.
4A	Clarified procedure to include hybrid sorghum seed.
4B(3)(a) <u>6</u>	Clarified experience does not prove absence of a potential loss.
4B(4)	Clarified what to do when there are not five or more years of insurance experience.
4B(4)(e)	Clarified you may use a rate from the Classification Standards Handbook.
4C(1)(b)(2)	Clarified this procedure includes chemically cleared land.
4D(2)(a)	Clarified price determination.
4O(2)(d)	RO must maintain a file of plant names that have been approved for written agreements.
4G(2)	Clarified price determination.
4G(7)	Clarified these requests are not written agreements.
4G(9)	Clarified insurance date changes for policy defined dates.
4J(2)	Clarified when planted as a nurse crop must crops must be harvested separately.
4M	Clarified instructions for non-irrigated corn grain insurance.
4O	Updated instructions for tobacco.
4P	Clarified instructions for permitting coverage for unrated type/ practice/variety.
4P(3)	Clarified instructions for using T-Yields and assigning rates.
4Q(1)(f)(6)	Clarified commercial marketing outlet to include contracts.
4Q(1)(f) <u>8</u>	Added requirement for actuarial soundness
4Q(2)	Clarified instructions for using a reference county when determining a yield.
5A(1)(b) <u>2d</u>	AIP must maintain an updated map for unit agreements.
5A(2)(e)	Clarified separate unit structures by annual and perennial.
5A(2)(d)	Clarified reference.
5A(2)(i)	Added definition of Topographic features.
5B	Modified to add other Criteria
5F	Added instructions for Continuation of Written unit agreements
5C through 5E	New Written Unit agreements have been added.
Exhibits	Added instructions to include the FSN number.
Exhibit 1	Updated unit agreement types
Exhibit 2	Added place for producers signature.
Exhibit 2	Modified language on appraisals.
Exhibit 2	Updated with new non-discrimination statement
Exhibit 4	Clarified the expiration date and when pilot programs may have written agreements
Exhibit 5 through 5E	Modified and added new exhibits on unit agreements
Exhibit 7	Added some fields.
Exhibit 9	Added standard statements to be used in written agreement procedure for specific circumstances.
Exhibit 10	Example of a denial letter due to appraisal
Exhibit 11	Example statements, various, Modified requests, Crops planted in a non-conventional manner, Request made after the sales closing date which establishes insurability
Exhibit 12	Added Appeal Rights Applicability Chart

**United States  
Department of  
Agriculture**

**USDA**

**Risk  
Management  
Agency**

**Product  
Development  
Division**

**FCIC 24020  
(12-05)**

# **2006 WRITTEN AGREEMENT HANDBOOK**

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

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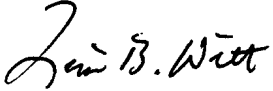
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U.S. DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C. 20250

<b>FEDERAL CROP INSURANCE CORPORATION DIRECTIVE</b>		<b>NUMBER: 24020</b>
SUBJECT: <b>2006 WRITTEN AGREEMENT HANDBOOK</b>	DATE: December 21, 2005	
	OPI: Product Development Division	
	<b>APPROVED:</b>  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 (AIP) 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 CFR 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, 2005**.
- B Issuance. This issuance is for the 2006 and succeeding crop years.
- C Issuances Rescinded. This handbook replaces Transmittal No. 24020 dated November 18, 2004.
- D Filing Instructions.

<u>Remove</u>	<u>Insert</u>
Entire Handbook	New Handbook

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**DISTRIBUTION:**

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





## SECTION 3

## 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 ROs are authorized to conduct the underwriting and approve or deny requests for actuarial change and written agreements on behalf of the Federal Crop Insurance Corporation, (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 AIP, producer or RMA 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. **Written agreements will be denied** for Crop Provisions that specifically preclude written agreements or to alter policy provisions not specifically designated for alteration by written agreement in the policy. **Written agreements written for the sole purpose of altering** price elections, dates, transitional yields (T-Yield) or rate map areas, etc. cannot be written unless specifically authorized in the policy and provided for in this handbook.
- (3) For requests that establish insurability **with submission deadlines** after the sales closing date, **an appraisal must be done in accordance with the following procedures.**
  - (a) **The** AIP must conduct an appraisal (complying with all applicable appraisal procedures) of the crop for which a written agreement is requested to determine the crop's potential yield by field for the acreage specified in the written agreement. 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 **RMA** 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 **(except as provided in subpart (d)); or**
    - 2 Fall planted crops unless required by RMA.
  - (c) **The written agreement must be signed by the producer no later than the earlier of the first appraisal date (if there are to be multiple fields with different appraisal dates) or the expiration date.**

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- (d) **RMA may require** a crop inspection **to occur** at a specific stage of growth determined by RMA (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 AIP;
  - (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 AIP 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 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 AIP 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

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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, **or some fields will not be insurable** if: (1) an appraisal of the planted acreage by the AIP determined the crop's potential is less than 90 percent of the yield used to determine the production guarantee or the amount of insurance; (2) I fail to sign and accept the written agreement **on the earlier of the first** date of the appraisal **or the expiration date**; or (3) the AIP has failed to comply with all applicable appraisal procedures.
- (e) If this request is denied or is not accepted by FCIC or the AIP, 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 as provided in (d)**, 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 administrative review, 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 **written agreements** 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:
      - a 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 **and dated under the CIH APH form certification statement** 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; or



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2001 and 2005 corn production records and 2001 through 2005 production records for a similar crop. The producer should submit an APH form with all the corn records, i.e. 2001 and 2005, and an APH form for the similar crop records, i.e. 2001 thru 2005. The two APH forms must collectively represent production and acreage from at least three (3) different APH crop years).

- 2 Acceptable production records of actual yields (as specified in the CIH or if not specified in CIH, records from a disinterested third party) for at least the most recent three crop years in which the crop or similar crop was planted (i.e. For an XC request for corn, a producer has 2001 and 2005 corn production records and 2001 through 2005 production records for a similar crop. The producer should submit corn production records for 2005 and the 2004 and 2003 similar crop production records).
- a Production records are not required if records of crop production are not used to establish either insurance coverage or losses paid under the policy (e.g. forage seeding); and
- b The actual yields for the crop or similar crop in the county do not necessarily have to be from the same physical acreage for which you are requesting a written agreement.
- 3 To be considered a similar crop to the crop for which a written agreement is being requested, such crop must:
- a Be included in the same category of crops, e.g., row crops (including, but not limited to, small grains, coarse grains, and oil seed crops), vegetable crops grown in rows, tree crops, vine crops, bush crops, etc.;
- b Have substantially the same growing season (i.e., normally planted around the same dates and harvested around the same dates);
- c Require comparable agronomic conditions (e.g., comparable water, soil, etc. needs); and
- d Be subject to substantially the same risks (frequency and severity of loss would be expected to be comparable from the same cause of loss);
- 4 The dates the producer and other growers in the area normally plant and harvest the crop, if applicable;
- 5 The name, location of, and approximate distance to the place the crop will be sold or used by the producer; and
- 6 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 and 5 of this handbook, the Crop Provisions, the Special Provisions, or required by the RMA RO.

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## 3C CONSIDERATION OF REQUESTS FOR WRITTEN AGREEMENTS

- (1) A request for written agreement must not be accepted by the RO if:
  - (a) Requests for written agreements were not submitted in accordance with the deadlines in section 3D;
  - (b) Requests for written agreements were sent to the RO later than 15 business days after the applicable deadlines in section 3D that may or may not be missing required information unless the producer was physically unable to submit a request in accordance with the Basic Provisions;
  - (c) Required information requested by the RO that was missing from a timely submitted request is not provided by the deadline in section 3F(5)(b);
  - (d) Additional information (more than minimum required documentation) requested by the RO is not received by the RO by the date it is required;
  - (e) Any request to add land or crops to an existing written agreement or to a request for a written agreement unless the request to add the land or crops is submitted by the deadlines specified in section 3D;
  - (f) A prior request for a written agreement was not approved and a new request for a subsequent crop year that contains the same information previously considered fails to address the original basis for denying the request;
  - (g) Requirements in the policy and this handbook are not met;
  - (h) A single request for an actuarial change is submitted that covers more than one producer; or
  - (i) The requested changes to the terms and conditions of insurance are not permitted by the Federal Crop Insurance Act, as amended.
- (2) The RO will send notice to the producer with a copy to the AIP by regular mail (general applicability rights are not included in this notice) when a request for written agreement is not acceptable.
- (3) If the RO discovers a request for a new written agreement contains acreage previously insured by a written agreement and the new person or entity participated in the previous operation, the RO will use prior written agreement insurance experience to apply the requirements in section 3N. (If section 3N is not applicable, the requirements will be considered met).
- (4) 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;

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- (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.
- (5) A request for written agreement must be denied **by the RO** if:
- (a) 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;
  - (b) 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;
  - (c) 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;
  - (d) The risks are determined to be excessive in accordance with section 3N;
  - (e) 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.);
  - (f) The requested changes to the terms and conditions of insurance are not permitted by the policy **(e.g. where provisions expressly exclude written agreements or to alter provisions not specifically designated in the policy for alteration); or**
  - (g) 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 which the producer produced the crop.
- (6) The RO must provide notice of denial of the request for written agreement by certified mail to the producer, with a copy to the AIP. The notice of denial must state the reasons for denial and provide rights in accordance with section 3J, as applicable.
- (7) The RO **must ensure consistent terms and conditions are issued in a county for all similar written agreements (e.g. If all conditions are the same, the same rate, yield, etc, should be used for all other similar written agreements).**

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## 3D SUBMISSION DEADLINES FOR 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 AIP, 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;
      - 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 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.



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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) Written agreements with the exception of section 5 do not apply to successor-in-interest policies. Written agreement requests must be provided by the successor-in-interest by the above specified deadlines for new requests and all other applicable procedures.

### 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 to the AIP as unacceptable.
- (3) 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) when a single Request for Actuarial Change form is submitted, regardless of how many requests for changes are contained on the request;
- (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 (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), will be treated as one request by the RO. 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) Separate agreements (for different conditions or for different crops) may be issued by the RO and the producer will have the option to accept or reject each written agreement when multiple Requests for Actuarial Change forms are submitted regardless of when forms are submitted (as long as submission is prior to the applicable deadline in section 3D).

### 3F PROCESSING WRITTEN AGREEMENT REQUESTS

- (1) It is the AIP'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) below, the AIP 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

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should be notified in writing by the AIP that the request for written agreement is not acceptable.

- (2) If all information is timely submitted, the AIP 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 **or as provided in section 5A(1)(b)6**.
- (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 **or as provided in section 5A(1)(b)6** and have missing information, the RO:
  - (a) Determines 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 AIP that the missing information must be postmarked by the United States Post Office, or a similar organization, telephoned, **e-mailed**, or faxed to the RO not later than 15 business days after the applicable deadlines contained in section 3D.
- (6) When not accepting a request for a written agreement, the RO will send notice to the producer with a copy to the AIP via regular mail (general applicability rights are not included in this notice).**
- (7) A request for additional information **(e.g. more information than what minimum supporting documentation provides)** by the RO in accordance with section 3B(2)(c) may be sent to the AIP 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 AIP 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 **or 5**, as applicable.

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- (9) The RO will either issue an approved written agreement, provide notice that the request has not been accepted, or 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 a request for a written agreement, the RO must use certified mail to send notice to the producer **in accordance with** section 3J, **if applicable with a** copy to the AIP.
- (11) The RO must record the type of written agreement requested in the written agreement log. See section 3H(2) for **RO logging** 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).
- (b) Code for withdrawn requests. Use code (WDN) when the AIP or producer withdraws a request and send a letter to the **producer with a copy to the AIP** 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 **or the policy does not authorize the written agreement requested**).
  - 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

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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) and 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 RMA. Except as provided in sections 4D, G, N, P, and Q, the price or amount will not exceed that established by RMA for the crop in the county used to establish the other terms of the written agreement. If the price election announced by RMA 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 RMA 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, N, Q, and P) will not exceed the price or amount established by RMA for the crop in the county used to establish other terms of the written agreement. If the price election announced by RMA 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 RMA 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.

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- 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 and 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 **earlier of the** date of inspection **or the expiration date provided in the written agreement.**
  - (d) Written agreements are considered issued on the date they are **printed** by the RO.
- (4) If there are any errors in a written agreement approved by RMA, such errors may be corrected by RMA 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 AIP; and
    - 2 The producer and AIP 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:
      - a The error is adverse to the producer; and
      - b The RO is notified of such error prior to the end of the insurance period.

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- 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 AIP, 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 crops that are interplanted, use code (SG).
  - (k) To establish coverage for strip-mined land where the crop has been produced less

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than five consecutive crop years, use code (SM).

- (l) 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).
  - (m) 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).
  - (n) For types of dry beans not on the actuarial document, use code (TD).
  - (o) For listing reconsiderations for tobacco, use code (TL).
  - (p) 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 AIP 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 AIP by the RO, instructions will be provided to the AIP that indicate it is the AIP's responsibility to process the written agreement in accordance with this subsection.
- (2) The RO must mail the written agreement directly to the AIP within the time frames specified in section 3F.
  - (a) If the AIP accepts the written agreement, the AIP 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 AIP elects not to accept the written agreement:
    - 1 The AIP 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 AIP 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 AIP must retain a copy of the agreement (including the stated reason

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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 AIP.
- (3) In addition to the requirements in paragraphs (1) and (2), for written agreements that have submission deadlines after the sales closing date which establish insurability:
- (a) The AIP will perform a crop appraisal, as required in section 3A(3), and obtain the producer's signature. IF the crop appraisal requirements are not met on a field basis, the AIP must notify the producer that those fields are not insurable.
- (b) For written agreements timely signed by the producer, the AIP 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 AIP 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 AIP for distribution. The AIP 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 AIP provides to the producer:
- (a) The AIP will obtain the producer's signature if the producer is accepting the offer for the written agreement by the expiration date.
- (b) The AIP shall only sign those written agreements that are timely submitted by the producer.
- (c) After signing, the AIP 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 AIP and the date the agreement was postmarked from the AIP 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 or the producer did not sign the written agreement by the expiration date:
- (a) The AIP must return the original written agreement to the RO with the applicable reason that it is not in effect. The AIP must retain a copy of the written agreement



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(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 (see exhibit 9) the issued written agreements. Notification of a withdrawal must be made via regular mail to the producer with a copy to the AIP. No mediation, appeal or administrative review rights are included.
- (6) If the written agreement returned to the RO by the AIP, 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 RMA 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)(b), unless the producer can provide acceptable documentary evidence that the producer timely signed the written agreement and submitted it to the AIP. 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 that requires an inspection but the crop did not pass inspection.
  - (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) AIP rejection. Use code (IPR) when the AIP 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 will include in the cover letter to the insurance provider (attached to the RO issued written agreement) that the producer has the right to request an administrative review in accordance with 7 CFR 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 administrative review, mediation or appeal.
  - (b) For those written agreement offers where administrative review rights have been provided, the RO will also notify the producer that:
    - 1 A request for administrative review does not affect the producer's responsibility to accept or reject the written agreement offer on or before the expiration date;

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- 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 **administrative review**, 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 **administrative review** or any subsequent appeal.
- (c) If the producer seeks **administrative review**, subsequently appeals in accordance with 7 CFR part 11, and later drops the appeal, the RO does not have to provide notice of the right to **administrative review**, 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) **The** RO does not have to provide notice of the right to **administrative review**, mediation or appeal for any subsequently filed request for written agreements that request the same terms and conditions that were previously denied unless additional information is submitted in support of the request.
- (2) Except as provided in paragraphs (3) **and (4)**, notification that a request for written agreement is denied must include a notice of the right to **administrative review or** mediation in accordance with 7 CFR part 400, subpart J **and** appeal in accordance with 7 C.F.R part 11.
- (3) **The RO will deny** a request for written agreement **when** 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 CFR § 11.6(a).
- (4) If the issued written agreement is denied due to a failed crop appraisal required in section 3A(3) or the AIP 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. **The AIP must return the original written agreement to the RO with the applicable reason that it is not in effect. The AIP 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.**
- (5) **Refer to Exhibit 12 for Appeal Rights Applicability Chart.**

**3K INCORPORATION OF WRITTEN AGREEMENTS.**

- (1) The RO will 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.

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- (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) A renewal request is a request for a written agreement that was approved and accepted for the crop year preceding the current crop year.
  - (b) 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.
  - (c) The request to renew a written agreement must be completed by the producer and submitted to the AIP in accordance with section 3D.
  - (d) A request to renew a written agreement need only contain:
    - 1 A photocopy of the previous written agreement;
    - 2 If applicable, the current year's completed APH form or the current year's applicable production report signed and dated by the producer;
    - 3 A new Request for Actuarial Change form, which has been signed and dated by the producer and the AIP's authorized representative, and
    - 4 For perennial crops only, a Producer's Pre-Acceptance Worksheet (if applicable).
  - (e) The AIP 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. Refer to 3J(2) for insured's administrative review, mediation, and appeal rights.
  - (b) The insurance experience tests in section 3N are not applicable to requests for renewal for the following types of written agreements:

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- 1 Nursery Plant List;
- 2 Written Unit Agreements;
- 3 High-risk land;
- 4 GRP and GRIP;
- 5 New Breaking;
- 6 Seed potato acreage greater than 125 percent of past average acres; and
- 7 Listing reconsiderations for tobacco.

(c) A renewal written agreement offer will not be issued (not accepted by the RO) 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 CFR chapter IV, 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(4) 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 AIP must be notified of the change. If more information is needed, the RO will contact the AIP.

### 3M MULTI-YEAR WRITTEN AGREEMENTS

- (1) Multi-year written agreements may be cancelled for any crop year by the producer or the AIP by providing written notification by the cancellation date specified in the policy or the agreement, as applicable.

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- (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 annually to verify the determinations made are still appropriate for the situation for which the agreement was developed. Unit agreements as provided in section 5 are reviewed by the AIP. All other written agreements are reviewed by the RMA RO.
- (4) The RO will provide written notice to the producer and AIP 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;
  - (c) The policy provisions or actuarial documents provide coverage that was previously provided under the written agreement; or
  - (d) If the written agreement is no longer appropriate.
- (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.
  - (g) Unit agreements.
- (6) If the policy is canceled and transferred to another AIP, 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 or section 5A(1)(a)4.

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## 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); **New Breaking (NB)**, **Listing Reconsiderations for Tobacco (TL)**, 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 AIP 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 \$15,000, and the indemnity is \$40,000. The excess **loss** cost ratio is  $.40(\$40,000 \div \$100,000) - .15(\$15,000 \div \$100,000) = .25$ ;
  - (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 **most recent** crop year **premium was earned**;
  - (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), experience **will remain to** be considered Not 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, **or 1.0 times higher than the cumulative loss ratio if the cumulative excess loss cost ratio determined in (2)(c) is greater than 0.40**, for additional coverage (buy-up) the same years for:

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- (a) The same crop, including different varieties or types, if insurance for the commodity is otherwise available in the county;
  - (b) 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; **or**
  - (c) **If comparisons in (a) or (b) are not appropriate, the same crop produced in a nearby county similarly affected by the cause and time of loss.**
- (4) Once a producer has been determined to have unfavorable experience under paragraphs (2) and, if applicable, (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. **To determine if a loss would have occurred:**
    - 1 **For insurance plans based on APH, a loss is an actual yield (determined from records supplied by the producer) that is less than the highest coverage level available for the applicable policy in the county multiplied by what would have been the updated approved APH yield for acreage that would have been covered by the written agreement during each crop year.**
    - 2 **For insurance plans offering a dollar amount of coverage per acre, multiply planted acres that would have been covered by the written agreement for each crop year (determined from records supplied by the producer) times the maximum dollar amount of coverage available for the applicable policy in the county. A loss is a crop year this amount exceeds the dollars received by the producer (determined from records supplied by the producer) for acreage that would have been covered by the written agreement.**
  - (b) If a new written agreement is approved and the producer subsequently has a loss (total indemnity is greater than total premium), the written agreement will be canceled, **or not renewed**, if the producer's experience is unfavorable in accordance with paragraphs (2) **and, if applicable**, (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.

## SECTION 3

**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, practice codes, and 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 with section 4.
- (3) A written agreement must not be used to alter dates or statements specified in the crop provisions used from a reference county unless, allowed by the policy.
- (4) 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 will be determined in accordance with section 4P.

**3P REPORTING OF WRITTEN AGREEMENTS**

- (1) The AIP 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 Agreement (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 AIP to the sanctions contained in the SRA.
- (3) AIPs will be provided both an electronic file from RMA of AIP submitted and RMA accepted written agreements, and an electronic file of 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) AIPs 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 AIP to reconcile the information will subject the AIP to the sanctions contained in the SRA.
- (5) A copy of the electronic file, which compares the two files specified in paragraph (3), must



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be sent to the applicable RO by RMA Program Automation Branch. The RO must monitor each discrepancy in the file until the AIP has reconciled each one.

- (6) If the RO discovers a discrepancy that has not been reconciled and the AIP has not provided an adequate explanation for the failure or the AIP did not submit the written agreement data with the same terms issued by the RO, as determined in 3N(1)(a), the RO must notify Compliance and the RMA Program Automation Branch.

RESERVED

## SECTION 4

## 4 GUIDELINES FOR WRITTEN AGREEMENT DETERMINATIONS

## 4A GP TYPE: INSURANCE OF HYBRID CORN, SORGHUM SEED UNDER GROUP RISK INSURANCE.

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 grain sorghum. The written agreement issued may include both GRP and GRIP and apply to whichever policy the insured elects.

- (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, hybrid sorghum seed, popcorn, sweet corn, or other specialty corn for which GRP or GRIP coverage is requested must meet the qualifications to be insurable under the applicable 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. Hybrid sorghum seed will be insured as field grain sorghum 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. Hybrid sorghum seed must also be available as field grain sorghum with eligible practices under the GRP or GRIP plan of insurance.
- (5) If approved, a written agreement will make the hybrid sorghum seed, hybrid seed corn, popcorn, sweet corn, or other specialty corn crop insurable as field corn/grain sorghum (as applicable) 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.

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**4B HR AND UC TYPES: HIGH RATE AREAS AND ACREAGE UNRATED, UNCLASSIFIED, OR UNINSURABLE**

- (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 Classification Standards Handbook. Make these estimates using the Natural Resource Conservation Service (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 **3A(10)**:
  - (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.

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- 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. **Insurance experience will not be used to prove the absence of a potential cause of loss.**
  - 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 Classification Standards Handbook to determine an appropriate rate.
- (4) For individual rating of fragile or highly erodible land:
- (a) Except as provided in subsection d, in addition to the requirements of section 3B, if there **are not five or more years of insurance experience for the crop on the high rate land**, the producer must provide at least **five** 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 loss 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

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SLCR .36 .21

- b If insurance experience is not available, compare the producer’s yield for the high rate land only to the county National Agricultural Statistical Service (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 loss 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 the 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 loss point for the producer  
 $28 \times .85 = 23.8$  bushel theoretical loss point for the county
3. For the 2002 through 2004 crop years, the producer’s actual yields fall below the theoretical loss point by 7.9, 1.9, and 12.9 bushels respectively and the county’s is 3.8 and 11.8

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- 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 subsection 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 Classification 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 the standard rate, the rate determined in accordance with subparagraph (c), or the rate determined using the Classification Standards Handbook is not 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.

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**4C NB TYPE: ACREAGE 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, **chemically 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, **variety**, cultivar, (e.g., scientific name), common name (if available), patented name (if applicable), plant or container sizes, and number of plants requested to be insured by written agreement, as appropriate;
  - (b) The practice (e.g., container or field grown);



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- (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 crop year, name, address and phone number of the nursery must be shown on the catalogs/price lists.
    - 1 The name of the AIP, the name of the insured, and the policy number must be shown on the applicable catalog; and
    - 2 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. 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.
- (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 producer's catalog is lower than that listed on the EPLPPS, then the catalog price will be used to establish the producer's inventory value and to determine the loss.
    - 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:

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- 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 subsection 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:
- 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;
  - 4 The applicable storage key for each plant and practice; and
  - 5 A statement that stipulates the price for each plant and size is the lower of the price listed in the EPLPPS or the producer's lowest wholesale price, as determined from the producer's wholesale catalogs or price lists submitted in accordance with the Special Provisions and will not exceed the maximum price limits included in this written agreement.

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- (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.
- (d) The RO will maintain a file containing plant names listed by both the common (if available) and scientific names, plant sizes and prices that have been approved for written agreements. The use of this file will assure uniform pricing in the issuance of written agreements in the office.

**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 applicable to the organic practice; 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 NOT RATED FOR THE COUNTY**

- (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.

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- (a) The actuarial documents in another county permits coverage for the specific option 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 standard 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:
      - a 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.);
      - b Review the base premium rate and factor for the option in the reference county; and
      - c 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:

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- (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**

Written agreements will be classified as a type (PE) only when they cannot be classified as another type (e.g. type of dry beans not listed cannot be done as a PE type written agreement but must be done as a TD type written agreement).

- (1) Underage Citrus (Arizona and California). The Crop Provisions allow a written agreement to insure acreage that has not reached at least the 6<sup>th</sup> growing season after being set out. Only citrus trees entering the 4<sup>th</sup> or 5<sup>th</sup> 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; and
    - 2 For acreage that has reached the 5<sup>th</sup> growing season after being set out, actual or appraised production from the 3<sup>rd</sup> growing season and 4<sup>th</sup> growing season must be provided; or
    - 3 For acreage that has reached the 4<sup>th</sup> growing season after being set out, actual or appraised production from the 3<sup>rd</sup> 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 1<sup>st</sup>, 2<sup>nd</sup>, or 3<sup>rd</sup> growing season;
      - b For acreage that has reached the 5<sup>th</sup> growing season, if the appraised or actual production from the 4<sup>th</sup> growing season determined under subparagraph (a)2 is zero; or
      - c For acreage that has reached the 4<sup>th</sup> growing season, if the appraised or actual production from the 3<sup>rd</sup> growing season determined under subparagraph (a)3 is zero.
  - (c) In accordance with section 3G:
    - 1 Assign the T-Yield for the crop; or
    - 2 If the T-Yield is not appropriate, assign an adjusted T-Yield based on an

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evaluation of the previous year's production and the historical trend of yields based on the age of the tree.

- (2) Establishing a price election for California grapes. The Crop Provisions allow a written agreement to establish a price election in California if the actuarial documents do not provide an election for a specific variety.
- (a) In addition to the requirements of section 3B, the request for written agreement must also include:
- 1 The number of tons of each variety of grapes sold for at least the two most recent crop years; and
  - 2 The price received for all production of each variety in the years for which production records are provided.
- (b) In accordance with section 3G, determine the price election as follows:
- 1 If the specific variety requested by the producer has an established price election in other counties, or crush districts in the state, perform a comparison between the variety requested and a similar variety (same juice/concentrate grape varieties or the same color variety, i.e., compare red grapes to red grapes) that has an established price election in the county. Use the ratio between the two varieties and apply it to the variety with an established price election to derive the price for the requested variety; or
 

For example: The producer requests a price election established for Petite Sirah, which has an established price election in another county. Use Cabernet Sauvignon (which has an established price of \$1,000/ton in the producer's county) as the similar variety. Compare the established price of the neighboring county of Petite Sirah to Cabernet Sauvignon. If Petite Sirah has an average price of 85 percent of Cabernet Sauvignon in the neighboring county, the established price for Petite Sirah would be \$850 (.85 times the Cabernet Sauvignon price election of \$1,000 dollars)
  - 2 If the specific variety requested by the insured does not have an 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; and
  - 3 The price established for any unlisted variety **will be the lower of** the price actually received by the producer in the past year or the highest price established for an existing similar variety in the county/state.
- (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 AIP representative, the Extension Service, or

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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 bud wood 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, stone fruit, 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.
  - (a) In lieu of the requirements in section 3, the AIP must only inspect the crop to determine if the yield potential specified in the Crop Provisions has been met.
  - (b) The AIP must notify the producer in writing of whether the crop met the required yield potential.
  - (c) If insurance is denied by the AIP after inspection, 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.

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- (6) Raisin reconditioning. In lieu of the requirements of section 3, if the AIP 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,
- 1 The AIP must conduct an inspection of the crop and determine whether it is willing to insure the crop. If the AIP 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, RO Determined yield form, (Exhibit 34 in CIH) requesting the assignment of an appropriate yield;
    - 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 Send a copy of the determined yield, or the rejection to the AIP 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 AIP 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.
- (9) Insurance date changes. Policy designated dates may be modified if authorized by the Crop Provisions. The RO must evaluate requests to adjust applicable dates specified in the Provisions using local information as follows.
- (a) Examine the information from agricultural experts or the organic agricultural industry to determine whether the end of the insurance period, cancellation, termination or other dates are consistent with the growing season for the crop in the county. If there is a question regarding an opinion of appropriate dates the RO should consult another agricultural expert.



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(b) Verifiable records of actual yields will be used to determine whether the dates of harvest support the requested end of the insurance period, or to determine whether other terms of insurance or dates are appropriate.

**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 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;

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- 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 NRCS 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

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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.

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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 will 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 INTERPLANTED, PLANTED INTO AN ESTABLISHED GRASS OR LEGUME, OR 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) **When planted as a nurse crop, 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.

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**4K SM TYPE: STRIP-MINED LAND.**

A 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) 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**

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:

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- 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**

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 the most recent three crop years of non-irrigated corn acreage and production harvested or appraised for grain in the county on an APH form and the acceptable supporting records. The AIP must ensure that:
    - 1 The production history is not based on conversion from corn silage records to corn grain records. Records must show that at least 50% of all planted corn acreage in which the insured has an interest in the county are included on the APH as non-irrigated corn grain records based on harvested grain production or grain appraisals in at least 2 of the 3 years;
    - 2 Only years of records the producer actually shared in the non-irrigated corn grain crop are 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
  - (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.

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- (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 NRCS 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) The T-Yield will be the lower of:
- 1 The non-irrigated corn silage T-Yield divided by 0.15; or.
  - 2 The simple average of the yearly sum of the producer's grain production or appraisals divided by the yearly sum of the producer's acreage planted for grain for the crop years provided in paragraph (1)(a).
- (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 the required corn grain records were certified to and verified in accordance with RMA approved procedures. If it is determined that the grain records do not meet the requirements of the Special Provisions of Insurance Statement and the requirements of the Written Agreement Handbook, this agreement is null and void."

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## 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 lowest dry bean price established by RMA and published in the actuarial documents;
    - 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 lowest dry Bean price election published by RMA in the actuarial documents the contract price even if the beans are not under contract.
    - 4 Any dry bean class/type not on the actuarial 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:



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- 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 request a written agreement to correct a classification or obtain a change to the FCI-32, Actuarial Classification Listing.

- (1) 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.
- (2) If an entity is listed more than one way with different classifications, the RO will combine the production data and issue a written agreement with the correct classification.
- (3) In addition to section 3C, the Request for Actuarial Change must include documentation supporting the incorrect classification.

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**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. 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 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 NRCS 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. If there is any opinion from an expert that says the crop is not adaptable to the county or acreage, the request 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.
  - (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 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.
- 2 All other policy terms are appropriate for insuring the unrated practice, type or variety and acreage.
- 3 The unrated practice, type or variety is commercially grown in the area and a viable marketing outlet is available.
- 4 All the agricultural experts or organic agricultural experts agree the unrated

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practice, type or variety is adapted to the area.

- 5 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 T-Yields, 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 an identified reference county; or
- b If the reference county T-Yield is not appropriate or available, determine a T-Yield using NASS, the producer's yield history, or other yield data from unbiased third parties such as the Extension Service, University or private plant geneticist, processors, any publications for the practice, type or variety in the area, and any published yield data to determine the yield potential of the unrated practice, type or variety as compared to insurable practice type or varieties of the crop in the county. Also, refer to the procedures provided in 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 simple average of the yearly sum of the producer's production divided by the yearly sum of the producer's planted acreage for all reported crop years is less than 90 percent of the reference county T-Yield, the reference county T-Yield is not appropriate.
- 4 Under no circumstances should the assigned T-Yield be higher than the T-Yield for the reference county.

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- (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 AIP 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 Assign appropriate premium rates or increase or decrease a practice factor to account for risks associated with 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

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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 NRCS 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 or a legal marketing contract is in effect for the crop produced.
  - 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.
  - 8 An actuarially sound premium rate can be established to cover the

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anticipated losses and a reasonable reserve determined in accordance with RMA's standard premium rating methodology for the crop for which a written agreement is being sought.

- (2) In accordance with section 3G, use the following criteria to determine T-Yields, 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, the producer's yield history, 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 simple average of the yearly sum of the producer's production divided by the yearly sum of the producer's planted acreage for all reported crop years is less than 90 percent of the reference county T-Yield, the reference county T-Yield is not appropriate. Under no circumstances should the assigned T-Yield be higher than the T-Yield from 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 AIP 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 30;
  - 2 For counties with one premium rate for all yields, use the premium rate for the 65 percent coverage level and inform the AIP 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

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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.

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## 5 GUIDELINES FOR WRITTEN UNIT AGREEMENTS

## 5A UA TYPE: WRITTEN UNIT AGREEMENTS.

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

- (1) Process and responsibilities of the Producer, RO, and the AIP.
  - (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.
      - a At least the most recent year of acceptable APH records, separated according to the proposed units, must be provided with the request; and
      - b 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; and
      - c 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 AIP 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 AIP not later than the applicable sales closing date for the crop.
  - (b) AIP Responsibilities:
    - 1 The information required to be submitted by the producer and relied upon by the AIP 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-tract 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).



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- 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.
  - d When acreage is added by the insured from outside the boundary of the optional unit as determined in accordance with an approved written unit agreement, the AIP must maintain an updated copy of the map with the noted corrections. Refer to procedures for acreage changes contained in sections 5B(5), 5C(5), and 5E(3).
- 3 The written unit agreements must use the format and statements contained in Exhibit 5B thru 5E, as applicable.
- 4 **Written** unit agreements may be written for multiple years.
  - a Multi-year written **unit** agreements may be cancelled for any crop year by the producer or the AIP by providing written notification by the cancellation date specified in the policy or the agreement, as applicable.
  - b If the producer transfers to another AIP, 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 AIP by the applicable date, along with a copy of the previous issued agreement, approved APH forms/records etc. The ceding AIP will provide the assuming AIP a copy of the preceding written unit agreement.
  - c Multi-year written agreements will be reviewed by the AIP yearly to verify the determinations made are still appropriate for the situation for which the agreement was developed.
- 5 The AIP 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 AIP 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 AIP.
- 7 If the producer fails to submit the written unit agreement and all the necessary information by the applicable deadline, the AIP must deny the written unit agreement in accordance with 8b.

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- 8 If the applicable criteria are not met, the AIP must:
  - a Deny the request for a written unit agreement; and
  - b Notify the producer by certified mail that the written agreement is denied and will 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 AIP. Submission of a signed written unit agreement by the AIP to the RO will be considered as acceptance by the AIP of such agreement.
- 10 The AIP 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 AIP 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 AIP without taking any action if the RO determines that the request for written unit agreement is incomplete (e.g. not signed, inadequate map, etc.).
- 3 The RO will deny the written unit agreement if the requirements of this section have not been met (e.g. minimum acreage requirements, more units than authorized, the boundaries are not acceptable).
- 4 Written unit agreements will not be effective unless the RO approves the terms of such agreement and signs the written unit agreement. The RO will return all approved and unapproved written unit agreements to the AIP:
  - a If the written unit agreement is not approved by the RO, the RO will provide the basis for disapproval and provide the producer with the right to appeal; or
  - b If the RO approves the written unit agreement, the AIP and producer cannot reject or deny the written unit agreement.

(2) Limitations.

- (a) Written unit agreements are only available to establish optional units for crops where the crop provisions allow for optional units by written agreement and only for the specific situations covered by the procedures contained in section 5 of this handbook.
- (b) Written unit agreements are not available for high-risk land.

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- (c) To be applicable for an insured crop, the written unit agreement must be submitted to the AIP by the applicable acreage reporting date for that crop. The approved written unit agreement will be applicable for all crops with a subsequent acreage reporting date. Crops for which the written unit agreement is submitted after the applicable acreage reporting date will be included under the written unit agreement for the subsequent crop year.
- (d) Each additional optional unit, created under the written unit agreement, 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 5E, as applicable.
- (e) Written unit agreements are only available on the basis of annual and perennial crops by county, for a policyholder:
- 1 If the producer is insured with two or more AIPs, the written unit agreement(s) must be established with the same optional units for all insured (annual or perennial) crops with optional units that are insured under any applicable policy by any AIP (including any qualifying crop subsequently added to the policy).
  - 2 If it is discovered that the producer has more than one written unit agreement other than to insure both annuals and perennials for the county, the agreement(s) with the earliest signature date will apply. Any other written unit agreement will be void.
- (f) 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.
- (g) 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.
- (h) 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.
- (i) Topographic features (also referred to as special circumstances in this section) used to qualify for written unit agreements in 5C and 5D include natural features such as mountains, rivers, lakes, canyons, steep slopes, etc. Special circumstances may also include center pivot or drip irrigation systems. Minor creeks or field drainage ditches, or other constructed features such as interstates, highways, field roads, railroads, furrow or movable gun irrigated acreage, and fences are not considered special circumstances or topographic features for the purposes of this section although some of these features may be used to

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delineate proposed unit boundaries.

### 5B OVERSIZED SECTION, SECTION EQUIVALENTS, AND FSN OPTIONAL UNITS

Acreage in an oversized section or section equivalent (where units are authorized by sections), or FSN (where optional units are authorized by FSN), may qualify for a written unit agreement if all the following conditions are met.

- (1) The oversized section, section equivalent, or FSN contains more than 640 acres of cropland in which the producer has an interest.
- (2) Each proposed optional unit contains at least 320 contiguous acres of cropland in which the producer has an interest.
- (3) Any non-contiguous acreage within the oversized section, section equivalent, or FSN in which the producer has an interest but does not qualify as a separate unit under these guidelines will be assigned to the closest qualifying unit.
- (4) The maximum number of optional units allowed by written unit agreement will not exceed the total cropland acres divided by 640 and rounded up to the next whole number.

For example, if the oversized section, section equivalent, or FSN contains 2200 cropland acres in which the producer has an interest, the maximum number of optional units allowed by written unit agreement would be  $2200 / 640 = 3.4$ , which is rounded up to 4.

(5) Cropland changes:

- (a) If the insured no longer farms a portion of land included in any of the optional units established under the written unit agreement which results in the minimum acreage qualifications no longer being met, the affected acreage which the insured continues to farm will be combined with the insured's closest optional or basic unit.
- (b) If land is added to the operation before the earliest acreage reporting date for any insured crop:
  - 1 Qualifying for a new optional unit under the written unit agreement procedure, a new written unit agreement must be requested by the applicable deadline; or
  - 2 If land is added to an existing optional unit established under the written unit agreement, added land procedures contained in the CIH must be followed.
- (c) If land is added to the operation after the earliest acreage reporting date for any insured crop:
  - 1 A new written unit agreement request to create a new optional unit to include such land may be approved for the following crop year, if requested timely; and
  - 2 For the current crop year, it will be added to the closest optional or basic unit in accordance with added land procedures contained within the CIH.

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## 5C ANNUAL CROPS WITH TOPOGRAPHIC/IRRIGATION FEATURES CROSSING SECTION LINES OPTIONAL UNITS

An insured may qualify for a written unit agreement for annual crops, if, based on the information contained in the request and other applicable documentation, ALL of the following requirements are met:

- (1) The insured must clearly document permanent, topographic or irrigation system features which present a significant obstacle to the farming operation and such features are not under the insured's control. Under these conditions it is impractical to comply with the optional unit division by section (i.e., the planting pattern continues across the section lines due to the location of the center pivot irrigation system).
- (2) Minimum annual crop acreage requirements:
  - (a) The insured's farming operation must contain at least 640 cropland acres; and
  - (b) Each optional unit established under the written unit agreement must contain a minimum of 320 cropland acres in which the producer has an interest.
- (3) A clear and discernable break in the planting pattern at the boundaries of each optional unit must be maintained.
- (4) An insured will not receive more optional units than would be allowed under the policy had these special circumstances not existed.

For example: Assuming the producers operation consists of 960 acres in which the producer has an interest and it physically lies in 2 sections. Due to special circumstances the acreage is farmed across section lines. This acreage which would otherwise be one unit may be divided into separate optional units. Since the policy allows optional units by section the maximum number of units in this example that are eligible for a written unit agreement is 2. Each unit divided due to special circumstances must contain 320 cropland acres or greater. Units that qualify outside of the unit agreement (e.g. in a separate section but not crossing sections lines) are not limited to the 320 acre limitation and are included in determining the maximum number of units for which the producer is eligible.

- (5) Cropland changes:
  - (a) If the insured no longer farms a portion of land included in any of the optional units established by the written unit agreement which results in the minimum acreage qualifications no longer being met, the affected acreage which the insured continues to farm will be combined in accordance with added land procedures contained within the CIH with the insured's closest optional or basic unit unless a topographic feature separates the acreage from the closest optional/basic unit, in which case such acreage must be added to the next closest optional/basic unit that is not separated by the topographic feature.
  - (b) If land is added to the operation before the earliest acreage reporting date for any insured annual crop:
    - 1 Qualifying for a new optional unit under the written unit agreement procedure, a new written unit agreement must be requested; or

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2 If land is added to an existing optional unit established under the written unit agreement, added land procedures contained within the CIH must be followed.

(c) If land is added to the operation after the earliest acreage reporting date for any insured annual crop:

1 A new written unit agreement request to create a new optional unit to include such land may be approved for the following crop year, if requested timely; and

2 For the current crop year it will be added in accordance with added land procedures contained within the CIH to the closest optional or basic unit unless a topographic feature separates the acreage from the closest optional/basic unit, in which case such acreage must be added to the next closest optional/basic unit that is not separated by the topographic feature.

(6) For unit division purposes annual crops includes forage production and sugarcane.

**5D PERENNIAL (TREE, VINE AND BUSH) CROPS WITH TOPOGRAPHIC/IRRIGATION FEATURES OPTIONAL UNITS**

An insured may qualify for a written unit agreement for perennial (tree, vine and bush) crops, if authorized by the crop provisions, and, based on the information contained in the request and other applicable documentation; ALL of the following requirements are met:

(1) The insured must clearly document permanent, topographic or irrigation system features that present a significant obstacle to the farming operation and such features are not under the insured's control. Under these conditions it is impractical to comply with the optional unit division as currently defined in the policy.

(2) Minimum acreage requirements:

(a) The insured's farming operation must contain at least 160 perennial crop acres, and

(b) Each optional unit established under the written unit agreement must contain a minimum of 80 perennial crop acres in which the producer has an interest.

For example: An insured farms a total of 800 crop acres, due to irrigation systems it could be divided into 10 separate fields. This acreage, which would otherwise be one unit, may be divided into separate optional units provided each resulting optional unit consists of at least 80 perennial crop acres. The maximum number of optional units allowable in this example is 10.

(3) A clear and discernable break in the planting pattern at the boundaries of each optional unit must be maintained

## SECTION 5

**5E ANNUAL CROPS WITH GEOGRAPHIC DISPERSION SECTION EQUIVALENT OPTIONAL UNITS**

- (1) An insured may qualify for a written unit agreement for annual crops when authorized by the crop provisions to create optional units on a section equivalent basis if all of the following conditions are met:
- (a) Acreage must be in states that rely on the metes and bounds land survey system and where the basic provisions require optional unit establishment on a Farm Serial Number (FSN) basis;
    - 1 If producers have an alternate method of optional unit establishment under the policy, (e.g. military land grants, railroad surveys, section equivalent) this section is not applicable.
    - 2 The producer does not have the option of establishing units on any annual/eligible crop by FSN while the written unit agreement is in effect
  - (b) The FSN is geographically dispersed throughout the county and there is at least 3 miles of non-contiguous land which separate proposed optional units within the FSN; and
  - (c) The topographic features (excluding irrigation systems defined in section 5A(2)(i)), create climatic conditions that vary dramatically within a 3 to 5 mile range (e.g. frost or flooding regularly occurs in a patchwork pattern missing one area but seriously impacting others).
- (2) Each simulated section equivalent must:
- (a) Contain a block of land at least one square mile (block) (i.e. 640 acres simulated section). Land within the block may have multiple owners. A block is determined by overlaying the map with a one-mile square grid to scale with the map, to determine the minimum amount of land that must be included within the simulated section equivalent.
    - 1 The one-mile square grid (block) must be placed on the map to place the majority of the producer's fields near, or as close as possible, in the center of the one-mile square grid. For example, two fields separated only by an interstate cannot have a one-mile square grid over each field with the interstate as the simulated section equivalent boundary.
    - 2 Maps will not depict an area larger than the county and must accurately indicate the scale of the map.
    - 3 The grid must be oriented (north/south) in the same direction as the map.
    - 4 The grid may cross permanent boundaries; however, it may not extend into another county.
    - 5 After the grid is laid on the map to encompass some or all of the producer's acreage, the boundaries of the simulated section equivalent are

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determined by finding the closest permanent, easily identifiable physical boundary outside of the grid.

- (3) Once the simulated section equivalents are established for a producer, such simulated section equivalents cannot be changed unless acreage has been added from outside of the simulated section equivalent.
- (a) If acreage is added from outside the simulated section equivalent before the earliest acreage reporting date for any insured annual crop:
1. Qualifying for a new optional unit under the written unit agreement procedure, a new written unit agreement must be requested; or
  2. If acreage is added to an existing optional unit established under the written unit agreement, added land procedures contained within the CIH must be followed.
- (b) If acreage is added from outside the simulated section equivalent after the earliest acreage reporting date for any insured annual crop, a new written unit agreement request to create a new optional unit to include such land may be approved for the following crop year, if requested timely. Until a new request is done, it will be added to the closest optional or basic unit in accordance with added land procedures contained within the CIH.
- (4) The simulated section equivalents must be clearly indicated on a map using identifiable boundaries.
- (a) The boundaries must be established in accordance with Section 5A(2)(d) excluding fences, field boundaries and woodlands. Boundaries may touch the one-mile square block; however, they may not overlap the block.

**5F CONTINUATION OF WRITTEN UNIT AGREEMENTS**

Continuation of Written Unit Agreements in effect as of the release of the 2006 Written Agreement Handbook:

- (1) Written unit agreements in effect at the time of the release of the 2006 FCIC 24020 Written Agreement Handbook will continue in effect, provided there is no break in continuity. Insured's wanting to terminate the written unit agreement must request cancellation of the agreement prior to the cancellation date.
- (2) Written unit agreements, will be considered for renewal by the RMA RO for the following conditions:
  - (a) Policy transfer to a different approved insurance provider;
  - (b) Entity changes and the new insured qualifies for and obtains a successor-in-interest application; and
  - (c) Changes to the cropland acreage covered by the written unit agreement



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- 1 Optional units established under the written unit agreement in effect prior to release of the 2006 WAH should continue to be maintained unless the insured has decreased acreage below the original established limitation. A decrease in acreage below the original established limitation will disqualify that optional unit and it will be must be added to the closest optional/basic unit unless a topographic feature separates the acreage from the closest optional/basic unit, in which case such acreage must be added to the next closest optional/basic unit that is not separated by the topographic feature.
- 2 Land added to the farming operation with the intent of making it a separate unit, must meet the current procedures in the handbook or it will be added to the closest optional/basic unit.

**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.

**EXHIBIT 1  
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 (if applicable), FSA Farm Serial Number, 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: <b>GP</b>	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: <b>HR</b>	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: <b>NB</b>	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: <b>NL</b>	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 price information for the requested plants.

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TYPE OF AGREEMENT	DEADLINE	MINIMUM SUPPORTING DOCUMENTATION
Organic crops. (If coverage is not available in the actuarial documents for the organic practice.)  Request Type: <b>OC</b>	Initial: Acreage Reporting Date  Subsequent Years: Sales Closing Date	-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: <b>OP</b>	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: <b>PE</b>	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: <b>RE</b>	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: <b>SC</b>	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: <b>SG</b>	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: <b>SM</b>	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: <b>SP</b>	Sales Closing Date	-Reason for acreage increase. -Certification that all requested acreage will be managed according to state standards.

EXHIBIT 1

TYPE OF AGREEMENT	DEADLINE	MINIMUM SUPPORTING DOCUMENTATION
Non-irrigated corn grain where irrigated corn (grain and silage) listed on actuarial documents only.  Request Type: <b>TC</b>	Initial: Acreage Reporting Date, unless otherwise stated in the Special Provisions  Subsequent Years: Sales Closing Date	-At least three years of actual corn grain production 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: <b>TD</b>	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: <b>TL</b>	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: <b>TP</b>	Initial: Acreage Reporting Date <u>3</u> 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. (refer to section 5.)  Request Type: <b>UA</b>	Initial: Acreage Reporting Date  Subsequent Years: Sales Closing Date	-The aerial photos or legible maps must delineate permanent boundaries of the unit(s) and clearly document the feature(s) which qualifies the producer for the unit agreement. Refer to section 5 for specific guidelines.
Unrated land.  Request Type: <b>UC</b>	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: <b>XC</b>	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> - Refer to 3B(2)(b)

The following plans of insurance allow for certain types of written agreements:

Plan of Insurance	Request Type
Crop Revenue Coverage (CRC)	HR, NB, OC, OP, PE, RE, SM, TC, TP, UA, UC, and XC (if adjacent). Check crop provisions to verify if WA is allowed.
Revenue Assurance Coverage. (RA)	HR, NB, SM, and UC
Income Protection (IP)	Written Agreements are not applicable

EXHIBIT 1

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 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.

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/AIP 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.

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.

Landlords, with tenants that meet qualifications and also submit an actuarial request, may qualify with less than the three most recent crop years, by providing supporting documentation.

Written agreements are not available for situations not listed here. Written agreement requests will be rejected 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.)

**EXHIBIT 2  
REQUEST FOR ACTUARIAL CHANGE**

(Please Type or Print Legibly)					Crop Year					
Insurance Plan		Coverage Level		<b>All applicable information below must be completed, along with attaching any required documentation, before submitting to RMA/RO.</b>			Request Type Code			
Agency or Service Office Name and Address					Servicing Office Name and Address					
Agent Code:				Approved Insurance Provider 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										
Insurance SECTION (To the nearest 1/4 Section)	TWP	RANGE	FSA Farm/Tract CLU/Field No.'s	NAME OF CROP	WHOLE ACRES	PRA-CTICE	TYPE, CLASS VARI-ETY	CUR-RENT 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										
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 <input type="checkbox"/>		No <input type="checkbox"/>						
d) Has the crop been planted?		Yes <input type="checkbox"/>		No <input type="checkbox"/>						
e) Is a High Risk Land Exclusion Option in effect?		Yes <input type="checkbox"/>		No <input type="checkbox"/>						
Note: Initial written agreements requested to establish insurability after the Sales Closing Date require an inspection, and the insured must sign no later than the earlier of the first appraisal date or the termination date, if the crop has been planted.										

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

EXHIBIT 2

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

REISSUANCES (Always Sales Closing Date Deadline)

- \_\_\_ Completed, signed and dated Request for Actuarial Change (Required for all types). Separate forms and supporting documentation must be submitted by county.
- \_\_\_ Updated APH or production records signed and dated by the producer (Required for Request Types XC, TD, SC, TC, RE, SM, UA, TP, NB, HR, & UC)(if applicable)
- \_\_\_ 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, or some fields will not be insurable if: (1) an appraisal of the planted acreage by the AIP determined the crop's potential is less than 90 percent of the yield used to determine the production guarantee or the amount of insurance; (2) I fail to sign and accept the written agreement on the earlier of the first date of the appraisal or the expiration date; or (3) the AIP has failed to comply with all applicable appraisal procedures.
- (e) If this request is denied or is not accepted by FCIC or the AIP, 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 administrative review, mediation, or appeal related to this request for a written agreement.

The information I have furnished on this form is complete and accurate. I understand that any false or inaccurate information may result in the sanctions outlined in my policy and administrative, civil, and criminal sanctions under 18 U.S.C. §§1006 and 1014, 7 U.S.C. § 1506, 31 U.S.C. §§ 3729 and 3730 and other federal statutes.		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 Producer's Name		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 CFR 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, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (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 to: **USDA, Director, Office of Civil Rights, and 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).** USDA is an equal opportunity provider and employer.



**EXHIBIT 3**  
**WRITTEN AGREEMENT (COVER PAGE)**

Instructions:

The heading contains entries for the date, AIP'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 AIPs 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 AIP 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.

EXHIBIT 3



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

**EXHIBIT 4**  
**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 (unless expressly authorized by the pilot program provisions), 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 (refer to paragraph 3G3).
- (19) Signature of insured and date signed indicating terms and conditions in the agreement were accepted.
- (20-24) AIP 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 AIP.
- (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.

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

EXHIBIT 4  
**WRITTEN AGREEMENT**

March 15, 2004

Page 2 of 2

<b>STATE:</b> Illinois [17]	<b>COUNTY:</b> Sangamon [167]
<b>REQUEST:</b> 00414277	<b>POLICY:</b> 1234567
<b>INSURED:</b> J. B. Harrison	
<b>ADDRESS:</b> 1521 S. Park, Adamsville, IL 62707	
<b>SSN/TAX ID NO:</b> 411-11-2345	<b>CROP YEAR:</b> 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 AIP; copy to the agent, insured, and Risk Management Regional Office.

**EXHIBIT 5  
WRITTEN UNIT AGREEMENTS  
(Creating optional units exhibits 5A through 5D.)**

Instructions:

Refer to section 5 in this handbook for additional procedures the AIP must follow when completing these written agreements.

The written agreement heading must include all items shown in this exhibit (agent, AIP, 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 AIP.

The written unit agreement may be created by the agent and insured at the AIP's discretion. If the agreement is accurate and acceptable to the AIP, 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.

To be applicable for an insured crop, the written unit agreement must be submitted to the AIP by the acreage reporting date for that crop. Crops for which the written unit agreement is submitted after the acreage reporting date will be included under the written unit agreement for the subsequent crop year.

EXHIBIT 5A  
WRITTEN UNIT AGREEMENT  
(OVERSIZED SECTIONS, SECTION EQUIVALENTS, OR FSN OPTIONAL UNITS)

June 30, 2006

Page 1 of 3

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

Agent: Joe Agent

<b>STATE:</b>	Alabama [01]	<b>COUNTY:</b>	Mobile [097]
<b>REQUEST:</b>	00414277	<b>POLICY:</b>	1234567
<b>INSURED:</b>	J. B. Harrison		
<b>ADDRESS:</b>	1521 S. Park, Mobile, AL 36054		
<b>SSN/TAX ID NO:</b>	411-11-2345	<b>CROP YEAR:</b>	2006

Request Type: UA - Written Unit Agreement

Crop(s)

Crop(s)

(0041) CORN

(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(c) of the common crop insurance policy. Crops for which the written unit agreement is submitted after the acreage reporting date will be included under the written unit agreement for the subsequent crop year.

The policy is revised as follows:

You agree to establish the same optional units for all insured annual or perennial crops (including any qualifying crops subsequently added to the policy) with all AIPs with which you have a contract. If it is determined you have two or more oversized section, section equivalents, or FSN unit structures for the same county the unit agreement with the earliest date will be applicable to all crops and the other unit structure(s) will be void.

The optional unit division applicable to [identify the section, section equivalent, or FSN] is modified as shown on the attached map(s) dated: \_\_\_\_\_ and summarized on the addendum (SEE ATTACHED EXAMPLE BELOW). Any acreage within the [section, section equivalent, or FSN] that is not identified and assigned to a specific optional unit in the attachment will be assigned to the closest optional unit authorized by this agreement. Any other optional units under this policy will be determined in accordance with the policy provisions.

Your farming operation must contain at least 640 cropland acres and you must delineate optional units that contain at least 320 contiguous cropland acres. Each optional unit must be contained within permanent boundaries. The maximum number of optional units allowed under this written unit agreement will not exceed the total cropland acres in which the insured has an interest, divided by 640 and rounded up to the next whole number. The insured must comply with all applicable policy provisions to qualify for optional units and 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 crops for which written agreements are not authorized.

This written unit agreement will be in effect 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.

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.

EXHIBIT 5A  
WRITTEN UNIT AGREEMENT  
(OVERSIZED SECTIONS, SECTION EQUIVALENTS, OR FSN OPTIONAL UNITS)

June 30, 2006

Page 2 of 3

ACCE  
PTAN  
CE:

I certify that to the best of my knowledge the information I have submitted is accurate. I have 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, XYZ 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 AIP; copy to the agent, insured, and Risk Management Regional Office.



EXHIBIT 5A  
WRITTEN UNIT AGREEMENT  
ADDENDUM

(OVERSIZED SECTIONS, SECTION EQUIVALENTS, OR FSN OPTIONAL UNITS)

June 30, 2006

Page 3 of 3

J. B. Harrison MP 1234567  
June 30, 2006

WUA 1  
7N 43E Section 36 (if applicable)  
West of main Farm Rd  
FSN 1150 Tract 1300 Fields 131,132,136,137,129,129a, 130, 127  
Approximately 377.4 cropland acres

WUA 2  
7N 43E Section 36 (if applicable)  
East of main Farm Road west of Creek Road  
FSN 1150 Tract 1300 Fields 142,141,149,133,138,134,139  
Approximately 341.3 cropland acres

WUA 3  
7N 43E Section 36 (if applicable)  
East of Creek Rd West of Brown Rd  
FSN 1150 Tract 1300 Fields 148,231,213,215,233,221,222,220,223  
Approximately 331.5 cropland acres

EXHIBIT 5B  
WRITTEN UNIT AGREEMENT

(ANNUAL CROPS WITH TOPOGRAPHIC/IRRIGATION FEATURES CROSSING SECTIONS OPTIONAL UNITS)

June 30, 2006

Page 1 of 3

Farmer's Insurance Services  
101 East Main Street  
Great Falls, MT 83383

Agent: Joe Agent

<b>STATE:</b> Montana [30]	<b>COUNTY:</b> Chouteau [015]
<b>REQUEST:</b> 00414277	<b>POLICY:</b> 1234567
<b>INSURED:</b> J. B. Harrison	
<b>ADDRESS:</b> 1521 S. Park, Great Falls, MT	
<b>SSN/TAX ID NO:</b> 411-11-2345	<b>CROP YEAR:</b> 2006

Request Type: UA - Written Unit Agreement

<u>Crop(s)</u>	<u>Crop(s)</u>
(0011) WHEAT	(0091) BARLEY

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(c) of the Common Crop Insurance Policy. Crops for which the written unit agreement is submitted after the acreage reporting date will be included under the written unit agreement for the subsequent crop year. The policy is revised as follows:

All of your insured annual crops, per county, that are allowed optional units must adhere to the unit structure as provided by this written unit agreement. You agree to establish the same optional units for all insured annual crops (including any qualifying crops subsequently added to the policy) with all AIPs with which you have a contract. If it is determined you have two or more unit structures for the same county the unit agreement with the earliest date will be applicable to all annual crops and the other unit structure(s) will be void.

Your farming operation must contain at least 640 annual cropland acres and you must delineate optional units that contain at least 320 annual cropland acres. Each optional unit must be contained within permanent boundaries. You may not have more units than would be allowed by standard optional unit division guidelines. Optional units are identified using permanent field identifications on the attached map(s) or photo(s) and summarized on the addendum dated \_\_\_\_\_ (SEE ATTACHED EXAMPLE BELOW). Any acreage within the [section, section equivalent] that is not identified and assigned to a specific optional unit in the attachment will be assigned to the closest optional unit authorized by this agreement.

You must comply with all applicable policy provisions to qualify for optional units. All other provisions of the policy not in conflict with this agreement are applicable.

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

This written unit agreement shall be in effect provided no significant changes occur to the farming operation, which invalidate the approved unit structure. If significant changes occur, this written agreement is null and void. This agreement may be cancelled in writing by the earliest crop cancellation date applicable under the agreement.

This agreement is not effective until approved by RMA.

Any information certified by you that is incomplete, incorrect, or otherwise deficient and which 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 any succeeding crop years. If an insurable share in any insurable acreage/crop is acquired after the earliest acreage reporting date for any insured annual crop, the acreage will be combined with the closest optional or basic unit.

EXHIBIT 5B  
WRITTEN UNIT AGREEMENT

(ANNUAL CROPS WITH TOPOGRAPHIC/IRRIGATION FEATURES CROSSING SECTIONS OPTIONAL UNITS)

June 30, 2006

Page 2 of 3

ACCEPTANCE: I certify that to the best of my knowledge the information I have submitted is accurate. I have 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, XYZ 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 AIP; copy to the agent, insured, and Risk Management Regional Office.

**EXHIBIT 5B  
WRITTEN UNIT AGREEMENT  
ADDENDUM**

**(ANNUAL CROPS WITH TOPOGRAPHIC/IRRIGATION FEATURES CROSSING SECTIONS OPTIONAL UNITS)**

June 30, 2006

Page 3 of 3

J. B. Harrison MP 1234567  
June 30, 2006

**WUA 1**  
7N 43E Section 36, Sections 35  
West of main Farm Rd  
FSN 1150 Tract 1300 Fields 131,132,136,137,129,129a, 130, 127  
Approximately 377.4 cropland acres

**WUA 2**  
7N 43E Sections 36 and 6N 43E Section 1  
East of main Farm Road west of Creek Road  
FSN 1150 Tract 1300 Fields 142,141,149,133,138,134,139  
Approximately 341.3 cropland acres

**WUA 3**  
7N 43E Section 36  
East of Creek Rd West of Brown Rd  
FSN 1150 Tract 1300 Fields 148,231,213,215,233,221,222,220,223  
Approximately 331.5 cropland acres

**WUA 4**  
7N 44E Section 31  
East of Brown Rd  
FSN 1150 Tract 1300 Fields 35, 38  
Approximately 325.4 acres

**WUA 5**  
6N 44E Sections 3 & 4  
East of Milk Creek  
FSN 1150 Tract 806 Fields 109 thru 120; Tract 1297 Fields 108 thru 110  
Approximately 692.8 cropland acres

**WUA 6**  
6N 43E Section 1,2,12  
Wilmore, South of Hwy 33  
FSN 857 Tract 1260 Fields 31,32,40,38  
Approximately 370.9 cropland acres

**EXHIBIT 5C  
WRITTEN UNIT AGREEMENT**

**(PERENNIAL CROPS WITH TOPOGRAPHIC/IRRIGATION FEATURES OPTIONAL UNITS)**

January 15, 2006

Page 1 of 3

Farmer's Insurance Services  
101 East Main Street  
Chelan, WA 99606

Agent: Joe Agent

<b>STATE:</b>	Washington [53]	<b>COUNTY:</b>	Chelan [007]
<b>REQUEST:</b>	00414279	<b>POLICY:</b>	1234667
<b>INSURED:</b>	J. B. Harris		
<b>ADDRESS:</b>	1521 S. Park, Chelan, WA 99606		
<b>SSN/TAX ID NO:</b>	411-11-2355	<b>CROP YEAR:</b>	2006

**Request Type: UA - Written Unit Agreement**

<b>Crop(s)</b>	<b>Crop(s)</b>
(0034) Apples	

Under the above insurance policy for the perennial insured crop(s), the undersigned parties expressly agree that the following is an endorsement to section 34(c) of the Common Crop Insurance Policy. Crops for which the written unit agreement is submitted after the acreage reporting date will be included under the written unit agreement for the subsequent crop year. The policy is revised as follows:

All of your insured perennial crops, per county, that are allowed optional units must adhere to the unit structure as provided by this written unit agreement. You agree to establish the same optional units for all insured perennial crops (including any qualifying crops subsequently added to the policy) with all AIPs with which you have a contract. If it is determined you have two or more unit structures for the same county the unit agreement with the earliest date will be applicable to all perennial crops and the other unit structure(s) will be void.

Your farming operation must contain at least 160 perennial cropland acres and you must delineate optional units that contain at least 80 perennial cropland acres. Each optional unit must be contained within permanent boundaries. Optional units are identified using permanent field identifications on the attached map(s) or photo(s) and summarized on the addendum dated \_\_\_\_\_ (SEE ATTACHED EXAMPLE BELOW). Any acreage within the [section, section equivalent, or FSN] that is not identified and assigned to a specific optional unit in the attachment will be assigned to the closest optional unit authorized by this agreement.

You must comply with all applicable policy provisions to qualify for optional units. All other provisions of the policy not in conflict with this agreement are applicable.

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

This written unit agreement shall be in effect provided no significant changes occur to the farming operation, which invalidate the approved unit structure. If significant changes occur, this written agreement is null and void. This agreement may be cancelled in writing by the earliest crop cancellation date applicable under the agreement.

This agreement is not effective until approved by RMA.

Any information certified by you that is incomplete, incorrect, or otherwise deficient and which 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 any succeeding crop years. If an insurable share in any insurable acreage/crop is acquired after the earliest acreage reporting date for any insured perennial crop, the acreage will be combined with the closest optional or basic unit.

EXHIBIT 5C  
WRITTEN UNIT AGREEMENT

(PERENNIAL CROPS WITH TOPOGRAPHIC/IRRIGATION FEATURES OPTIONAL UNITS)

January 15, 2006

Page 2 of 3

ACCEPTANCE: I certify that to the best of my knowledge the information I have submitted is accurate. I have 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, XYZ 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 AIP; copy to the agent, insured, and Risk Management Regional Office.

EXHIBIT 5C  
WRITTEN UNIT AGREEMENT

(PERENNIAL CROPS WITH TOPOGRAPHIC/IRRIGATION FEATURES OPTIONAL UNITS)  
ADDENDUM

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January 15, 2006

Page 3 of 3

J. B. Harris MP 1234667  
January 15, 2006

WUA 1  
7N 43E Sections 35, 36  
Blocks 9 & 10 West of main Farm Rd  
FSN 1150 Tract 1300 Fields 131, 132, 136  
Approximately 125.4 perennial cropland acres

WUA 2  
7N 43E Section 36 and Section 1 6N 43E  
Blocks 1, 2, 3, 5 & 6 east of Creek Road  
FSN 1150 Tract 1300 Fields 142, 141  
Approximately 110 perennial cropland acres

WUA 3  
7N 43E Section 36  
Blocks 7 & 8 West of Brown Rd  
FSN 1150 Tract 1300 Fields 148, 231  
Approximately 95 perennial cropland acres

**EXHIBIT 5D  
WRITTEN UNIT AGREEMENT**

**(Annual crops with geographic dispersion section equivalent optional units)**

June 30, 2006

Page 1 of 4

Farmer's Insurance Services  
101 East Main Street  
Great Falls, ME 83383

Agent: Joe Agent

<b>STATE:</b> Maine [23]	<b>COUNTY:</b> Aroostook [003]
<b>REQUEST:</b> 00414277	<b>POLICY:</b> 1234567
<b>INSURED:</b> J. B. Harrison	
<b>ADDRESS:</b> 1521 S. Park, Van Buren, ME	
<b>SSN/TAX ID NO:</b> 411-11-1117	<b>CROP YEAR:</b> 2006-2010

**Request Type: UA - Written Unit Agreement**

<b>Crop(s)</b>	<b>Crop(s)</b>
(0016) OATS	(0084) POTATOES

Under the above insurance policy for the annual insured crop(s), the undersigned parties expressly agree that the following is an endorsement to section 34(c) of the Common Crop Insurance Policy. Crops for which the written unit agreement is submitted after the acreage reporting date will be included under the written unit agreement for the subsequent crop year. The policy is revised as follows:

All of your insured annual crops, per county, that are allowed optional units must adhere to the unit structure as provided by this written unit agreement. You agree to establish the same optional units for all insured annual crops (including any qualifying crops subsequently added to the policy) with all AIPs with which you have a contract. If it is determined you have two or more unit structures for the same county the unit agreement with the earliest date will be applicable to all annual crops and the other unit structure(s) will be void.

Where the basic provisions require optional unit establishment on a Farm Serial Number (FSN) basis as a result of the state utilizing the metes and bounds land survey system and your FSN is geographically dispersed throughout the county with at least 3 miles of non-contiguous land separating acreage in the FSN; and due to the topographic features (excluding irrigation systems), climatic conditions vary dramatically within a 3 to 5 mile range your units may be established as follows:

A section equivalent must contain a block of land at least one mile square determined by placing a mile square grid, to scale with the map, on the map. The acreage may be comprised of multiple owners as long as the majority of the insured's fields are as close as possible to the center of the one mile grid, with the grid oriented in the same direction as the map. Each optional unit must be contained within permanent boundaries. Optional units are identified using permanent field identifications on the attached map(s) or photo(s) and summarized on the addendum dated \_\_\_\_\_ (SEE ATTACHED EXAMPLE BELOW).

You must comply with all applicable policy provisions to qualify for optional units. All other provisions of the policy not in conflict with this agreement are applicable.

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

This written unit agreement shall be in effect provided no significant changes occur to the farming operation, which invalidate the approved unit structure. If significant changes occur, this written agreement is null and void. This agreement may be cancelled in writing by the earliest crop cancellation date applicable under the agreement.

This agreement is not effective until approved by RMA.



**EXHIBIT 5D  
WRITTEN UNIT AGREEMENT**

**(ANNUAL CROPS WITH GEOGRAPHIC DISPERSION SECTION EQUIVALENT OPTIONAL UNITS)**

June 30, 2006

Page 2 of 4

Any information certified by you that is incomplete, incorrect, or otherwise deficient and which 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 any succeeding crop years. If an insurable share in any insurable acreage is acquired after the earliest acreage reporting date for any insured annual crop, the acreage will be combined with the closest optional or basic unit.

**ACCEPTANCE: I certify that to the best of my knowledge the information I have submitted is accurate. I have 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, XYZ 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 AIP; copy to the agent, insured, and Risk Management Regional Office.**

**EXHIBIT 5D  
WRITTEN UNIT AGREEMENT**

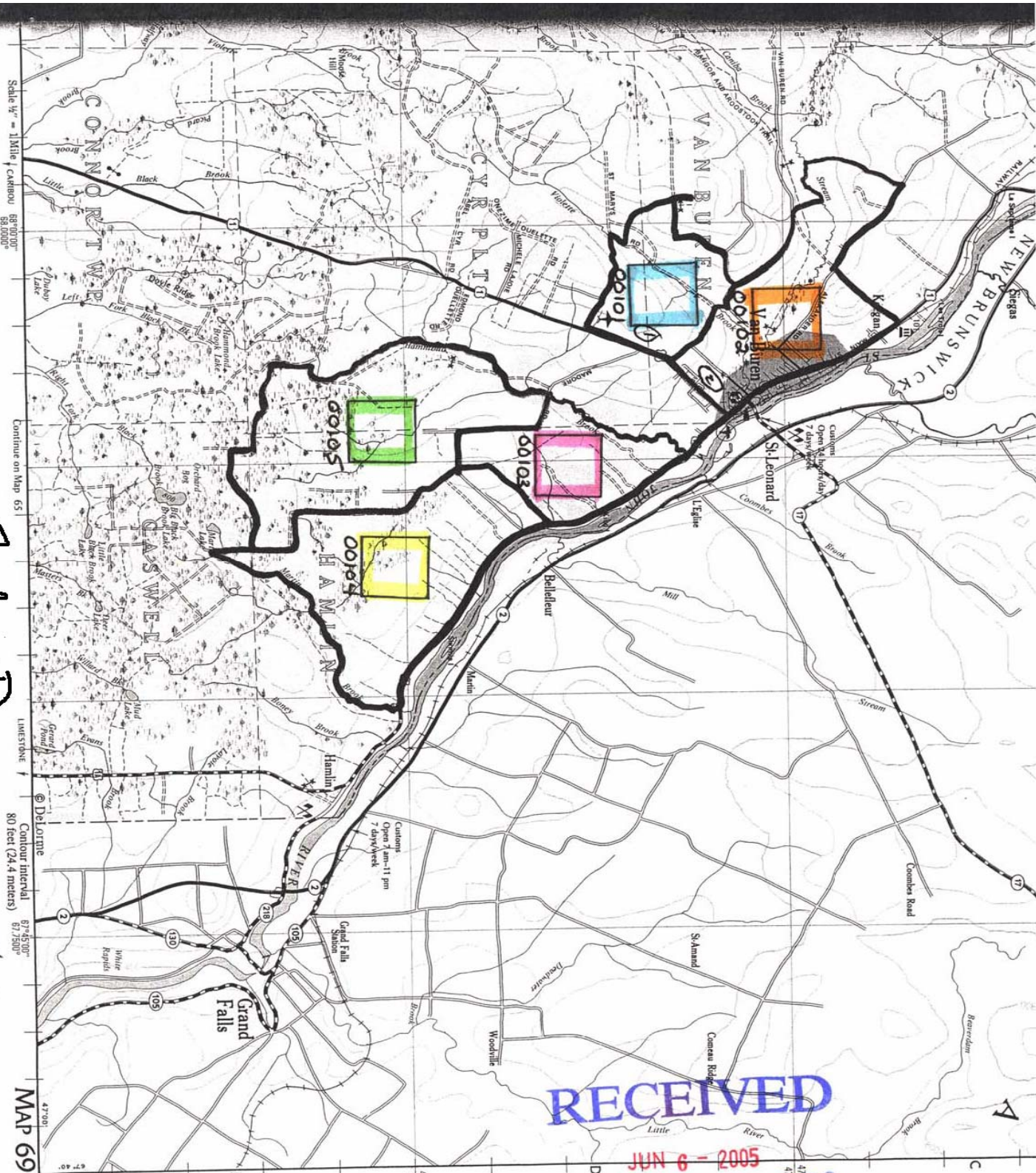
**(ANNUAL CROPS WITH GEOGRAPHIC DISPERSION SECTION EQUIVALENT OPTIONAL UNITS)**

June 30, 2006

Page 3 of 4

MP-311441

signature John Doe date 4/21/05



**EXHIBIT 5D  
WRITTEN UNIT AGREEMENT**

**(ANNUAL CROPS WITH GEOGRAPHIC DISPERSION SECTION EQUIVALENT OPTIONAL UNITS)**

June 30, 2006

Page 4 of 4

J. B. Harrison MP 1234567  
June 30, 2006

**WUA 1**

Hiway 7N to hiway 43E to  
West of main Farm Rd  
FSN 1150 Tract 1300 Fields 131,132,136,137,129,129a, 130, 127  
Approximately 377.4 cropland acres

**WUA 2**

East of main Farm Road west of Creek Road over to Lyons creek  
FSN 1150 Tract 1300 Fields 142,141,149,133,138,134,139  
Approximately 341.3 cropland acres

**WUA 3**

East of Creek Rd West of Brown Rd  
FSN 1150 Tract 1300 Fields 148,231,213,215,233,221,222,220,223  
Approximately 331.5 cropland acres

**WUA 4**

East of Brown Rd  
FSN 1150 Tract 1300 Fields 35, 38  
Approximately 325.4 acres

**WUA 5**

East of Milk Creek  
FSN 1150 Tract 806 Fields 109 thru 120; Tract 1297 Fields 108 thru 110  
Approximately 692.8 cropland acres

**EXHIBIT 6  
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.

**EXHIBIT 6  
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

**EXHIBIT 7  
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 1<sup>st</sup> Reviewer is the originator of the written agreement.
    - (b) The 2<sup>nd</sup> 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.

EXHIBIT 7
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):

Maps and Legal Descriptions

Crop Year Submitted (XXXX, N/A): Folder Location (Insured's or Shareholder):

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

I, the 2nd RMA 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 or production reports, if applicable for the crop;
The legal description (if applicable), FSA FSN, and FSA aerial photographs or legible maps.
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 information 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.

EXHIBIT 7

- 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.<sup>1</sup>
- 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, location, distance to market or use of the crop.  
Information on irrigated practice.

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<sup>1</sup> 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 the county or companion operators for initial requests.**



**EXHIBIT 8  
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.

EXHIBIT 8

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	Protection				Field Size	Practice	Price
			Storage Key	Required	Not Required	Min.			
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									

EXHIBIT 8

**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.

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**OP TYPE: UNRATED RATE CLASS OPTION**

Basic Written Agreement Rate and Yield Table:

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

EXHIBIT 8

(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.

EXHIBIT 8

**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

EXHIBIT 8

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:

EXHIBIT 8

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:



EXHIBIT 8

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.

EXHIBIT 9  
EXAMPLE OF A WITHDRAWAL LETTER



United States  
Department  
of Agriculture

Risk  
Management  
Agency

Raleigh Regional Office  
4407 Bland RD, suite 160  
Raleigh, NC 27609  
(919)875-4880 Fax (919)875-4915



May 25, 2005

Rain and Hail LLC.

address

City, state, zip

Agent: John Doe

STATE:	New York (36)	COUNTY:	Ontario (069)
REQUEST:	00101940	POLICY:	0068408
INSURED:	Joe Doe		
address	101 east Lynn, Clifton Springs, NY 14432		
SSN/TAX ID NO:	XXXXXXXXXX	CROP YEAR:	2006

Crops

0047 Dry Beans

A written agreement previously issued to you for your insurance policy was not returned to this office within 30 days after the expiration date. For this reason, the offer made in the written agreement is now considered withdrawn. It is understood that your insurance coverage will be in accordance with the insurance policy and any changes previously offered in the issued written agreement are not applicable.

If you did sign this written agreement indicating your acceptance of the offered terms and can provide evidence that it was timely signed and sent to the approved insurance provider, this office may reconsider withdrawal of the written agreement. Please provide this office with any supporting evidence (such evidence may include a certified mail receipt or other delivery receipt) within 30 days of the date of this notice.

If you have any questions, please contact this office.

Jane Doe

Senior Risk Management Specialist

**EXHIBIT 10**  
**EXAMPLE OF A DENIAL LETTER DUE TO APPRAISAL**



United States  
Department  
of Agriculture

Risk  
Management  
Agency

Raleigh Regional Office  
4407 Bland RD, suite 160  
Raleigh, NC 27609  
(919)875-4880 Fax (919)875-4915



May 25, 2005

Rain and Hail LLC.  
Address  
City, state, zip

Agent: John Doe

STATE:	New York (36)	COUNTY:	Ontario (069)
REQUEST:	00101940	POLICY:	0068408
INSURED:	Joe Doe		
address	101 east Lynn, Clifton Springs, NY 14432		
SSN/TAX ID NO:	XXXXXXXXXX	CROP YEAR:	2006

Crops  
0047 Dry Beans

The request to insure the respective crop is denied because it did not meet the required potential yield based on the field appraisal (or the company failed to conduct a timely appraisal or they failed to follow applicable approved appraisal procedures) for the specified acreage. If you disagree with this determination, it may be resolved through arbitration in accordance with section 20 of the Basic Policy within one year of the date we denied your request for insurance.

If you have any questions, please contact this office.

Jane Doe  
Senior Risk Management Specialist

**EXHIBIT 11**  
**EXAMPLE STATEMENTS:**

**A. Modified requests.**

Your request has been reviewed and the attached written agreement issued. As a result of this review, some terms contained in the agreement may not be exactly what you originally requested. If these terms are not acceptable, you may request administrative review. Any administrative review request must be in writing and received in this office within 30 days from the date shown above. Please include any additional supporting evidence with your request. Please note:

A request for administrative review does not affect your responsibility to accept or reject the agreement by the expiration date.

If you do not sign the agreement by the expiration date, you will not receive insurance under terms of the agreement if any request you make for administrative review or appeal is denied.

If you sign the agreement by the expiration date, you will receive insurance under the terms of this agreement, unless any administrative review or appeal you file is granted in which case you will be given the terms agreed upon at that time.

**B Crops planted in a non-conventional manner.**

Requests for crops planted in a non-conventional manner (i.e. broadcast, air seeded, etc), require an inspection. The potential yield for the field must be equal to or greater than 90 percent of the guarantee before the offer can be offered to the insured. An inspection is required \_\_\_ weeks after the crop has been planted. Please provide a copy of the inspection with an appraisal when returning the written agreement. In order to be considered for approval, the insured must accept the written agreement on the earlier of the first appraisal date or the expiration date.

**C. Request made after the sales closing date which establishes insurability.**

Requests made after the sales closing date which establish insurability, require an inspection if the crop has been planted. The potential yield for the field must be equal to or greater than 90 percent of the guarantee. IF the crop appraisal requirements are not met on a field basis, the AIP must notify the producer that those fields are not insurable before the offer can be offered to the insured. Please provide a copy of the inspection with an appraisal when returning the written agreement. In order to be considered for approval, the insured must accept the written agreement no later than the earlier of the first appraisal date or the expiration date.

**EXHIBIT 12 – APPEAL RIGHTS APPLICABILITY**

SITUATION	STATUS	DEN CODE	CERTIFIED LETTER?	COMMENTS	Handbook
NO POLICY EXISTS	NOT ACCEPTED	INA	NO	NO APPEAL RIGHTS	3A(2)
LATE	NOT ACCEPTED	LAT	NO	NO APPEAL RIGHTS	3C(1)(a) and 3D(2) AND 3L(1)(e)
REQUESTS FOR MORE THAN MINIMUM SUPPORTING DOCUMENTATION RECEIVED LATE	NOT ACCEPTED	INC	NO	NO APPEAL RIGHTS	3C(1)(D)
INCOMPLETE	NOT ACCEPTED	INC	NO	NO APPEAL RIGHTS	3C(1)(b)-(e)
REQUESTS FOR WHAT THEY ALREADY HAVE	NOT ACCEPTED	INA	NO	NO APPEAL RIGHTS	
3N COMING BACK DOESN'T MEET 2 YEAR REQUIREMENTS.	NOT ACCEPTED	INC	NO	NO APPEAL RIGHTS	
NOT PERMITTED BY ACT	NOT ACCEPTED	INA	NO	NO APPEAL RIGHTS	3C(1)(l)
NO NEW INFORMATION SUBMITTED	NOT ACCEPTED	INA	NO	NO APPEAL RIGHTS	3C(1)(f) & 3J(1)(d)
REQUEST COVERS MORE THAN ONE PRODUCER	NOT ACCEPTED	INA	NO	No APPEAL RIGHTS	3C(1)(h)
WRITTEN AGREEMENT TERMS DIFFERENT THAN REQUESTED	APPROVED	N/A	NO	Provide for administrative review. After RO administrative review and no change, then MEDIATION & APPEAL are provided by Certified Letter	3J(1)
WITHDRAWN	WDN	WDN	NO	NO APPEAL RIGHTS	3l(5)(b)
NOT PERMITTED BY POLICY	DENIED	INA	YES	GENERAL APPLICABILITY (GA)	3A(2) & 3J(3)(d)
NO ACTUARIALLY SOUND RATES	DENIED	DEN	YES	ADMIN REV MEDIATION & APPEAL	3C(5)(a)
CROP/TYPE/PRACTICE/VARIETY NOT ADAPTED	DENIED	DEN	YES	ADMIN REV MEDIATION & APPEAL	3C(5)(b)
CROP NOT COMMERCIALY GROWN AND NO MARKET	DENIED	DEN	YES	ADMIN REV MEDIATION & APPEAL	3C(5)(c)
FAILED APPRAISAL OR NO APPRASAL	DENIED	DEN	YES	ARBITRATION	3J(4)

EXHIBIT 12  
 APPEAL RIGHTS APPLICIABILITY

SITUATION	STATUS	CODE	CERTIFIED LETTER?	COMMENTS	Handbook
3N COMING BACK DOESN'T QUALIFY UNDER THE CALCULATIONS.	DENIED	DEN	YES	ADMIN REV MEDIATION & APPEAL	
DOESN'T WARRANT APPROVAL	DENIED	DEN	YES	ADMIN REV MEDIATION & APPEAL	3C(5)(A)
WUA DOES NOT MEET GUIDELINES	DENIED	DEN	YES	GENERAL APPLICABILITY (GA)	5A(1)(c)(3)
3N EXPERIENCE	DENIED	EXP	YES	ADMIN REV MEDIATION & APPEAL	3C(5)(d)
NOT CONFORMING TO SOUND INSURANCE PRINCIPLES	DENIED	DEN	YES	ADMIN REV MEDIATION & APPEAL	3C(5)(e)
NOT PRODUCED 50%	DENIED	DEN	YES	GENERAL APPLICABILITY (GA)	3C(5)(g)
<b>RENEWAL WRITTEN AGREEMENT NOT ISSUED</b>					
WA ISSUED IN ERROR	NOT ACCEPTED	INA	NO	NO APPEAL RIGHTS	3L(2)(c)1
INCORPORATED INTO ACTUARIAL	NOT ACCEPTED	INA	NO	NO APPEAL RIGHTS	3L(2)(c)2
NO LONGER APPLICABLE OR CONSISTENT WITH ACT	NOT ACCEPTED	INA	NO	NO APPEAL RIGHTS	3L(2)(c)3
FACTUAL BASIS NOT VALID	NOT ACCEPTED	INA	NO	NO APPEAL RIGHTS	3L(2)(c)4