FUND DESIGNATION GUIDELINES

Approved Insurance Providers establish fund designations on a crop county policy basis by submitting a Type 9 record that must be accepted by the Data Acceptance System. The Type 9 record contains the Primary, Added County, Written Agreement and High Risk Ground fields required to establish fund designation. The DAS system uses an ISAM file to maintain the edits and validation outlined in the SRA. Companies may modify the fund designation until the cutoff date for the crop county policy. A Commercial designation does not require a Type 9 record.

Once a policy Type 9 record has been accepted with a designation (Development, Assigned Risk or Commercial), another Type 9 record is required to timely change the accepted designation. Once a policy key (IP, State, Policy number, crop year, county, crop) has been established into either the Developmental or Assigned Risk fund, the policy cannot be transferred to another fund after the cutoff date based on the accepted policy key.

For an eligible crop insurance contract, (including continuous Written Agreements) the fund designation cutoff for Assigned Risk or Developmental is 30 days + Sales Closing Date.

Policies may be placed in the Assigned Risk or Developmental fund after the "normal" cutoff with a RMA written agreement extension for the initial year or for any written agreement that must be renewed annually or approved annually, except for the following written agreements: GP, HR, UA and SP. The written agreement cutoff date is based on the RMA Approval Date + 30 days. The written agreement cutoff date is only required if it is after the sales closing date.

Approved Insurance Providers that use an Added county or statewide application may timely designate one Type 9 record for a crop/county as a “Primary” fund record. Any subsequent counties that are added to the policy after the fund designation cutoff date, must be accepted with the same fund as the primary record fund designation. Only category B crops (excluding Forage Production) qualify for added county. Subsequent counties can be added after fund designation cutoff if insured does not have an interest in any other crop in the added county. Other counties may be timely submitted to any fund and do not require any added county identification.

Approved Insurance Providers can place High Risk Land (CAT) excluded from Additional Coverage, with the same POLICY NUMBER into a different fund by using the High Risk CAT Fund field. (This is not required if both Additional and CAT will be placed into the same fund).

If the High Risk Land that is excluded from Additional Coverage is a separate policy, the Primary Fund flag is used, not the High Risk CAT Fund flag on the Type 9 record. Approved Insurance Providers may report type and/or practice codes on the Type 9 record. Type and practice codes are validated to the ADM if submitted, (unless a written agreement has been issued). Fund designation records must be submitted for each type of grapes if the grapes are insured by type (CA 0052 & 0053, AZ 0052).
If multiple sales closing dates exist for a crop county, Approved Insurance Providers may submit valid ADM type or practice codes to designate the correct sales closing date. DAS will validate the codes and use the corresponding sales closing date to determine the cutoff date for the fund. When multiple sales closing dates exist for a crop county and the company does not submit the ADM type and practice codes, DAS will use the earliest sales closing date for the crop plan county to determine the cutoff date. If a type or practice code is submitted which corresponds to a later date, i.e. spring in a winter/spring county, companies can only report the spring type on the acreage record. If the insured does not plant fall type where there are multiple sales closing dates by type, the fund can be changed by the spring cutoff date if a 9 record is sent for a spring type along with a zero acreage report for the fall type.

Nursery and Florida Fruit Tree policies are an exception to the above fund designation rules. The Assigned Risk and Developmental fund cutoffs for new Nursery and new Florida Fruit tree policies is the later of the transaction cutoff date for the week containing the 30th calendar day after the eligible producer signature date or the transaction cutoff date for the week containing the 30th calendar day prior to the cancellation date. For carryover Nursery or Florida Fruit tree policies the fund cutoff is the transaction cutoff date for the week containing the 30th calendar day prior to the cancellation date. For Nursery policies, funds are designated by practice.

Beginning with the 2007 crop year (2006 RY) the transaction cut-off dates for the designation of policies for Nursery (0073) and Florida Fruit Trees to the Assigned Risk and Developmental Funds are for new policies, the later of the transaction cutoff date for the week containing the 30th calendar day after the eligible producer signature date or the transaction cutoff date for the week containing the 30th calendar day after the sales closing date. For carryover Nursery policies, the transaction cutoff date for the week containing the 30th calendar day after the sales closing date.

For crops with a sales period, a carryover policy is one in which the entity had insurance on the same crop and plan code with the same company in the state and county the previous year. The DAS validation for a new/carryover policy, is limited to the policy key (IP, State, Policy number, county, crop and plan code). It searches the companies previous year’s 14 ISAM for the same policy key. If a match is found for a policy that is ‘current’ (not deleted), the policy is considered carryover.

If RMA approves alternate crops AIP’s may designate eligible CAT crop insurance contracts to the assigned risk fund 60 days after RMA approval.
# FUND DESIGNATION

## CUTOFF DATES

<table>
<thead>
<tr>
<th>FUND</th>
<th>NEW/CARRYOVER POLICY</th>
<th>FUND CUTOFF (LOCKDOWN) DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assigned Risk or Developmental for Crops with Fixed Sales Closing Dates and for Continuous Written Agreements</td>
<td>N/A</td>
<td>SCD + 30 days</td>
</tr>
<tr>
<td>Assigned Risk or Developmental for Crops with Initial Year Written Agreement</td>
<td>N/A</td>
<td>WA date + 30 days</td>
</tr>
<tr>
<td>Assigned Risk or Developmental for Crops with a Sales Period</td>
<td>New (CFF = 0)</td>
<td>Later of: Insured Sign. date + 30 days or Cancellation date – 30 days</td>
</tr>
<tr>
<td>Carryover (CFF = 1)</td>
<td></td>
<td>Cancellation Date -30 days</td>
</tr>
<tr>
<td>Assigned Risk for Alternate CAT Policies</td>
<td>NA</td>
<td>RMA approval date + 30 days</td>
</tr>
<tr>
<td>Commercial</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

WA = Written Agreement Date
SCD = Sales Closing Date
CFF = Contract Fund Flag
N/A = Not Applicable