

Exhibit 29
Plan of Operation
for the Reinsurance Year beginning July 1, 2002

Agreement Regarding Reinsurance Escrow Arrangement

The Federal Crop Insurance Corporation ("FCIC") and _____ ("Company") hereby agree that an interest-bearing escrow account ("Escrow Account") may be established at a bank selected by the Company ("Bank") for the purpose of facilitating the payment of loss indemnities to insureds under a policy of insurance issued by the Company and reinsured by FCIC under the Standard Reinsurance Agreement ("SRA").

The Bank must:

1. enter into an Escrow Agreement with FCIC (attached hereto as exhibit 3 and 4);
2. post collateral as required by 31 C.F.R. ' 202 in the amount directed by FCIC; and
3. be a member of the Fed Wire System.

The Company is responsible for the payment of all Bank charges and fees related to or arising from the Escrow Account.

The Company hereby agrees that it will separately establish and maintain with the Bank an operating account ("Loss Account") to be used exclusively for clearing the payment to policyholders of loss indemnities subject to reinsurance under the SRA. The Company specifically acknowledges and agrees that it is prohibited from paying any other amount from the Loss Account. If the Company pays any amount other than as permitted hereunder from the Loss Account, FCIC may, in its sole discretion, immediately terminate this Agreement and the Escrow Account in addition to exercising any other remedy available at law or in equity. The Company must otherwise maintain the Loss Account upon such terms and conditions as the Bank and the Company may agree.

The Company will make indemnity payments as permitted hereunder from the Loss Account in accordance with the SRA. As indemnity checks/drafts are issued to policyholders on the Loss Account, the Company will submit to FCIC such information, documents and certifications as FCIC may request as evidence of proper issuance. FCIC will, within three business days of receipt of said evidence (if said evidence is in order) initiate the procedure to cause to be deposited into the Escrow Account an amount not to exceed the net amount of the indemnity payments reflected by the evidence submitted by the Company. Evidence submitted by the Company will consist of at least a certified list of checks/drafts issued showing check number, payee, amount, date, and policy number.

Agreement Regarding Reinsurance Escrow Arrangement (Con't)

To the extent sufficient amounts have been deposited into the Escrow Account and are not subsequently withheld by FCIC, upon presentation to the Bank for payment of permitted indemnity payments, FCIC will, in accordance with the terms and conditions of the Escrow Agreement, cause the Bank to affect a transfer of funds from the Escrow Account to the Loss Account in an amount not to exceed the amount of such payments. The Bank will submit to the Company, at least each month, a copy of the Escrow Account bank statement for the Company to utilize in reconciliation of the Escrow Account. The cut off dates for the Escrow Account and the Loss Account will be identical.

On a monthly basis, the Company agrees to furnish FCIC a certified accurate report of reconciliation ("reconciliation") of the Loss Account and the Escrow Account. The reconciliation must reflect an itemized listing of any outstanding payments, and a listing of any items causing the Escrow Account to be overfunded or underfunded. Copies of the Loss Account monthly check/draft register and other such documentation to support the reconciliation will be maintained by the Company at all times at its financial headquarters for review and audit by FCIC. The reconciliation must be submitted to FCIC within 20 business days of the cut off date of the Bank Statements and is in addition to the Monthly Summary Reports required by the SRA.

FCIC may subsequently deposit to or withhold payments from the Escrow Account in a manner consistent with such reconciliations, but such deposits or withholdings will in no event be construed as a waiver of any other rights or remedies that FCIC may otherwise possess.

On a monthly basis the escrow funded amount will be reconciled with the escrow loss data accepted on the Monthly or Annual Summary Report. Any difference in the escrow funded amount and the losses validated by FCIC will be refunded monthly by the Company to FCIC via electronic fund transfer.

It is expressly agreed that funding of the Escrow Account by FCIC is in keeping with its primary responsibility of payment to the insured and is not a waiver of any right of FCIC of offset or any other method of collection or contract enforcement under the SRA.

This agreement may be terminated at any time after pending indemnity checks/drafts (checks/drafts, which have been issued by the Company prior to the time notification of termination has been received by the Company) clear, by either party by written notice to the other party, but no such termination by the Company will be effective until FCIC receives written acknowledgment of such termination together with a remittance of all principal and accrued interest in the Escrow Account from the Bank.

Representatives of the United States General Accounting Office and United States Department of Agriculture, including, without limitation, FCIC, Office of Inspector General, and Office of General Counsel, may inspect, review, and make copies of any and all records regarding the Loss Account and any and all transactions related thereto. The Bank is hereby authorized to afford any such personnel full access to all such records in the possession of the Bank.

Agreement Regarding Reinsurance Escrow Arrangement (Con't)

The authorization of the Board of Directors of the Company for the person executing this agreement on the part of the Company is attached hereto and made a part hereof.

Federal Crop Insurance Corporation

Company

Signature

Signature

Name

Name

Title

Title

Date

Date

ESCROW AGREEMENT

The Federal Crop Insurance Corporation ("FCIC") and _____ ("Bank") hereby agree that an escrow account ("Escrow Account") is established for the purpose of financing the payment of indemnities to insureds in accordance with crop insurance policies issued by _____ (the "Company") and reinsured by FCIC under the terms of the Standard Reinsurance Agreement (SRA).

The bank agrees to post collateral as required by 31 C.F.R. ' 202 in the amount determined by FCIC. At no time and in no event will the Escrow Account balance be allowed to exceed the amount of collateral deposited, and/or the \$100,000 insurance coverage provided through the Federal Deposit Insurance Corporation.

The Escrow Account will earn interest at a rate to be agreed upon between the Bank and FCIC but not less than the highest and best rate available to depositors of the Bank for similar levels of deposits and frequency of transactions in business accounts, but is otherwise subject to such terms and conditions that the Bank may impose on such accounts except as such terms and conditions may be inconsistent with the terms and conditions of this agreement. All interest earned on balances in the Escrow Account will be credited to the Escrow Account monthly. No charges or fees arising from or related to the Escrow Account will be charged to the account or the FCIC. The Escrow Account is not subject to lien, set off, garnishment, attachment, or any other similar process, mesne or final, on the part of the bank or any other entity.

The Escrow Account will be owned by and established in the name of FCIC. The Escrow Account is established solely as a means to facilitate the Company's payment of claims through the reimbursement to the Company, by FCIC, of amounts paid for indemnities. The Company will establish an account ("Loss Account") with the Bank to be used solely for the purpose of paying such claims. Upon presentation to the Bank of checks or drafts drawn on the Loss Account the Bank will transfer funds from the Escrow Account to the Loss Account, to the extent funds are available in the Escrow Account, in amounts as determined by FCIC but in any event, not in excess of the amount of the checks or drafts so presented.

The Bank will accept deposits from FCIC by Electronic Funds Transfer or in any other manner at the option of FCIC and credit those funds, immediately upon receipt to the Escrow Account. The Bank will provide a monthly statement to FCIC and to the Company for the Escrow Account identifying all transactions in the Escrow Account during the statement period. The cut off date for the Escrow Account statement must be the same as the cut off date for the Loss Account statement.

The Bank represents and warrants that at the time of execution of this Agreement and at all times during which this Agreement is in effect, the Bank is and will remain a member of the Fed Wire System.

ESCROW AGREEMENT (Cont'd)

Representatives of the United States General Accounting Office and the United States Department of Agriculture, including, without limitation, FCIC, Office of Inspector General, and Office of General Counsel, may inspect, review, and make copies of any and all records of the Bank relating to the Escrow Account without prior notice during reasonable business hours.

The authorization of the Board of Directors of the Bank for the person executing this agreement on the part of the Bank is attached hereto and made a part hereof.

Bank: _____

Federal Crop Insurance Corporation

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Bank Address:

