

United States
Department of
Agriculture



Federal Crop
Insurance
Corporation



FCIC 18160
(11-2014)
FCIC 18160-1
(01-2015)
FCIC 18160-2
(06-2015)

WHOLE-FARM REVENUE PROTECTION PILOT HANDBOOK

2015 and Succeeding Crop Years

**RISK MANAGEMENT AGENCY
KANSAS CITY, MO 64133**

TITLE: WHOLE-FARM REVENUE PROTECTION PILOT HANDBOOK	NUMBER: FCIC 18160 (11-2014) FCIC 18160-1 (01-2015) FCIC 18160-2 (06-2015)
EFFECTIVE DATE: 2015 Succeeding Insurance Years	ISSUE DATE: 06/30/2015
SUBJECT: Provides the procedures and instructions for the Whole-Farm Revenue Protection program.	OPI: Product Administration and Standards Division
	APPROVED: /S/ Tim B.Witt Deputy Administrator for Product Management

REASONS FOR AMENDMENT

Changes: See changes or additions in text which have been **highlighted**. Three stars (***) identify where information has been removed.

1. Throughout Handbook – Corrected Allowable Expense Worksheet to read Allowable Expenses Worksheet.
2. Paragraph 23(A)(1) – page 11 – Removed reference to “100 percent interest in the revenue derived from commodities to be insured,” as it is not a qualifying person criteria.
3. Paragraph 41(B) – page 17 – Corrected references in the commodity count calculation procedures.
4. Paragraph 44(D)(1)(g) – page 20-Added language to clarify additional revenue types to be considered Excluded Revenue. Also correct sub-paragraph designation on page 21.
5. Paragraph 45(B)(1)(f) – page 22 – Corrected the word “on” to “only.”
6. Paragraph 47(E) – page 27 –Made minor corrections to the example that did not affect result.
7. Paragraph 48(C) – page 29 – Added language to clarify handling differences of acreage and yield between WFRP and another MPCCI policy.
8. Paragraph 48(D) – pages 29-32 – Revised IF/AND/THEN chart to clarify procedures for the Revised Farm Operation Report and added examples.
9. Paragraph 48(E) – page 33 – Corrected sub-paragraph designation.
10. Paragraph 94(A)(3) – page 47 – Added language to clarify duties in the event of a loss involving market fluctuations.

REASONS FOR AMENDMENT (Continued)

11. Paragraph 95(A) – page 49 – Added language to clarify when no replant payment would be made.
12. Paragraph 95(B) – page 50 – Added language to the example that coincides with the procedures.
13. Paragraph 106 – page 58 – Revised the language in step 9 of the revenue to count calculation for clarification and to exclude ARC/PLC payments. Deleted repetitive language.
14. Exhibit 1 – page 77 – Added ARC and PLC acronyms.
15. Exhibit 3 – page 87 – Added an explanation on the use of the “Summarized” method of establishment.
16. Exhibit 5(K) – page 95.1 – Added a required certification statement to the Farm Operation Report regarding multiple benefits.
17. Exhibit 5(O) – page 97 – Deleted inaccurate statement regarding the use of the Allowable Revenue Worksheet.
18. Exhibit 7 – page 104 – Revised the table to correct placement of the “Part 4” heading.
19. Exhibit 10 – page 123 – Revised Farm Operation Report example clarifying that yield is to be used in the Final Section and also made minor correction in the Narrative.
20. Exhibit 11 – page 125 – Removed reference to actuarial documents in item 15 and 16 and added calculation for maximum replant payment.
21. Exhibit 16 – page 142 – Revised the language in Item 25 for clarification and to exclude ARC/PLC payments.
22. Exhibit 18 – page 148 – Added language to clarify when to use the actual sale price as expected value for insured commodities.

CONTROL CHART

Whole-Farm Revenue Protection Pilot Handbook									
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Number	Exhibit Page(s)	Date	Directive Number		
Remove	1-4		11-12			01-2015	FCIC 18160-1		
			17-18			01-2015	FCIC 18160-1		
			19-20			11-2014	FCIC 18160		
			21-22			01-2015	FCIC 18160-1		
			27-28			01-2015	FCIC 18160-1		
			29-34			11-2014	FCIC 18160		
			47-50			11-2014	FCIC 18160		
			57-58			01-2015	FCIC 18160-1		
						1	77	11-2014	FCIC 18160
						2	78	11-2014	FCIC 18160
						3	87	11-2014	FCIC 18160
						4	88	11-2014	FCIC 18160
						5	95-98	01-2015	FCIC 18160-1
						7	103-104	11-2014	FCIC 18160
						10	123	01-2015	FCIC 18160-1
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						11	125-126	11-2014	FCIC 18160
						16	141-142	01-2015	FCIC 18160-1
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Insert	1-4		11-12	1	77	06-2015	FCIC 18160-2		
			17-22	2	78	06-2015	FCIC 18160-2		
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			57-58	5	95-95.2	06-2015	FCIC 18160-2		
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CONTROL CHART (Continued)

Whole-Farm Revenue Protection Pilot Handbook										
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Number	Exhibit Page(s)	Date	Directive Number			
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22 Pre-Acceptance Inspections

A Pre-Acceptance Worksheet is required each year before the beginning of the insurance period for all commodities identified as a perennial on the Actuarial Documents. For carryover insureds, pre-acceptance inspections are not required unless the policy was transferred and documentation required by paragraph 23E was not provided by the ceding AIP.

For the first year of insurance, a pre-acceptance inspection must be completed before accepting an application if any insured commodity is damaged prior to the application being submitted. The expected revenue on the Farm Operation Report must be reduced to reflect the reduced revenue caused by the damage occurring before acceptance of the application.

If perennial crops with production cycles exceeding 12 months are damaged, the expected revenue may be reduced for two or more WFRP insurance years and may require additional underwriting to avoid paying uninsured losses that occurred prior to the date that coverage initially began.

Coverage must be denied if crops are damaged to the extent that it is apparent during the inspection that the applicant will have a claim.

23 Application

A. Acceptance

An application is required. Before accepting the application, AIPs must ensure the application:

- (1) is for a qualifying person;
- (2) contains all required information according to the WFRP policy;
- (3) is for the same person as the person that filed Federal income tax returns with the IRS for the tax year (IRS disregarded entities can be the person insured but the AIP must require the tax record that shows the amount shown on the farm tax form was filed with the IRS); and
- (4) is signed by the person to be insured or an authorized representative of that person.

The application must be rejected if all requirements in the policy for acceptance are not met. If an application is rejected, the original application and a letter explaining why the application was rejected must be sent to the applicant.

B. Insurance Year and Prior Damage

The insurance year begins prior to the SCD and damage to commodities may occur prior to insurance attaching. If damage has occurred, an inspection must be performed prior to acceptance of the application. See paragraph 22 for information about pre-acceptance inspections.

C. Sales Closing Date

Completed and signed applications for WFRP must be submitted on or before the SCD. If the SCD falls on a Saturday, Sunday, or Federal holiday, the SCD is extended to the next business day.

D. Transfers

- (1) To transfer a policy from one AIP to another, the insured must request a transfer in writing on or before the cancellation date. The insured must complete and submit a Policy Transfer/Application to the assuming AIP, or the assuming AIP must complete and sign, and have the insured sign, a Request to Transfer a Policy including the ceding AIP's policy number for the policy being transferred.
- (2) If a Policy Transfer/Application is not used, an application must be completed and signed by the insured and the assuming AIP indicating the crop was insured in the previous crop year. The assuming AIP must, within 45 days after the applicable cancellation date, notify the ceding AIP when the transfer has been accepted and a new policy has been issued.
- (3) An insured may transfer a policy only once per insurance period between the AIPs. A transfer within an AIP from one policy issuing company to another is not considered a transfer for this purpose.
- (4) The assuming AIP should notify the insured the policy will be terminated if the insured is indebted to the ceding AIP.
- (5) All of the following must be transferred when a policy is transferred to a different AIP or agent.
 - (i) Revenue and expense history, including copies of farm tax forms.
 - (ii) Copy of the current year's Farm Operation Report.
 - (iii) Copy of the PAW, if applicable.
 - (iv) Copy of the most recent year's Pre-Acceptance Inspection Report, if applicable.
- (6) AIPs are required to transmit premium, loss, and revenue data to RMA. RMA maintains this data in its databases. AIP's are reminded that farms with animals and animal products require acceptance from the underwriting capacity manager.

E. Cancellation after First Year

The WFRP policy may not be cancelled during the first year. The insured or the AIP may cancel a WFRP policy for any insurance year following the first year by giving a signed notice to the other party on or before the cancellation date. A request made by the insured to cancel the policy after the cancellation date will be effective the following insurance year.

B. Commodity Count Calculation (continued)

(2) The Commodity Count Calculation is calculated as follows:

- (a) Determine the number of commodities on the farm. Each separate commodity code on the Farm Operation Report is counted once to determine the number of commodities, regardless of the number of times the commodity code is used;

Example: If two lines are present for cattle with significantly different prices, such as for heifers and steers, and the commodity codes are the same, the expected revenues from these two lines are added together and treated as one commodity.

- (b) Divide 1 by the result of (a) and round the result to three decimals.
- (c) Multiply the result of (b) by 0.333 and round the result to three decimals; and
- (d) Multiply the result of (c) by the Expected Revenue on the Farm Operation Report and round this to whole dollars;
- (e) Sum the Expected Revenue for each individual commodity;
- (f) Determine how many of the commodities in (e) have Expected Revenue equal to or greater than the result of (d);
- (g) Sum the Expected Revenue amounts from the result of (f) and subtract the result from the Total Expected Revenue;
- (h) Divide the result of (g) by the result of (d) to determine the number of additional commodities to count using whole numbers and no rounding; and
- (i) Add the result of (f) to the result of (h) to determine the commodity count for WFRP.

Example: At SCD, the applicant reported on the Intended Farm Operation Report that corn, mums, geraniums, pigs, carrots, cucumbers, and squash will be produced with a total expected revenue of \$170,250. Mums and geraniums have the same commodity code and expected revenue for each are added together and count as one commodity. The expected revenue from each of at least three of the commodities must be at least \$9,534 $[(1.0 \div 6) \times 0.333] \times \$170,250$ for the applicant to be eligible for a coverage level above 75 percent (as shown in SP). The expected revenue for each commodity is: \$93,750 for corn; \$9,500 (\$9,000 + \$500) for mums and geraniums; \$50,000 for pigs; \$9,000 for carrots; \$6,000 for cucumbers; and \$2,000 for squash. Only two commodities (corn and pigs) individually have expected revenue equal to or exceeding the \$9,534 commodity count calculation required amount.

B. Commodity Count Calculation (continued)

Example (continued)

However, the applicant can combine the expected revenue of any of the other commodities (nursery (mums and geraniums), carrots, cucumbers and squash) to meet the commodity count calculation required amount. The combined revenue for the nursery, carrots, cucumbers, and squash is \$26,500 (\$9,500 + \$9,000 + \$6,000 + \$2,000), which results in an additional 2 counted commodities ($\$26,500 \div \$9,534$) bringing the commodity count to 4. The applicant is eligible for a coverage level above 75 percent (as shown in SP).

- (3) A farm operation producing multiple commodities with **DIFFERENT** commodity codes is ineligible for WFRP if:
- (a) The farm operation qualifies for only **ONE** commodity using the commodity count calculation in the WFRP policy; and
 - (b) The commodity listed on the Farm Operation Report with the highest expected revenue has another FCIC Revenue plan of insurance available for the county listed on the WFRP application.

Note: In cases when another FCIC Revenue plan of insurance is available, but the commodity type will always have a harvest price equal to the projected price where only yield losses are covered, such as, but not limited to, specific dry bean or pea types and corn silage, revenue coverage will not be considered available for WFRP purposes and the farm operation may be eligible for WFRP insurance.

- (4) A farm operation producing a commodity that is listed on the Farm Operation Report using multiple lines with the **SAME** commodity code is ineligible for WFRP if:
- (a) The farm operation qualifies for only **ONE** commodity using the commodity count calculation in the WFRP policy; and
 - (b) The commodity listed on the Farm Operation Report with highest expected revenue (within the common commodity code) has another FCIC Revenue plan of insurance available for the county listed on the WFRP application.

Note: In cases when another FCIC Revenue plan of insurance is available, but the commodity type will always have a harvest price equal to the projected price where only yield losses are available, such as, but not limited to, specific dry bean or pea types and corn silage, revenue coverage will not be considered available for WFRP purposes and the farm operation may be eligible for WFRP insurance.

42 Coverage Levels (Continued)

B. Coverage Level Reductions (continued)

- (2) meet coverage level requirements throughout the entire insurance year, unless due to an insured cause of loss.

If a reduction in coverage level is necessary, the insured's coverage level must be reduced to the highest level for which the insured qualifies. All reductions in coverage must include the signature of the insured indicating their understanding of the changes to their guarantee.

43 Replant Payments

A replant payment may be allowed if specified in the SPs. See paragraph 95.

44 Allowable Revenue and Allowable Revenue Worksheet

A. When to Submit

On or before the SCD, an Allowable Revenue Worksheet must be completed for each year in the whole-farm history period. See exhibits 5 and 15 for required elements with descriptions and examples of the Allowable Revenue Worksheet.

B. Allowable Revenue

- (1) Allowable revenue is farm revenue from the production of commodities produced by the farm operation, or purchased for further growth and development by the farm operation, that the IRS requires to be reported. Allowable revenue includes revenue from all insurable commodities.
- (2) Allowable revenue for WFRP purposes is limited to the revenue listed in section 10(b) of the policy. These items are directly listed on the Schedule F tax form from the IRS so they can be transferred directly from the form onto the Allowable Revenue Worksheet.
- (3) Completion of the Allowable Revenue Worksheet is required to show which commodities are allowed from the farm tax forms and what adjustments are necessary.
- (4) The AIP must not accept any revenue amount or an adjustment to the revenue amount if the amount reported for WFRP purposes cannot be verified through the use of supporting records.

C. Commonly Used Tax Forms

The following are commonly used IRS tax forms used to report farm revenue and expenses. If forms other than the Schedule F are used, a Substitute Schedule F must be completed. The Substitute Schedule F must result in the same revenue as the alternative tax form used and records must be available to support the Substitute Schedule F to the AIP's satisfaction.

C. Commonly Used Tax Forms (continued)

- (1) Schedule F (Form 1040), Profit or Loss from Farming. (See exhibit 12 for a completed example)
- (2) Schedule J (Form 1040), Income Averaging for Farmers and Fisherman.
- (3) Schedule D (Form 1040), Capital Gains and Losses.
- (4) Form 4835, Farm Rental Income and Expenses.
- (5) Form 1065, U.S. Return of Partnership Income.
- (6) Form 1120, U.S. Corporation Income Tax Return.
- (7) Form 1120-S, U.S. Tax Return for an S Corporation.
- (8) Form 1120-C, U.S. Income Tax Return for Cooperative Associations.
- (9) Form 4797, Sales of Business Property.

D. Excluded Revenue

There are specific types of revenue that are reported on farm tax forms but are not considered insurable revenue. These are listed in section 10(c) of the policy. These items also are directly listed on the Schedule F tax form from the IRS. While such revenue is excluded from allowable revenue and expected revenue, it may be included in revenue-to-count for claim purposes. See paragraph 101 for information regarding adjustments to revenue for claims purposes.

- (1) All of the following must be excluded from the allowable revenue in each year of the whole-farm history period, expected revenue for the insurance year, and revenue-to-count for claims:
 - (a) Revenue from any post-production operations;
 - (b) Revenue from value added to commodities (such as gift baskets and wine);
 - (c) Revenue from commodities in which the insured does not have an insurable interest;
 - (d) Revenue earned from custom hire activities;
 - (e) Cooperative distributions that are not directly related to the production of a commodity;
 - (f) Revenue earned as an animal contract grower;
 - (g) Revenue from wages, salaries, tips, cash rent, rental of equipment or livestock, or supplies;
 - (h) Revenue from Federal government agricultural programs and Federal crop disaster payments;
 - (i) Revenue from uninsurable commodities, such as, animals for show or sport, timber, forest, and forest products;

44 Allowable Revenue and Allowable Revenue Worksheet (Continued)

D. Excluded Revenue (continued)

- (j) CCC loans and CCC loans forfeited;
- (2) All of the following must also be excluded from the allowable revenue in each year of the whole-farm history period and expected revenue for the insurance year. However, all of the following are included in revenue-to-count for claims:
 - (a) Net gain from commodity hedges;
 - (b) Value assigned for uninsured cause of loss or abandoned acreage;
 - (c) Accrual adjustments for beginning and ending accounts receivables and inventories; and
 - (d) Crop insurance indemnities, prevented planting payments from other FCIC policies, replant payments, and any other federal government program that does not allow multiple benefits;

Example: Insured A has apples insured under WFRP and under a FCIC yield based apple policy. Any indemnity under the yield based apple policy is not included in the allowable revenue however, it is included in revenue-to-count for WFRP.

45 Allowable Expenses and Allowable Expenses Worksheet

A. When to Submit

On or before the SCD, an Allowable Expenses Worksheet must be completed for each year in the whole-farm history period. See exhibits 5 and 14 for required elements with descriptions and examples of the Allowable Expenses Worksheet.

B. Allowable Expenses

Expenses are used under this policy only to adjust the insured revenue downwards if expenses during the insured year are not equal to at least 70 percent of the approved expenses.

The AIP must not accept any expense amount or an adjustment to the expense amount if the amount reported for WFRP purposes cannot be verified through the use of supporting records.

- (1) Allowable expenses will be listed on the Allowable Expenses Worksheet and for WFRP purposes will be limited to the following expenses:
 - (a) the cost or basis of animals and other commodities you bought for resale;
 - (b) car and truck expenses;

B. Allowable Expenses (continued)

- (c) chemicals;
 - (d) conservation expenses;
 - (e) custom hire (machine work);
 - (f) depreciation and IRS Section 179 expense deduction not claimed elsewhere (include **only** the amount of depreciation allowed for animals);
 - (g) feed purchased;
 - (h) fertilizers and lime;
 - (i) freight and trucking;
 - (j) gasoline, fuel, and oil;
 - (k) insurance (other than health);
 - (l) labor hired (less employment credits) exclude shareholder wages, if reported on the corresponding line of the Schedule F;
 - (m) repairs and maintenance;
 - (n) seeds and plants purchased;
 - (o) storage and warehousing;
 - (p) supplies purchased (exclude those used in post-production operations) see subparagraph C below;
 - (q) utilities;
 - (r) veterinary, breeding, and medicine; and
 - (s) other farm expenses (include only those related to the production of commodities allowed for reporting by the IRS).
- (2) Allowable expenses do not include expenses for commodities in which the insured does not have an insurable interest.

C. Excluded Expenses

Exclude any expenses associated with post-production operations (except do not exclude expenses that are considered market readiness expenses) from the allowable lines of the farm tax forms

47 Intended Farm Operation Report (Continued)

E. Separate Line Items and Data Reporting (continued)

- (5) Divide the result of (3) by the result of (4) to determine the Yield per Unit (round the result to one decimal).

Example: Sum of Total Expected Revenues: \$5,340 (\$4,200 + \$1,140)
Sum of Intended Quantities: 10.0 acres (7.0 + 3.0)
Reported Expected Revenue: \$534 (\$5,340 ÷ 10.0)
Weighted Average of Expected Values: \$162 (((\$150 x 7 ac) + (\$190 x 3 ac))/10 ac)
Reported Yield per Unit: 3.3 tons (\$534 ÷ \$162)

The data transmitted to RMA processing system would be as follows:

Intended							
6. Commodity Name/Code	7. Method of Establishment	8. Yield per Unit	9. Expected Value per Unit	10. Expected Revenue (8x9)	11A. Intended Quantity	11B. Cost/Basis and/or Value	11C. Total Expected Revenue (10x11A) – 11B
Onions/xxx	Summarized	3.3 tons	\$162.00/ton	\$534	10.0 acres		\$5,340

F. Conditions and Changes Affecting Approved Revenue

Any condition or change on the farm that has occurred since the Whole-Farm history period must be reported on the Farm Operation Report. Such conditions and changes include, but are not limited to:

- (1) change in the size of the farm operation;
- (2) removal or planting of perennial crops/trees;
- (3) land renovations, such as bog renovation;
- (4) changes in farming practices, including organic transitional or organic;
- (5) changes in farm management or accounting methods;
- (6) change in tax year;
- (7) change in person type, such as changing from a partnership to a corporation;
- (8) change in the commodities produced or purchased for resale;
- (9) change in the share of commodities produced or purchased for resale;
- (10) changing marketing methods or markets, such as wholesale, retail, or direct; and
- (11) damage to perennial crops occurring prior to beginning of the insurance year.

Any of the above changes could result in changes to the expected revenue for the insurance year and must be reflected on the Farm Operation Report.

48 Revised Farm Operation Report

A. When to Submit

A revised Farm Operation Report must be submitted during the insurance year, similar to an acreage report, to reflect the activities that actually occurred on the farm. The Revised Farm Operation Report is due:

A. When to Submit (continued)

- (1) No later than July 15 of the insurance year if the insured is a calendar or early fiscal year filer;
- (2) The last day of the month in which the insured's fiscal year begins, but no later than October 31 if the insured is a late fiscal year filer; or
- (3) Within 30 days of the insured making changes to the commodities grown on the farm or purchased for resale after the Revised Farm Operation Report is completed. The Revised Farm Operation Report may only be revised later, with AIP approval and must exclude any changes to revenue resulting from a covered cause of loss.

B. Purpose

The purpose of a Revised Farm Operation Report is to report information about changes to the farm operation after the Farm Operation Report was initially submitted. The revised Farm Operation Report must include:

- (1) commodities that were actually planted or purchased for resale;
- (2) commodities that were intended to be produced or purchased for resale but will not be produced or purchased for resale, such as in the case of prevented planting, and the reason they were not produced or purchased for resale;
- (3) commodities produced or purchased for resale that were not intended to be produced or purchased for resale when the Farm Operation Report was initially submitted;
- (4) damaged commodities, and the reason for the damage;
- (5) commodities produced to replace commodities damaged or prevented from being produced; and
- (6) any circumstances that will affect the expected revenue, including, but not limited to, a renegotiated price with a buyer or changes in production or irrigation practices.

See exhibit 10 for an example of the Farm Operation Report that includes the Intended, Revised, and Final sections.

C. Commodities Insured Under WFRP and another FCIC Plan of Insurance

When a commodity is insured under WFRP and another FCIC plan of insurance, the acreage and expected yield reported on the Farm Operation Report should generally be the same as the acreage and yield for the commodity covered under the other FCIC plan of insurance. Any difference of acreage and yield between the two plans of insurance must be justified, reasonable, and documented. If any difference is not justified, reasonable, and documented, refer to section 15(j) in the WFRP policy.

D. Reporting Destroyed Commodities and those Prevented from Being Produced

The expected quantity and revenue of commodities the insured intends to produce during the insurance year, but that have not yet been produced the date the Farm Operation Report is initially submitted (on or before the required reporting date as stated in subparagraph A above), are identified in the “Intended” columns of the Farm Operation Report. If those commodities are actually produced, these numbers will be carried forward to the Revised Farm Operation Report.

The following table provides instructions for determining the quantity and expected revenue to enter on the Revised Farm Operation Report. See exhibit 10 for example of Farm Operation Report submitted at required reporting date and revised during the insurance year.

IF a commodity identified in the “Intended” column of the Farm Operation Report on SCD is ...	AND ...	THEN ...
planted, produced or purchased for resale, at the time the Revised Farm Operation Report is submitted	no changes are made and the intended report is still correct as to what is being produced and what was purchased for resale	The numbers pertaining to the quantity planted, produced, or purchased for resale and expected revenue from the Intended Section of the Farm Operation Report are carried forward to the Revised Section.
not planted, produced or purchased for resale at the time the Revised Farm Operation Report is submitted ***	the insured still intends to plant, produce, or purchase for resale, the same amount of the commodity in the insurance year	Refer to Example 1 below.
	the insured does not intend to plant, produce, or purchase for resale all of the commodity due to a farm management decision or an uninsured cause of loss	Line through and do not carry forward any information regarding the commodity not planted, produced, or purchased for resale. Refer to Example 2 below.

D. Reporting Destroyed Commodities and those Prevented from Being Produced (cont.)

IF a commodity identified in the “Intended” column of the Farm Operation Report on SCD is ...	AND ...	THEN ...
not planted, produced or purchased for resale at the time the Revised Farm Operation Report is submitted (continued) ***	the insured intends to plant, produce, or purchase for resale only a portion of the commodity due to a farm management decision or an uninsured cause of loss	(1) the actual quantity of the commodity to be planted, produced, or purchased for resale is entered in the Revised Section of the Farm Operation Report; and (2) the expected revenue is calculated using the quantity from (1) and entered in the Total Expected Revenue column in the Revised Section of the Farm Operation Report.
planted, produced or purchased for resale, at the time the Revised Farm Operation Report is submitted	changes were made to the quantity planted, produced, or purchased for resale due to farm management decisions	Refer to Example 2 below.
not planted at the time the Revised Farm Operation Report is submitted ***	(1) the AIP verifies the failure to plant was due to an insured cause of loss; and (2) the commodity will be replaced by a different commodity in the insurance year	(1) the quantity, from the Intended Section, of the commodity not planted is entered in the “Actual Quantity” column of the Revised Farm Operation Report for the commodity; (2) the quantity and expected revenue of the replacement commodity, with expected value calculated as of the date of planting or purchase, is entered in the “Actual Quantity” and “Expected Revenue” columns, respectively, of the Revised Farm Operation Report for the replacement commodity; and (3) the expected revenue of the commodity not produced in (1) is reduced, to not less than zero, by the expected revenue of the replacement commodity, and the reduced amount is entered in the “Expected Revenue” column of the Revised Farm Operation Report for the commodity not produced (or with reduced production and replacement); and the expected revenue of the replacement commodity is entered in full along with the acres/head, etc., of the replacement commodity. The expected value of the replacement commodity will be as of the date the commodity was planted or purchased for further growth or purchased for resale. Refer to Example 3 below.

D. Reporting Destroyed Commodities and those Prevented from Being Produced (cont.)

IF a commodity identified in the “Intended” column of the Farm Operation Report on SCD is ...	AND ...	THEN ...
<p>not produced (or reduced production) at the time the Revised Farm Operation Report is submitted; or *** planted but was damaged prior to harvest and prior to the time the Revised Farm Operation Report is submitted</p>	<p>(1) the AIP verifies that the failure to produce or the damage was due to an insured cause of loss; and (2) the commodity will not be replaced by a different commodity in the insurance year</p>	<p>the numbers pertaining to the quantity produced and expected revenue from the Intended Section Report are carried forward to the Revised Section of the Farm Operation Report. Refer to Example 5 below.</p>
	<p>(1) the AIP verifies failure to produce or the damage to the commodity was due to an insured or uninsured cause of loss; and (2) the commodity is or will be replaced a different commodity in the insurance year</p>	<p>(1) the quantity, from the Intended Section, of the commodity not produced is entered in the “Actual Quantity” column of the Revised Farm Operation Report for the commodity; (2) the quantity and expected revenue of the replacement commodity, with expected value calculated as of the date of planting or purchase, is entered in the “Actual Quantity” and “Expected Revenue” columns, respectively, of the Revised Farm Operation Report for the replacement commodity; and (3) the expected revenue of the commodity not produced in (1) is reduced, to not less than zero, by the expected revenue of the replacement commodity, and the reduced amount is entered in the “Expected Revenue” column of the Revised Farm Operation Report for the commodity not produced (or with reduced production and replacement); and the expected revenue of the replacement commodity is entered in full along with the acres/head, etc., of the replacement commodity. The expected value of the replacement commodity will be as of the date the commodity was planted or purchased for further growth or purchased for resale. Refer to Example 4 below. Note: Any expected revenue lost due to an uninsured cause of loss will be considered revenue to count for claims purposes.</p>

D. Reporting Destroyed Commodities and those Prevented from Being Produced (cont.)

IF a commodity identified in the “Intended” column of the Farm Operation Report on SCD is ...	AND ...	THEN ...
planted but was damaged prior to harvest and prior to the time the Revised Farm Operation Report is submitted	<p>(1) the AIP verifies the damage to the commodity was due to an uninsured cause of loss; and</p> <p>(2) the commodity was or was not replanted, or will not be replaced by a different commodity in the insurance year</p>	<p>the numbers pertaining to the quantity and expected revenue of the damaged commodity from the Intended Section Report are carried forward to the Revised Section of the Farm Operation Report.</p> <p>Refer to Example 4 below.</p> <p>Note: Any expected revenue lost due to an uninsured cause of loss will be considered revenue to count for claims purposes.</p>
changed after the date the Revised Farm Operation Report is due, except those resulting from a covered cause of loss	<p>(1) the insured reports this within 30 days, as required after the change to the AIP; and</p> <p>(2) the AIP consents that a revision to the Revised Farm Operation Report should be made</p>	<p>the AIP may revise the Revised Farm Operation Report with the revised commodities or commodity amounts. Expected values will be as of the date the commodity was planted or purchased for further growth or purchased for resale. This change assures that the farm operation will not be over-insured and that the premium rates charged will be appropriate for what was produced.</p>
changed after the date the Revised Farm Operation Report is due, except those resulting from a covered cause of loss (continued)	<p>(1) The insured reports this within 30 days, as required after the change to the AIP; and</p> <p>(2) the AIP does not consent that a revision to the Revised Farm Operation Report should be made.</p>	<p>no revisions are made to the Revised Farm Operation Report and all revenue will count as revenue to count, even if the commodity is not listed on the Revised Farm Operation Report.</p>

Example 1: A producer intends to produce 125 acres of corn and 100 acres of soybeans this insurance year and submitted such on the Intended Farm Operation Report. At Revised time the producer has planted the 125 acres of corn and still intends to plant the 100 acres of soybeans. The same quantity and expected revenue from the Intended Section is carried forward to the Revised Section on the Farm Operation Report for both the corn and soybeans.

48 Revised Farm Operation Report (Continued)

D. Reporting Destroyed Commodities and those Prevented from Being Produced (cont.)

Intended								Revised		
6. Commodity Name/Code	7. Method of Establishment	8. Yield/Unit of Measure	9. Expected Value	10. Expected Revenue (8x9)	11A. Intended Quantity	11B. Cost/Basis and/or Value	11C. Total Expected Revenue (10x11A) – 11B)	12A. Actual Quantity	12B. Actual Cost/Basis and/or Value	12C. Total Expected Revenue
Corn/0041	Acres	150 bu.	\$5.00/bu.	\$750.00/ac.	125 ac.		\$93,750	125 ac.		\$93,750
Soybeans/	Acres	100 bu.	\$6.00/bu.	\$600.00/ac.	100 ac.		\$60,000	100 ac.		\$60,000
21. Narrative, Expected Values, and Report of Changes: Corn; expected value source AMS at Intended time. Soybeans; expected value source 18(a)(1)(iii)(A) at Intended time; producer still intends to plant..										

Example 2: A producer intends to produce 125 acres of corn, 100 acres of soybeans and 50 acres of wheat during this insurance year and submits such on the Intended Farm Operation Report. At Revised time the producer has not planted any corn and planted only 40 acres of wheat due to a farm management decision. 50 acres of soybeans were not planted due to a verified uninsured cause of loss and 50 acres of soybeans were planted. The commodity information for the corn is lined through in the Intended Section and nothing is carried forward to the Revised Section of the Farm Operation Report. The actual quantity planted and calculated expected revenue for the soybeans and wheat is entered in the Revised Section of the Farm Operation Report.

Intended								Revised		
6. Commodity Name/Code	7. Method of Establishment	8. Yield/Unit of Measure	9. Expected Value	10. Expected Revenue (8x9)	11A. Intended Quantity	11B. Cost/Basis and/or Value	11C. Total Expected Revenue (10x11A) – 11B)	12A. Actual Quantity	12B. Actual Cost/Basis and/or Value	12C. Total Expected Revenue
Corn/0041	Acres	150 bu.	\$5.00/bu.	\$750.00/ac.	125 ac.		\$93,750			
Soybeans/	Acres	100 bu.	\$6.00/bu.	\$600.00/ac.	100 ac.		\$60,000	50 ac.		\$30,000
Wheat	Acres	75 bu.	\$4.00/bu.	\$300.00/ac.	50 ac.		\$15,000	40 ac.		\$12,000
21. Narrative, Expected Values, and Report of Changes: Corn; expected value source AMS at Intended time; producer no longer intends to plant corn with no replacement commodity. Soybeans; expected value source AMS at Intended time; 50 acres not planted due to uninsured cause of loss; 50 acres planted and actual quantity with calculated expected revenue of \$30,000.										

Example 3: A producer intends to produce 125 acres of corn during the insurance year. At Revised time the producer has not planted the corn due to an insured cause of loss. The unplanted acres will be planted to soybeans, with a yield of 100 bushels per acre and an expected value of \$6.00 per bushel at the time of planting. The quantity of corn is carried forward from the Intended Section to the Revised Section of the Farm Operation Report. The replacement commodity (soybeans) is added to the Farm Operation Report using the expected value at the time of planting. The Total Expected Revenue of the corn will be entered as \$18,750 which is the total expected revenue of corn adjusted by the total expected revenue of soybeans.

48 Revised Farm Operation Report (Continued)

D. Reporting Destroyed Commodities and those Prevented from Being Produced (cont.)

Intended								Revised		
6. Commodity Name/Code	7. Method of Establishment	8. Yield/Unit of Measure	9. Expected Value	10. Expected Revenue (8x9)	11A. Intended Quantity	11B. Cost/Basis and/or Value	11C. Total Expected Revenue (10x11A) – 11B)	12A. Actual Quantity	12B. Actual Cost/Basis and/or Value	12C. Total Expected Revenue
Corn/0041	Acres	150 bu.	\$5.00/bu.	\$750.00/ac.	125 ac.		\$93,750	125 ac.		\$18,750
Soybeans/	Acres	100 bu.	\$6.00/bu.	\$600.00/ac.				125 ac.		\$75,000
21. Narrative, Expected Values, and Report of Changes: Corn; expected value source AMS at Intended time; producer did not plant corn due to insured cause of loss; carried forward quantity (125 ac.), Total Expected Revenue calculated \$93,750 (corn)- \$75,000 (soybeans) = \$18,750. Soybeans; 125 acres planted 15 May 2015; expected value source AMS on plant date.										

Example 4: A producer intends to produce 125 acres of corn and 100 acres of soybeans during this insurance year and submits such on the Intended Farm Operation Report. At the time the Revised Farm Operation is due the producer has planted the 125 acres of corn, but 50 acres was damaged due to an uninsured cause of loss. The 100 acres of the soybeans were planted, and all 100 acres was damaged prior to harvest from the same uninsured cause of loss that damaged the corn. The 50 acres of damaged corn will be replaced with buckwheat, with an expected yield of 75 bushels per acre and an expected value of \$4.00/bushel at the time of planting. The soybeans will not be replaced. The quantity of corn and the quantity and expected revenue of soybeans are carried forward from the Intended Section to the Revised Section of the Farm Operation Report. The replacement commodity (buckwheat) is added to the Farm Operation Report using the expected value at the time of planting. The Total Expected Revenue of the corn will be entered as \$78,750 which is the total expected revenue of corn adjusted by the total expected revenue of buckwheat.

Intended								Revised		
6. Commodity Name/Code	7. Method of Establishment	8. Yield/Unit of Measure	9. Expected Value	10. Expected Revenue (8x9)	11A. Intended Quantity	11B. Cost/Basis and/or Value	11C. Total Expected Revenue (10x11A) – 11B)	12A. Actual Quantity	12B. Actual Cost/Basis and/or Value	12C. Total Expected Revenue
Corn/0041	Acres	150 bu.	\$5.00/bu.	\$750.00/ac.	125 ac.		\$93,750	125 ac.		\$78,750
Soybeans	Acres	100 bu.	\$6.00/bu.	\$600.00/ac.	100 ac.		\$60,000	100 ac.		\$60,000
Buckwheat	Acres	75 bu.	\$4.00/bu.					50 ac.		\$15,000
21. Narrative, Expected Values, and Report of Changes: Corn; expected value source AMS at Intended time; 50 ac. damaged due to uninsured cause; carried forward quantity (125 ac.), Total Expected Revenue calculated \$93,750 (corn) - \$15,000 (wheat) = \$78,750. \$15,000 (uninsured cause of loss) considered revenue to count at claim time; replaced 50 ac. with buckwheat planted on 15 May 2015 expected value source AMS on plant date. Soybeans; expected value source AMS at Intended time; 100 ac. planted and damaged due to uninsured cause of loss prior to harvest; carried forward intended; \$60,000 (uninsured cause of loss considered revenue to count at claim time).										

Example 5: A producer intends to produce 125 acres of corn and submits such on the Intended Farm Operation Report. The producer planted the corn and it was damaged by an insured cause of loss prior to harvest and prior to the time the Revised Farm Operation Report is due. The producer will not replant nor replace the corn. The same quantity and expected revenue from the Intended Section will be carried forward to the Revised Section of the Revised Farm Operation Report.

48 Revised Farm Operation Report (Continued)

D. Reporting Destroyed Commodities and those Prevented from Being Produced (cont.)

Intended								Revised		
6. Commodity Name/Code	7. Method of Establishment	8. Yield/Unit of Measure	9. Expected Value	10. Expected Revenue (8x9)	11A. Intended Quantity	11B. Cost/Basis and/or Value	11C. Total Expected Revenue (10x11A) – 11B)	12A. Actual Quantity	12B. Actual Cost/Basis and/or Value	12C. Total Expected Revenue
Corn/0041	Acres	150 bu.	\$5.00/bu.	\$750.00/ac.	125 ac.		\$93,750	125 ac.		\$93,750
21. Narrative, Expected Values, and Report of Changes: Corn; expected value source AMS. 125 acres damaged by an insured cause of loss.										

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48 Revised Farm Operation Report (Continued)

E. Limitations

The Approved Revenue cannot exceed \$8.5 million divided by the coverage level elected by the insured. If this occurs the Approved Revenue will be capped. Any applicable Animal/Animal Products and Nursery/Greenhouse limitations must be calculated prior to applying the Approved Revenue limit (See paragraph 143F). Regardless of any limitation, all allowable revenue earned during the insurance year will be considered revenue to count.

Example: At Revised Farm Operation Report time the Approved Revenue is \$12,000,000. The insured has elected the 85 percent coverage level. \$8,500,000 divided by .85 equals \$10,000,000, so the Approved Revenue for this farm is capped at \$10,000,000. Insured Revenue will equal to \$8,500,000 and all revenue earned during the insurance year will be considered revenue to count.

49 Final Farm Operation Report

The total production for each commodity produced or purchased for resale in the insurance year, and the revenue actually received, or the expected value as of the last day of the insurance period if the production was not sold, must be provided:

- (1) in the “Final” columns of the Farm Operation Report; and
- (2) at the earlier of the time a claim is submitted for indemnity or the SCD of the subsequent insurance year, unless this is not required as specified in the SP. If the final report is not provided, the insured will be limited to a 65 percent coverage level for the next insurance year.

50 IRS Tax Forms and Supporting Records

A. IRS Tax Forms

Copies of the applicable IRS tax form(s), such as Schedule F, Form 1040, Form 1120, Form 1041, Form 1065, Form 1102S, and Form 4835, must be provided to the AIP for each tax year in the whole-farm history period.

The AIP must request supporting records to verify the allowable revenue and allowable expenses on the Whole-Farm History Report when the AIP has reason to believe the farm tax form(s) do not provide adequate documentation of revenue or expenses for WFRP purposes. In such cases, the AIP must not accept any Whole-Farm History Report if the allowable revenue for any year cannot be verified through the requested supporting records.

B. Substitute Schedule F

Persons who do not file a Schedule F tax form must report and certify allowable revenue and expenses in the same manner as provided on a Schedule F tax form using a Substitute Schedule F. The person must use the same accounting period when completing the Substitute Schedule F as was used on the farm tax form they filed with the IRS for the applicable year.

In addition to the Substitute Schedule F, such persons must provide:

- (1) the farm tax forms filed with the IRS; and
- (2) supporting records for each year no Schedule F tax form was filed

The AIP must not accept any Whole-Farm History Report that does not include or is not supported by a Substitute Schedule F and associated supporting records if no Schedule F tax form was filed.

See exhibit 13 for an example of a Substitute Schedule F.

C. Supporting Records

Adjustments are required when revenue not covered by WFRP is reported on the person's Schedule F or Substitute Schedule F. Revenue not covered is provided in paragraph 44D. Such revenue must be:

- (1) subtracted from the revenue reported to IRS; and
- (2) documented via supporting records.

Supporting records include third party verifiable documentation such as accounting records, farm management records, warehouse receipts, ledger sheets, sales receipts/records, settlement sheets, accounts paid, payroll receipts, copies of payments made to the Social Security Administration for tax payments, canceled checks showing the banking institution's stamp of payment, and feeding records. Supporting records regarding the buying or selling of a commodity must include the:

- (1) name of the commodity;
- (2) name of buyer, seller, store house, or marketing outlet, as applicable; and
- (3) date and year of transaction.

The AIP must not accept any revenue amount or an adjustment to the revenue amount if the amount reported for WFRP purposes cannot be verified through the use of supporting records.

92 Uninsurable Losses (Continued)

Uninsurable losses will be valued and added to the revenue-to-count, which will decrease any loss payments. Revenue-to-count must be increased for commodities that are damaged by anything other than an unavoidable natural disaster. If a commodity deteriorates while in storage and is sold for less than the local market value for the undamaged commodity, the revenue-to-count must be increased by an amount equal to the difference between the dollar amount received for the damaged commodity and the dollar amount that would have been received for the commodity using the local market value if it was not damaged.

93 Quality Determinations

When the crop is damaged by an insurable cause of loss, the WFRP policy provides coverage for quality by using the actual price received or the local market value for unsold damaged commodities. (Exception; Quality coverage in the form of price differences is not covered when crops are in storage.)

94 Duties in the Event of Damage or Loss

A. Insured's Duties in the Event of Damage or Loss

The AIP must instruct the insured of the following duties.

- (1) The insured must provide a notice of loss to the AIP within 72 hours of their initial discovery that the allowable revenue on the farm operation may be less than the insured revenue. The notice must specify the damaged commodity and document the cause of loss.
- (2) If the insured is not able to market any insured commodity (including refusal of a buyer to accept a commodity), the insured must provide a notice of loss stating that he/she is unable to market the commodity and document the reason the commodity cannot be marketed (e.g., quarantine, failure to meet the requirements of a processor contract, etc.).
- (3) The insured is **not** required to report **general** market fluctuations that are **not directly** related to the condition or marketability of commodities on the farm operation.
- (4) In case of potential loss of revenue to any insured commodity, the insured must:
 - (a) Protect the commodity from further damage by providing sufficient care if the cost of the care will not exceed the value of the commodity; and
 - (b) Cooperate with the AIP in the settlement or investigation of the claim, and, as often as the AIP reasonably requires:
 - (i) Allow the AIP to inspect the damaged commodity;
 - (ii) Allow the AIP to remove samples and determine the extent of damage; and

A. Insured's Duties in the Event of Damage or Loss (continued)

- (iii) Provide the AIP with acceptable records and documents requested, and permit the AIP to make copies of those records or documents.
- (5) The insured must notify the AIP and obtain the AIP's consent before abandoning, disposing of, or destroying any damaged or undamaged insured commodities, or selling a commodity for any reason other than its intended purpose or to someone other than a disinterested third party.
 - (a) If the AIP does not inspect the insured commodity within 15 days after notification, the insured may abandon, dispose of, sell, or destroy the insured commodity without the AIP's consent. THIS PROVISION IS NOT APPLICABLE TO REPLANTS.
 - (b) If the AIP determines that expenses associated with the harvest or preparation of a commodity would be greater than the allowable revenue from the sale of the commodity, the AIP will not include the potential revenue of the commodity when determining revenue-to-count if the commodity is not harvested.
- (6) If the insured fails to comply with any of the notice requirements of the WFRP policy:
 - (a) the AIP will consider any loss on the portion of the commodity (damaged acres or other applicable unit of measure for the commodity) for which the insured failed to provide notice to be due solely to uninsured causes, unless the AIP determines that they have the ability to accurately determine the amount and cause of loss; and
 - (b) the insured will be required to pay all premiums owed for the policy, including premium for any portion of the commodity the AIP considers damaged due solely to uninsured causes.

B. AIP Duties in the Event of Damage or Loss.

- (1) The AIP will recognize and apply the claim adjustment and other procedures established or approved by FCIC.
- (2) The AIP will verify completeness and accuracy of the insured's Whole-Farm History Report, Farm Operation Report, Beginning and Ending Inventory, Allowable Revenue and Allowable Expenses Worksheets, Beginning and Ending Accounts Receivable and Beginning and Ending Accounts Payable, and any other supporting information used to complete the Claim for Indemnity Form.
- (3) The AIP will use the insured's farm tax forms to calculate the allowable revenue and allowable expenses for the insurance year including any required adjustments, to determine if the insured has an insurable loss.

94 Duties in the Event of Damage or Loss (Continued)

B. AIP Duties in the Event of Damage or Loss (Continued)

- (4) If the insured has complied with all the policy provisions, the AIP will pay the loss for a replant or for a claim for indemnity within 30 days after:
 - (a) Agreement is reached with the insured;
 - (b) Completion of arbitration or appeal proceedings;
 - (c) Completion of any investigation by USDA, if applicable, of the insured's current claim for indemnity if no evidence of wrongdoing is found. (If any evidence of wrongdoing is discovered, the amount of any indemnity, or replant overpayment as a result of such wrongdoing may be offset from any indemnity owed to the insured); or
 - (d) The entry of a final judgment by a court of competent jurisdiction.
- (5) In the event the AIP is unable to pay the insured's loss within 30 days, the AIP will give the insured notice of their intentions within the 30-day period.

95 Replant Payment

A. Qualifications for a Replant Payment

- (1) The damaged commodity must be an annual plant;
- (2) The insured commodity must be damaged by an insurable cause;
- (3) The AIP must determine that it is practical to replant, and give consent to replant;
- (4) The acreage replanted must be at least 20 acres or 20 percent of the insured planted acreage for the commodity;
- (5) The insured must submit verifiable records that show their actual cost of replanting; and
- (6) The AIP may inspect the acreage prior to making the replant payment.

No replant payment will be made if the AIP is unable to determine the insured's actual replanting costs.

No replant payment will be made on acreage on which one replant payment has already been allowed for the insurance year.

A Replant Payment Worksheet must be completed if the insured qualifies for a replant payment. In the Narrative Section of the worksheet or on a Special Report, document how the qualifications for a replant payment have been met.

B. Maximum Replant Payment

The maximum amount of the replant payment per acre will be the LESSER OF:

- (1) Exclusive of share, only the insured's actual replant cost; or
- (2) 20 percent of the expected revenue per acre for the commodity as reported in the Farm Operation Report multiplied by the coverage level.

Determine the amount of a replant payment shown in the following example. Show all calculations in the Narrative section of the Claim for Indemnity Form or on a Special Report.

EXAMPLE 1

50 acres of commodity replanted

Expected Revenue per acre guarantee = \$750

Actual cost per acre to replant = \$75.00 (verified from actual records)

20% of the expected revenue per acre multiplied by coverage level= \$127.50 (\$750 per acre guarantee x 20% x 85%)

The lesser of \$75.00 or \$127.50 is \$75.00.

Replanting Payment = \$3,750 (\$75.00 x 50 acres)

Enter the replant calculations in the "Narrative" of the Replant Payment Worksheet.

96-100 (Reserved)

105 Damage and Price Fluctuation That Occurred in the Year Prior to the Insurance Year (Continued)

B. Carryover Insureds

There is no lapse in WFRP coverage between the previous insurance year and the current insurance year for carryover insureds, provided all requirements are met. Loss of revenue in the current insurance year resulting from damage to insured commodities or price fluctuations from unavoidable natural causes that occurred in the previous insurance year are covered if all other WFRP requirements are met, including GFPs.

However, any revenue lost because of damage or price fluctuations will only be covered the year immediately following the insurance year when the loss occurred and will not be covered for subsequent years.

Example: Producer A’s perennial crop suffered ice damage during the winter of 2015 that will cause a loss of revenue from the crop in 2016. The damage did not affect 2015 revenue. Producer A was insured under WFRP for 2015, will continue coverage in 2016, and met all WFRP requirements, including GFPs. The total amount of revenue expected for the perennial crop before the ice damage may be reported as expected revenue on the 2016 Farm Operation Report. However, beginning with the 2017 insurance year, any loss of revenue from the ice damage that occurred in 2015 will not be covered. The expected revenue reported for the perennial crop in 2017 and subsequent insurance years must not include any amount that was lost because of the 2015 ice damage.

106 Revenue-to-Count

Revenue-to-count is the allowable revenue produced successfully in the insurance year. It also includes revenue amounts determined to be produced by the inventory adjustments, accounts receivable adjustments, revenue representing any uninsurable losses, value assigned for abandoned commodities, indemnities from other crop insurance policies, and gains from commodity hedging.

The following table provides the steps for calculating revenue-to-count.

Step	Action	Applicable Procedure Reference
1	Determine insured’s allowable revenue for the insurance year.	Paragraph 44
2	Adjust the allowable revenue determined in step one, if applicable.	Paragraph 103
3	Adjust the allowable revenue determined in step two by adding or subtracting, as applicable, required adjustments for accounts receivable.	Paragraph 101B
4	Adjust the allowable revenue determined in step three by adding or subtracting, as applicable, required adjustments on Inventory Report for commodities not held to realize a gain.	Paragraph 101C

106 Revenue-to-Count (Continued)

Step	Action	Applicable Procedure Reference
5	Adjust the allowable revenue determined in step four by adding or subtracting, as applicable, required adjustments on the Market Animals and Nursery Inventory Report for commodities held to realize a gain.	Paragraphs 143 and 144 for animals and nursery commodities
6	Add all values assigned for uninsured causes of loss to the allowable revenue determined in step five.	Paragraph 44
7	Add the value assigned to abandoned acreage/commodities to the allowable revenue determined in step six.	Paragraph 44
8	Add any gain from commodity hedging to the allowable revenue determined in step seven.	Paragraph 44
9	<p>Add the total of all crop insurance indemnity payments covering commodities insured under WFRP and any other Federal program payments to the allowable revenue determined in step eight.</p> <p>Exceptions: Do not include ARC/PLC payments, NAP payments, or indemnities paid by another policy for damage or loss to a commodity that is not covered by WFRP (timber, animals for show, or pasture or rangeland insured under the Rainfall Index or Vegetation Index policies).</p> <p>***</p> <p>Example: Insured A has apples insured under WFRP and under a FCIC yield based apple policy. Any indemnity under the apple policy is included in the revenue-to-count for WFRP.</p>	Paragraph 44

107 Indemnities

A. Claim for Indemnity

- (1) No indemnity will be paid if a claim for indemnity declaring the amount of loss is not submitted on or before the following dates:
 - (a) No later than 60 days after the original date the insured’s farm tax forms for the insurance year must be provided to the IRS, as specified by the IRS.
 - (b) The first day of the 7th month after the end of the insurance year unless an extension for filing a Federal tax return was filed; and
 - (c) If an extension for filing a Federal tax return was filed the insured must provide claim information based on taxes filed no later than 60 days after the date shown in the extension and provide the AIP a copy of the:
 - (i) request for Federal tax filing extension;

Acronyms and Abbreviations

The following table provides the acronyms and abbreviations used in this handbook.

Approved Acronym/Abbreviation	Term
Act	Federal Crop Insurance Act, as amended (7 U.S.C. 1501 et. seq.)
AIP	Approved Insurance Provider
AMS	Agricultural Marketing Service
ARC	Agricultural Risk Coverage
CFR	Code of Federal Regulations
CIH	Crop Insurance Handbook
ERS	Economic Research Service
FCIC	Federal Crop Insurance Corporation
FSA	Farm Service Agency
GFP	Good Farming Practice
IRS	Internal Revenue Service
NAP	Non-insured Assistance Program
NASS	National Agricultural Statistics Service
PAIR	Pre-Acceptance Inspection Report
PASD	Product Administration and Standards Division
PAW	Pre-Acceptance Worksheet
PHTS	Policy Holder Tracking System
PLC	Price Loss Coverage
RMA	Risk Management Agency
RRD	Revised Reporting Date
SBI	Substantial Beneficial Interest
SCD	Sales Closing Date
SP	Special Provisions of Insurance
SSN	Social Security Number
U.S.C.	United States Code
USDA	United States Department of Agriculture
WFHR	Whole-Farm History report
WFRP	Whole-Farm Revenue Protection

Definitions

Abandon means failure to continue activities necessary to produce an amount of allowable revenue equal to or greater than the expected value of a commodity, performing activities so insignificant as to provide no benefit to a commodity, or failure to harvest or market a commodity in a timely manner, unless an insured cause of loss prevents you from properly caring for, harvesting, or marketing the commodities or causes damage to them to the extent that most producers of the commodities on acreage in the area with similar characteristics would not normally further care for or harvest them. If abandoned, the value of the production will be included as revenue to count. Not harvesting a commodity due to low local market prices will not be considered abandonment.

Accrual accounting method means a system of record keeping in which revenue earned and expenses incurred for a specified time period are recorded regardless of whether or not the revenue was received or the expenses were paid during the specified time period.

Actuarial Documents means the information for the insurance year that is available for public inspection in your agent's office and published on RMA's web site and includes available crop insurance policies, coverage levels, information needed to determine amounts of insurance, premium rates, premium adjustment percentages, program dates, and other related information regarding the insurance coverage.

Agricultural experts mean persons who are employed by the Cooperative Extension System or the agricultural departments of universities, or other persons approved by FCIC, whose research or occupation is related to the specific commodity for which such expertise is sought.

Allowable expenses means farm expenses, specified by the WFRP policy and adjusted as applicable, that are incurred in the production of commodities on the applicant's/insured's farm and reported to the IRS on farm tax records.

Allowable revenue means farm revenue, specified by the WFRP policy and including applicable adjustments, from the production of commodities produced by the applicant's/insured's farm operation, or purchased for further growth and development by the applicant's/insured's farm operation, that the IRS requires the applicant/insured to report on farm tax records.

Animals mean living organisms other than plants or fungi that are produced or raised in farm operations, including, but not limited to, cattle, horses, swine, sheep, goats, poultry, aquaculture species, bees, and fur bearing animals. For the purposes of WFRP, animals must be propagated or reared in a controlled environment.

Application means the form required to be completed by the applicant/insured and accepted by the AIP before insurance coverage will begin. This form must be completed and filed in the agent's office not later than the sales closing date of the initial insurance year for which insurance coverage is requested. If cancellation or termination of insurance coverage occurs for any reason, including but not limited to indebtedness, suspension, debarment, disqualification, cancellation by the insured or the AIP or violation of the controlled substance provisions of the Food Security Act of 1985, a new application must be filed. The insured must be the same person and person type as the person designated on the United States income tax form(s).

Method of Establishment

The following table provides methods of establishment, abbreviations, and the numeric code for RMA processing.

Method of Establishment	Abbreviation	Numeric Code
Acre	AC	20
Acre – Native Sod	AC	19
Acre – Organic	AC	21
Head	HEAD	17
Head – Organic	HEAD	18
Linear Feet	LN/FT	96
Linear Feet – Organic	LN/FT	97
Number	NUM	95
Number – Organic	NUM	93
Other	OTHER	99
Other – Organic	OTHER	98
Plant	PLANT	22
Plant – Organic	PLANT	25
Square Feet	SQ/FT	23
Square Feet – Organic	SQ/FT	26
Summarized*	SUM	1
Summarized and Includes Organics*	SUM	2
Weight	WT	94
Weight – Organic	WT	92

* Summarized methods of establishment are used when commodities listed on multiple lines of the Farm Operation Report have been summarized for single line reporting. Refer to paragraph 47E.

Unit of Measure

The following table provides units of measure, abbreviations, and the numeric code for RMA processing.

Unit of Measure	Abbreviation	Numeric Code
Bag/Sack	BG/SK	11
Bale	BALE	12
Barrel	BBL	10
Bin	BIN	24
Box	BOX	13
Bushel	BU	01
Carton	CTN	14
Dozen	DOZ	15
Each	EACH	97
Flat	FLAT	16
Gallon	GAL	07
Head	HEAD	17
Hive	HIVE	18
Hundredweight	CWT	03
Lug	LUG	19
Other	OTHER	99
Ounce	OZ	05
Package	PKG	21
Peck	PECK	09
Pint	PINT	06
Plant	PLANT	22
Pound	LB	02
Purchased for Resale	PFR	98**
Quart	QT	08
Square Foot	SQ/FT	23
Ton	TON	04

** Use code 98 when the commodity is nursery and greenhouse.

Form Standards (Continued)

J. Market Animal and Nursery Inventory Report (continued)

In place of the certification statement in DSSH, the Market Animal and Nursery Inventory Report must include the following certification statement immediately above the applicant/insured signature.

“I certify that to the best of my knowledge and belief all of the information on this form is correct. I understand the information on this form may be reviewed and audited, and used to determine my loss, if any, for the policy listed above. I understand that inaccurate information or my failure to retain or provide, upon request, records supporting the information on this form may result in denial of coverage, cancellation of my policy, ineligibility for indemnity, or recalculation of insured revenue. I also understand that failure to report completely and accurately may result in sanctions under my policy, including but not limited to voidance of the policy, and in criminal or civil penalties (18 U.S.C. §1006 and §1014; 7 U.S.C. §1506; 31 U.S.C. §3729, §3730 and any other applicable federal statutes).”

The Market Animal and Nursery Inventory Report must include:

- (1) Collection of Information and Data (Privacy Act) Statement;
- (2) Nondiscrimination Statement; and
- (3) AIP Name and Address.

K. Farm Operation Report

The AIPs are responsible for developing the Farm Operation Report form. The Farm Operation Report must be titled “FARM OPERATION REPORT”. The AIPs are NOT authorized to modify or delete any of the required elements. See exhibit 10 for the Farm Operation Report required elements and example.

In place of the certification statement in the DSSH, the Farm Operation Report must include the following certification statements immediately above the applicant/insured signature.

“I certify that to the best of my knowledge and belief all of the information on this form is correct. I understand that changes to intended commodities grown will result in changes to the insured revenue, premium rate, and indemnity. I understand the information on this form may be reviewed and audited. I understand that inaccurate information or my failure to retain or provide, upon request, records supporting the information on this form may result in denial of coverage, cancellation of my policy, ineligibility for indemnity, or recalculation of approved revenue. I also understand that failure to report completely and accurately may result in sanctions under my policy, including but not limited to voidance of the policy, and in criminal or civil penalties (18 U.S.C. §1006 and §1014; 7 U.S.C. §1506; 31 U.S.C. §3729, §3730 and any other applicable federal statutes).”

Form Standards (Continued)**K. Farm Operation Report (continued)**

I understand that obtaining multiple Federal benefits, such as a Noninsured Crop Disaster Assistance Program (NAP) payment(s) and a Federal crop insurance indemnity, is prohibited by law. I certify that I have, or will disclose any other USDA benefit; including any NAP benefit, received for this crop. Failure to disclose the receipt of multiple Federal benefits, or failure to repay one of the multiple Federal benefits such as either the NAP benefit or the Federal crop insurance indemnity for the same crop, may result in my being disqualified from receiving Federal crop insurance benefits, as well as being ineligible for various programs administered by the Farm Service Agency for up to five (5) years.

The Farm Operation Report must include:

- (1) Collection of Information and Data (Privacy Act) Statement;
- (2) Nondiscrimination Statement; and
- (3) AIP Name and Address.

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Form Standards (Continued)

L. Replant Payment Worksheet

The AIPs are responsible for developing the Replant Payment Worksheet form. The Replant Payment Worksheet must be titled “REPLANT PAYMENT WORKSHEET.” The AIPs are NOT authorized to modify or delete any of the required elements. See exhibit 11 for the Replant Payment Worksheet required elements and example.

In place of the certification statement in DSSH, the Replant Payment Worksheet must include the following certification statement immediately above the applicant/insured signature.

“I certify that to the best of my knowledge and belief all of the information on this form is correct. I understand the information on this form may be reviewed and audited. I understand that inaccurate information or my failure to retain or provide, upon request, records supporting the information on this form may result in denial of coverage, cancellation of my policy, ineligibility for indemnity, or recalculation of insured revenue. I also understand that failure to report completely and accurately may result in sanctions under my policy, including but not limited to voidance of the policy, and in criminal or civil penalties (18 U.S.C. §1006 and §1014; 7 U.S.C. §1506; 31 U.S.C. §3729, §3730 and any other applicable federal statutes).”

The Replant Payment Worksheet form must include:

- (1) Collection of Information and Data (Privacy Act) Statement;
- (2) Nondiscrimination Statement; and
- (3) AIP Name and Address.

M. Substitute Schedule F

The Substitute Schedule F is a required document used to document an applicant’s/insured’s farm income and expenses for each year the applicant/insured did not file a Schedule F with the IRS. This form is used in the same manner as the Schedule F. The Substitute Schedule F is the current year Schedule F used by the IRS and must be titled “SUBSTITUTE SCHEDULE F FOR WFRP PURPOSES.” See exhibit 13 for the Substitute Schedule F required elements and example.

In place of the certification statement in DSSH, the Substitute Schedule F must include the following certification statement immediately above the applicant/insured signature.

“I certify that to the best of my knowledge and belief all of the information on this form is correct. I understand the information on this form may be reviewed and audited. I understand that inaccurate information or my failure to retain or provide, upon request, records supporting the information on this form may result in denial of coverage, cancellation of my policy, ineligibility for indemnity, or recalculation of insured revenue. I also understand that failure to report completely and accurately may result in sanctions under my policy, including but not limited to voidance of the policy, and in criminal or civil penalties (18 U.S.C. §1006 and §1014; 7 U.S.C. §1506; 31 U.S.C. §3729, §3730 and any other applicable federal statutes).”

Form Standards (Continued)

The Substitutes Schedule F must include:

- (1) Collection of Information and Data (Privacy Act) Statement;
- (2) Nondiscrimination Statement; and
- (3) AIP Name and Address

N. Allowable Expenses Worksheet

The Allowable Expenses Worksheet is a required worksheet the AIPs must use to determine an applicant's/insured's allowable expenses for each year in the whole-farm history period, and for the insurance year when determining an indemnity amount. The worksheet assists in identifying and documenting required adjustments to applicant's/insured's tax reported expenses. The Allowable Expenses Worksheet must be titled "ALLOWABLE EXPENSES WORKSHEET." See exhibit 14 for the Allowable Expenses Worksheet required elements and example.

In place of the certification statement in DSSH, the Allowable Expenses worksheet must include the following certification statement immediately above the applicant/insured signature.

"I certify that to the best of my knowledge and belief all of the information on this form is correct. I understand the information on this form may be reviewed and audited. I understand that inaccurate information or my failure to retain or provide, upon request, records supporting the information on this form may result in denial of coverage, cancellation of my policy, ineligibility for indemnity, or recalculation of insured revenue. I also understand that failure to report completely and accurately may result in sanctions under my policy, including but not limited to voidance of the policy, and in criminal or civil penalties (18 U.S.C. §1006 and §1014; 7 U.S.C. §1506; 31 U.S.C. §3729, §3730 and any other applicable federal statutes)."

The Allowable Expense Worksheet must include:

- (1) Collection of Information and Data (Privacy Act) Statement;
- (2) Nondiscrimination Statement; and
- (3) AIP Name and Address

O. Allowable Revenue Worksheet

The Allowable Revenue Worksheet is a required worksheet that the AIPs must use to determine an applicant's/insured's allowable revenue for each year in the whole-farm history period. The worksheet assists in identifying and documenting required adjustments to the applicant's/insured's tax reported revenue. The Allowable Revenue Worksheet must be titled "ALLOWABLE REVENUE WORKSHEET." See exhibit 15 for the Allowable Revenue Worksheet required elements and example.

In place of the certification statement in DSSH, the Allowable Revenue Worksheet must include the following certification statement immediately above the applicant/insured signature.

Form Standards (Continued)

O. Allowable Revenue Worksheet (continued)

“I certify that to the best of my knowledge and belief all of the information on this form is correct. I understand the information on this form may be reviewed and audited. I understand that inaccurate information or my failure to retain or provide, upon request, records supporting the information on this form may result in denial of coverage, cancellation of my policy, ineligibility for indemnity, or recalculation of insured revenue. I also understand that failure to report completely and accurately may result in sanctions under my policy, including but not limited to voidance of the policy, and in criminal or civil penalties (18 U.S.C. §1006 and §1014; 7 U.S.C. §1506; 31 U.S.C. §3729, §3730 and any other applicable federal statutes).”

The Allowable Revenue Worksheet must include:

- (1) Collection of Information and Data (Privacy Act) Statement;
- (2) Nondiscrimination Statement; and
- (3) AIP Name and Address

P. Claim for Indemnity Report

The AIPs are responsible for developing the Claim for Indemnity Report. The Claim for Indemnity Report must be titled “CLAIM FOR INDEMNITY Report”. The AIPs are NOT authorized to modify or delete any of the required elements. See exhibit 16 for the Claim for Indemnity Report required elements and example.

In place of the certification statement in DSSH, the Claim for Indemnity Report must include the following certification statement immediately above the applicant/insured signature.

“I certify that to the best of my knowledge and belief all of the information on this form is correct. I understand the information on this form may be reviewed and audited, and used to determine my loss, if any, for the policy listed above. I understand that inaccurate information or my failure to retain or provide, upon request, records supporting the information on this form may result in denial of coverage, cancellation of my policy, ineligibility for indemnity, or recalculation of insured revenue. I also understand that failure to report completely and accurately may result in sanctions under my policy, including but not limited to voidance of the policy, and in criminal or civil penalties (18 U.S.C. §1006 and §1014; 7 U.S.C. §1506; 31 U.S.C. §3729, §3730 and any other applicable federal statutes).”

The Claim for Indemnity Report must include:

- (1) Collection of Information and Data (Privacy Act) Statement;
- (2) Nondiscrimination Statement; and
- (3) AIP Name and Address.

Inventory Report Elements Description and Example (Continued)

A. Required Elements Description (continued)

Item	Required Element	Description
PART 2: Beginning Inventory (First day of the tax year.)		
7.	Location(s)	<p>Location of the commodity.</p> <p>Example: Insured has corn stored on his farm and potatoes stored at CA Storage Inc., a commercial storage facility. The location of the corn is the insured’s farm address and the location of the potatoes is the address for the CA Storage Inc. warehouse where the potatoes are stored.</p>
8.	Beginning Inventory	<p>Total amount of the commodity produced or purchased for resale in a year previous to the current insurance year that was not sold, fed, lost during storage, bartered, or otherwise disposed of prior to the beginning of the current insurance year, and will be sold, fed, bartered, or otherwise disposed of during the current insurance year. Amounts must be in the unit of measure in which the commodity is marketed, such as bushels, pounds, tons, boxes, cartons, etc. Enter the applicable unit of measure immediately after the amount.</p> <p>Important: Verifiable records supporting the amount reported must be provided.</p>
PART 3: Beginning Inventory (Value end of insurance period.)		
9.	Value	<p>For beginning inventories of commodities:</p> <ol style="list-style-type: none"> (1) sold on or before the end of the insurance year, enter the amount received; (2) bartered on or before the end of the insurance year and the fair market price of the barter was reported to IRS, enter “0”; (3) bartered on or before the end of the insurance year but the price of the barter was not reported to IRS, enter the fair market value of the barter; (4) not sold but otherwise disposed of, such as fed or lost during storage, on or before the end of the insurance year, enter “0”; and (5) carried over to the subsequent insurance year, enter the local market value of the commodity on the last day of the insured’s tax year. <p>For claims purposes, beginning and ending inventories will be valued at the:</p> <ol style="list-style-type: none"> (1) actual price received if the commodity is sold prior to the time the claim is finalized; or

Inventory Report Elements Description and Example (Continued)**A. Required Elements Description (continued)**

Item	Required Element	Description
9.	Value (continued)	(2) local market value on the first day of the month in which the claim is finalized, if the commodity is not sold prior to the time the claim is finalized Important: Verifiable records supporting the amount reported must be provided.
10	Cost or Basis	The cost of inventoried commodities purchased for resale as of the first day of the tax year.
11.	Value Received	The value received must not include the cost, or other basis, of the commodity purchased. All post-production costs must be removed from the actual price received. Separate entries are required when the commodity is disposed of in more than one method. Example: Insured had 1,000 bushels of farm stored corn in beginning inventory. During the insurance year, he sold 900 bushels, fed 70 bushels to his pet donkey, and 30 bushels were lost during storage. Each amount (900, 70 and 30) is a separate entry.
PART 4: Ending Inventory (Last Day of Tax Year.)		
12.	Location	Location of the commodity. Example: Insured has corn stored on his farm and potatoes stored at CA Storage Inc., a commercial storage facility. The location of the corn is the insured's farm address and the location of the potatoes is the address for the CA Storage Inc. warehouse where the potatoes are stored.
13.	Ending Inventory	Total amount of the commodity produced or purchased for resale in the current insurance year that was not sold or otherwise disposed of prior to the end of the current insurance year. Amount must be in the unit of measure in which the commodity is marketed, such as bushels, pounds, tons, boxes, cartons, etc. Enter the applicable unit of measure immediately after the amount. Important: Verifiable records supporting the amount reported must be provided.
14.	Average Value	For ending inventories, enter the local market value of the commodity on the last day of the insured's tax year.
15.	Cost or Basis	The cost of inventoried commodities purchased for resale during the insurance year, but was not sold or otherwise disposed of prior to the end of the insurance year.

Farm Operation Report Elements Description and Example (Continued)

B. Farm Operation report Form Example

The following is provided as an example only. AIPs must develop a Farm Operations Report using the required elements and statements.

FARM OPERATION REPORT													
1. Insurance Year: 2015		2. Producer Information: I.M. Insured Person Type: Individual Anytown, USA, 11111 Phone: 999.999.9999 SSN: xxx.xx.xxxx				3. Agency Information: I.M. Agent Anytown, USA 11111 Phone: 111.111.1111			Agent Code: XX Policy: xxxx		4. State/County: Michigan/Vanburen		5. Other Insurance: Corn Policy xxxx
Intended								Revised			Final		
6. Commodity Name/Code	7. Method of Establishment	8. Yield	9. Expected Value	10. Expected Revenue (8x9)	11A. Intended Quantity	11B. Cost/Basis and/or Value	11C. Total Expected Revenue (10x11A) – 11B)	12A. Actual Quantity	12B. Actual Cost/Basis and/or Value	12C. Total Expected Revenue	13A. Final Total Production	13B. Final Revenue	
Corn/0041	Acres	150 bu.	\$5.00/bu.	\$750.00/ac.	125 ac.		\$93,750	125 ac.		\$88,750	11,250 bu.	\$56,250	
Mums/0073	Plants	1 Plant	\$10.00/plant	\$10.00/plant	1000 plants	\$1,000	\$9,000	1000 plants	\$1,000	\$9,000	200 plants	\$1,800	
Geraniums/0073	Plants	1 Plant	\$10.00/plant	\$10.00/plant	1000 plants	\$1,000	\$9,000	1000 plants	\$1,000	\$9,000	1000 plants	\$9000	
Hogs/0804	Head	225 lbs.	\$1.00/lbs.	\$225.00/head	250 head	\$6,250	\$50,000	250 head	\$6,250	\$50,000	125 head	\$25,000	
Soybeans/0081	Acres	50 bu.	\$10.00/bu.					10 ac.		\$5,000	500 bu.	\$5,000	
14. Total At SCD							\$161,750						
15. Total										\$161,750		\$97,050	
16. Total Expected Revenue @ SCD (Total of Item 14 and 15 @ SCD)							\$161,750						
17. Whole-Farm Historic Average Revenue (Item 13 of WFHR)							\$184,200						
18. Total Expected Revenue @ Revised Reporting Date (Item 15)										\$161,750			
19. Approved Revenue (Lesser of item 16 and 17 @ SCD or item 17 and 18 @ RRD)						19a	\$161,750		19b	\$161,750			
20. Approved Expenses						20a	\$107,765		20b	\$107,765			
21. Narrative, Expected Values, and Report of Changes: Mums - Item 11B and 12B entry is the net value from item 11 on the Market Animal and Nursery Inventory Report. Item 13A and 13B 800 plants lost due to uninsured cause of loss. \$7200 adjustment must be made to Claim for Indemnity Form if completed. Geraniums - Item 11B and 12B entry is the total cost (\$1.00/plant x 1000 plants). Hogs - Item 11B and 12B entry is the net value from item 11 on the Market Animal and Nursery Inventory Report. Item 13A and 13B 125 head lost to insured cause of loss (facilities destroyed by adverse weather). Corn - 125 acres intended. 75 ac. planted, and 50 ac PP. 10 ac of the PP acres were planted to soybeans. Calculated: \$93,750 (corn) - \$5,000 (soybeans) = \$88,750 (corn) Soybeans – 10 ac planted to replace corn that was prevented from planting.													
22. Integrated/Post-production Operations: () YES or (x) NO See Special Circumstances in Section 6.													

Replant Payment Worksheet Elements Description and Example

A. Required Elements Description

The following table provides descriptions of the Replant Payment Worksheet required elements.

Item	Required Element	Description
1.	Insurance Year:	The current insurance year. Includes beginning and ending month of fiscal year if applicant/insured filed Federal tax on fiscal year basis.
2.	State/County:	Pilot state and county where the majority of the total expected revenue for the insurance year will be derived. It can be any pilot county in which the applicant/insured has established or intends to establish any commodity. However, the same state and county must appear on all the applicant's/insured's WFRP reports that require a state/county.
3.	Policy Number:	Policy number for which payment is being calculated.
4.	Claim Number:	Claim Number assigned by AIP.
5.	Insured Information:	Name, address, telephone number, and tax ID, such as social security number or employer identification number for the insured. Also includes the person type the insured used to file their Federal taxes. The insured must be the same person and person type as the person designated on the United States Income Tax form(s).
6.	Agency Information	Name, address, telephone number and code number of the agent. Include policy number.
7.	Companion Policy(s)	List of producers, other than the insured, that have WFRP coverage on any of the commodities covered under the insured's policy. Enter "NONE" when the insured has 100 percent share in all commodities insured under their WFRP policy, or when all other producers with an interest in the commodities do not have a WFRP policy.
8.	Date of Damage:	Month and year in which most of the damage causing a loss in revenue occurred. Enter the specific date of damage when known, such as damage from hail, fire or flood.
9.	Cause of Damage:	Event(s) that caused the damage resulting in loss of revenue. Cause must be an insurable cause of loss. List all insurable causes that created damage. Describe cause of loss in narrative, item 20, if additional space is required.
10.	Primary Cause (%):	Percentage of the primary cause of the damage, when more than one insurable cause created the damage. Must be whole percent and exceed 50 percent.
11.	Dates of Notice:	Date(s) insured provided notice of loss.
12.	Commodity Name/Code	Name and code number of the commodity replanted
13.	Determined Acres Replanted	Number of acres of the commodity the AIP determines were actually replanted, and that the AIP agreed were practical to replant and gave consent to replant.

Replant Payment Worksheet Elements Description and Example (Continued)**A. Required Elements Description (Continued)**

Item	Required Element	Description
14.	Actual Replant Cost	The actual per acre cost to replant the commodity the AIP determines from records provided by the insured.
15.	Maximum Replant Payment	*** The maximum dollar amount per acre (20% of the expected revenue of the commodity x coverage level).
16.	Replant payment per Acre (Lesser of Column 14 or 15)	Enter the lesser of the actual replant cost (column 14) or the *** maximum replant payment (column 15).
17.	Replant Cost Allowed (Column 13 X Column 16)	Enter the result of the determined acres replanted (column 13) multiplied by the replant payment per acre (column 16).
18.	Share	Enter the insured's share of the replanting payment of the commodity replanted.
19.	Replant Payment	Enter the result of column 17 multiplied by column 18.
20.	Total	Total is the sum of all monetary entries in column 19
21.	Narrative	Document: (1) reason no replant payment due, if applicable; (2) calculation of item 15 (maximum replant payment) (3) any additional information required to explain entries for all items of form If more space is needed, include applicable information on a separate document. Include the insured's name, policy number, and claim number on the separate document. Title the document "Narrative to Replant Payment Continued" and attach it to the Replant Payment Worksheet.
22.	Similar Damage on Other Farms in the Area?	Indication of whether other farms in the area had similar damage as the insured reported. Enter "Yes" if other farms in the area had similar damage, otherwise enter "No."
23.	Assignment of Indemnity?	Indication of whether insured has an assignment of indemnity in effect for insurance year. Enter "Yes" if insured has assignment of indemnity in effect for insurance year, otherwise enter "No."
The following required entries are not illustrated on the Replant Payment Worksheet example below.		
24.	Insured's Signature and Date:	Insured signature and date.
25.	AIP Representative Signature and Date	AIP representative's signature and date.

See exhibit 5 for required certification and other statements.

Replant Payment Worksheet Elements Description and Example (Continued)

B. Replant Payment Worksheet Form Example

The following is provided as an example only. AIPs must develop a Replant Payment Worksheet using the required elements and statements.

REPLANT PAYMENT WORKSHEET							
1. Insurance Year: 2015	2. State/County: MI / Bay	5. Insured Information: I.M. Insured Box 1 Anytown, USA, 11111 Phone: 999.999.9999		Person Type: Individual SSN: xxx.xx.xxxx	6. Agency Information: Agent Code: XX I.M. Agent Box 2 Anytown, USA 11111 Phone: 111.111.1111	7. Companion Policy(s) NONE	
3. Policy Number: xxxxxxxxxx	4. Claim Number: xxxxxxx	8. Date of Damage: MAY 25, 2015		9. Cause of Damage: HAIL	10. Primary Cause (%): 100%	11. Date(s) of Notice: 8/1/2015	
12. Commodity Name/Code	13. Determined Acres Replanted	14. Actual Replant Cost	15. Maximum Replant Amount	16. Replant Payment per Acre (Lesser of Column 14 or 15)	17. Replant Cost Allowed (Column 13 x Column 16)	18. Share	19. Replant Payment
Corn	50.0	\$75.00	\$127.50	\$75.00	\$3,750	1.000	\$3,750
20. TOTAL							\$3,750
21. Narrative: Consent given to replant 50 acres of Corn. Actual replant cost verified with insured's receipts. Maximum replant payment allowed calculation .20 x (150bu/acre x \$5.00/bu.) x .85(coverage level).							
22. Similar Damage on Other Farms in the Area? YES				23. Assignment of Indemnity? NO			

Claim for Indemnity Form Elements Description and Example (Continued)**A. Required Elements Description (continued)**

Item	Required Elements	Description
13.	Approved Expenses	Approved expenses for the insurance year, as calculated after making all required adjustments. Enter the amount from item 20b on the Farm Operation Report.
14.	Expense Percentage (12/13)	Percentage amount used to determine the percentage amount of reduction in approved revenue, if applicable. Divide the allowable expenses for the insurance year (item 12) by the approved expenses for the insurance year (item 13). Enter as a three decimal place number. See paragraph 103.
15.	Expense Reduction Percentage	Percentage amount used to determine the percentage amount of reduction in approved revenue, if applicable. Subtract the result of step 14 from .700. If the result is zero or less, enter "0". See paragraph 103.
16.	Approved Revenue	Approved revenue for the insurance year. Enter amount from item 19b on the Farm Operation Report.
17.	Expense Reduction Dollar Amount	Amount to reduce from insured's approved revenue. Multiply the result of step 15 by the result of step 16. Round the result to nearest whole dollar amount.
18.	Approved Revenue Adjusted for Expenses	Approved Revenue adjusted for expenses. Subtract result of item 17 from item 16. Round to the nearest whole dollar.
19.	Coverage Level	Coverage level elected by insured.
20.	Insured Revenue	The amount of revenue insured under WFRP. Enter result of item 18 by item 19. Round to nearest whole dollar.
21.	Allowable Revenue for Insurance Year	Allowable revenue for the insurance year. Enter the amount from item 12 on Allowable Revenue Worksheet for the insurance year. See paragraphs 44 and 45.
22.	Inventory Adjustment	Total dollar amount of adjustments made for insurance year for inventoried commodities from Inventory Report. Enter the amount from item 19 on the Inventory Report. This amount may be positive or negative.
23.	Accounts Receivable Adjustment	Total dollar amount of adjustments made for insurance year for accounts receivable on Accounts Receivable and Accounts Payable Report. Enter the amount from item 10 on the accounts Receivable and Accounts Payable Report. This amount may be positive or negative.
24.	Market Animal and Nursery Adjustment	Total dollar amount of adjustments made for the insurance year for animals and nursery commodities on the Market Animal and Nursery Inventory Report. Enter the amount from item 20 on the Market Animal and Nursery Inventory Report. This amount may be positive or negative.
25.	All other Adjustments	Total dollar amount of adjustments made for insurance year for all adjustments other than inventoried commodities and accounts receivable, including but not limited to:

Claim for Indemnity Form Elements Description and Example (Continued)

A. Required Elements Description (continued)

Item	Required Elements	Description
25.	All Other Adjustments (Continued)	<p>(1) value assigned for uninsured cause of loss;</p> <p>(2) value assigned for abandoned acreage/commodities;</p> <p>(3) indemnities from other crop insurance policies and any other Federal program payments; and</p> <p>(4) gains from commodity hedging.</p> <p>Exceptions: Do not include ARC/PLC payments, NAP payments, or indemnities paid by another policy for damage or loss to a commodity that is not covered by WFRP (timber, animals for show, or pasture or rangeland insured under the Rainfall Index or Vegetation Index policies)</p> <p>All other adjustments must be documented in the Narrative or on a Special Report and attached to the Claim for Indemnity Form.</p>
26.	Revenue-to-Count	Revenue-to-count for determining indemnity. Sum the result of item 21 + item 22 + item 23 + item 24 + item 25. Enter "0" if sum of all items is negative.
27.	Revenue Loss	Dollar amount of revenue loss for the insurance year. Enter the result item 20 minus item 26.
28.	Narrative	<p>Document:</p> <p>(1) reason no indemnity due, if applicable;</p> <p>(2) all adjustments made to insured's revenue on tax form(s) used to determine item 21;</p> <p>(3) individual values used to determine item 25; and</p> <p>(4) document any other pertinent information used in calculation of indemnity.</p> <p>If more space is needed, include applicable information on a Special Report. Include the insured's name, policy number, and claim number on the separate document. Title the document "Narrative to Claim for Indemnity Continued" and attach it to the Claim for Indemnity Report.</p>
29.	Date Insurance Year IRS Federal Taxes Filed:	Month, day, and year the insured's farm tax forms were sent to the IRS for the insurance year.
30.	Similar Damage on Other Farms in the Area?	Indication of whether other farms in the area had similar damage as the insured reported. Enter "Yes" if other farms in the area had similar damage, otherwise enter "No."
31.	Assignment of Indemnity?	Indication of whether insured has an assignment of indemnity in effect for insurance year. Enter "Yes" if insured has assignment of indemnity in effect for insurance year, otherwise enter "No."
32.	Has the insured received a NAP payment from FSA?	Enter "Yes" if the insured received a NAP payment from FSA, otherwise enter "No." If the answer is "Yes," refer to paragraph 124.

Expected Value Guidelines

This exhibit provides instructions and guidelines for determining the expected value of commodities the applicant/insured intends to produce or purchase for resale in the insurance year, as provided on the Farm Operation Report. See exhibit 2 for the definition of expected value.

A. Expected Value by Commodity

Each commodity the applicant/insured intends to produce or purchase for resale in the insurance year must be listed on a separate line on the Farm Operation Report. An expected value per unit of measure, such as bushels, pounds, tons, boxes, etc., must be determined for each commodity listed.

If the same commodity has significantly different expected values, it must be listed on multiple lines of the Farm Operation Report with a line for each expected value to accurately determine the expected revenue. The same commodity may have different expected values due to some of the following (but not limited to these):

- (1) different type or variety of the same commodity;
- (2) different markets used, such as fresh, processed, retail, or wholesale;
- (3) some production may be contracted for a specified price with remaining production that will be sold on the open market;
- (4) multiple planting/harvest of the commodity at different times of the year;
- (5) some production may be from organically grown commodity and the remaining production may be conventionally grown; and
- (6) free tonnage raisins versus reserve tonnage raisins.

The RMA processing system will not accept multiple line items for the same commodity. Therefore, separate line items of the same commodity on the Farm Operation Report must be combined, using sums (production amounts, acreages) and weighted averages (prices) where appropriate, for data reporting and premium calculator purposes. See paragraph 47F for an example. Note that the commodity count that is used for: (1) coverage level qualification, (2) the diversification discount for the farm premium rate, (3) qualification of farms growing potatoes for eligibility of WFRP, and (4) for the determination of what type of unit and therefore subsidy percentage applies, will be determined based on the summed commodity information.

B. Required Adjustments in Expected Value

The following items must be subtracted from the expected value:

- (1) cost of post-production operations, including those that add value; or
- (2) cost, or other basis, of commodities purchased for resale.

Expected Value Guidelines (Continued)

C. Required Adjustments to Expected Values for Vertically Integrated Operations and Related Taxpayers

The integrated relationship between the divisions or related operations of an integrated operation and the interaction between related taxpayers can affect the value, cost, and price of commodities, goods, and services used by such persons. It can also affect the expected value an insured may report. The expected value reported for these farm operations must be reasonable and comparable with expected values for the commodity from objective third party market information.

Adjustments made for the cost of post-production operations from such persons must also be customary and comparable to the costs of disinterested third parties.

D. Methods for Determining Expected Values

The expected value must be realistic and consistent with available market information supported by verifiable records, and take into account price cycles and trends. Post-production operations and the cost of commodities purchased for resale, if applicable, must be removed from the expected values. Market readiness expenses may be left in the expected values.

The following table provides the methods and sources for determining and reviewing expected values for commodities:

IF the commodity ...	THEN use ...
is under contract to be sold at a specified price	the contracted price. See subparagraph E for more information.
produced and sold during the current insurance period, but prior to the time the Intended Farm Operation Report is completed	The actual sale price the commodity was sold for.
is not under contract to be sold at a specified price and has not been sold during the insurance period prior to the Intended Farm Operation Report being completed	The local average market price that best reflects the price the insured can expect to receive when the commodity is harvested, based on the most applicable sources below: Season average prices reported by AMS, including Market News Reports, NASS, or ERS for the commodity in the area where the applicant/insured normally sells the commodity. The FCIC published price for the commodity for the area. The season average price received for the three most recent years if the commodity was sold directly to consumers.