



United States

Department of  
Agriculture



Product Analysis and  
Accounting Division

APPENDIX III  
(07-2023)

# Appendix III to the Standard Reinsurance Agreement and the Livestock Price Reinsurance Agreement

## 2023 Reinsurance Year

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

<b>TITLE: Appendix III to the Standard Reinsurance Agreement and the Livestock Price Reinsurance Agreement</b>	<b>NUMBER: APPENDIX III TO THE STANDARD REINSURANCE AGREEMENT</b>
<b>EFFECTIVE DATE: December 15, 2022</b>	<b>ISSUE DATE: 06-29-2023</b>
<b>SUBJECT:</b>  <b>Provides the standards, instructions and information for reporting Approved Insurance Provider (AIP) data to the Risk Management Agency/Federal Crop Insurance Corporation</b>	<b>OPI: Product Analysis and Accounting Division</b>
	<b>APPROVED:</b>  <b>Deputy Administrator for Product Management</b>

## APPENDIX III TO THE STANDARD REINSURANCE AGREEMENT

### CONTROL CHART

Appendix III to the Standard Reinsurance Agreement and the Livestock Price Reinsurance Agreement					
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibits	Date
Current Index	1-2	1-2	1-102	104-116	07-2022

#### Reason for Issuance:

This Appendix is being issued to provide standards, instructions and information for electronic data reporting of policyholder, commodity and other information submitted by AIPs as required by the Standard Reinsurance Agreement, Livestock Price Reinsurance Agreement or other Risk Management Agency (RMA) policy and procedures.

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# PART 1 GENERAL INFORMATION AND RESPONSIBILITIES

## 1 General Information

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### A. Purpose and Objective

RMA relies on information provided by the AIP, third-party affiliates, and policyholders when making determinations relating to crop insurance, including determinations relating to the provision of reinsurance, premium subsidy and A&O subsidy on eligible crop insurance contracts. Further, this information submitted by the AIP is gathered at the policyholder level by third-parties, such as agents and loss adjusters or other affiliates of the AIP, and is subject to regulations, policies and procedures developed by RMA, USDA, and other Federal agencies.

This Appendix provides standards, procedure and instructions for reporting AIP data to RMA/FCIC. The objectives include, but are not limited to:

- providing a means of validating data to provide reasonable assurance that reimbursements are made based on accurate and timely information,
- maintaining detailed contract information at RMA, and
- enhancing the quality and availability of data at all levels.

### B. Source of Authority

Federal programs enacted by Congress and the regulations and policies developed by RMA, USDA and other Federal agencies with applicable regulatory control provide the:

- Authority for program and administrative operations,
- Origin for RMA calculation of A&O subsidy, reinsurance and risk sharing.

Authority for managing the Policy Acceptance and Storage System is authorized by:

- Standard Reinsurance Agreement (SRA) and supporting Appendices
- Livestock Price Reinsurance Agreement (LPRA)
- RMA issued procedures
- Regulations promulgated under the:

## 1 General Information (Continued)

### B. Source of Authority (continued)

- Federal Crop Insurance Act
- System of Records Notice
- Basic provisions and endorsements
- Debt Collection and Improvement Act

### C. Related Handbooks and Reference Materials

This table references related handbooks/reference materials and their relation/purpose.

<b>Related Handbooks/ Reference Material</b>	<b>Relation/Purpose</b>
Appendix II to the SRA	Provides cession limits, maximum premium volume, states in which the company is authorized to write business, and other selected criteria required by the SRA.
Appendix IV to the SRA	Provides requirements for monitoring the quality control program
General Standards Handbook	Provides a combination of CIH and LAM general administrative procedures that apply across all plans of insurance
Crop Insurance Handbook	Provides procedures for reporting information from producers
Document and Supplemental Standards Handbook	Provides standard forms and procedures for collecting information from producers
Loss Adjustment Standards Handbook	Provides collection and reporting procedures for claim information
Written Agreement Handbook	Provides procedures for modifying terms and conditions of the ADM or other issued policy and procedure
Ineligible Handbook	Provides procedures for identification and tracking of ineligible producers
Underwriting Guides	All underwriting guides published on RMA's website ( <a href="http://www.rma.usda.gov/">www.rma.usda.gov/</a> )
Bulletins	Applicable bulletins and informational memorandum published on RMA's website ( <a href="http://www.rma.usda.gov/">www.rma.usda.gov</a> )
Other Program Handbooks and Standards	All other program handbooks and standards published on RMA's website ( <a href="http://www.rma.usda.gov/">www.rma.usda.gov/</a> )
4-RM	Provides procedures and guidance to FSA State and County Offices, RMA, and Approved Insurance Providers for improving Federal Crop Insurance Program compliance and integrity as required by the Agricultural Risk Protection Act of 2000 (ARPA)

## 1 General Information (Continued)

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### D. Issuances and Revisions

- (1) This appendix will be issued annually reflecting detailed reporting requirements for eligible crop insurance contracts and other supporting information applicable to each Reinsurance Year in accordance with the SRA/LPRA and Appendices. A DRAFT will be issued by May 10th preceding the reinsurance year for comment, including general PASS requirements, proposed or major processing enhancements, known policy and procedural changes, fund designation requirements and Late Reporting Reduction (LRR) determination process. AIPs will have 21 days to comment to the draft. The approved Appendix III will be issued by June 30, preceding the reinsurance year, and will be approved quarterly, as needed.
- (2) Revisions to this appendix and to PASS may become necessary after the annual release to ensure that data reported complies with the SRA, actuarial requirements, Federal regulations, crop policy provisions, and procedural changes that could not be anticipated when the annual update was released. Revisions to Appendix III will include:
  - (a) Clarifications that do not change the format or values of the reporting requirements,
  - (b) New reporting requirements to meet the terms and conditions of the Act, FCIC regulations, and/or procedures enacted after the initial release of Appendix III, and
  - (c) Corrections to the reporting requirements to meet the existing terms and conditions of the Act, FCIC regulations, and/or procedures.
- (3) Any new or proposed requirements revisions will be available for comment for a period of 14 calendar days. FCIC generally will work with the AIPs in an attempt to reach consensus in determining the most efficient means of implementing revisions both prior to and subsequent to the initial release. Revisions after the initial release will be highlighted and a summary by date will be maintained. Explanation will be provided stating the reason a particular change was initiated, implemented or rejected.
  - (a) Changes will be implemented after the accounting cut-off date following the 14 day comment period, except in situations involving material monetary impact.
- (4) The SRA, except as provided therein, Act, regulations in 7 C.F.R. Chapter IV, regulations and procedures listed in Section 1 B and C of this Appendix, and the applicable eligible crop insurance contract and procedures take precedence over Appendix III for servicing requirements.
- (5) The appendix is maintained electronically via the RMA Home Page. The RMA Website address is:

[www.rma.usda.gov/](http://www.rma.usda.gov/)

Click on Policy & Procedure tab then select APPENDIX III/M13 Handbook Index

## **1 General Information (Continued)**

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### **D. Issuances and Revisions (continued)**

- (6) Provisions for approved and draft versions of the Appendix III for multiple reinsurance years are available.
  - (a) The approved version contains the current Appendix III that has been approved by FCIC.
  - (b) The draft version contains proposed changes for review and comment.
    - (i) Draft versions will be watermarked DRAFT and changes will be highlighted when possible.
    - (ii) AIPs will be notified of changes to the DRAFT version on the PASS Status Report and/or on the “Read me” page.

### **E. Implementing FISMA Information Security Standards and Guidelines**

- (1) Company non-Federal Information Systems shall comply with the Federal Information Security Modernization Act (FISMA) (44 U.S.C. §3541), and any Federal laws covering Federal crop insurance information. This requirement is stated in the SRA, Section IV(a)(4). FISMA mandates the creation of standards for Federal information and information systems and identifies the minimum security controls that must be implemented based on the security categorization of the system. Companies will implement Information Security and Privacy controls at a moderate impact security categorization level. At a minimum, AIPs will implement the Basic Security Requirements outlined in NIST SP 800-171. NIST SP 800-171 focuses on protecting the confidentiality of Controlled Unclassified Information (CUI) in non-Federal systems and organizations, and recommends specific security requirements to achieve that objective. The basic security requirements apply only to components of non-Federal systems that process, store, or transmit CUI, or that provide security protection for such components.
- (2) In order to implement NIST 800-171, AIPs must conduct a self-assessment against all 110 controls, develop a system security plan (SSP) describing how the security requirements are met, and plans of action and milestones (POA&M) on how those unimplemented controls will be met. Self-assessments should be conducted in accordance with NIST Handbook 162. The company shall submit to RMA documentation that includes the SSP and any POA&Ms in accordance with the schedule listed in Table 1. The System Security Plan (SSP) Template and the Plans of Action and Milestones (POA&M) Template are located on the RMA Public Web under the “OTHER” heading. The deliverables listed in Table 1 are the required exhibit submissions for Appendix III, Plan of Operations, Section IV(1)(1)(D).

## 1 General Information (Continued)

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### E. Implementing FISMA Information Security Standards and Guidelines (continued)

**Table 1. AIP Information System Security Compliance Deliverables**

<b>Deliverable</b>	<b>Frequency</b>
System Security Plan	Annually
Interconnection Security Agreement	Annually/3 yr Resign
Security Control Assessment (SOC2/SSAE-16)	Annually/All follow up audits
POA&Ms	Quarterly

- (3) Should the company choose to obtain information technology services to support the Federal crop insurance program from external vendors, the company shall ensure that the information security requirements of the SRA are incorporated into any agreements. Companies shall also document which organization (the company or the service provider) is responsible for implementing and testing each control identified in section 2 and provide that information to RMA.
- (4) Companies not in compliance with Part 1, section E (1) above shall obtain and submit a third party certification of Information Security and Privacy controls to RMA in order to comply with SRA Appendix II Section IV(I)(1)(D). These certifications shall be similar in purpose and scope to a SOC2 (Type2) or SSAE-16 report. For purposes of SRA compliance, these reports will be accepted by RMA until companies are in compliance with Section 2 above.
- (5) Companies who require a dedicated connection to RMA information technology systems (for example, a Virtual Private Network (VPN)) must enter into an Interconnection Security Agreement (ISA). A system interconnection is defined as the direct connection of two or more IT systems for the purpose of sharing data and other information resources. The ISA will be documented in accordance with NIST SP 800-47, *Security Guide for Interconnecting Information Technology Systems*. This document shall be reviewed annually, at a minimum, and re-signed every third year. Companies that use service providers must ensure the service providers enter into an ISA with RMA. The Interconnection Security Agreement (ISA) Template is located on the RMA Public Web under the “OTHER” heading.
- (6) New FISMA Terms
  - (a) **Interconnection Security Agreement (ISA)**: An agreement established between the organizations that own and operate connected IT systems to document the technical requirements of the interconnection. The ISA also supports a Memorandum of Understanding or Agreement (MOU/A) between the organizations.
  - (b) **Plans of Action and Milestones (POA&M)**: A document that identifies tasks needing to be accomplished. It details resources required to accomplish the elements of the plan, any milestones in meeting the tasks, and scheduled completion dates for the milestones.

## 1 General Information (Continued)

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### E. Implementing FISMA Information Security Standards and Guidelines (continued)

- (c) **System Security Plan:** Formal document that provides an overview of the security requirements for the information system and describes the security controls in place or planned for meeting those requirements.
- (d) **Security Control Assessment:** The testing and/or evaluation of the management, operational, and technical security controls in an information system to determine the extent to which the controls are implemented correctly, operating as intended, and producing the desired outcome with respect to meeting the security requirements for the system.

### F. Incident Reporting

- (1) Suspected or confirmed loss of Controlled Unclassified Information (CUI) or Personally Identifiable Information (PII) shall be reported to RMA within 1 hour of discovery in accordance with the order of precedence in Table 2 below:

**Table 2. Incident Reporting Order of Precedence**

Order of Precedence	Organization	Phone Number	Email
#1	RMA IT Service Desk	(816) 926-1126	<a href="mailto:RMAITServiceDesk@usda.gov">RMAITServiceDesk@usda.gov</a>
#2	RMA Security OPS Team	(800) 255-2434 Option 2	<a href="mailto:FPAC-CERT@usda.gov">FPAC-CERT@usda.gov</a>
#3	ASOC CIRT	(866) 905-6890	<a href="mailto:Cyber.incidents@usda.gov">Cyber.incidents@usda.gov</a>
#4	USDA PII Hotline	(877) PII-2-YOU	

- (2) Within 24 hours after submitting an initial report, AIPs will submit an Agricultural Security Operations Center (ASOC) Form AD 3038, *ASOC PII Incident Report* to the FPAC Cyber Event Response Team (CERT) @ [FPAC-CERT@usda.gov](mailto:FPAC-CERT@usda.gov). The AIP will send updated reports periodically until the incident is closed with ASOC. The ASOC Form AD 3038 is located on the RMA Public Web under the “OTHER” heading.
- (3) New Incident Reporting Terms

## 1 General Information (Continued)

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### F. Incident Reporting (continued)

- (a) **Controlled Unclassified Information (CUI)**: A categorical designation that refers to unclassified information that does not meet the standards for National Security Classification under Executive Order 12958, as amended, but is (i) pertinent to the national interests of the United States or to the important interests of entities outside the Federal government, and (ii) under law or policy requires protection from unauthorized disclosure, special handling safeguards, or prescribed limits on exchange or dissemination. Henceforth, the designation CUI replaces “Sensitive But Unclassified” (SBU).
- (b) **Incident**: An occurrence that actually or potentially jeopardizes the confidentiality, integrity, or availability of an information system or the information the system processes, stores, or transmits or that constitutes a violation or imminent threat of violation of security policies, security procedures, or acceptable use policies.
- (c) **Personally Identifiable Information (PII)**: Any information about an individual maintained by an agency, including (1) any information that can be used to distinguish or trace an individual’s identity, such as name, social security number, date and place of birth, mother’s maiden name, or biometric records; and (2) any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information.

### G. Multiple USDA Benefits Reporting

The Agricultural Act of 2014 included changes in Section 12305 to the Noninsured Crop Disaster Assistance Program (NAP) administered by the Farm Service Agency (FSA).

Producers may purchase Federal reinsured crop insurance pilot policies, including FCIC developed or privately submitted (508(h)) pilot products, and NAP coverage for the same acreage. However, if both NAP and a Federal reinsured crop insurance policy are purchased, producers must elect which benefit (indemnity or NAP payment) to keep as multiple benefits for the same loss are prohibited by section 508(n) of the Federal Crop Insurance Act.

Paragraph 806, Multiple USDA Benefits and Dual Participation, of the General Standards Handbook (FCIC-18190) provides procedural guidance pertaining to Rainfall Index Pasture, Rangeland, Forage policies, Annual Forage, and Apiculture policies.

## 2 Responsibilities

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The following table references the Entity, Function and Responsibilities related to submitting and processing data through PASS, and to reporting multiple USDA benefits.

## 2 Responsibilities (Continued)

Entity	Function	Responsibilities
RMA	Waivers & Revisions	<p>Responsible for ensuring the AIP has met all their responsibilities, and approval or disapproval when requesting waiver of:</p> <ul style="list-style-type: none"> <li>• fund designation lockdown dates/modifications to fund designations</li> <li>• A&amp;O subsidy reductions for LRR</li> </ul>
RMA	Reporting	<p>Responsible for:</p> <ul style="list-style-type: none"> <li>• providing updates to FCIC reporting guidelines</li> <li>• performing duties and validations of AIP submitted data as outlined in the “Formats/Edits” portion of this Handbook</li> <li>• determining data reporting requirements, validation edits, files and standards</li> <li>• maintaining and administering databases and other storage media used by PASS</li> <li>• maintaining and timely releasing to AIPs the Insurance Control Elements (ICE) validation files referenced herein</li> <li>• preparing and providing error reports to the AIP designee containing data not passing all edits and validations specified by FCIC</li> <li>• updating/maintaining reinsurance data in the policy and accounting databases</li> <li>• providing technical assistance in error resolution</li> <li>• responding within 7 business days to a properly completed PASS error report</li> <li>• generating reconciliation reports/data</li> <li>• generating accounting reports/data</li> <li>• processing premium due report data upon receipt of the certified report/worksheet when received by the due date for monthly reporting</li> <li>• generating revised monthly settlement reports after current worksheets are updated by the AIP</li> </ul>
RMA	Reimbursement	<ul style="list-style-type: none"> <li>• Responsible for reimbursement of the following in accordance with Part 3 of this Appendix: losses</li> <li>• administrative subsidies</li> <li>• gain sharing</li> <li>• interest</li> </ul>

**2 Responsibilities (Continued)**

Entity	Function	Responsibilities
RMA	Multiple USDA Benefits Reporting	<ul style="list-style-type: none"> <li>• Coordinate with FSA to identify insureds who potentially received both a Federal reinsured indemnity and NAP payment for the same loss on the same land in the same crop year;</li> <li>• Provide quarterly reports to approved insurance providers (AIP) of the insureds who potentially received multiple benefits. These reports will contain state, county, plan of insurance, crop/type/practice, insured acres, full name, address, phone number, tax identification number, and FSN Farm/Tract/Field or Common Land Unit information when available.</li> <li>• Distribute to the AIPs a list of insureds who have potentially received benefits via RMA <a href="http://extranet.usda.gov">extranet.usda.gov</a>.</li> </ul>

Entity	Function	Responsibilities
AIP	Reporting	<p>Responsible for taking actions to ensure timely and accurate data submission to FCIC, including but not limited to submission of:</p> <ul style="list-style-type: none"> <li>• accurate and detailed eligible crop insurance contract data and other supporting information (e.g., COI, Agency/Company employee, etc.) to FCIC in the format prescribed in this Appendix</li> <li>• properly completed PASS error reports to DQB, after analysis or for guidance in correcting rejected data that is present on the PASS error listing</li> <li>• data corrections or reporting necessary to timely resolve reconciliation differences both financial in nature or as required under 4-RM and ARPA, as specified in Appendix IV</li> <li>• electronic loss data for escrow funding</li> <li>• certified hard copy or electronic monthly/annual settlement reports (recap and worksheets), and all other supporting reports (e.g., premium due worksheets) by reinsurance year</li> <li>• producer premium payment information by the accounting cut-off date for the calendar month after collection</li> </ul>

## 2 Responsibilities (Continued)

Entity	Function	Responsibilities
AIP	Accounting and Reporting Systems	<ul style="list-style-type: none"> <li>• Responsible for ensuring that program and accounting systems have the capability to report information at a “point in time”, and the ability to fall back to a previous point in time when necessary for reporting purposes.</li> <li>• Responsible for assuring for proper and timely servicing of insured producers accounts, including timely remittance of refunds, generally within 30 days of the financial event that created a credit balance</li> </ul>
AIP	Multiple USDA Benefits Reporting	<ul style="list-style-type: none"> <li>• Review the list of insureds who potentially received multiple benefits and verify the insured received a Federal reinsured indemnity for the same loss on the same land in the same crop year;</li> <li>• Notify insureds who received multiple benefits that they must: 1) either prove they did not receive both a Federal reinsured indemnity and a NAP payment for the same crop on the same acreage; or 2) elect which benefit to retain. This notification shall include the following:               <ul style="list-style-type: none"> <li>○ Basic policyholder information;</li> <li>○ The gross indemnity paid, the amount of premium paid for the policy that was indemnified, and the net indemnity paid;</li> <li>○ The decision of which benefit to retain is irrevocable and that premium is still due for the policy regardless of whether they retain the indemnity paid under their crop insurance policy;</li> <li>○ When the producer chooses to retain the NAP benefit, the producer must complete a withdrawal of insurance claim form, when applicable, pay any premium due, and either forgo or pay back any applicable indemnity payment; and</li> <li>○ Return the FCIC crop insurance indemnity payment in full, within 30 days of notification from the AIP, when the producer elects to retain the NAP benefit.</li> </ul> </li> <li>• Use the current overpaid (corrected) claim processing procedures specified in the Loss Adjustment Manual Paragraph 1238 to process repayment of the indemnity if the insured elects to retain the NAP benefit.</li> <li>• Collect receipt for service or other proof from FSA showing the NAP payment was repaid if the insured elects to retain the FCIC indemnity.</li> </ul>

#### A. PASS Overview

- (1) PASS and RAS are two integrated data processing systems. PASS receives and performs validations on transmitted data. Data validated by PASS is loaded to RMA databases. Together they provide RMA with a mechanism to provide reasonable assurance that data received is accurate, that errors are corrected timely, that information contained on Monthly Settlement Reports certified by the AIP are accurate for the validated data, and appropriate accounting entries are made in RMA's Financial Accounting Systems. An overview of these two systems follows.
  - (a) Data supplied to FCIC for an AIP is processed through PASS. The data is checked for proper reinsurance year format. Partial and Complete data submissions are supported by PASS. All accepted data for the complete data submissions will replace previously accepted data on a policy level. Accepted data for partial data submissions initiates the "downhill delete" process. All records within the same group and those below are deleted on the policy. Downhill delete marks all downhill records as deleted in the PASS database.
  - (b) Validations are performed on submitted transactions for data accuracy and compliance with policy, procedure and processing requirements. The PASS performs required edits on each transaction to the extent practical before rejecting a transaction. Upon completion of editing, a report is generated which summarizes the acceptance, rejection and suspension by record type and liability, premium and indemnity amounts from the transaction. Records which were found in error are system-generated output that is sent to an AIP after each edit completes.
  - (c) Error processing is the validation that occurs from the record submission process and provides the AIPs a way to track and resolve errors that occur both within the file submission process and within the records submitted.
  - (d) As part of the PASS/RAS operations, an AIP will be required to reconcile data contained within their systems with data submitted to and accepted by RMA. As a means of assisting the AIPs in reconciling their systems with PASS, RMA will return both AIP and RMA calculated values in rejected and accepted records for each batch submitted.
  - (e) The DQB provides operation support for the PASS systems. All questions regarding data distribution reporting and validation should be addressed to the AIP's DQB representative.

See Exhibit 97 for a chart displaying the flow of data from AIPs to RMA

#### B. Web Services Overview

- (1) RMA is developing numerous tools using web services for transmitting data in real-time. Each system will have specialized requirements, however it will generally be a REST based web service using service end point to accept the given data in JSON format (or GeoJSON) as part of the request body via HTTPS POST. After performing a series of edits on the data, the transmission will notify the AIP of its acceptance or rejection, and if rejected, errors will be included in the return transmission. All web services will be optional in 2023 RY, any required system will also provide alternate solutions within the current PASS framework.
- (2) Each service will perform a series of edits on the current data. The type of data and edits performed will be outlined later in Appendix III. Edits are done in a series of steps. If any step fails, no other edits beyond the current step will be done.
  - (a) First, basic edits are done. Some of these edits include a required check, optional check, numeric check, alphabetic check and validity of codes check.
  - (b) Next, conditional rules apply. These rules apply to Appendix III tags that will only be present based on the value of other Appendix III tags.
  - (c) Advanced rules include ADM cross reference checks and inter-field comparisons. If needed for the current Appendix III section, the corporate calculation modules are run to determine premium or indemnity.
  - (d) Calculation validation edits are performed to determine if the AIPs calculated values match RMA's calculated values.

### **3 System Overview (Continued)**

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#### **C. Web Service Transmission**

- (1) Each system utilizing web services will have specialized requirements, however it will generally be a REST based web service using service end point to accept the given data in JSON format (or GeoJSON) as part of the request body via HTTPS POST. In general, Client side Certificate Authentication is used. AIP needs to provide Certificate signing Request (CSR) created for Client Authentication to RMA. RMA will sign it and send the certificate back to AIP. AIP can reach out to RMA Web Support team – 816-926-7301 for any queries on CSR. If an AIP has already completed this step as part of one project, this step generally does not have to be repeated for other projects uses web services unless a different set of servers is used to communicate with RMA. Detailed parameters for each system will be posted to the Appendix III.

#### **4-10 (Reserved)**

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## PART 2 PASS SUBMISSIONS, TELECOMMUNICATIONS, AND PROCESSING CONSIDERATIONS

### 11 PASS Submission Requirements

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#### A. PASS Submission

- (1) Monthly submission of data is mandatory through annual settlement if any activity occurred during the month. All data submitted will be processed through PASS as soon as possible. Occasionally, the system will be unavailable during normal operation hours due to scheduled or emergency maintenance. Companies will be notified as soon as possible in these cases. Transmission files between 2 and 3,000,000 records will be automatically processed during operations hours Monday through Friday. Operation hours for all reinsurance years are Monday 6:00 a.m. to 11:00 p.m., Tuesday through Thursday, 6:00 a.m. to 2:00 a.m. and Friday 6:00 a.m. to 8:00 p.m. Any transmission received after cutoff or a file that is too large to be completed during the operation hours will be processed in the next operation period.
  - (a) The Company is limited to submitting data through automated systems for 3 years following the first annual settlement for the reinsurance year. Settlement of claims still in litigation, arbitration, or any administrative proceeding more than 3 years after the first annual settlement for such reinsurance year must be reported to FCIC and will be processed manually following the resolution of such action.
  - (b) Unless otherwise permitted by FCIC in this Appendix, the Company may not submit estimated data for the purpose of establishing premium, liability, or indemnity.
  - (c) “Transaction cutoff date” for weekly data reporting is 8:00 p.m. central time on Friday of each calendar week as shown in Exhibit 100-1, Weekly Transaction Cutoff Dates. A calendar week begins with Sunday and ends with Saturday. Any date that falls on a Saturday will use the preceding Friday as the transaction cutoff day.
  - (d) “Transaction cutoff date” for monthly data reporting is 8:00 p.m. central time on Friday after the first Sunday of the month.
  - (e) RMA may deviate from submission reporting requirements when necessary to ensure accurate and timely data processing. Deviations from stated reporting requirements may occur only in cases of material monetary discrepancies created by the processing of inaccurate or untimely data.
- (2) Companies must contact RMA prior to submitting transmission files over 3,000,000 records. RMA will schedule these files to be processed based on the availability of the operating system. This is required for validation purposes and to allow time for correction and resubmission of rejected transactions to FCIC before the transaction cutoff date for monthly data reporting.

## 11 PASS Submission Requirements (Continued)

### A. PASS Submission (continued)

- (3) All PASS files delivered by the AIPs and returned by RMA through the FTP server must be encrypted using the Advanced Encryption Standard (AES) algorithm using 256-bit keys (AES-256). The RMA IT Service Desk will coordinate encryption keys between RMA and the AIPs.
- (4) In order to correctly process files delivered by the AIPs to the FTP server, the file structure must submit the 2 digit AIP Code, 4 digit reinsurance year, and 1 digit application code. For example:

AIP Code	XX
Reinsurance Year	2023
Application Code	P
Submit File Format	XX2023P.ZIP

The file formatting rule applies only to the file submitted to the FTP server. Each ZIP file must contain only one file within it. There are no format rules for the name of the file contained within the ZIP file. All data must be pipe-delimited, with no extra pipe at the end of the line. All fields requiring a sign (+/-) will be noted with a leading “S” in the “Format” column. This sign will be included in the Maximum Length field. Example: S9999.99

- (5) All files are immediately date/time stamped when they land on the FTP server. Once an AIP submits a file to the individual “Upload” folder the FTP service performs the following checks:

FILE SUBMISSION CHECKS	
Zip file is invalid	If corrupt and cannot be opened, it is moved to the common upload folder with a dot-BADZIP extension
More than one file is inside Zip	File is moved to the common upload folder with a dot-BADZIP extension.
Zip file name does not contain the correct AIP code	If the name of the Zip file does not contain the AIP Code indicated in the User ID, the file is moved to the common upload folder and the name of the file is modified to indicate that the file is invalid with a dot-BADAIP extension.

## 11 PASS Submission Requirements (Continued)

### A. PASS Submission (continued)

- (6) Upon completion of processing, output files are returned to the common download folder for the AIP.

RETURN ZIP FILE	
Return Zip File Name	XX2023P0003.zip
RETURN ZIP FILE CONTENTS	
Processed Records File Name	XX2023P0003.txt
Exception Record File Name	XX2023P0003Exception.txt
Summary Record File Name	XX2023P0003Summary.txt
Duplicate Policy Record File Name	XX2023P0003Duplicate.txt
Unknown Record File Name	XX2023P0003Unknown.txt
Beginning Farmer Rancher New Producer	XX2023P0003BeginningFarmerRancherHistory.txt
	XX2023P0003NewProducer.txt

- (a) The P98Z and P99Z Exception records are contained in the Exception output file. These records contain codes to identify the reason for the exception.

<b>P98Z (Unknown record) Unknown Reason Codes</b>	
Unknown record Unknown Reason Codes identify the reason why a record could not be processed. A matching row for the P98Z will be found in the Unknown output file.	
Unknown Reason Code 1	Reinsurance Year does not match the Reinsurance Year on the batch file name
Unknown Reason Code 2	AIP Code does not match the AIP Code on the batch file name
Unknown Reason Code 3	Record Type not in list of accepted Record Type Codes (by Reinsurance Year)
Unknown Reason Code 4	Record has too few delimiters for the Record Type
Unknown Reason Code 5	Record has too many delimiters for the Record Type

## 11 PASS Submission Requirements (Continued)

### A. PASS Submission (continued)

<b>P98Z (Unknown record) Unknown Reason Codes (cont)</b>	
Unknown Reason Code 6	One or more record columns exceed allowable maximum width. The P98Z exception record contains a field called "Overflow Columns" that contains the index of all fields in the input record that were too large to fit into their associated staging table. The index is 1-based, and indicates the position in the current row where the field was too large. If it has more than 3m rows or any single row is greater than 500 characters, it is considered a malformed file and the entire batch is dumped. The zip file will contain a single P98Z record which will have the name of the submitted file as it exists in the AIPs upload folder. If the number of records exceeds the maximum allowed the file is considered malformed and the Malformed Batch code contains a malformed file, "M". If any single row exceeds the maximum allowed length the batch is considered malformed and the Malformed Batch Code contains a Malformed Row, "R".
Unknown Reason Code 7	Submission date of the record type is outside of the valid submission start date or end date.

<b>P99Z (Exception record) Process Result Codes</b>	
Exception record Process Result Codes identify the status of the processing for that record. When record level rules are validated, the field name and number will be left blank and the Rule ID will contain the number of the record level error that has occurred.	
A	Accepted
K	Rejected, but with an established LRR, or Escrow Fund recorded as appropriate
M	Accepted with Message(s)
R	Rejected
W	Accepted with Warning(s)
S	Suspended

## 11 PASS Submission Requirements (Continued)

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### A. PASS Submission (continued)

- (7) Upon successfully passing all edits, accepted data will be included in the Monthly Settlement Reports generated by RAS. Failure of data to pass all reporting and edit requirements in this Appendix may result in such data not being accepted for payment on the Monthly Settlement and Annual Settlement Reports. Data must be electronically transmitted successfully and completely received by the transaction cutoff date to be included in that week's transactions. Monthly Settlement Reports will be prepared based on data received and accepted by the transaction cutoff date for monthly reporting.
- (8) Data must be submitted on a reinsurance year basis. The current Reinsurance Year data would include the following crop year data:
  - (a) Avocados: Current RY +1
  - (b) Raisin: Current RY -1
  - (c) Citrus (Arizona, California, Florida and Texas): Current RY +1
  - (d) Florida Fruit Trees: Current RY +1
  - (e) Nursery (0073 and 1010): Current RY +1
  - (f) Texas Citrus Trees and all other crops: Current RY
- (9) All data relating to each respective Reinsurance Year must be included in the same submission, with separate submissions required for each reinsurance year.
- (10) The amount of premium submitted by the AIP cannot exceed the maximum premium limitation approved by RSD. With each PASS edit, AIPs will receive the Year-to-Date accepted totals on the sum report. This report notifies the AIP of the summary statistics, including premium accepted as of the report date. When the percentage has reached 100% of maximum premium limitation approved by RSD, RMA will determine whether subsequent processing will be suspended. Accounting reports will be generated based on data received prior to any suspension.
- (11) Eligible crop insurance contracts may be accepted any time up to the February monthly cutoff date following the reinsurance year. Thereafter, policies will be rejected if they are originally submitted after the February cutoff date. If a situation arises that causes the AIP to be unable to meet this cutoff, justification may be submitted to the DQB representative for RMA review to determine if a waiver is appropriate.
- (12) Fund Designation
  - (a) AIPs may designate eligible crop insurance contracts with an accepted Type 9 record to the Assigned Risk Fund by the fund designation cutoff date. AIPs may remove previously assigned Assigned Risk Fund designations on eligible crop insurance contracts by the fund cutoff date, as shown in Exhibit 101-1 Fund Cutoff and LRR Dates. All eligible crop insurance contracts not designated to the Assigned Risk Fund will automatically be placed in the Commercial Fund.

## 11 PASS Submission Requirements (Continued)

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### A. PASS Submission (continued)

Fund designation cutoff dates will be determined for eligible crop insurance contracts as follows:

- (i) For an eligible crop insurance contract associated with an agricultural commodity with a fixed sales closing date, (including those with multi-year Written Agreements after the initial year), the Type 9 record must be accepted by PASS by the weekly transaction cutoff date for the week including the 30<sup>th</sup> calendar day after the sales closing date.
- (ii) For eligible crop insurance contracts with extended sales periods (i.e., sales are permitted beyond the sales closing date shown in the special provisions), the transaction cutoff dates for the designation of policies to the Assigned Risk funds are:
  - (A) For new policies, the later of the transaction cutoff date for the week containing the 30<sup>th</sup> calendar day after the eligible producer signature date or the transaction cutoff date for the week containing the 30<sup>th</sup> calendar day after the sales closing date.
  - (B) For carryover policies, the transaction cutoff date for the week containing the 30<sup>th</sup> calendar day after the sales closing date.
- (iii) For written agreements requiring annual FCIC approval or for the initial year of an eligible crop insurance contract associated with a written agreement only, (excluding Written Agreement types GP, HR, NL, SP, UA), the Type 9 record must be accepted by PASS by the weekly transaction cutoff date for the week including the 30<sup>th</sup> calendar day after the RMA written agreement approval date (Print Date.)
- (iv) If the actuarial documents or ADM have more than one sales closing date for the eligible crop insurance contract, the earliest SCD will be used to determine the fund designation cutoff date, unless the type or practice is reported to indicate the specific SCD.
  - (A) For crops in counties with both Fall and Spring Sales Closing Dates, if the fall crop is not planted and a zero acreage record is accepted for the fall crop, the fund designation for the spring crop may be changed up to the transaction cutoff date for fund designation for the spring crop.
- (v) If an “Added-county” block is used on applications and/or contract change forms in accordance with the Document and Supplemental Standards and Crop Insurance Handbooks, they may timely indicate the primary (designated) county for fund designation by entering the appropriate field value in the multi-added-county flag field for the location state, policy

## 11 PASS Submission Requirements (Continued)

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### A. PASS Submission (continued)

number, crop year and crop code. The primary county for fund designation does not have to match the primary county used for the additional county provisions on the “insurance in force” record (Type 14.)

- (A) Subsequent counties established under the “Added-county” procedure and transmitted to PASS after the fund designation deadlines, must be placed in the same fund as the primary (designated) county. Subsequent counties are indicated by placing the appropriate value in the Added-county flag field.
  - (B) Only category B crops (excluding Forage Production) qualify for added-county.
  - (C) Subsequent counties can be added after Fund designation cutoff if an insured does not have an interest in any other crop in the added county.
  - (D) Companies must also identify the primary (designated) county policy key (location state/county, AIP number, policy number, crop year, crop code and type code) in the added-county reference policy key fields.
- (vi) High Risk Ground, or specialty types of soybeans and barley may be excluded from a revenue plan of insurance and insured under a yield based plan of insurance. Fund designations for policies excluded from a revenue plan of insurance may be different than the primary/revenue plan fund designation.
  - (vii) When RMA approves alternate crops, the Type 9 record must be accepted by PASS by the weekly transaction cutoff date for the week including the 60<sup>th</sup> calendar date after the RMA approval date.
- (b) AIPs are to notify their DQB representative via e-mail immediately of any problems or issues that may impact previously accepted eligible crop insurance contract data, or which prevents timely acceptance of data.
  - (c) Livestock price insurance contracts accepted must be designated to the Private Market Fund within two Federal business days of the acceptance date of the contract by FCIC.

## 11 PASS Submission Requirements (Continued)

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### A. PASS Submission (continued)

#### (13) Determination of LRR Transaction Cutoff Date

- (a) Beginning in RY 2020, Exhibit 101-1 will contains three separate reporting dates: Fund Designation Cutoff Dates, Late Reporting Dates on Information required by Section IV(b), paragraph (6)(A) of the SRA (i.e., P14), and Late Reporting Dates on Information required by Section IV(b), paragraph (6)(B) of the SRA (i.e., P15). For purposes of Appendix III, information required by Section IV(b), paragraph (6)(A) of the SRA will be referred to as Late Sales Reported (LSR) and SRA information required by Section IV(b), paragraph (6)(B) will be referred to as Late Production Reported (LPR). As a part of Exhibit 101-1 for Fund Cutoff Dates and LSR Dates, a modified Sales Closing Date is included to accommodate sales closing dates falling on a non-business day. PASS uses sales closing date and modified sales closing date, when applicable. To calculate LSR and determine fund cutoff dates, PASS will use production reporting dated to calculate LPR.
  - (i) LSR – The Type 10 and 14 records identify data elements required for timely reporting of an eligible crop insurance contract. The late change date field will reflect the date of the batch where one or more of these elements were changed. If the company resubmits the 14 records back to the data elements reported by the lockdown date, PASS will reverse the reduction to the lockdown reduction percentage. This reversion only applies to the Price Election, Coverage level and/or Price Indicator. The company may request a manual change to a data element locked down by the PASS system in error by submitting an item to the CRM Issues Log with the requested data change and all documentation to support their request. The Data Quality representative will review and research the request and provide the facts to the Data Quality Branch Chief who will review the request and documentation and make a recommendation. The recommendation will be sent to the Director of the Reinsurance Services Division who will approve or deny the data change request.
  - (ii) LPR – The Type 15 records identify data elements required for timely reporting of an eligible crop insurance contract. The LRR Percent field is the reduction percent for the difference of the production reporting date against production received date.
- (b) The LRR transaction cutoff date will be determined for eligible crop insurance contracts in accordance with the SRA, except for those eligible crop insurance contracts meeting the following conditions:
  - (i) RMA approved written agreements excluded from LRR cutoff determination under Section IV(b)(6) of the SRA

## 11 PASS Submission Requirements (Continued)

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### A. PASS Submission (continued)

High-Rate Area	(HR)
Acreage not harvested or planted in prev. year	(NB)
Listing Reconsideration for Tobacco 2005	(TL)
Small Grains Interplanted	(SG)
Seed Potato acreage > 12%	(SP)
Written Unit Agreements	(UA)
Unrated Land	(UC)

#### (ii) Additional County Application

If the eligible crop insurance contract was sold under the additional county provision, any subsequent counties will be accepted with the same LRR determination as the designated primary county contract.

#### (iii) Multiple Sales Closing Dates

If the eligible crop insurance contract has more than one sales closing date for the eligible crop insurance contract, the earliest SCD will be used to determine the LRR transaction cutoff date, unless the type or practice is reported to indicate the specific SCD.

### B. CIMS SUBMISSION

- (1) Companies may request insured producer data from CIMS. Before CIMS will return any data to an AIP for a requested insurance policy, the producer's policy must have been previously accepted by RMA and loaded into the CIMS database.
- (2) AIPs may request CIMS information by submission of a CIMS Request, Type 05 Record. The request record will contain fields for the RMA policy key and the FSA administrative state and county (if needed) and will be used to retrieve FSA producer and/or crop acreage information.

### C. CIMS SUBMISSION (continued)

Producer Information returns the following:

- Name Record
- Address Record
- Phone Record
- E-mail Record
- Program Record

Crop Acreage Information returns the following:

- Acreage Summary Record
- Acreage Detail Record
- Producer Sharing Records

The tax id(s) accepted for the policy and the state and county are used to match to the FSA information. There may be cases where the request must be made based on the FSA administrative state and county. In these situations, the AIP will submit the FSA administrative state and county on the request record and the process will use these values and not the RMA location state and county. If the AIP request indicates that a statewide application exists, the returned acreage information will be based on the RMA location state matching to the FSA location state or matching to the FSA administrative state if the FSA administrative state is submitted with the request.

- (3) The AIP will be able to request information for insurance policy. The following are the different AIP Batch Type requests:
  - (a) Request Type P (Primary Insured Information Request):
    - (i) Primary Insured Producer Information.
    - (ii) Reported Spousal Only SBI Producer Information.
    - (iii) No information returned on Non-Spousal SBIs.
    - (iv) Primary records are identified with PRI, Spousal records are identified with SP1, SP2, etc.
  - (b) Request Type S (Primary Insured and Reported SBI Producer Information Request):
    - (i) Primary Insured Producer Information.
    - (ii) Reported SBI's Producer Information (All SBIs including Spousal).
    - (iii) Primary records are identified with PRI, Spousal records are identified with SP1, SP2, etc, and Non-Spousal SBI records are identified with SBI.

**C. CIMS SUBMISSION (continued)**

- (c) Request Type B (Producer and Acreage for Primary Insured Producer Request):
  - (i) Primary Insured Producer Information.
  - (ii) Primary Insured Acreage Information (Request Year and Prior Year).
  - (iii) SBI Spousal Producer Information.
  - (iv) SBI Spousal Acreage Information (Request Year and Prior Year).
  - (v) No information returned on Non-Spousal SBIs.
  - (vi) Primary records are identified with PRI, Spousal records are identified with SP1, SP2, etc,
  
- (d) Request Type A (Acreage Only for Primary Insured Producer Request):
  - (i) Primary Insured Acreage Information (Request Year and Prior Year).
  - (ii) SBI Spousal Acreage Information (Request Year and Prior Year).
  - (iii) No information returned on Non-Spousal SBIs.
  - (iv) Primary records are identified with PRI, Spousal records are identified with SP1, SP2, etc,
  
- (e) Request Type C (Current Year Acreage Only for Primary Insured Producer Request):
  - (i) Primary Insured Acreage Information (Request Year).
  - (ii) SBI Spousal Acreage Information (Request Year).
  - (iii) No information returned on Non-Spousal SBIs.
  - (iv) Primary records are identified with PRI, Spousal records are identified with SP1, SP2, etc,
  
- (f) Request Type H (5 Year Historical Acreage Only for Primary Insured Producer Request):
  - (i) Primary Insured Acreage Information (Request Year and 4 Previous Years).
  - (ii) SBI Spousal Acreage Information (Request Year and 4 Previous Years).
  - (iii) No information returned on Non-Spousal SBIs.
  - (iv) Primary records are identified with PRI, Spousal records are identified with SP1, SP2, etc,
  
- (g) Request Type E (Producer and Acreage (request year and all prior years) for Primary Insured Producer):
  - (i) Primary Insured Producer Information.
  - (ii) Primary Insured Acreage Information (Request Year and All Previous Years).
  - (iii) Reported Spousal SBI's Producer Information.
  - (iv) SBI Spousal Acreage Information (Request Year and All Previous Years).
  - (v) No information returned on Non-Spousal SBIs.

## **11 PASS Submission Requirements (Continued)**

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### **C. CIMS SUBMISSION (continued)**

- (vi) Primary records are identified with PRI, Spousal records are identified with SP1, SP2, etc, and Non-Spousal SBI records are identified with SBI.
- (h) Request Type T (Producer and Acreage (request year and all prior years) for Primary Insured and Reported SBIs Request):
  - (i) Primary Insured Producer Information.
  - (ii) Non-Spousal Producer Information.
  - (iii) Spousal Producer Information.
  - (iv) Primary Insured Acreage Information (Request Year and All Previous Years).
  - (v) Non-Spousal Acreage Information (Request Year and All Previous Years).
  - (vi) Spousal Insured Acreage Information (Request Year and All Previous Years).
  - (vii) Primary records are identified with PRI, Spousal records are identified with SP1, SP2, etc, and Non-Spousal SBI records are identified with SBI.

## **12 Telecommunications**

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### **A. PASS Telecommunication Processing**

- (1) Electronic transmission is mandatory for submission of data and dissemination of reports. Electronic transmission provides faster processing turnaround, and more automated processing of data submissions and report handling. This method of processing allows RMA to direct its resources to error resolution and AIP processing support functions.
- (2) RMA's Insurance Provider Server (IP Server) is a system designed to provide data transmission services for all AIPs and associated organizations which report to RMA. In addition to this, the IP Server also supports connections to RMA's system. Each AIP is responsible for obtaining telecommunications services from any common carrier of their choosing. The IP Server supports VPN and Dial-up connections to the IP Server.
- (3) All AIPs will need to complete security form FCIC-586 before a connection ID can be provided. Once that ID is provided, connection details are as follows:

**12 Telecommunications (Continued)**

**A. PASS Telecommunication Processing (continued)**

<b>Dial-Up –</b> Connectivity can be achieved using	ITU V.90 industry standard modem speeds up to 56 KBPS
	Modems should be configured with no parity, 8 data bits, 1 stop bit and full duplex.
<b>VPN Connections – 2 Available Options</b>	
Fortinet SSL VPN Client	Client workstations use FortiClient SSL VPN client which is a free download from the Internet. RMA will provide connectivity documentation for the initial setup and connection. Technical support on the client’s side will be the responsibility of the AIP.
	A permanent connection to the public internet is Required

<b>VPN Connections (cont.)</b>	
Site to Site VPN Connection	An industry standard firewall capable of a Site to Site VPN Tunnel over the public Internet. Technical support on the client’s side will be the responsibility of the AIP.
	RMA will support the following IPSec properties:  Encryption algorithm = <b>3DES</b> Data Integrity = <b>SHA1</b> Authentication = <b>Pre-shared Secret (Minimum 10 digits. Alpha-numeric + special character)</b> Diffie-Hellman Group = <b>2 (1024 bit)</b> DO NOT support Aggressive Mode DO support Subnets DO use perfect forward secrecy Re-negotiate IPSec SA <b>every 3600 seconds</b> Transform = Encryption + Data Integrity = <b>ESP</b>

## 12 Telecommunications (Continued)

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### A. PASS Telecommunication Processing (continued)

- (4) The IP Server can be reached at 1-800-847-3834. This is a toll-free call available from anywhere in the continental United States. It currently operates forty-six (46) on ISDN-PRI (Digital) service configured as one access group. Any AIP who chooses may establish a dedicated access to the IP Server via the above mentioned Site to Site VPN connection. Those AIPs who wish to have dedicated access would be required to provide the compatible equipment as listed above. AIPs considering a dedicated connection to the IP Server should contact the System Administration Section before making any purchases.
- (5) Except for the maintenance periods, AIP may initiate the transmission at the AIP's discretion during operational hours. This could include multiple daily submissions.
- (6) RMA will retain the option to stop automatic edit processing, at its discretion. AIPs will still be allowed to continue transmitting data, although it is not immediately processed through the PASS. A temporary stop in automatic edit processing should only occur in case of a PASS processing problem, maintenance, or when the timing of edit revisions must coincide with a particular point in time of the submission cycle. In the event that automatic edit processing is stopped for more than one hour, the AIPs will be notified when processing has resumed. All submissions sent during this period will be processed separately in the order they are received.

### B. PASS Report Handling

All reports, error listings and operations reports will be made available to the AIP for downloading via the Web Server.

## 13 Processing Considerations

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### A. PASS Processing considerations

- (1) RMA will maintain Policy Databases which contain the current net cumulative effect of all transactions for an eligible crop insurance contract and required supporting data. An eligible crop insurance contract is identified in the policy database, based on the following fields, AIP, Location State, Policy number and Crop Year. Partial and Complete data submissions are supported by PASS. All accepted data for the complete data submissions will replace previously accepted data on a policy level. Accepted data for partial data submissions initiates the "downhill delete" process. All records within the same group and those below are deleted on the policy. Downhill delete marks all downhill records as deleted in the PASS database

### 13 Processing Considerations (Continued)

#### A. PASS Processing considerations (continued)

- (2) RMA Internal use only and Filler record type fields will be initialized by RMA. AIP transmitted data will be replaced with appropriate default value and may be overlaid with RMA Internal values.
- (3) PASS Records will be available for the current RY Production on the following dates:
- 6/1 – P10, P10A, P10B, P48, P54, P55, P55A, P55B, P75, P75A
  - 7/1 – P09, P14, P16, P17, P18, P29, P49, P51, P57, P57A
  - 8/1 – P35, P35A, P35B, P35C
  - 8/2 – P15, P15A
  - 9/1 – P11, P11A, P12, P27, P27A
  - 9/30 – P24, P25
  - 10/1 – P13, P19, P19A, P19B, P20, P20A, P21, P21A, P26, P28, P56, P58
  - 12/1 – P22, P23, P23A
  - 2/11 – P70

ROE, “R” Records can be submitted at the same time as their associated PASS Records; Ineligible, “I” Records can be submitted anytime.

- (4) Acceptable record types and specific handling considerations for PASS are as follows:

Type 5 Record CIMS Request	Type 5 records are used to request insured producer data from CIMS. Type 5 records are not processed by PASS. The Type 5 record will be used to retrieve approved FSA producer and/or crop acreage information from the CIMS. The Type 5 records will be transferred from the secured IP Server to the CIMS for processing. The request information, along with the original request record and status codes outlining success/failure in the process, will be placed on the IP server returned to an AIP. The AIP may then extract the CIMS information from the secured IP server.
Type 9 Record Fund Designation	Timely acceptance of the Type 9 record is required to establish the eligible crop insurance contract into the Assigned Risk Fund. Any eligible crop insurance contract not designated by the AIP to the Assigned Risk Fund will be automatically designated to the Commercial Fund. If an eligible crop insurance contract was established into the Assigned Risk Fund, the policy can be automatically established in the Commercial fund by deleting the Assigned Risk Fund designation before the Fund Designation transaction cutoff date for the eligible crop insurance contract. If a Type 9 Assigned Risk record is not accepted for an eligible crop insurance contract, it will be designated as commercial. The type code and practice code may be required for crops with more than one sales closing date to determine fund designation based on the sales closing date. Type 9 records are submitted for the eligible crop insurance contract on location state and location county basis. Once a record has been accepted it does not need to be resubmitted

**13 Processing Considerations (Continued)**

**A. PASS Processing considerations (continued)**

<p>Type 9 Record Fund Designation (cont)</p>	<p>RMA may accept fund designations records after the ADM Records have been released for the crop. Refer to Fund Designation Guidelines in Exhibit 9-1.</p>
<p>Type 10 Record, 10A, 10B Policy Records</p>	<p>Type 10 records are used to establish a policy and provide information regarding the policyholder and entities with a SBI, Spouse, Landlord and Transfer of right to indemnity.</p> <p>For the 2017 and subsequent Reinsurance Years, the Approved Insurance Providers (AIPs) will be required to utilize the Internal Revenue Service (IRS) e-Services Taxpayer Identification Number (TIN) matching applications to verify the TIN for all new or transferred insurance policies. IRS e-Services users must register to have access to web-based products that include TIN Matching applications. To register for IRS e-Services, the AIP must visit the IRS e-Services at the following link: <a href="https://www.irs.gov/tax-professionals/taxpayer-identification-number-tin-matching">https://www.irs.gov/tax-professionals/taxpayer-identification-number-tin-matching</a> and follow the directions on the website. The TIN Matching system is accessible 24 hours a day, 7 days a week. Support services include an on-line tutorial to assist customers with the registration, application, and TIN Matching process. IRS e-Services customer assistance is available toll-free at 1-866-255-0654, 7:30 a.m. to 7:00 p.m., EST, Monday through Friday.</p> <p>The Type 10 record identifies the data elements required for the timely reporting of an eligible crop insurance contract.</p> <p>The PASS requires a Type 10 and 10A record. This is the “primary” insured and establishes the contract within the system. If a Type 10 is not submitted, then all records for the contract will be rejected. PASS will allow a Type 10 record for each crop year covered under the policy number. All Type 10B records are considered a Spouse, SBI, Landlord or Transfer of right to indemnity entities with a SBI in the farming operations of the primary insured. P10B Other Person SBI records are required for the determination of the timely reporting of an eligible crop insurance contract. If any Type 10 record is rejected, then all records for the contract will be rejected. SBI record requirement is based on the entity type on the primary Type 10 record (See Exhibit 10-1).</p> <p>A Type 49 Delete record will remove the policy and all records for the policy from RMA’s Databases and Duplicate files.</p>

**13 Processing Considerations (Continued)**

**A. PASS Processing considerations (continued)**

<p>Type 11, 11A Records Acreage, Acreage Commodity</p>	<p>Type 11 records are used to establish premium and liability for each acreage line.</p> <p>A Type 11 record will not be accepted until corresponding Type 10, Type 14, Type 15 (if required - See Exhibit 15-4), and Type 27 records have been accepted by the PASS. A Type 11 non premium acreage record must be submitted for zero acres, uninsured acres, no history acres (no APH records) and units not planted on the eligible crop insurance contract. To modify data previously accepted, all current and valid records for the policy must be resubmitted. A Type 11 record will not be accepted until after the monthly cutoff preceding the date insurance attaches for the insured commodity.</p> <p>A 11A records:</p> <ul style="list-style-type: none"> <li>• AIP Policy Producer Key must match the parent primary Policy Producer, "P10" record.</li> <li>• One and only one of the Annual Forage P11s must contain an 11A for every share and subcounty code you have.</li> <li>• Sum of insured acres on P11A's must equal total insured acres on P11 it is tied to.</li> <li>• Planted Date is required on each P11A.</li> </ul>
<p>Type 12 Record Payment</p>	<p>Type 12 records are used to record/report payments by producers for each eligible crop insurance contract. Only one Type 12 record per payment type code will be accepted for the contract. Type 12 transactions may be removed by resubmitting all applicable records for the crop insurance contract or via the Type 49 delete record with the exception of payment type '02' or '03'.</p> <p>When reporting CAT fee payments (either money or loss credit) using the Type 12 record, use the payment type "02". A CAT fee receivable must exist before a CAT fee payment is accepted, and the paid amount for CAT fees cannot exceed the total receivable amount reported on the Type 65 record. The paid amount for CAT fees is cumulative. The paid date also must be greater than the debt delinquency date reported on the Type 65 record. Error conditions will occur for any of the following: duplicate Type 12 records, a paid date less than or equal to the debt delinquency date, no match to a receivable, and a paid amount with a \$0 value.</p> <p>When reporting CAT fee payment reversals using the Type 12 record, use the payment type "03". The paid amount for reversals must equal the paid amount reported using payment type "02". The paid date must be the same as the paid date reported on the payment type "02".</p>

## 13 Processing Considerations (Continued)

### A. PASS Processing considerations (continued)

<p>Type 12 Record Payment (cont.)</p>	<p>The “03” payment type code is the only way to reverse a CAT fee payment. Error conditions will occur for any of the following: duplicate Type 12 records, and the paid amount and/or paid date do not match the previous “02” payment.</p> <p>The Type 49 delete record cannot be used to remove a CAT fee payment. Only the “03” payment type can be used to remove a CAT fee payment.</p> <p>When reporting state subsidy use payment type code “04”, when applicable.</p> <p>When reporting Financial Assistance Program use payment type code “06”, when applicable.</p> <p>Do not report State Subsidy or PCCP on the P12 records.</p>
<p>Type 13 Record Inventory Value Record</p>	<p>Type 13 records are used to establish premium and insurance values for Nursery (0073), Nursery (1010), and Aquaculture (0116). A Type 13 record will not be accepted until corresponding Type 10 and Type 14 records have been accepted. In addition, a Type 13 record for Aquaculture (Clams) will not be accepted until corresponding Type 27 has been accepted. A Type 13 record will not be accepted until after the monthly cutoff preceding the date insurance attaches for the insured commodity.</p>
<p>Type 14 Record Insurance In Force Record</p>	<p>The Type 14 record establishes the crop, county, plan code and reports the eligible crop insurance contract data determined at Sales Closing. The Type 14 record identifies the data elements required for timely reporting of eligible crop insurance contracts. The type code and practice code may be required for crops with more than one sales closing date to determine eligibility based on the sales closing date. Refer to Exhibit 14-1. To avoid incurring LSR, an Insurance In Force, "P14" with the following elements must be accepted before the Late Sales Date noted in Exhibit 101-1: AIP Code, Location State Code, Policy Number, Commodity Code, Commodity Year, Insurance Plan Code, Location County Code, Coverage Type Code, Late Reported Reason Code, Dual Coverage Flag, Contract Carryover Flag, Coverage Level Percent, Price Election Percent, Insurance Option Code and Price Indicator Code. Refer to Exhibit 14-3 for Insurance Option Code edits.</p> <p>For Policy Transfer see Part 13. E</p>

### 13 Processing Considerations (Continued)

#### A. PASS Processing considerations (continued)

<p>Type 15, 15A Records Yield Yield History</p>	<p>The Type 15 records are used to record/report APH yield information for designated crops. To avoid LPR, a Yield Record “P15” must be accepted before the Late Production Date noted in Exhibit 101-1.</p> <p>A warning message will be issued to companies when the yield year is less than 1970.</p> <p>If a Type 15 record(s) is rejected, the corresponding Type 11 record will be rejected.</p> <p>A Yield "P15" record, must be accepted before a Yield History "P15A" record, will be accepted.</p> <p>Type 15 and 15A records must be submitted for all crops insured the prior year.</p> <p>AIPs must transmit all active APH databases to RMA, regardless of whether such APH databases have acreage attached (CIH Part 17, Section 1, Paragraph 1701). When MY is elected, all APH databases, individual and MY summary APH databases, must be transmitted to RMA (CIH Part 17, Section 7, Paragraph 1747).</p>
<p>Type 16, 24 Records Livestock Gross Margin</p>	<p>The Type 16 record is the collection of liability, premium, coverage level, share, and price for Livestock Gross Margin. The Type 16 record Establishes Insurance Period coverage and will be used to establish information about the insurance period and declared coverage options. A Type 16 record is in effect only if it has been accepted error free in PASS before Noon Central the business day after the Sales Effective Date /Sales Closing Date. The Type 16 record will not be accepted until a corresponding Type 10 and Type 14 records are accepted in PASS. The Type 24 record is the collection of indemnity information for Livestock Gross Margin.</p>
<p>Type 17, 25 Records Livestock Risk Protection</p>	<p>The Type 17 record is the collection of liability, premium, coverage level, share, and price for Livestock Risk Protection. The Type 17 record Establishes the endorsement coverage and will be used to establish information about the endorsement and coverage options. A Type 17 record is in effect only if it has been accepted error free in PASS before Noon Central the business day after the Sales Effective Date /Sales Closing Date. The Type 17 record will not be accepted until a corresponding Type 10 and Type 14 records are accepted in PASS. The Type 25 record is the collection of indemnity information for Livestock Risk Protection.</p>

## 13 Processing Considerations (Continued)

### A. PASS Processing considerations (continued)

Type 18, 28 and 29 Records Dairy Revenue Protection (DRP)	The Type 18 record is the collection of liability, premium, coverage level, share, and price for Dairy Revenue protection. The Type 18 record Establishes Quarterly Insurance Period coverage and will be used to establish information about the quarterly insurance period and declared coverage options. Single Type 18 records for each Quarterly Coverage Endorsement written but there can be multiple Type 18 records in effect for the same quarter. A Type 18 record is in effect only if it has been accepted error free in PASS before Noon Central the business day after the Sales Effective Date /Sales Closing Date. The Type 18 record will not be accepted until a corresponding Type 10 and Type 14 records are accepted in PASS. The Type 29 record is the DRP Coverage Inquiry. It will be submitted to RMA and will return the Total Producer Declared Production (Type 18 record Field 28) from ALL AIPs based on the policyholder and the Quarter matching the request. This inquiry will provide each AIP the additional information needed to determine the covered milk production and calculate their respective indemnities based on the milk marketing records provided by the insured. The Type 28 record is the collection of indemnity information for Dairy Revenue Protection.
Type 19, 19A and 19B Records WFRP Farm Reports	Type 19 record is used to establish premium and liability for the WFRP Farm report. A Type 19 record will not be accepted until corresponding Type 10 and Type 14, records have been accepted by the PASS. Type 19A provides additional information to support the P19. Type 19B record provides additional information to support P19 field “MPCI Liability Amount”.
Type 20, 20A Type 21, Type 22 and Type23/Type23A Records	The Type 21, 22 and 23 Records establish the loss amounts for a given eligible crop insurance contract and the Type 20 Record identifies the application or disbursement of loss payments.

## 13 Processing Considerations (Continued)

### A. PASS Processing considerations (continued)

<p>Loss Total Loss Line Record Inventory Loss Record (Nursery, 0073 &amp; 1010, and Aquaculture) WFRP Indemnity Record</p>	<p>AIPs must transmit denied claim records to RMA with all applicable fields recorded for any claim for indemnity inspected by a loss adjuster and denied by the AIP thus resulting in no indemnity payment.</p> <p>PASS will not automatically accept loss records if the price, coverage level, or market price indicators are accepted or modified after the notice of loss, producer signature date or loss adjuster signature date on the loss records.</p> <p>Type 20 records are linked by Claim Number to corresponding Type 21/22/23 records. Therefore, all Type 20 and 21/22/23 records for an eligible crop insurance contract from the transaction file will replace all Type 20 and 21/22/23 records for the eligible crop insurance contract on the Policy database.</p> <p>If a Type 20, 21, 22 or 23 record is rejected, all Type 20, 21, 22 and 23 records for the Claim Number will be rejected. If a Type 11, 13, or 19 record is rejected, the corresponding Type 21/22/23 records for the crop are rejected, also all other Type 21/22/23 records for the Claim Number(s) of the rejected crop, along with all applicable Type 20 records for the Claim Numbers of the rejected Type 21/22/23s.</p> <p>Optional: An AIP can submit Type 20 losses with loss total code of 'D', Unfunded Escrow, to ensure records clear PASS edits before sending an 'E', Escrow Funded. All loss total codes from the Type 20 will need to be sent every time because the sum of the loss totals should equal the indemnity amount on the Type 21/22/23 records.</p>
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**13 Processing Considerations (Continued)**

**A. PASS Processing considerations (continued)**

<p>Loss Total Loss Line Record Inventory Loss Record (Nursery, 0073 &amp; 1010, and Aquaculture) WFRP Indemnity Record (cont.)</p>	<p>Type 20, 21 and 22 Processing: The Type 20 record is submitted in support of the Payable element in the Type 21, 22 or 23 record. Type 20A records identify the breakdown of the indemnity amount:</p> <p>premium on the policy for current year with the loss (M),</p> <p>premium on another policy for current year (P),</p> <p>administrative fees (F),</p> <p>other (O), and</p> <p>recovery of a prior or subsequent reinsurance year premium or loss (R)</p> <p>The total of any loss application code must be greater than zero.</p> <p>One Type 21/22/23 record is submitted for each loss line. More than one Type 20 record may be submitted, if needed, to support the 21/22/23 record(s).</p>
<p>Type 26 Record Production Reporting</p>	<p>The Type 26 allows RMA to capture production information being reported by the producer at a lower level than the APH database, which is required to be established on a county/crop/unit/practice/type, and attach the production to a specific land location, such as CLU.</p> <p>Each AIP must report 100% of the AIP Yield Keys from the Type 11 and 100% of the AIP Acreage Keys with no corresponding AIP Yield Key from the P11 for insurance plans 01, 02, 03, 47, 90 (excluding records with the Downed Commodity Endorsement for Rice, Cotton Seed Endorsement, MP and STAX endorsements and zero planted acreage) on the Type 26 by 31 days past the Same Year Production Reporting Date for contract change dates 6/30/2022 and forward. <b>Pecan revenue or crops that have a lag in production reporting are not subject to this requirement.</b></p>

## 13 Processing Considerations (Continued)

### A. PASS Processing considerations (continued)

Type 27, 27A Records Land ID	<p>Insurance Services Informational Memorandum IS-12-002 is superseded by the inclusion of this directive for the 2017 and subsequent reinsurance years:</p> <ol style="list-style-type: none"><li>1. Each AIP must report 100% of the total acreage for insurance plans 01, 02, 03, 04, 05, and 06 by CLU (or equivalent, e.g. RLU) on the Type 27 with the submission of the Type 11. When RMA procedure (e.g. WAH for written agreements) requires the FN/Tract/Field to be reported, PASS will reject acreage not reported by CLU.</li><li>2. Each AIP must report 60% of the total acreage for all other insurance plans by CLU (or equivalent) on the Type 27 by the accounting cutoff date in November 2023 an acre for PRF will only be counted once, regardless of whether that same acre is insured in multiple intervals. Acreage for prevented planting will credit towards the requirement.</li></ol>
Type 48 Records Delete Records	<p>This record deletes the following record types: P51, P54, P55, P56, P57, and P58. Note: The P57A is a downstream record and will also be deleted when the P57 is deleted.</p>
Type 49 Records Delete Records	<p>The Type 49 Records are used to remove all records for the eligible crop insurance contract from the data base(s) and the Dup process. Only one Type 49 Record will be processed per eligible crop insurance contract from the transaction file. Subsequent Type 49 Records for the same eligible crop insurance contract will be rejected.</p> <p>Type P49 records will be processed before the first Policy Producer, "P10" record set is processed for the batch.</p>

## 13 Processing Considerations (Continued)

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### A. PASS Processing considerations (continued)

<p>Type 51 Records Conflict of Interest Policy Reporting Record</p>	<p>Type 51 record is a record to report a COI respondent’s potential conflict with a policy.</p> <p>Type 51 records are processed by the AIP for each policy and acceptance of this record is dependent upon acceptance of corresponding 54 or 55 or 56 records.</p> <p>Each record must provide a response identifying a 54 Company Employee, 55 Agent or 56 Loss Adjustor.</p> <p>All Conflict of Interest questions are required to have an entry. The information must be for the crop year of the crops reported under the policy.</p> <p>All Type 51 records reported in a batch will replace all previously reported Type 51 records. The Type 49 delete record has no impact on this Type 51 record.</p>
<p>Type 54 Records Agency/Company Employee Data</p>	<p>Type 54 is a record for Agency/Company employee data.</p> <p>Type 54 records require a tax identification number for all records. This record also includes Conflict of Interest (COI) question responses.</p> <p>Type 54 records must be reported for any Company Employee who was required to complete a COI questionnaire under MGR-08-001 when their response to COI question #1 or #2 was “Yes”.</p> <p>A 54 record must be accepted for the AIP and Company Employee ID before a corresponding 51 record will be accepted. All 54 records completely replace any previously submitted 54 records. Type 54 records will not appear in the Policyholder Tracking System.</p>

## 13 Processing Considerations (Continued)

### A. PASS Processing considerations (continued)

<p>Type 55, 55A, 55B Record Agent Data</p>	<p>The Type 55 Records are used to record/report agent information.</p> <p>Record 55 includes fields related to Conflict of Interest Questionnaire (COI) on the Type 51 record. The Type 55 record must be accepted for the AIP and Agent ID before 51 records will be accepted.</p> <p>Record 55 includes Race, Ethnicity, and Gender (REG) Disclosure Statements that must be completed for every P55 record submitted.</p> <p>Type 55 records may be processed independently or with all other PASS records. This data will be collected by AIP and will be stored in order to identify agents, provide agent counts for AIP, and facilitate the creation of the Agent Location Directory. The agent records on the database are maintained by the AIPs. The acceptance of Type 11, 13 and 14 acreage records is dependent on acceptance of a valid agent SSN on a Type 55 record.</p> <p>Multiple records can be submitted for each county serviced by the agent to be used to facilitate access to the active agents and alternative language agents available in the Agent Location Directory. RMA provides agent information to sell crop insurance or livestock insurance as a service to our customers.</p> <p>The Agent Location Directory will not display information for Inactive or Unlisted agents.</p> <p>Each submission must include the AIP's cumulative agent file for the reinsurance year in its entirety. AIPs are to only report licensed and/or certified agents who are actively participating in the delivery of FCIC approved products. The accepted agent records from each submission will replace all previously submitted agent records. Records will be rejected if the individual agent is currently disbarred or suspended.</p> <p>55A Insurance Agent Agency identifies the Agency for an Agent.</p> <p>55B Insurance Agent Servicing State identifies servicing area for agent locator.</p>
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## 13 Processing Considerations (Continued)

### A. PASS Processing considerations (continued)

<p>Type 56 Record Loss Adjuster Data</p>	<p>The Type 56 Record is used to record/report loss adjuster information.</p> <p>Record 56 includes fields related to Conflict of Interest Questionnaire (COI) on the Type 51 record. The Type 56 record must be accepted for the AIP and Adjuster ID before the Type 51 records will be accepted.</p> <p>Record 56 includes Race, Ethnicity, and Gender (REG) Disclosure Statements that must be completed for every P56 record submitted.</p> <p>Type 56 records may be processed independently or with all other PASS records. This data will be collected by AIP and will be stored in order to identify loss adjusters, provide loss adjuster counts and facilitate compliance analysis. Each submission must include the AIP's cumulative adjuster file for the reinsurance year in its entirety. The accepted adjuster records from each submission will replace all previously submitted adjuster records. The acceptance of Type 21 and 22 loss records is dependent on acceptance of a valid loss adjuster SSN on a Type 56 record. Records will be rejected if the individual adjuster is currently disbarred or suspended.</p>
<p>Type 57, 57A Record Quality Control Reporting</p>	<p>Type 57 and Type 57A reporting is required for all Appendix IV reviews, including all Data Mining Reviews designated as required by RMA (required review). Review the Center for Agribusiness Excellence (CAE) Hyper Dynamic Reporting Application (HyDRA) Quality Control Reporting Requirements list and HyDRA report cover memos for additional details. Type 57 and Type 57A reporting is optional for Data Mining reports provided for optional use by AIPs.</p>

## 13 Processing Considerations (Continued)

### A. PASS Processing considerations (continued)

Type 57, 57A Record Quality Control Reporting (cont.)	<p>Type 57A records provide detailed information concerning the source of the error, the monetary impact of the error, and/or the specific insurance records altered to correct the error. <b>Regardless of monetary impact, a Type 57A record is required to be reported for any crop policy correction made because of either an Appendix IV review or a required review.</b></p> <p>A Type 57 record must be reported within 20 business days of completing each review required to be performed by Appendix IV.</p> <p>Acceptance of the Type 57 record is dependent upon acceptance of the Type 14 record, even if that Type 14 record has since been deleted.</p> <p>Acceptance of a Type 57A record is dependent upon acceptance of the parent Type 57 record. The Type 57 and Type 57A records must be accepted in the same batch. <b>When a Type 10 or Type 10B record is corrected because of an Appendix IV review or a required review, a Type 57 record must be reported for any single Type 14 record on the Eligible Crop Insurance Contract (ECIC).</b></p> <p><b>For all other record corrections, a type 57 record is required only for the P14 to which a correction was made or the P14 associated with a corrected “downstream” record (i.e. The P14 itself, a P15 linked to that P14, the P11 linked to that P14, the P21 linked to that P11, etc.).</b></p> <p>A Type 57A is only required for the specific record(s) that had changes as a result of the <b>Appendix IV review or a required</b> review, and not for each of the “cascading” changes that occur on the eligible crop insurance contract as a result of the record changes specifically made for the review. For example, on a QC Review of prior APH history where one annual yield was changed on the Type 15A, only report a single Type 57A for that Type 15A; do not report Type 57A records for subsequent changes to the Type 15, Type 11, or Type 21 records as a result of making that change to the Type 15A.</p> <p>Spot Check List reviews require a Type 57A record to capture the Growing Season Inspection Code and the Pre-Harvest Inspection Code when concerns are identified. Reporting is not required when no concerns are identified, but an AIP may report such results with a GSI/PHI Inspection Code of NULL.</p>
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## 13 Processing Considerations (Continued)

### A. PASS Processing considerations (continued)

Type 58 Record Notice of Loss Reporting	Type 58 records are be used to provide damage estimates to USDA, and keep RMA apprised of potential losses and occurrences by cause, date, location and type (prevented planting, replant, production loss, other) on a national level. This will be unverified information. Notice of loss records must be submitted within five business days of the date the AIP received the notice of loss for the policy. Multiple Type 58 records must be submitted for a crop/county combination using different record numbers. Timely processed Type 10 and Type 14 records are required before a Type 58 record will be accepted. Type 58 records can be deleted using the Type 48 record.
Type I60, I60A and I60B Ineligible Producer Input Record	<p>Type I60 records are used to submit information regarding a producer's ineligibility status for participation in the crop insurance program.</p> <p>Type I60A records are used to submit the ineligible producer's address.</p> <p>Type I60B records are used to submit the other persons associated to the primary ineligible I60 record.</p> <ol style="list-style-type: none"><li>1. Ineligible records must be submitted in a separate file from all other record types and placed in the IT Input directory that has been established for each transmitting AIP on the IP server. Files are collected and processed throughout the day to validate the data submitted and outputs four types of files to the IT Output directory on the IP server:<ol style="list-style-type: none"><li>a. I90A – Batch Summary Record Counts,</li><li>b. I90B – Batch Summary Rule Counts</li><li>c. I98Z – ITS Unknown Reason and</li><li>d. I99Z – ITS Exception. The accepted transactions are loaded to the Ineligible Tracking System database to initiate the period of ineligibility</li></ol></li></ol>

## 13 Processing Considerations (Continued)

### A. PASS Processing considerations (continued)

Type I60, I60A and I60B Ineligible Producer Input Record (cont.)	2. For the Ineligible Producer records to be accepted, all associated records, I60 Ineligible Producer, I60A Ineligible Producer Address, I60B Ineligible Producer Other Person, and I65 Ineligible Policy CAT Fee Debt, if applicable, must be accepted in the same batch
Type I61 Ineligible Producer Output Record	Type I61 records are generated from the Ineligible Tracking System database and output to the IT Output directory on the IP server for all companies. This file is an accumulation created daily of ALL producers that have been reported as ineligible, their period(s) of ineligibility and their current eligibility status. This also includes persons reported by the Risk Management Agency for suspension/disqualification/debarment.
Type I65 Ineligible Policy CAT Fee Debt Record	Type I65 records are submitted along with Type I60 and I60A (Ineligible Producer) if the debt is all or partially due to unpaid CAT fees.
Type 70 Record	Type 70 records are submitted monthly by AIPs for their SBOB to reflect the current status of the AIP Database.
Type 75, 75A Records Producer Certification	The P75 and P75A records allow RMA to capture Beginning/Veteran Farmer and Rancher application information submitted by AIPs.
Type 81 Record Policy Holder Tracking Experience Inquiry	<p>Type 81 records are output records that are initiated by the setting of the Experience Inquiry flag on the Type 14 record (position 92) for an eligible crop insurance contract.</p> <p>For the current Reinsurance Year the Experience Inquiry flag will serve as a dual- purpose flag. It will be used to identify New Producers, or it will generate Policy Holder Tracking System (PHTS) input files.</p>

**13 Processing Considerations (Continued)**

**A. PASS Processing considerations (continued)**

<p>Type 81 Record Policy Holder Tracking Experience Inquiry (cont.)</p>	<p>New Producer/PHTS –</p> <p>O - New Producer and a one year PHTS</p> <p>P - New Producer and a five year PHTS</p> <p>H - New Producer and a 10 year PHTS</p> <p>M - New Producer and a multi-year PHTS</p> <p>Y - One Year PHTS only</p> <p>F - Five Year PHTS only</p> <p>T - Ten Year PHTS only</p> <p>X - Fourteen Year PHTS only</p> <p>N – New Producer only</p> <p>All of he Policy Holder Tracking System inquiries are based on the ID Number from the associated Type 10 record (position 82) to perform a search against the data to locate all information for the producer for the crop/state/county contained in the requesting 14 record. The data retrieved is imbedded in the “body” of the Type 81 record (positions 21 - 331) in the same field order and format as that specific in the record type. All Type 10, 11, 11A, 13, 14, 15, 17, 18, 19, 19A, 20, 21, 21A, 22, 23, 23A, 26, 27, 28, 29, 57 and 58 records found are returned to the requesting AIP. The Type 14 record that requested the inquiry is imbedded in the Type 81 record when: 1) the value of the Experience Inquiry flag is an invalid value, 2) no prior year records were found for the producer, or 3) when the producer’s prior year insurance was with the requesting AIP. RMA may limit repeated Policy holder tracking requests.</p>
<p>Type 87</p>	<p>The Prioritization Record will move the batch ahead of any other batch that does not include the P87 record within AIP.</p>

**13 Processing Considerations (Continued)**

**B. Ineligible Tracking System Processing Considerations**

The PASS edit processes accesses the ineligible tracking system database to validate policy records. PASS will reject eligible crop insurance contracts for a producer if the applicable sales closing date/termination date for the crop in the county falls during a period of ineligibility. Consider the following examples:

<b>Single Sales Closing Date</b>			
Prior Year Term Date is the same as the Sales Closing Date	Producer Reported as Ineligible	<ul style="list-style-type: none"> <li>• Producer Became Ineligible on 3/15/2023</li> <li>• A policy is submitted for a crop with sales closing date and prior year termination date of 3/15/2023</li> </ul>	Policy rejects for the crop since the sales closing date is greater than or equal to the date of the ineligibility. If the sales closing date had been prior to the date of ineligibility, the crop policy would have been accepted.
Prior Year Term Date is the same as the Sales Closing Date	Producer Reported as Ineligible and has Become Eligible	<ul style="list-style-type: none"> <li>• Producer became ineligible on 9/30/2018</li> <li>• Producer became eligible on 3/16/2023</li> <li>• A policy is submitted for a crop with a sales closing date and prior year term date of 3/15/2023</li> </ul>	The policy would be rejected for that crop since the sales closing date falls within the period of ineligibility. If the eligible date had been 3/15/2023, the crop policy would have been accepted.
Prior Year Term Date is the same as the Sales Closing Date	Producer with more than one period of ineligibility	<ul style="list-style-type: none"> <li>• Producer became ineligible on 9/30/2018</li> <li>• Producer became eligible on 12/01/2018</li> <li>• Producer became ineligible on 2/01/2023</li> <li>• Producer became eligible on 3/15/2023</li> <li>• A policy is submitted with 3 crops:                             <ul style="list-style-type: none"> <li>○ Crop 1 – SCD = 10/31/2018</li> <li>○ Crop 2 – SCD = 1/31/2023</li> <li>○ Crop 3 – SCD = 2/28/2023</li> </ul> </li> </ul>	<p>The policies for Crop 1 and Crop 3 would be rejected since the sales closing dates fall within the period of ineligibility.</p> <p>The policy for Crop 2 would be accepted since the sales closing date for that crop falls within a period of time that the producer is eligible.</p>

**13 Processing Considerations (Continued)**

**B. Ineligible Tracking System Processing Considerations (continued)**

<b>Single Sales Closing Date (cont.)</b>		
<p>Prior Year Term Date is later than the Sales Closing Date</p>	<ul style="list-style-type: none"> <li>• Producer insures wheat for 2022 with a sales closing date of 9/30/2021, and a termination date of 11/30/2022. The AIP reports the producer to ITS with a debt delinquency date and effective date of ineligibility of 9/30/2022</li> <li>• A policy is submitted for a crop with sales closing date of 9/30/2022</li> </ul>	<p>For policies with a sales closing date prior to the termination date, such policies will terminate for the current crop year even if insurance attached prior to the termination date. Termination will be considered effective as of the sales closing date and no insurance will be considered to have attached for the crop year. The policy would be rejected for that crop since the prior year sales closing date is used as the effective ineligible date. The prior year sales closing date is used to determine ineligibility in this situation because the producer would unfairly be allowed a policy for the next crop year if the termination date had been used. If the termination date had been used to determine ineligibility, the producer would have no penalty for not paying for the prior year policy premium/CAT fees by the term date.</p>

<b>Multiple Sales Closing Dates</b>			
<p>New Eligible crop insurance contract</p>	<p>Producer ineligible on first SCD</p>	<p>Producer eligible by second SCD</p>	<p>Record for second SCD will be accepted</p>
<p>Continuing eligible crop insurance contract</p>	<p>Producer ineligible on 1<sup>st</sup> SCD</p>	<p>Record will be rejected because producer must be eligible on the 1<sup>st</sup> sales closing date to be eligible for the crop for the submitted year</p>	

**13 Processing Considerations (Continued)**

**B. Ineligible Tracking System Processing Considerations (continued)**

<b>Agent Eligibility</b>		
<ul style="list-style-type: none"> <li>• Agent is Reported as Ineligible on 9/10/2022</li> <li>• Agent becomes eligible on 9/10/2024</li> </ul>	<ul style="list-style-type: none"> <li>• Eligible crop Insurance Contract 1 – 11 Record agent signature date = 9/8/2022</li> <li>• Eligible Crop Insurance Contract 2 – 11 Record agent signature date = 9/14/2023</li> </ul>	<ul style="list-style-type: none"> <li>• Agent is eligible to write Contract 1 because the agent signature date is prior to the ineligible date.</li> <li>• Agent is ineligible to write Contract 2 because the agent signature date falls between the agent’s eligible and ineligible dates. The 11 records would reject.</li> </ul>
<b>Loss Adjuster Eligibility</b>		
<ul style="list-style-type: none"> <li>• Loss adjuster becomes ineligible on 12/3/2022</li> <li>• Loss adjuster becomes eligible on 12/31/2022</li> </ul>	<ul style="list-style-type: none"> <li>• Loss 1 – Type 21 record loss adjuster signature date = 12/08/2023</li> <li>• Loss 2 – Type 21 record loss adjuster signature date = 11/30/2022</li> </ul>	<ul style="list-style-type: none"> <li>• The loss adjuster is ineligible for Loss 1 because the loss adjuster signature date falls between the loss adjuster’s ineligible and eligible dates.</li> <li>• The loss adjuster is eligible for Loss 2 because the loss adjuster signature date is before the loss adjuster became ineligible.</li> </ul>

**C. Duplicate Edit Processing Considerations**

- (1) The duplicate edit process is designed to reject duplicate eligible crop insurance contracts or identify possible duplicate eligible crop insurance contracts reported to RMA. The process determines the ownership of an eligible crop insurance contract and is based on the definition of a duplicate eligible crop insurance contract and a possible duplicate eligible crop insurance contract key. Duplicate or possible duplicate eligible crop insurance contracts are identified by PASS errors and are reported to companies weekly.
- (2) In the case of Duplicate eligible crop insurance contracts (i.e. same tax id number, tax id type, entity type, location state, location county, crop code, and type code (grapes only crop code 0052 and 0053)), PASS will determine the owner IP based on signature date and transferred cancellation fields on the Type 14 record.
- (3) If any of the duplicate eligible crop insurance contracts are indicated as a ‘Transfer and Cancellation’ eligible crop insurance contract on the 14 records, the Dup process will use the earliest signature date for the current sales period to determine ownership. The ‘sales period’ starts the day following the earliest sales closing date for the previous crop year and continues through the latest sales closing date for the current crop year. If none of the duplicate eligible crop insurance contracts are indicated as being a ‘Transfer and Cancellation’ eligible crop insurance contract, then ownership will be determined by earliest signature date without regard to the sales period.

### D. Duplicate Edit Processing Considerations (continued)

- (4) Companies will be notified of Duplicate eligible crop insurance contracts on a batch transmission basis through the PASS edit process. In addition, on the first business day following the transaction cutoff date for weekly data reporting, companies will be provided a summary report identifying the count of duplicate policies with another AIP and the number of ownership eligible crop insurance contracts where another AIP has a duplicate eligible crop insurance contract.
- (5) After the weekly cutoff, the RORYOWN and RORYDUP reports will be generated from the duplicate eligible crop insurance contract information captured during PASS processing. RMA will remove PASS determined duplicate crop/county eligible crop insurance contract records (Type 14 records), in the RORYDUP report, from the Dup process and the Policy databases.
- (6) Once this weekend process is complete, the PASS determined 'owner' eligible crop insurance contract will remain in the PASS System and should not receive a duplicate error when re-transmitted. AIPs must take action to ensure that duplicate eligible crop insurance contracts listed in the RORYDUP report are NOT re-transmitted to PASS.

### E. Policy Transfer to Another AIP

In accordance with Para 846 of the General Standards Handbook to transfer a policy, an insured must complete and submit to the assuming AIP a Policy Transfer/Application, or the assuming AIP must complete and sign, and have the insured sign, a Request to Transfer a Policy with the ceding AIP's policy number(s) for each crop policy being transferred. The assuming AIP must submit this request within 45 days after the cancellation date to the ceding AIP. If an AIP receives a transfer request to transfer a policy, the AIP must provide the experience and complete APH data, if applicable, for the applicable crop/county to the assuming AIP no later than 15 days after receiving the request, even if the ceding AIP has already canceled the policy. Additionally, the ceding AIP must delete any associated Type 14 records from PASS no later than 15 days after receiving the request.

## 14 PASS Reports

PASS provides AIPs the following reports, transmission data files and reference files to assist error resolution and status.

<b>Reports</b>	
P99Z, "Exception"	Provides transactional, financial and error statistics on each transmission. The report identifies the input file name, the run date and time, and the received date and time. The transactional statistical section provides counts by record type of submitted; accepted; rejected; and suspended records. The financial statistical section provides the associated dollar amount of submitted, (if a type 97 record is included in the transmission); accepted; rejected; and suspended records. The error statistics sections list the error code and message received and the number of records in error.

<b>Weekly Reports/Files</b>	
Duplicate Report Files	Contain eligible crop insurance contracts identified by PASS as being a duplicate. Issued on the IPSERVER every Monday at 12:00 p.m.
IPRYSUM.TXT	Report file showing duplicate policy and owner policy summary information for IP/R Y
IPRYDUP.TXT	Data file containing duplicate policy identification along with owner policy information for IP/R Y
IPRYOWN.TXT	Data file containing owner policy identification along with duplicate policy information for IP/R Y
Weekly Reconciliation Report	Available every Monday morning. Lists of premium and indemnity by policy, with totals accepted by PASS the previous week.
Written Agreement Reports	Generated to the IP SERVER every Monday at 12:00 p.m. Each IP will be provided with two files. A file for their own written agreement policy data that has been accepted through PASS. The second file for the written agreements offered by the RMA Regional Office for that IP. Files are made available to the IPs via the "ip server" and to the RO's via the RMKC00a system. The file naming conventions are "ippywaip.txt" (IP data) and "ippywaro.txt" (RO data)

## 14 PASS Reports (Continued)

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<b>Reference Files</b>	
Insurance Control Element (ICE) Files	Validation files used by PASS. <ul style="list-style-type: none"><li>• SPOI ICE files will be released with the ADM and follow the same process as ADM data.</li><li>• PASS ICE files will be released every Monday and changes to PASS ICE will be communicated via the PASS STATUS REPORT</li><li>• PASS ICE files may also be released in conjunction with PASS AIP Test and AIP Production releases.</li><li>• PASS ICE files may be found on RMA’s public website at: <a href="ftp://ftp.rma.usda.gov/pub/References/insurance_control_elements/">ftp://ftp.rma.usda.gov/pub/References/insurance_control_elements/</a></li></ul> A crosswalk master list is included as Exhibit 103.
Common Land Unit Files	Contains spatial data for the polygons of Common Land Unit areas designated by a generic CLU Global Unique Identifier (clu_identifier). Files will be released in a File Geodatabase (FGDB) format and released at a minimum every two months.

15-20 (Reserved)

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## PART 3 ACCOUNTING

### 21 Reimbursement of Losses

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#### A. For any AIP that elects to use escrow funding:

- (1) RMA will fund the escrow account within three (3) business days after the loss transactions are accepted in Escrow System;
- (2) Daily escrow process generates detail and summary registers in addition to the raw data file. (See Exhibit 8);
- (3) Beginning with the October monthly settlement report for the reinsurance year (e.g., October 2022 will be the first accounting report for the 2023 reinsurance year), the escrow funded amount, as of the monthly transaction cutoff date will be reconciled with the escrow loss data accepted on the monthly report. Any escrow requests which have not been funded as of the monthly transaction cutoff date will not be included in that month's report. Any positive difference between the escrow funded amount and the losses validated by RMA will be refunded monthly by the AIP to RMA.

#### B. Monitoring Escrow Account Balance and Collateral:

AIPs must monitor the escrow account balance and maintain sufficient collateral coverage to ensure timely funding of all loss data. If there is a shortfall of funds in the escrow account, it is the AIPs responsibility to deposit funds to cover any shortages.

#### C. For any AIP elects not to utilize Escrow funding:

AIPs will be reimbursed on the Monthly/Annual Settlement Report for paid losses which have been validated and accepted in PASS as of the monthly transaction cutoff date. Any loss will be considered paid by the AIP, when the instrument or document issued as payment has cleared the AIP's bank account.

#### D. Bank Reconciliations

In accordance with the Escrow Agreement, all AIPs must submit a bank reconciliation within 20 business days after the bank statement cut-off date.

- (1) AIP Escrow Account Reconciliation must include the following information in a zip file on a monthly basis:
  - (a) Bank Reconciliation front page consisting of reinsured company's name, address, bank account number, escrow account ending balance, total amounts for items in-transit, outstanding, interest, and overage/shortage. The bank reconciliation front page must be submitted in PDF format, certified and signed by a company officer or other company designated management official.

**D. Bank Reconciliations (continued)**

- (b) The entire bank reconciliation must also be submitted in the attached Excel file format that provides details for the bank reconciliation, in-transit amounts, check register, outstanding checks, cleared checks, voided checks, overage/shortage amounts, and interest (as listed on the bank statement).
  - (c) Bank Statement of AIP's Loss-Clearing Account submitted in PDF format.
  - (d) Bank Statement of RMA's Escrow Account submitted in PDF format.
- (2) The bank reconciliation Excel file that is submitted to RMA must include the following eight tabs:
- (a) **Bank Reconciliation** – AIPs must provide a bank reconciliation that presents the balance per statement, escrow request in-transit totals, total debits, outstanding checks total, interest (as listed on the bank statement), total credits, and overage/shortage total.
  - (b) **In-transit** – AIPs must provide a list of all outstanding amounts that have been requested in the current month that were not funded by RMA in the current month and that have not been cashed by the insured. Required data: reinsurance year, state code, pic code, policy number, claim number, and amount requested. Optional data: check number and check date.

Criteria to determine what should be included on the In-transit Tab:

- Check was written in the Current Month (the month of the reconciliation); and
- The AIP request for funding was submitted to RMA in the current month; and
- The escrow funding was not provided in the current month.

\* If the check was cashed before the end of the month and funding has still not been received then the check should be in the Overage and Shortage tab as a Shortage.

\* If the check was written in a prior month and still has not been funded it should be listed on the Overage and Shortage tab as a Shortage.

**D. Bank Reconciliations (continued)**

- (c) **Check register** – AIPs must provide a list of checks that were issued for the current month of the reconciliation. Required data: reinsurance year, state code, pic code, policy number, claim number, check number, check date, and check amount. The AIP must issue payment to the producer within 3 business days of submitting the request for escrow funding to RMA.
- (d) **Outstanding** – AIPs must provide a list of all checks that have been issued up to the bank statement date but have not cleared the loss clearing account for the current month. In addition, AIPs must monitor their list of outstanding checks that are approaching one year old, please refer to paragraph 3 for procedures. Required data: reinsurance year, state code, pic code, policy number, claim number, check number, check date, and check amount, date notification sent to insured regarding checks approaching 1 year.
- (e) **Cleared** – AIPs must provide a list of checks that have cleared the loss clearing account for the current month. Required data: reinsurance year, state code, pic code, policy number, claim number, check number, check date, and check amount. Optional data: cleared date.
- (f) **VOIDS** – AIPs must provide a list of checks that were voided in the current month. Required data: reinsurance year, state code, pic code, policy number, claim number, check number, check date, check amount, reissued (Y/N), and reissued check number(s). Optional data: reissued check amount.
- (g) **Overage/Shortage** – AIPs must provide a list of all items considered to be overages/shortages as of the statement cut-off date.
  - Overages consist of any amounts within the escrow account that are over and above what is due the insured. This includes:
    - Deposits from the AIP to cover amounts not yet funded by RMA,
    - Downward adjustments on a funded claim for which the insured has cashed the check and the AIP has deposited funds back into the escrow account but has not submitted the data to RMA.
    - And any other amounts within the account that are not deemed “due the insured”.
  - Shortages consist of any amounts due the insured that have not been funded by RMA. This includes:
    - Funding that has been requested by the AIP in previous months that RMA has not funded,
    - Checks the insured has cashed in the current month that have not been funded by RMA,

## 21 Reimbursement of Losses (Continued)

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### D. Bank Reconciliations (continued)

- Downward adjustments on a funded claim for which the insured has cashed the check and the AIP has not deposited funds back into the escrow account but has submitted data to RMA.
  - AIPs must provide a brief explanation of all items listed on the overage/shortage tab. The AIP must review and resolve any and all items listed in the overage and shortage tab within 6 banking cycles. Required data: reinsurance year, state code, pic code, policy number, claim number, amount, and a brief explanation regarding why this item is being listed.
- (h) **Interest** – Listing of interest amounts (as listed on the bank statement) by date, please refer to paragraph 3 for procedures. Required data: date deposited and amount.
- (3) Further procedures for Escrow Account Reconciliations
- (a) **Stale dated checks** contained in the Outstanding tab:
- (i) For each check that has been outstanding for nearly a year, AIP's must:
    - (A) Send a letter to the insured whose outstanding indemnity check is within 45 days of the check becoming one year old to inform the insured that the check will be voided if it is not cashed within 45 days. The AIP must also offer to issue a replacement check in the event the insured cannot locate the original check. The insured must be given 45 days to either 1) cash the check, or 2) request a replacement check.
    - (B) If the insured requests a replacement check the AIP should void the original check and issue a new check.
    - (C) If the insured does not request a replacement check or cash the original check within the 45 days, the AIP should take the following action:
      - 1 Void the insured's original check.
      - 2 Submit to FCIC a listing for all voided checks that includes the related reinsurance year, policy number, claim number, state code, PIC code, check number, and amount. This list must be accompanied by a payment reimbursing FCIC for the full amount of the listed voided checks. AIPs must not make any changes to the loss data submitted through PASS.

**D. Bank Reconciliations (continued)**

3 If the insured requests a repayment after the check has been voided, the AIP will issue a new check to the insured and submit to FCIC a manual escrow register with the reinsurance year, state code, pic code, policy number, claim number, and check information. FCIC will manually fund the escrow account for the reissued check amount.

(b) **Interest** (as listed on the bank statement) contained in the Interest tab:

AIPs are required to remit interest payments (via either Electronic Funds Transfer or [Pay.gov](https://www.pay.gov)) on a monthly basis for interest amounts exceeding \$10.00.

(i) Interest under \$10.00 should be retained until interest accrued exceeds \$10.00 before sending to RMA.

(ii) Outstanding interest must be submitted on a yearly basis with the August reconciliation, even if the \$10.00 threshold has not been met.

(c) Process for **Depositing** and **Withdrawing** amounts from the Escrow Account:

(i) Deposits:

- AIPs are responsible for depositing funds into the escrow account to cover any shortages.
- AIPs must deposit funds into the Escrow Account, not the Loss Clearing Account.

(ii) Withdrawals:

- AIPs must submit a request for funding to be withdrawn except monthly interest withdrawals. This request must include documentation verifying the AIP's original deposit in Escrow Account.

\*AIP's CANNOT withdraw AIP funded amounts without written approval from RMA.

(d) Process for **Closing** an account:

AIPs and their MGAs will be notified when Escrow Accounts are to be closed. The funds remaining in the account are returned to RMA. The following is a list of potential situations that would require closing an Escrow Account:

**D. Bank Reconciliations (continued)**

- (i) AIP/MGA decision not to renew their SRA agreements with FCIC to sell or deliver multi-peril crop insurance for FCIC.
- (ii) Decision by RMA management to terminate a reinsurance agreement with a company or an escrow agreement for non-compliance.
- (iii) AIP/MGA decision to change banks or moves to a different location and needs to establish a new escrow account.
- (iv) AIP/MGA merger with another company and/or forms a new entity.
- (v) Decision by AIP/MGA or RMA to close an Escrow Account in order to reconcile differences.

When it has been determined that closure of the escrow account is necessary, RMA will notify AIP/MGA requiring the following actions in Section A or B be taken:

(A) Section A (Applies if closure is due to situations (i) or (ii) as described above)

- 1 The AIP should send a letter to the policyholders offering to issue a replacement check for all outstanding amounts on the "Loss Account" for which funds have been deposited in the Escrow Account. The policyholder should be given 45 days to request the replacement escrow check. The replacement escrow check should state "Void after 90 Days."
- 2 Within 30 days of notification to close the Escrow Account, the AIP/MGA must deposit funds to cover any shortage in the account.
- 3 After all replacement escrow checks have cleared, or 90 days have elapsed, the remaining outstanding escrow checks should be voided.
- 4 Once the above tasks have been executed, notify RMA that the Escrow Account is ready to be closed.
- 5 The bank will then be notified by RMA to wire any remaining funds to RMA in a letter to be signed by the Director, Reinsurance Services Division. The bank will be instructed to indicate on a bank statement that this is the final statement that will be forwarded to RMA.

## 21 Reimbursement of Losses (Continued)

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### D. Bank Reconciliations (continued)

(B) Section B - (Applies if closure is due to situations (iii), (iv) or (v) as described above)

1 The AIP/MGA must open a new Escrow and Loss Clearing Account

2 The AIP/MGA must collateralize the Escrow Account and work with RMA to determine a date to transition to the new accounts.

Actions on Old Account:

3 The AIP/MGA should send a letter to the policyholders offering to issue a replacement check for all outstanding amounts on the Loss Clearing Account for which funds have been deposited in the Escrow Account. The policyholder should be given 45 days to request the replacement escrow check. The replacement escrow check should state "Void after 90 Days."

4 Within 30 days of notification to close the Escrow Account, the AIP/MGA must deposit funds to cover any shortage in the account.

5 After all replacement escrow checks have cleared, or 90 days have elapsed, the remaining outstanding escrow checks should be voided.

6 Once the above tasks have been executed, notify RMA that the Escrow Account is ready to be closed.

7 The bank will then be notified by RMA to wire any remaining funds to RMA in a letter to be signed by the Director, Reinsurance Services Division. The bank will be instructed to indicate on a bank statement that this is the final statement that will be forwarded to RMA.

## 21 Reimbursement of Losses (Continued)

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### D. Bank Reconciliations (continued)

In both situations, the AIP/MGA is responsible for continuing to provide monthly bank reconciliations and check registers to RMA. They shall also provide a final bank statement and check registers for both accounts as of the date of closure.

No collateral pledged on balances over the current RMA limit will be released to the bank until the final draft to RMA for the balance of the account has cleared. This would not apply if the account balance is less than the current RMA limit.

- (4) All documents must be submitted electronically.
  - (a) A naming convention consisting of the approved insurance provider code, BNKREC, calendar year, calendar month, underscore, number one (if you have more than one account, you will use number two for the second account) followed by .zip. If you have more than one account, RMA will designate which account is number one and which account is number 2. Example: XXBNKREC0907\_1.ZIP (XXCompany, Bank Reconciliation, 2009, July, account 1).
  - (b) Template formats provided on the attached sample reconciliation must be followed when submitting the escrow bank reconciliation.
  - (c) Connect to the Windows FTP server (armgftp.rma.usda.gov). The user should have a folder under their AIP code. The user folder will be named xx.firstname.lastname where xx is your AIP code. The firstname and lastname will be the name associated with the user account. You will put the documents in the Upload folder under the AIP code\user id folder. A process will run almost instantly which will move the documents from the Upload folder to the appropriate location for the RMA staff to access.
- (5) Failure to follow the above procedures will result in RMA initiating a series of notification letters from RMA to the AIPs.
  - (a) The first letter notifying the AIP accounting staff of the issue.
  - (b) The second letter will be notification to AIP management.
  - (c) The third letter will result in a notification letter to RSD for appropriate sanctions, including potential escrow agreement termination.
- (6) Available tools:
  - (a) RMA is providing a daily, weekly, and monthly escrow file to AIPs on the RO Server. These files may be used to assist AIPs in their reconciliation process.

## **21 Reimbursement of Losses (Continued)**

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### **D. Bank Reconciliations (continued)**

- (b) When using the daily file, be aware that the information on the file will reflect the information that has been submitted to RMA. The raw data file may reflect duplication due to voided and reissued checks being submitted to RMA for a particular claim

## **22 Accounting Processing Considerations**

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### **A. Accounting Cutoff Date**

The accounting cutoff date for monthly data reporting is 8:00 p.m. central time on Friday after the first Sunday of the month as defined in Paragraph 11.A.(1)(c).

### **B. Settlement Reports**

Settlement reports are generated monthly until October accounting cut-off following 5 years from the beginning of the reinsurance year. After automation ceases, court action, compliance, audit or investigative related finds by the Government must be reported to RMA and will be processed manually. Settlement Reports must be received by RMA by the last banking day of each month corresponding to the transaction cut-off date.

### **C. Settlement Reports Submitted by RMA under the SRA**

Must be certified by AIP officials as designated in Section IV(a) of Appendix II that the information in the report is accurate. Certification may be provided either on hard copy reports or in an electronic format such as faxes or e-mails for the current reinsurance year and prior reinsurance years.

### **D. Adjustments**

Adjustments for material monetary impact will be made for erroneous RMA rejected PASS data which may include interest.

### **E. Timing of Monthly Payments**

- (1) RMA will generate and remit payments due to the AIP in accordance with Section III(c) of the SRA, following RMA's receipt of both the detailed reinsurance contract data file, and the certified (signed) monthly/annual settlement report generated by RMA.
  - (a) FCIC will pay the net amount due from FCIC to the AIP as reflected in the RMA generated report, reduced or increased where appropriate, for any differences between the reports submitted and the data validated.
    - (i) Except as provided in Section III(c)(1)(B) of the SRA, FCIC will net together for payment purposes, multiple reinsurance year reports

**E. Timing of Monthly Payments (continued)**

- (ii) FCIC will make payments to AIPs via Electronic Funds Transfer (EFT) through the U.S. Treasury [or Pay.gov](#).
- (iii) FCIC will pay interest in accordance with the interest provisions of the Contract Disputes Act (41 U.S.C. 601 et seq.) on any payment which is not sent to the AIP by the dates provided by the SRA.
- (b) RMA generated reports will be regenerated to contain AIP entries on the Premium Due and Premium Due Without Payments Worksheets adjustments upon receipt of the certified report/worksheet from the company if received by the due date for monthly reporting.

**F. Application of Paid and Loss-Credits**

- (1) The application of paid and loss-credits is best demonstrated with the following examples:
  - (a) The Loss Credit must initially be applied to the Policy and crop with the associated Claim in the following order:
    - (i) Unpaid Finance Charges for the crop (i.e., collection fees, interest, penalties, etc.), then
    - (ii) Unpaid Administrative Fee for the crop, then
    - (iii) Unpaid Premium for the crop
- (2) After the Loss Credit has been applied to the Policy and Crop with the associated Claim then proceed in the following manner:
  - (a) Apply to Debt with the earliest Date of Delinquency as defined in C.F.R. 400.677. If the debt with the earliest Date of Delinquency is not an 'Other Amount Due' (i.e. Overpaid Indemnities, Premium revisions after termination date, unearned prevented planting or replant payment, etc.), then apply to any policy, any crop, that has been billed in the following order:
    - (i) Unpaid Finance Charges (i.e. collection fees, interest, penalties, etc.), then (Note: if multiple crops have the same termination date, apply to Finance Charges on all crops before proceeding)
    - (ii) Unpaid Administrative Fee, then (Note: if multiple crops have the same termination date, apply to Administrative Fees on all crops before proceeding)
    - (iii) Unpaid Premiums

**22 Accounting Processing Considerations (Continued)**

**F. Application of Pairs and Loss-Credits (continued)**

- (3) After the Loss Credit has been applied to all Billed crops and Other Amounts Due, then a check for the remaining loss amount must be submitted to the producer, with two exceptions:
  - (a) Company has and can provide documentation stating the producer agreed to have the unbilled amounts offset from the remaining amount of the loss.
  - (b) The remaining loss amount is \$5.00 or less. In this situation the Company will be allowed to transfer the small credit balance to the next crop year or reinsurance year regardless of the billing date. If a policyholder cancels their policy with the company, an immediate refund is expected. Company must retain documentation supporting their decision.

**Georgia Policy Example:**

Example #1

Loss Date 8/10/2021 - County 1/ Wheat - Loss \$2,600

Debt Owed Information	Policies				Overpaid Indemnity
	County 1/ Wheat	County 1/ Oats	County 3/ Wheat	County 3/ Corn	County 3/ Wheat RY 2015
Unpaid Interest	6.63	4.13	5.38		
Unpaid Administrative Fees	30.00	30.00	30.00	30.00	
Unpaid Premium	500.00	300.00	400.00	230.00	
Unpaid Other Amounts Due					1,250.00
Bill Date	7/1/2022	7/1/2022	7/1/2021	8/15/2021	7/20/2022
Term/Due Date	9/30/2022	9/30/2022	9/30/2022	2/28/2021	8/20/2022
<b>Loss Application:</b>					
1 <sup>st</sup> Application:					
Policy/Crop loss occurred	536.63				
Policy Balance	0.00				
Remaining Loss Balance:	2,063.37				
		9/30/2022			8/20/2022
2 <sup>nd</sup> Application: Debt by					
Date of Delinquency		334.13	435.38		1,250.00
Policy/Debt Balances:		\$0.00	0.00		0.00
Remaining Loss Balance:	43.86*				
Unbilled Policy Balance:				260.00	

## 22 Accounting Processing Considerations (Continued)

### F. Application of Paid and Loss-Credits (continued)

\*A check for the remaining \$43.86 must be submitted to the producer unless the exemption under 22(F)(3)(a) above is met.

#### Example #2

08/01/2022 - \$600.00 Loss on Policy # 1-Wheat

	Policy 1 – Wheat	Policy 2- Oats	Policy 2 – Wheat	Policy 3 – Corn
Unpaid Interest	3.25	3.75	4.88	-
Unpaid Fees	30.00	30.00	30.00	30.00
Unpaid Premium	100.00	120.00	165.00	230.00
Bill Date	7/1/2022	7/1/2022	7/1/2022	08/15/2022

1. Apply \$3.25 to interest on Policy #1-Wheat, \$30 to fees on Policy #1-Wheat, and \$100 to Premium on Policy #1-Wheat
2. Apply the remaining Loss Credit to Policy #2-Oats – \$3.75 Interest, and Policy #2 – Wheat - \$4.88 Interest (*Note: if multiple crops have the same bill date, apply to interest on all crops before proceeding*)
3. Apply the remaining Loss Credit to Policy #2--Oats - \$30 Fee, and Policy #2 – Wheat \$30 Fee (*Note: if multiple crops have the same bill date, apply to administrative fee on all crops before proceeding*)
4. Apply the remaining Loss Credit to Policy #2 – Oats - \$120 Premium and Policy #2 – Wheat - \$165 Premium.
5. A check for the remaining \$113.12 must be submitted to the producer. Unless the exception under subsection 22(F)(3)(a) is met.

**Note:** Each example is independent of the other.

### PROPER USE OF LOSS CREDIT CODES

#### Example 1

- Original Claim \$1,250
- Original Premium \$600
- Loss Application
  - M Code \$600
  - E Code \$650
- Corrected Claim \$950
- Original Premium \$600
- Loss Application
  - M Code \$600
  - E Code \$350

**F. Application of Pairs and Loss-Credits (continued)**

**Example 2**

- Original Claim \$1,250
- Original Premium \$600
- Loss Application
  - M Code \$600
  - E Code \$650
- Corrected Claim \$950
- Revised Premium \$550
- Loss Application
  - M Code \$550
  - E Code \$400

**G. Administrative Expense Reimbursement**

- (1) FCIC will calculate and pay A&O Subsidy in accordance with Section III of the SRA.

All A&O Subsidy amounts paid are subject to correction at any time, and by the Monthly/Annual Settlement Report following detection of the error.

- (2) The A&O Subsidy applicable to the eligible crop insurance contract will be reduced whenever the identified required LRR data has not been timely and accurately provided to RMA or such information is revised after the LRR Transaction Cutoff Date.
  - (a) For information required by Section IV(b), paragraph (6)(A) of the SRA, LRR data first passes acceptance edits after the LRR Transaction Cutoff Date or is revised after the LRR Transaction Cutoff Date, the A&O Subsidy will be reduced as defined in Section IV(b)(7)(A) of the SRA. See Accounting Exhibit 5-1.
  - (b) For information required by Section IV(b), paragraph (6)(B) of the SRA, LRR data first passes acceptance edits after the LRR Transaction Cutoff Date, the A&O Subsidy will be reduced as defined in Section IV(b)(7)(A) of the SRA. See Accounting Exhibit 5-1.
- (3) Reimbursement for CAT Loss Adjustment Expense will be calculated in accordance with the SRA and will be included on the Monthly/Annual Settlement Reports beginning with the same monthly settlement report that contains initial A&O subsidy payments for a specific reinsurance year (see paragraph D.1. above).
- (4) Any payment received under Section IV (h) of the SRA, must be paid by the last business day of the month for the Monthly/Annual Settlement Report cutoff following RMA's notification to the AIP of the amount due.

### H. Interest Calculations

- (1) The AIP will be charged interest in the following cases: Late payments of the balance due on Monthly/Annual Settlement Reports, overpayment by FCIC of losses or expense reimbursements, increases in the Premium Due Without Payments Report, and on Premium Variations and on uncollected premiums not paid which are reported on the Premium Due Worksheet. The AIP will pay FCIC interest at the annual fixed rate of 15%, as stated in Section IV (c) of the SRA.
- (2) If the balance due FCIC on the Monthly/Annual Settlement Report is not received by the last banking day of the month, via electronic transfer to FCIC's account at Treasury, interest will attach from the day following the last banking day of the month and will be charged through the day funds are received by Treasury (See Interest Calculation Exhibit 1-18).
- (3) The AIP will repay, with interest, any amount paid to the AIP by FCIC which is subsequently determined by FCIC or the AIP, to have been not due to the AIP, such as overpaid indemnities or excessive expense reimbursements. Interest begins accruing based on the date of the Final Determination letter. (See Interest Calculation Exhibit 1-19 Example 2).
- (4) Increases in premium amounts for an eligible crop contract which occur after a billing date are reported on the Premium Due Without Payments Report. Interest on these increased amounts will accrue from the first of the month following the AIP Payment Date and will accrue through the end of the month for the monthly report on which the increase was included (See Exhibit 6-9 Example 3).
- (5) The AIP will pay interest on any uncollected premiums if the uncollected premiums are not paid to FCIC by the month following the month of the billing date. Interest will attach on any uncollected premiums from the first of the month following the month of the billing date. A full month's interest will be charged for any month or portion of a month that the uncollected premiums are not paid to FCIC (See Exhibits 6-2 through 6-6).
- (6) All payments are subject to post audit by FCIC.

## 23 AIP Accounting Responsibilities

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### A. Accounting Data

All accounting data must be downloaded by the AIPs via telecommunications processing. The data will be made available on a monthly basis.

**B. Uncollected premiums**

- (1) Uncollected premiums for each billing date must be reported by the AIP by the transaction cutoff date for the Monthly Settlement Report following the month of the billing date. Interest will be charged on all uncollected premiums not paid to FCIC by the AIP payment date from the first of the month following the billing date at the rate of 15% per annum. The AIP must enter data into the appropriate columns on the Premium Due Worksheet to indicate their intent whether to pay uncollected premiums and return a signed copy of the report/worksheet along with the report, to be received by RMA by the last business day of the applicable monthly transaction cutoff date. (See Exhibit 6-1)
  - (a) The insured's premium due is calculated by subtracting the paid and loss-credits from the producer premium amount for each policy and billing date. The total due is then summarized by billing date.

**C. When producer premiums are collected by the AIP before the billing date**

Any premium collected during a calendar month must be reported on the Monthly Settlement Report submitted during the next calendar month and payment made by the AIP Payment Date. All premiums not collected must be paid to FCIC at annual settlement whether or not they are collected from insured. RMA does not determine the method of collection. If the Company chooses to use an alternative method (e.g., ACH, Credit Card, Debit card, etc.) they may not pass on any additional fees associated with that method, to the producer or to FCIC.

**D. Voluntary Refusal or Repayment of Risk Subsidy**

“Risk subsidy” means that portion of the premium for an eligible crop insurance contract paid by FCIC on behalf of the policyholder. If this situation arises, the insured can remit the additional payment to the AIP or directly to FCIC. AIPs should have due diligence to document the insured’s voluntary refusal or repayment of risk subsidy. AIPs shall reach out to the Reinsurance Accounting & Operations Branch to determine how to process the payment to FCIC. Under no circumstances should an AIP attempt to handle this situation through FCIC’s PASS and Escrow processing.

**E. For the purpose of collecting CAT fees and accrued interest from insureds**

- (1) There are responsibilities that must be undertaken by the AIP and FCIC. These responsibilities shall be in accordance with 7CFR 457.8, which states “Interest will accrue at a rate of 1.25 percent simple interest per calendar month, or any portion thereof, on any unpaid amount owed to us or on any unpaid administrative fees owed to FCIC.”
  - (a) AIPs are responsible for calculating and collecting interest on CAT fees in accordance with 7 CFR 457.8 beginning 30 days after the premium billing date until the crop termination date.

**E. For the purpose of collecting CAT fees and accrued interest from insureds (continued)**

- (b) AIPs shall transmit a 60 and 65 record through the Ineligible Tracking System for the principal amount only, for unpaid CAT fees within 7 to 21 days after the crop termination date. At this time these fees become Federal debt and all collection efforts on the part of the AIP shall cease.
- (c) AIPs are responsible for any questions that an insured may have regarding the validity of this debt or payment made prior to the crop termination date. After the crop termination date, all questions regarding amounts due including interest accrued, shall be referred to RMA.
  - (i) Records regarding an unsatisfied debt pertaining to a CAT policy must be retained indefinitely in accordance with Section IV.G.6. of the SRA.
  - (ii) If an AIP receives payment for a Federal debt, they are to transmit a type 12 record with a payment type code of “02” for the entire amount received within 7 days of the receipt of the payment. (Timing is critical since the debt may be referred by RMA to Treasury for cross servicing and any amounts due the insured from any Federal agency will be reduced by the Federal debt that includes CAT fees and accrued interest.)
  - (iii) RMA shall calculate interest in accordance with 7 CFR 457.8 on any unpaid CAT fees reported to RMA beginning on the termination date until the debt is satisfied.
  - (iv) RMA will answer any questions regarding the amount of the Federal debt, or any payments made after crop termination since subsequent interest may have accrued.
  - (v) RMA shall take over all collection efforts of unpaid CAT fees upon termination date and the submission of the type 60 and 65 records.
  - (vi) RMA may refer the Federal debt to Treasury for cross servicing.

**F. Escrow funding and reported loss data**

Will be reconciled on each monthly and annual settlement report.

**G. Underwriting Gain/Loss**

Any aggregate underwriting loss of the AIP will be paid to FCIC by the AIP with each monthly settlement report as calculated by the reinsurance run report generated by RMA. Any underwriting gain due the AIP will be paid at annual settlement

**H. Premium Due Payment Worksheet**

The AIP must enter data into the appropriate columns on the Premium Due Payment Worksheet to indicate any increase in premium and return a signed copy of the report/worksheet along with the monthly settlement report, which must be received by RMA by the last business day of the month corresponding to the transaction cutoff date (See Exhibit 6-7 and 6-8).

**I. Amount Due FCIC (Monthly or Annual Settlement Report)**

The new amount due FCIC as reflected in the Monthly or Annual Settlement Report, must be paid by EFT **or Pay.gov** by the later of, 10 calendar days of being issued by RMA or last business day of each month corresponding to the transaction cutoff date for that month. When payment is submitted to FCIC or its reporting agent and supporting data is subsequently rejected, the AIP must remit the difference by EFT within seven (7) calendar days of the date the AIP was notified of the discrepancies. The payments will be based on Settlement Report generated by RMA

**J. All payments due to FCIC**

Any payments due to FCIC must be deposited directly into the Corporation's account in the U.S. Treasury by EFT **or through Pay.gov**. An instruction guide for funds transfer deposit messages to the Treasury is provided in Exhibit 7. Information, such as agency codes, and beneficiary codes will be provided under separate cover.

**K. Annual Settlement Reports**

- (1) The Annual Settlement Report (recap and worksheets) must be certified and received by RMA by the company payment date for annual settlement for the reinsurance year in accordance with Section I of the SRA. The report will follow the format as provided in Exhibit 1-4 of this Appendix. All reinsurance transactions for the year must be summarized and reported on the Annual Settlement Report.
- (2) Corresponding data file transmissions for the Annual Settlement Report must be successfully received in its entirety by the October monthly transaction cutoffs stated in 12.a above. The amount due either FCIC or the AIP will be calculated based on the PASS validation of the data, will be based on the RMA-generated Settlement Report, and will follow the monthly reporting process.
- (3) The gain or loss of the AIP is calculated in the monthly Reinsurance Run Report generated by RMA. Any underwriting gain will be paid on the Annual Settlement Report. Underwriting loss will be paid to RMA on the Monthly Settlement Report.
- (4) All discrepancies, including items appearing on the Overpays and loss credits reported on the ADR003 and ADR 004 reports must be reconciled and eliminated from the reports prior to the last automated cycle of the reinsurance year as defined in Part 11.A.1.a. of this Appendix

## 24 Accounting Reports

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### A. RMA provides AIPs the following data:

P/CR Memo Reject Listing (Exhibit 1-10)	This report lists all policy record amounts that contain generated P/CR Memo amounts which were not posted. P/CR Memo amounts are rejected when the P/CR Memo policy does not exist or when the P/CR Memo policy has zero premium.
Reconciliation Report (Exhibit 4-1)	Reconciliation data is generated in addition to the various error reports whenever there are unusual circumstances concerning a policy or record type submitted. The purpose of these reports is to perform a verification or validation of data on RMA's database to the most current data received from the AIP. The AIP should research data appearing on the reconciliation report and determine what action needs to be taken to correct the discrepancies (i.e., delete, correct, in order to resubmit the records correctly). The amount of negative financial impact to FCIC will be determined and deducted from the Annual Settlement Report.

### B. RAS Summary Reports:

The RAS generates summary reports based on detailed reinsured contract data submitted by the AIPs each month through PASS. Once data is received from AIPs electronically, the PASS processes the data through RMA edits/validations and RAS produces the summary reports. The reports are used to calculate the balance which is due the AIP or FCIC. The FCIC Detailed Policy Report shows detail policy-level information. It feeds information to the Settlement Report which generates grand totals, and consists of the following:

24 Accounting Reports (Continued)

**B. RAS Summary Reports: (continued)**

Premium	The Premium grand total is developed from the Premium Lines Record - Type 11 13, and P19 and is reported as summarized policy detail for all lines and all crops associated with a policy. Premium is totaled by Crop Year.
Paid	The Paid grand total is developed from the Payment Record - Type 12 (Payment Type 00) and the RAS currently shows policy detail for the net paid amount. The paid amount should not include administrative fees and must be $\geq$ zero. The net paid represents the premium collected by the AIP from the producer (insured). An overpaid amount may exist when a producer overpaid his premium.
Loss-Credit	The Loss-Credit grand total is derived from the Loss Total Record Type 20, which consists of M-Memos and P-Credit Memos. M-Memos are premium amounts due (by producer) that have been deducted from a loss payment by the producer from losses received on the same policy. P-Credit Memos occur when premium due on another policy (in same reinsurance year) is designated with a "P" in the Type 20 record which enables the amount to be deducted from a loss payment on the policy incurring a loss.
	All other amounts designated in the "1st - 4th Total Amounts" on the Type 20 record appear as a single line item entitled "Loss Deductions (F, R, O)" on the Settlement Report.
	RAS will generate the designated 'P-Credit Memos' into the Loss-Credit column of the Monthly Settlement Reports to eliminate out-of-balance conditions.
	The sum of each loss deduction code for a policy should never be less than zero.
	An overpaid amount may exist when an excessive amount of an insured's loss was deducted from his policy.
Subsidy	The Subsidy grand total is the Total Premium minus the Producer Premium submitted on the Premium Lines Record - Type 11 13, and P19.
Losses	The Loss grand total is derived from the Loss Line Record - Type 21 or 22, which consists of all losses reported by the AIP. The losses are reimbursed to the AIP through the automated escrow process. On a monthly/annual basis, the total of Tot Losses will be compared to the sum of "Loss-cr., Escrow, and Drafts" and "Loss Deductions (F, R, O)" and FCIC will pay the lesser amount. RMA will also adjust the amount of "Drafts Issued (Escrow)" included in the Monthly/Annual Summary Report on the line for "Loss-CR, Escrow and Drafts" to the lesser amount of "Previous Escrow Funded" or "Less Drafts Issued (Escrow)." This will avoid any potential overpayments by FCIC on the Monthly/Annual Summary Reports.
Cost Share	The total WFRP Cost Share reported as additional subsidy.

**24 Accounting Reports (Continued)**

**C. Monthly Settlement Report (Exhibit 1-1):**

This report shows the grand totals of all insurance policies carried by each AIP and provides the balance due the AIP or RMA. The remainder of the entries on the Settlement Report are calculated from entries which the AIP has made on the Premium Due and Premium Due Without Payments Worksheets or derived from other reports generated by RAS. The following is a description of each line item on the report. All line items represent cumulative totals.

Net Expense Reimbursement Adjustment	This item represents administrative expense reimbursement based on a percentage of total premium on all non-CAT crop policies. This item also includes the CAT loss adjustment expense based on the total CAT premium. The net installment adjustment is supported by the FCIC Installment report. Exhibit 1-4.
Net Contingency Fund	SRA Section II (10)(B), II(a)(6) Rebating Penalty, II(b)(12) Excess Premium Penalty, IV(b)(7) Late Reported Reduction (LRR), (Exhibit 5-1), IV(h) Compliance Penalty, and IV(j)(4) Agreement Termination Penalty
Less Premium Collected	Insured's premium collected by the AIP.
Escrow	Escrow is the lesser of the "previous Escrow Funded" or the amount of "Drafts Issued (Escrow)" (See Items u, v)
Loss Deductions	(F, R, O) - Amounts reimbursed by RMA to the AIP for administrative fees (F), recovery of previous or subsequent year premium (R), or other (O) to include interest deduction amounts, which the AIP deducted from their loss reimbursement request.
State Subsidy	Amount of state subsidy if applicable.
Company Previous Payment	The cumulative amount of other payments received by RMA via electronic transfer to Treasury by the AIP.
FCIC Interest Paid	The cumulative total of all interest paid to AIPs by RMA for late payments, etc.
Adjustment due Company	Amount of reimbursement by RMA to the company for litigation or other approved expenses. This amount has to be reviewed and approved by RSD.
Net Administrative Fee Adjustment	Net fee due RMA supported by supplemental administrative fee reports (Exhibit 2-1).
Reduction Due to Reconciliation Report Differences	Net reduction amount based on reconciliation reports that have a negative financial impact to RMA (Exhibit 4-1).

**24 Accounting Reports (Continued)**

**C. Monthly Settlement Report (Exhibit 1-1): (continued)**

FCIC Interest/Penalty	Represents interest or penalty assessed against the AIP.
Adjustment Due FCIC	Any overpayments that RMA has made to the AIP.
FCIC Previous Payment	Cumulative amount of all payments made to the AIP by RMA for the current reinsurance year.
Escrow Funded	Represents the escrow amount the AIP has been funded. The total is summed to one day prior to the current cutoff date of the Monthly Settlement Report.
Paid Previous Worksheets	Amounts paid to RMA on previous worksheets.
Underwriting Loss	Represents the loss taken from the "Reinsurance Run" report. This amount is a calculation of the AIP's loss based on entries made in the Appendix II, together with the Standard Reinsurance Agreement applicable to each respective Reinsurance Year. The report is a summation of reinsured data displayed by fund, state and national (grand total) levels (Exhibit 3).
Subtotal	Represents the summation of the Due Company/Due FCIC columns.
Total from Current Worksheet	Represents the combined totals from the Premium Due and Premium Due Without Payments Worksheets (Exhibit 6-1 thru 6-7)
Balance Due AIP (+), FCIC (-)	Net balance due the AIP or RMA.
Previous Escrow Funded	Represents the amount of escrow the AIP has been funded and is reported here when FCIC issues the funds to the AIP. The total is summed to one day prior to the current cutoff date of the Monthly Settlement Report.
Less Drafts Issued (Escrow)	Represents the total of all loss total type code of "E", validated and accepted in PASS from the type 20 record.
Escrow Balance	Represents the difference between the "Previous Escrow Funded" line and the "Less Drafts Issued (Escrow)" line.

## 24 Accounting Reports (Continued)

### D. Annual Settlement Report (Exhibit 1-4)

This report shows the grand totals of all insurance policies carried by each AIP and provides the balance due the AIP or FCIC. The following provides a description of how each line item on the Annual Settlement Report is calculated. All line items represent cumulative totals.

Net Expense Reimbursement	Represents administrative expense reimbursement based on a percentage of total premium on all non-CAT crop policies less the reduction for Late Reported Reductions. The CAT loss adjustment expense which is based on the total CAT premium. The net installment adjustment is supported by the FCIC Installment report (Exhibit 1-4).
Net Contingency Fund	SRA Section II (10)(B), II(a)(6) Rebating Penalty, II(b)(12) Excess Premium Penalty, IV(b)(7) Late Reported Reduction (LRR), (Exhibit 5-1), IV(h) Compliance Penalty, and IV(j)(4) Agreement Termination Penalty.
Premium Collected	Total premium whether or not collected by the AIP.
Loss-CR, and Escrow	Loss Credits (M, P) Amount of producer premium collected from the loss. Escrow is the lesser of the "Previous Escrow Funded" or the amount of "Drafts Issued (Escrow)".
Loss Deductions (F, R, O)	Amounts reimbursed by the RMA to the AIP for administrative fees (F), recovery of previous or subsequent year premium (R), or other (O) to include interest deductions.
State Subsidy	Amount of State Subsidy if applicable.
Subsidy	Cumulative amount of all risk subsidy.
Additional Subsidy	If applicable.
Company Previous Payment	Cumulative amount of other payments received by RMA via electronic transfer to the Treasury by the AIP.
FCIC Interest Paid	Cumulative total of all interest paid to AIPs by RMA for late payments, et.
Adjustments Due Company	Amount of reimbursement by FCIC to the company for litigation or other approved expense. This amount has to be reviewed and approved by RSD.
Net Administrative Fee Adjustment	Net fees due RMA supported by supplemental administrative fee reports (Exhibit 1-5).
Reduction Due to Reconciliation Differences	Net reduction amount based on reconciliation reports that have a negative financial impact to RMA (Exhibit 4-1).
FCIC Interest/Penalty	Represents interest or penalty assessed against the AIP.
Adjustments due FCIC	Overpayments that RMA has made to the AIP.

**24 Accounting Reports (Continued)**

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**D. Annual Settlement Report (Exhibit 1-4) (continued)**

FCIC Previous Payment	Cumulative amount of all payments made to the AIP by RMA for the current reinsurance year.
Escrow Funded	Represents the escrow amount the AIP has been funded.
Paid Previous Worksheets	Amounts paid to RMA on previous worksheets.
Underwriting Gain/Loss	Represents the gain/loss taken from the "Reinsurance Run" report. This amount is a calculation of the AIP's gain/loss based on entries made in the Appendix II, together with the Standard Reinsurance Agreement applicable to each respective Reinsurance Year. The report is a summation of reinsured data displayed at fund, state and national (grand total) level (Exhibit 3).
Subtotal	Represents the summation of the Due Company/Due FCIC columns.
Total from Current Worksheet	This item represents the total from the Premium Due Without Payments Worksheet; however, there is an exception for those companies which had deferred premium. For those companies, on the 1 <sup>st</sup> annual report only, a Premium Due Worksheet calculating interest should also be included in this total (Exhibit 6-1 and 6-4).
Balance Due AIP (+) or FCIC (-)	The total balance due the AIP or RMA.
Escrow Funded	Represents the amount of escrow the AIP has been funded and is reported here when FCIC issues the funds to the AIP.
Less Drafts Issued (Escrow)	Represents the total of all loss total type code of "E", validated and accepted in PASS from the type 20 record.
Escrow Balance	Represents the difference between the "Escrow Funded" line and the "Less Drafts Issued (Escrow)" line.

## 24 Accounting Reports (Continued)

### E. RAS Summary Reports for Livestock (Exhibit 9):

Summary reports are generated based on detailed reinsured contract data submitted by the AIPs each month through PASS. The reports are used to calculate the balance which is due the AIP or RMA.

Monthly Livestock Settlement Report (LRCP001)	The grand totals of all insurance policies carried by each AIP and provides the balance due the AIP or RMA. Following is a description of how Livestock will be reflected on the Monthly Livestock Settlement Report (Exhibit 9-1).
Net A&O Subsidy	Administrative and Operating Subsidy per the LPRA.
Company Previous Payment	Cumulative amount of other payments received by RMA via electronic transfer to Treasury by the AIP.
FCIC Interest Paid	Cumulative total of all interest paid to AIPs by RMA for late payments.
Adjustments due Company	Litigation or other approved expense owed the AIP.
FCIC Previous Payment	Cumulative total of all "Balance Due Company" amounts from all prior month's reports.
FCIC Interest/Penalty	Interest or Penalty assessed against the AIP.
Adjustments Due FCIC	Offline (manual) corrections by the AIPs for overpaid indemnities.
Livestock Settlement	Represents the livestock adjustments supported by the Livestock Settlement Report (Exhibit 9-3).
Balance Due Company/FCIC	Total balance due the AIP or FCIC

## 25 Recon Reduction on PASS-Calculated Values & Summary Book of Business Discrepancies

### A. The Recon Reduction Due Calculation

The recon reduction due calculation will start in October following the reinsurance year and continue until data processing ceases for the reinsurance year. RMA must receive the AIP's Book of Business by noon on Monday following the accounting cutoff. If RMA does not receive the Book of Business by the deadline, the previous file received from the AIP will be used for calculations. The discrepancy report will be used to calculate the recon reduction due on the settlement report for the negative financial impact.

### B. Book of Business for Premium by State

The AIP will submit a book of business for premium by State level monthly as of accounting cutoff, until data processing ceases. PASS accepted premium data will be compared to the AIP's Book of Business by State level. The recon reduction amount will calculate the negative financial impact.

**25 Recon Reduction on PASS-Calculated Values & Summary Book of Business Discrepancies (Continued)**

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**C. Book of Business for Losses by State**

The AIP will submit a book of business for losses by State level monthly as of accounting cutoff, until data processing ceases. PASS accepted loss data will be compared to the AIP’s Book of Business by State level. The recon reduction amount will calculate the negative financial impact.

**D. Book of Business for Recon Reduction Report**

The Book of Business for Recon Reduction Report will summarize the recon reduction amount due on the settlement report for the negative financial impact to FCIC. (Exhibit 4-1)

**Example of PASS Full Book Premium Calculation**  
 Producer Premium

70 Record for AIP Submission	PASS Accepted	Recon Reduction Impact	Comments
\$9,000.00	\$8,000.00	\$1,000.00	Negative Financial Impact to FCIC is \$1,000.00 because producer premium has not been accepted.
\$5,000.00	\$6,000.00	\$150.00	Negative Financial Impact to FCIC is \$150.00 for A&O because downward adjustment has not been accepted.

The example is based on an assumption the Producer Premium is Due and the average A&O is 15%.

**Example of PASS Full Book Loss Calculation**  
 Loss

70 Record for AIP Submission	PASS Accepted	Recon Reduction Impact	Comments
\$2,000.00	\$3,000.00	\$1,000.00	Difference between AIP Full Book and PASS Accepted.

## 26 Standards for Write-off of Established Debts

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### A. General Information:

The following establishes the Risk Management Agency (RMA) approved standard operating procedures for write-off of established debt to be used in administering policies reinsured under the Standard Reinsurance Agreement (SRA). However, this standard only applies to a) debt write-off to retain or reinstate eligibility where the costs of collections exceed the amount recoverable; and b) debt write-off as a result of PASS revisions occurring after the billing date. It is not the intent of this standard to address all potential debt write-off situations that may be allowed by the policy, FCIC procedures, or other provisions of the SRA, such as write-offs of debt arising from arbitration, mediation, litigation, or USDA National Appeals Division (NAD) decisions.

In establishing these standards for write-off of established debt, RMA took into consideration the following sections from the Code of Federal Regulation:

- 7 CFR Part 457.8 Section (24) (c), “All amounts paid will be applied first to expenses of collection (see subsection (d) of this section) if any, second to the reduction of accrued interest, and then to the reduction of the principal balance”
- 31 CFR Part 903.3 Section (3) Allows for the “Termination of collection activity when the costs of collections are anticipated to exceed the amount recoverable”.

RMA has determined that \$50 is the cost of collections that exceed the amount recoverable allowed under 31 CFR Part 903.3 above. Henceforth, after Approved Insurance Providers (AIPs) apply all payments in accordance with 7 CFR Part 457.8 above, AIPs have the latitude to write-off balances equal to or less than \$50 for the Eligible Crop Insurance Contract, as indicated below.

This standard provides AIPs consistent, fair and equitable treatment of producers with respect to write-off of established debt. The debt shall continue to accrue interest until the debt is paid in full or otherwise discharged in bankruptcy. While AIPs are not obligated to write-off any debt, AIPs must, to the extent practical, apply these procedures consistently among all reinsured policies.

AIPs must retain documentation supporting their decision to write off any debt, which must include the Producer/Policy/Crop information, amount of write-off, and the write-off justification. Records of debt write-off decisions may be kept electronically, and any write-off justification notation may be a reference to the AIP’s established debt write-off standard operating procedures.

**B. Debt Write-Off to Retain or Reinstate Eligibility:**

CAT Fees: All CAT Fees must be collected in full to retain or reinstate eligibility. There is no write-off tolerance for CAT fees. However, Interest accrued on CAT Fees prior to the termination date may be written off in accordance with Procedural or Situational Write-offs. Interest accrued on CAT fees that are not paid by the termination date must be written-off by the AIP when the producer is reported to ITS and debt collection is transferred to RMA.

(1) Procedural Write-offs:

The following guidelines provide AIPs consistent, fair and equitable treatment of producers with respect to Procedural Write-offs:

- (a) Debt Write-off to Retain Eligibility: AIP's may cease collection of small monetary balances and write-off such amounts prior to the termination date provided they verify the following:
  - (i) A billing statement was provided to the insured.
  - (ii) The producer made a concerted effort to pay the amount due according to what was shown on the billing statement; and
  - (iii) Unpaid balance is equal to or less than \$50.

In situations that meet the above criteria, an AIP may write-off the balance of \$50 or less and consider the policy paid in full allowing the producer to retain their eligibility and continue participation in the Federal Crop Insurance Program.

- (b) Debt Write-off to Reinstate Eligibility: AIP's may cease collection of small monetary balances and write-off such amounts and reinstate producers previously reported as "ineligible" provided they verify the following:
  - (i) Proper due process has been provided to the producer.
  - (ii) The Producer made a concerted effort to pay the amount due according to what was billed and/or based on information received from the AIP; and
  - (iii) Unpaid balance is equal to or less than \$50.

In situations that meet the above criteria, an AIP may write-off the balance of \$50 or less and consider the policy paid in full allowing reinstatement of the producer's eligibility and participation in the Federal Crop Insurance program.

**B. Debt Write-Off to Retain or Reinstate Eligibility: (continued)**

(2) Situational Write-offs:

The following guidelines provide AIPs consistent, fair and equitable treatment of producers with respect to Situational Write-offs:

- (a) Debt Interest Write-off: AIP systems accrue and post interest on the 1st of the month following the initial Bill Date provided a minimum of 30 days have passed from the first billing date as required in the basic provisions and/or SPOI. In many situations producers pay the amount they have been billed, but the payment is not received and/or posted until a few days following the 1st of the month. In these situations, AIPs may cease collection and waive interest on such amounts accrued prior to the termination date provided the following has occurred:
  - (i) A billing statement was provided to the insured.
  - (ii) AIP has determined that the producer made a concerted effort to pay the amount due according to what was shown on the billing statement.
  - (iii) AIP has determined that payment was postmarked on or before the actual due date or was received within 10 business days of the actual due date when the actual due date is earlier than the termination date (Note: there is no additional time provided when the actual due date is on or after the termination date); and either
  - (iv) Any unpaid balance directly coincides to the most recent month's accrued interest; or
  - (v) Any unpaid balance directly coincides to the cumulative interest which is equal to or less than \$50.

In situations that meet the above criteria, an AIP may waive accrued interest and consider the policy paid in full, allowing the producer to retain their eligibility and continue participation in the Federal Crop Insurance program.

(3) Other Write-offs:

The following guidelines provide AIPs consistent, fair and equitable treatment of producers with respect to Other Write-offs:

Recognizing there are circumstances when a write-off may occur for reasons that fall outside Procedural, Situational and PASS Revision requirements should be classified as Other Write-offs. AIPs must have documented procedures in place that include an approval process and detailed explanation for such write-offs. Write-offs of this type should only be used to retain producer eligibility for continued participation in the Federal Crop Insurance Program.

**B. Debt Write-Off to Retain or Reinstate Eligibility: (continued)**

**Note:** *AIPs cannot simultaneously apply different write-off types on the same Eligible Crop Insurance Contract.*

**C. Debt Write-off Due to PASS Revisions**

The following guidelines provide AIPs consistent, fair and equitable treatment of producers with respect to write-offs as a result of PASS revisions which occur after the billing date:

- (1) Revisions to PASS reporting or validation requirements that are made after the initial billing for the Eligible Crop Insurance Contract which results in a higher premium than what was accepted by PASS as of the billing date in the SPOI may be written off when the revised amount is less than or equal to \$50, provided the following has occurred:
  - (a) An initial billing statement was provided to the insured reflecting the premium amount accepted by PASS as of the billing date in the SPOI.
  - (b) AIP has determined that the producer made a concerted effort to pay the amount due according to what was shown on the billing statement; and
  - (c) Any unpaid balance directly coincides to the net amount changed as a result of the PASS revision.
- (2) Revisions to PASS reporting or validation requirements that are made after a claim payment for the Eligible Crop Insurance Contract which results in a lower loss amount than what was previously accepted by PASS may be written off when the revised amount is less than or equal to \$50, provided the following has occurred:
  - (a) A claim payment had been made for the loss amount that was previously accepted by PASS; and
  - (b) Any unpaid balance directly coincides to the net amount changed as a result of the PASS revision.
- (3) Amounts written off as a result of PASS reporting or validation revisions made after the billing date or claim payment date do not have to be billed before the debt can be written off.

**A. General Information**

Any insured, who has been determined to be ineligible for crop insurance due to failure to pay a debt owed, may request reinstatement by submitting a written request to their AIP. Depending upon the circumstances that caused the inadvertent failure, the following avenues to request reinstatement may be available.

- (1) RMA Administrator Authorized Reinstatement
  - (a) When the delinquent amount has been paid by the ineligible person, the AIP is responsible for transmitting the payment information on the P12 record as verification that the outstanding debt has been satisfied
  - (b) The AIP must submit the ineligible person's request to RMA within 15 days of receipt and then transmit the policy if the ineligible person is a SBI to the applicant or insured. The amount of coverage for all crops included on the Application must be reduced proportionately by the percentage of interest of that person in the applicant or insured.
  - (c) The AIP has 30 days from the date when the reinstatement request is granted by the Administrator to reinstate the policy and submit all applicable data to PASS.
  - (d) Reinstatement is effective for the crop year that the policy was terminated. The coverage provided under the reinstated policy will use the same plan of insurance, coverage levels, fund designation, endorsements and options the person had prior to termination, provided the person continues to meet all eligibility requirements and comply with the terms of the policy, and there is no evidence of misrepresentation or fraud
  
- (2) AIP Authorized Reinstatement
  - (a) When the delinquent amount has been paid by the ineligible person, the AIP is responsible for transmitting the payment information on the P12 record as verification that the outstanding debt has been satisfied.
  - (b) The AIP must ensure that the ineligible person's request was received no more than 30 days after the termination date or any other applicable due date.
  - (c) The AIP must maintain all applicable documentation in supporting the determinations.
  - (d) The AIP must transmit the appropriate ITS status code for all determinations.
    - (i) 46 Status Code – Debt Satisfied 15-Day Grace Period (for written payment agreements only)
    - (ii) 47 Status Code – Debt Satisfied 7-Day Transit
    - (iii) 48 Status Code – Debt Satisfied Small/Transposed Amounts

# PART 4 EXCEPTION CHANGE REQUEST SUBMISSION AND PROCESSING

## 31 General Information

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### A. Purpose and Objective

The published ADM, policies and procedure define what is considered to be the standard offer for a commodity within any area of a county. When specifically permitted by the policy, Regional Offices are authorized to review individual insured's Actuarial Change Requests for exceptions to the standard offer or the expansion of coverage to counties where insurance coverage for an insurable crop is not available. Based on this review, if supported by data from various sources, the Regional Office can develop a customized offer for insurance coverage.

RMA has developed the Regional Office Exception (ROE) system to manage the exchange of data between the Regional Office and the AIPs relative to Actuarial Change Request processing, Written Agreement development, and application of the terms of the Written Agreement offer. This section of the Data Acceptance Narrative provides the following information related to the ROE system:

- Guidelines for electronic submission of Exception Request data.
- Retrieval of the modified actuarial and insurance control elements data associated with a Written Agreement offer.
- Guidelines for AIP reporting the application of Written Agreement terms to policy units to RMA/FCIC.
- Validations that will be performed on electronically submitted Actuarial Change Requests and policies associated with a Written Agreement Offer.

This documentation covers the technical aspects of Actuarial Change Request processing and shall be used in conjunction with the Written Agreement Handbook (FCIC 24020), which defines the procedural aspects of Written Agreement creation and issuance.

### B. Source of Authority

The source of authority for Actuarial Change Request process is covered in the Written Agreement Handbook (WAH).

### C. Related Handbooks and Reference Materials

This table references related handbooks/reference materials and their relation/purpose.

<b>Related Handbooks/ Reference Material</b>	<b>Relation/Purpose</b>
Written Agreement Handbook (FCIC 24020)	Provides procedures for modifying terms and conditions of the ADM, ICE, or other issued policy and procedure
Crop Insurance Handbook Part 20 RO Underwriting	Provides procedures for Determined Yield and Added land Requests

## 31 General Overview (Continued)

### D. Procedural Conflict

If there is a conflict between information in Part 4 of this Narrative and the Written Agreement Handbook or Crop Insurance Handbook, the Written Agreement Handbook or Crop Insurance Handbook will take precedence.

In addition, refer to the General Information section of Appendix III – Data Acceptance Narrative for the following:

- Procedural Issuance Authority
- Issuances and Revisions
- Implementing FISMA Information Security Standards and Guidelines
- Incident Reporting

## 32 Responsibilities

The following table references the Entity, Function and Responsibilities related to submitting and processing data for Actuarial Change Request processing.

Entity	Function	Responsibilities
RMA	Reporting	<p>Responsible for:</p> <ul style="list-style-type: none"> <li>• providing updates to FCIC reporting guidelines</li> <li>• performing duties and validations of AIP submitted data as outlined in the “Formats/Edits” portion of this Handbook</li> <li>• determining data reporting requirements, validation edits, files and standards</li> <li>• maintaining and administering databases and other storage media used by ROE and PASS</li> <li>• maintaining and timely releasing to AIPs the Insurance Control Elements (ICE) validation files referenced herein</li> <li>• preparing and providing error reports to the AIP designee containing data not passing all edits and validations specified by FCIC</li> <li>• updating/maintaining Actuarial Change request data and RO response</li> <li>• providing technical assistance in error resolution</li> <li>• responding within 7 business days to a properly completed ROE error report</li> <li>• creation of the folders on the Extranet SharePoint site for each request</li> <li>• provide notification when request folder are created or documents are ready for pick-up</li> <li>• maintaining and timely releasing to AIPs the Written Agreement related ADM and ICE (WA ADM/ICE) referenced herein</li> </ul>

### 32 Responsibilities (Continued)

Entity	Function	Responsibilities
AIP	Reporting	<p>Responsible for taking actions to ensure timely and accurate data submission to FCIC, including but not limited to submission of:</p> <ul style="list-style-type: none"> <li>• monitor notification sources               <ul style="list-style-type: none"> <li>○ e-mail</li> <li>○ Ice Exception Request</li> </ul> </li> <li>• manage the documents on the SharePoint site</li> <li>• accurate and detailed Actuarial Change Request data and other supporting data (AIP Field Office contact information etc.) to FCIC in the format prescribed in this Appendix</li> <li>• properly completed ROE and PASS error reports to DQB, after analysis or for guidance in correcting rejected data that is present on the ROE or PASS error listing</li> <li>• pick up WA ADM/ICE records developed for the Written Agreement Offer.</li> </ul>

### 33 System Overview

#### A. Exception Change Request Processing Overview

- (1) Exhibit 201-0 illustrates the system flow concept that will be implemented with ROE.
- (2) For the current reinsurance year AIP will submit Exception Requests electronically. All the supporting documentation shall be supplied to the RO in an electronic format. (Refer to the Written Agreement Handbook for details.)
- (3) A folder on Extranet SharePoint site will be used for all document exchanges between the AIP and the RO no matter what request submission option is used.
- (4) With either submission option for Actuarial Change Request, the AIP will be supplied with ADM and ICE records (WA ADM/ICE) modified to create the Written Agreement, if an offer is made. The AIP shall use the WA ADM/ICE records instead of the standard ADM and ICE records for the determination of premium and for loss determination.

PASS will reference these records to perform standard and WA specific validations on the policy records associated with a Written Agreement.

- (5) Data electronically submitted:
  - (a) Actuarial Change Request to FCIC for an AIP is processed through PASS. The data is checked for proper reinsurance year format. A determined yield will no

#### A. Exception Change Request Processing Overview (continued)

have WA ADM data. A determined Yield will have a record on the Ice Exception Request Table (D030001).

- (b) Validations are performed on submitted transactions for data accuracy and compliance with policy, procedure and processing requirements. The PASS performs required edits on each transaction to the extent practical before rejecting a transaction. Upon completion of editing, a report is generated which summarizes the acceptance, and rejection from the transaction. Records which were found in error are system-generated output that is sent to an AIP after each edit completes.
  - (c) Error processing is the validation that occurs from the request record submission process and provides the AIPs a way to track and resolve errors that occur both within the file submission process and within the request records submitted.
- (6) The DQB provides operation support for the Actuarial Change Request submission and processing and PASS processing of unit covered by a Written Agreement. All questions regarding data distribution reporting and validation should be addressed to the AIP's DQB representative.

### 34 General Site Access

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#### A. ROE Telecommunication Processing

- (1) Refer to the Appendix III – Data Acceptance Narrative “PASS Telecommunication Processing” section for details on:
  - (a) Options for connecting to the site for uploading R records and picking up WA ADM/ICE records.
  - (b) When and how often an AIP may transmit R records to RMA.
  - (c) RMA's options for stopping automatic edit processing.

#### B. ROE Report Handling

Currently, the Error Stats web application is not interfaced with ROE error reports. Upon completion of batch processing, batch summary/exceptions details will only be uploaded to Common Download folder of the AIP FTP Site.

**A. R” 35 Lite Option**

- (1) For electronic submission of the Exception Change Request in ROE, the submission of supporting documentation for the request does not occur until after the acceptance by the RMA system of at least the R35 Lite series of records (R35, R37, R36 and, if no P10 series referenced, the R10 and R10A). This will automatically create a request record on the RMA internal system. This will also trigger the creation of a folder for that specific request on the ROE Extranet SharePoint site and the generation of an email notification. The Email notification will be sent to the email address associated with the field office indicated on the R35 record and will contain a link to the request folder. The AIP will then upload electronic copies of the supporting documentation to this request folder, which will set the submission date for the request

**B. Data Handling**

- (1) All data submitted to the FTP site for loading by the PASS Engine will be processed as soon as possible.

The Scribe job, which pulls this information into the ROE system, runs every hour. The creation of the request record in the ROE system triggers the creation of the request folder on the Extranet SharePoint site and generates the email notification to the associated AIP field office that the request folder is available so the supporting documentation can be uploaded.

- (2) All ROE files delivered by the AIPs and returned by RMA through the FTP server must be encrypted using the Advanced Encryption Standard (AES) algorithm using 256-bit keys (AES-256). The RMA IT Service Desk will coordinate encryption keys between RMA and the AIPs.
- (3) In order for files delivered by the AIPs to the FTP server to be correctly processed by the RMA PASS file load system, the file structure must submit the 2-digit AIP Code, 4-digit reinsurance year, and 1 digit application code. For example:

AIP Code	XX
Reinsurance Year	2023
Application Code	R
<b>Submit File Format</b>	<b>XX2023R.ZIP</b>

**35 Exception Change and Determined Yield Request Submission Requirements (Continued)**

**B. Data Handling (continued)**

The file formatting rule applies only to the file submitted to the FTP server. Each ZIP file must contain only one file within it. There are no format rules for the name of the file contained within the ZIP file. All data must be pipe-delimited with no extra pipe at the end of the line. All fields requiring a sign (+/-) will be noted with a leading “S” in the “Format” column. This sign will be included in the Maximum Length field.  
 Example: S9999.99

- (4) All files are immediately date/time stamped when they land on the FTP server. Once an AIP submits a file to the individual “Upload” folder the FTP service performs the following checks:

<b>FILE SUBMISSION CHECKS</b>	
Zip file is invalid	If corrupt and cannot be opened, it is moved to the common upload folder with a dot-BADZIP extension
More than one file is inside Zip	File is moved to the common upload folder with a dot-BADZIP extension.
Zip file name does not contain the correct AIP code	If the name of the Zip file does not contain the AIP Code indicated in the User ID, the file is moved to the common upload folder and the name of the file is modified to indicate that the file is invalid with a dot-BADAIP extension.

- (5) Upon completion of processing, output files are returned to the common download folder for the AIP.

<b>RETURN ZIP FILE</b>	
Return Zip File Name	XX2023R0003.zip
<b>RETURN ZIP FILE CONTENTS</b>	
Processed Records File Name	XX2023R0003.txt
Exception Record File Name	XX2023R0003Exception.txt
Summary Record File Name	XX2023R0003Summary.txt
Unknown Record File Name	XX2023R0003Unknown.txt

**35 Exception Change and Determined Yield Request Submission Requirements (Continued)**

**B. Data Handling (continued)**

- (a) The R98Z and R99Z Exception records are contained in the Exception output file. The format of these files is the same as what is used for policy processing. These records contain codes to identify the reason for the exception.

<b>R98Z (Unknown record) Unknown Reason Codes</b>	
Unknown record Unknown Reason Codes identify the reason why a record could not be processed. A matching row for the R98Z will be found in the Unknown output file.	
Unknown Reason Code 1	Reinsurance Year does not match the Reinsurance Year on the batch file name
Unknown Reason Code 2	AIP Code does not match the AIP Code on the batch file name
Unknown Reason Code 3	Record Type not in list of accepted Record Type Codes (by Reinsurance Year)
Unknown Reason Code 4	Record has too few delimiters for the Record Type
Unknown Reason Code 5	Record has too many delimiters for the Record Type
Unknown Reason Code 6	One or more record columns exceed allowable maximum width. The R98Z exception record contains a field called "Overflow Columns" that contains the index of all fields in the input record that were too large to fit into their associated staging table. The index is 1-based and indicates the position in the current row where the field was too large. If it has more than 1m rows or any single row is greater than 500 characters, it is considered a malformed file and the entire batch is dumped. The zip file will contain a single R98Z record which will have the name of the submitted file as it exists in the AIPs upload folder. If the number of records exceeds the maximum allowed the file is considered malformed and the Malformed Batch code contains a malformed file, "M". If any single row exceeds the maximum allowed length the batch is considered malformed and the Malformed Batch Code contains a Malformed Row, "R".
Unknown Reason Code 7	Submission date of the record type is outside of the valid submission start date or end date.

### 35 Exception Change and Determined Yield Request Submission Requirements (Continued)

#### B. Data Handling (continued)

<b>R99Z (Exception record) Process Result Codes</b>	
Exception record Process Result Codes identify the status of the processing for that record. When record level rules are validated, the field name and number will be left blank, and the Rule ID will contain the number of the record level error that has occurred.	
A	Accepted
M	Message
R	Rejected
W	Warning
S	Suspended

- (6) Actuarial Change Request must be submitted electronically on a reinsurance year basis. The current Reinsurance Year data would include the following crop year data:
  - (a) Raisins: Current RY -1
  - (b) Florida Avocados: Current RY +1
  - (c) Citrus (Arizona, California, Florida and Texas): Current RY +1
  - (d) Nursery (0073 and 1010): Current RY +1
  - (e) All other crops: Current RY
- (7) All data relating to each respective Reinsurance Year must be included in the same submission, with separate submissions required for each reinsurance year.
- (8) Associated P record ZIP files shall be submitted before the R record ZIP files are submitted.

**A. ROE “R” Record Processing Considerations**

- (1) Request can only be processed by the RO if the ADM they plan to use as their source ADM for developing the offer has been released. Therefore, requests should be restricted to crops with the same filing date otherwise the RO will have to split the request.
- (2) Electronic request submissions that are accepted by the system cannot be updated by resubmission of the record. The AIP field office shall contact the Regional Office that is responsible for reviewing the Actuarial Change Request to inform them of any necessary corrections. This also means that prior accepted R35 records cannot be referenced if new R37 records are later submitted for crops in a different filing.
- (3) The exceptions to the above rule are the R36, R10, R10A and R10B record types. Resubmission of the R36, R10, R10A and R10B can be done to update previously submitted data.
- (4) RMA Internal use only and Filler record type fields will be initialized by RMA. AIP transmitted data will be replaced with appropriate default value and may be overlaid with RMA Internal values.
- (5) The relationships between the R records are documented in Exhibit 202.0 Relationship between R – record tables
- (6) A high-level listing of acceptable record types and specific handling considerations for ROE are as follows. More detailed information is documented in corresponding R-record layout document:

Type 35 Record, Exception Request	<p>The Type 35 record establishes the exception request.</p> <p>The Type 35 record contains the key(s) for a R10 or an existing P10 record, which provides the necessary name and addressing information for the entity associated with the exception request. A R10 or P10 record must exist for the R35 to be accepted.</p> <p>The Type 35 also contains the AIP Field Office Key, which links the R35 to an AIP field office record in the R36. It is required because the email address is needed so email notifications can be sent from the ROE system to the AIP field office associated with the request.</p> <p>The R35 record is required. It must be submitted with a R37.</p>
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## 36 Electronic Request Submission Processing Considerations (Continued)

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### A. ROE “R” Record Processing Considerations (continued)

Type R10 Record, R10A, R10B Policy Records	<p>Type 10 series is used to provide information regarding the entity requesting the Exception and entities with a SBI, Spouse, Landlord and Transfer of right to indemnity.</p> <p>The Type 10 record associated with request is indicated on the R35.</p> <p>The request will be rejected if a Tax ID is not submitted.</p> <p>The AIP can also reference an existing P10 record series and the R record load process will pull in the entity addressing information etc. from the P10 record series. When the AIP takes that option, the R10 record series is not required. If an associated P10 record series does not exist, then the R10 record series is required.</p>
Type R27 Records  Land ID	<p>The Type 27 record provides legal data.</p> <p>If the R27 record is land that is to be considered for the Exception request</p> <p>Submission of the R27 is optional for 2023. For 2023, rejection of any of the R27 series records will not cause the request to be rejected.</p>

**36 Electronic Request Submission Processing Considerations (Continued)**

**A. ROE “R” Record Processing Considerations (continued)**

<p>Type R36 Records AIP Field Office Contact Information</p>	<p>The Type 36 record provides the contact information for the AIP field office handling the Exception Request. The email address for the field office is used for all notifications of request folder creation and document posting by the RO to the AIP SharePoint site. The email address for the office should be a distribution list type to insure more than one person is notified. The AIP can set up different teams within a field office to receive notification by creating unique email addresses for each team. Because the Search option on SharePoint supports searches by AIP Field Office name, a unique field office name should also be established.</p> <p>Rejection of the R36 will result in the rejection of the associated R35 records.</p> <p>Submission of the R36 is required. Submission of the R36 can occur before submission of any R35 records. Individual R36 records do not have to be tied to a R35 record at the time of submission. A R36 record can be resubmitted if the addressing information changes.</p>
<p>Type R37 Records Commodity- Type-Practice and Yield land Association</p>	<p>The Type 37 record provides a listing of commodities, types and practices to be considered on the Exception Request.</p> <p>Only commodities listed in the ADM Commodity table can be submitted electronically. Commodities not included in that file do not have a valid policy for 2023 so they cannot be made insurable by a Written Agreement and will be rejected.</p> <p>If the Type Code and Practice Code (legacy field) are submitted, the RMA R record load process will look up the associated eight extended type and practice codes. If the eight extended type and practice codes are submitted, the RMA R record load process will look up the associated legacy fields.</p> <p>The type and practice code fields can either all be blank or must all be populated with in a code group. This rule is applied within the legacy code group separate from within the extended code group.</p>

## 36 Electronic Request Submission Processing Considerations (Continued)

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### A. ROE “R” Record Processing Considerations (continued)

Type R37 Records  Commodity-Type-Practice and Yield land Association (cont.)	The type and practice code fields should be left blank if the request is not restricted to a set of type-practice records, for example on UA requests. The type and practice code fields should also be left blank if coverage for a new type or new practice is the purpose of the request. Specific details about the new type of practice would be documented on the Exception Request Form. The request may require the creation of a new RMA code, which will have to be approved by RMA’s Actuarial Branch.  Submission of the R37 is required.
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## 37 ROE Reports

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ROE provides AIPs the following report file to assist error resolution and status.

Reports	
P99Z, “Exception”	Provides transactional and error statistics on each transmission. The report identifies the input file name, the run date and time, and the received date and time. The transactional statistical section provides counts by record type of submitted; accepted; rejected; and suspended records. The error statistics sections list the error code and message received and the number of records in error.

## 38 ICE Reference Tables Specific to Actuarial Change Request Processing

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There are eight ICE tables that are only associated with Actuarial Change Request and Written Agreement processing and that are not WA Number specific. These reference tables will be provided to the AIP via the standard ICE release site:

[ftp://ftp.rma.usda.gov/pub/References/insurance\\_control\\_elements/PASS/2023/](ftp://ftp.rma.usda.gov/pub/References/insurance_control_elements/PASS/2023/)

### 38 ICE Reference Tables Specific to Actuarial Change Request Processing (Continued)

Reference Files		
ICEExceptionRequestProcess	D03002	Exception Processing Procedure Associated with the exception request.
ICEExceptionRequestType	D03003	Request type approved for use in the current reinsurance year.
ICEExceptionRequestProducerType	D03004	Identifies insured's role in operation.
ICEExceptionRequestStatus	D03005	Status of offer defined by WA ADM/ICE records. See 17.B for details on how this field will be used.
ICEExceptionRequestOfferType	D03006	Defines whether the offer was exactly what was requested.
ICEExceptionRequestReleaseReason	D03007	Reason that the WA ADM/ICE records were released to the AIP.
ICEExceptionRequestLandLevel	D3008	Level at which PASS must do legal validation

### 39 WA ADM/ICE Record Retrieval

#### A. ROE Process that builds WA ADM/ICE records

- (1) The ROE process that will build the WA ADM/ICE records will only run once a day. The process to build WA ADM/ICE will be scheduled so that it will complete by 4 AM Central time in order for PASS to have access to the information that business day. It is currently scheduled to start at midnight each day.
- (2) The ROs have requested a “cooling off” period for offer release, so records for an offer will be posted to the FTP site in the folders indicated below nine hours after approval by the RO.
  - (a) Exhibit 203-0 shows how this delayed release will impact when the WA ADM/ICE and documents will be available to the AIP after being approved by the RO.
  - (b) Offers not nine hours old by the schedule start of the WA ADM/ICE build process, will be processed the next day so they will not be available to PASS until two days after the offer is approved by the RO. Release of the associated Denial Letter, Not Accepted Letter, Cover Letter and Written Agreement are also on a nine-hour release delay, but since the system that posts the documents to the AIP Extranet SharePoint runs throughout the day, the AIP will receive the document no later than the next day.

## 39 WA ADM/ICE Record Retrieval (Continued)

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### B. Location of the WA ADM/ICE records

Release of the WA ADM/ICE will be specific for an AIP, so AIPs will need to pick up files released by RMA from the following folder locations on the FTP site:

- AIP Test: `armgftpua.rma.usda.gov/{AIPCode}/WA`  
Example: (“XX” is the code for “Brand X AIP”)  
`armgftpua.rma.usda.gov/XX/WA/`
- FTP Prod: `armgftp.rma.usda.gov/{AIPCode}/WA`  
Example: (“XX” is the code for “Brand X AIP”)  
`armgftp.rma.usda.gov/XX/WA`

### C. Files Available to AIP

The AIPs will receive Year to Date (YTD) file. This will be released daily if a record was initially processed or changed.

Naming Convention to be used for WA ADM/ICE files  
(YYYY = *Reinsurance Year*)  
(YYYY = *Reinsurance Year*, YYMMDD = *Date Extract Done*)

YTD =====  
File Name: YYYY\_RecordType\_RecordTypeName\_YTD.txt  
Example: 2023A00810\_Price\_YTD.txt

Zip File Name: YYYY\_WAAdm\_Ytd .zip  
Example: 2023WAAdm\_Ytd.zip

## 40 WA ADM/ICE Records Formats and Content

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As a general rule, all Written Agreement offers are derived from existing ADM and ICE records. In some situations, however, the Written Agreement offer development requires the creation of new records within specific table. For example, in order to make unrated land insurable, coverage level differential and T-yield records have to be created in addition to editing the existing sub county rate record for “URA”.

A Written Agreement will not change the map area assigned to land in a county. Changing the coverage from one map area to another will be done by updating the records for one map area with the values from another. This was decided in order to not put the Written Agreement in conflict with GIS databases.

**40 WA ADM/ICE Records Formats and Content (Continued)**

WA ADM tables and records comply with the structure, format and content of the corresponding standard offer ADM table. Actuarial maintains the documentation for the ADM tables listed in the table below. This information is available in the [ADMLayout.zip](#) for the current reinsurance year.

**A. ICE Tables Documentation/Structure**

The PASS team maintains the documentation for the structure and content of the ICE records listed in the table below. ADM/ICE Tables that potentially will include Written Agreement related data.

ADM	<ul style="list-style-type: none"> <li>• WA Number is a key on the record</li> <li>• The ROE system will only recognize the ADM data 10 days after the filing date.</li> <li>• The WA ADM will only contain records in these tables if the Source ADM contains records in these tables.</li> <li>• Mapping data will only be copied from the Source ADM where it is appropriate</li> <li>• Insurance Offers for pilot options will be removed.</li> <li>• New Breaking agreements will have all references to prevented planting coverage removed</li> <li>• Records for all covered insurance plans will be included             <ul style="list-style-type: none"> <li>○ Revenue type insurance plans will only be included if a revenue insurance plan exists somewhere in the state for the commodity.</li> <li>○ For Option Rate, Sub County Rate and Yield and T-yield tables a WA LAND ID field is an additional key.</li> </ul> </li> </ul>	Base Rate (A01010) Coverage Level Differential (A01040) Date (A00200) Document Builder (A01200) Historical Revenue Capping (A01110) Insurance Offer (A00030) Land Description (A00040) Map (A00045) Price (A00810) Proration (A01070) Option Rate (A01060) Sub County Rate (A01050) Yield And T-yield (A01100) Yield Exclusion (A01105) Area Coverage Level (A01130) Guarantee Adjustment (A01220)
	<ul style="list-style-type: none"> <li>• Not Written Agreement specific, so this table does not contain a WA Number.</li> <li>• Application of a Special Provision statement is optional</li> <li>• No more than one Special Provision state will exist per Written Agreement</li> </ul>	Statement (A01210)

**A. ICE Tables Documentation/Structure (continued)**

ADM (cont.)	<ul style="list-style-type: none"> <li>• Not Written Agreement specific, so these tables do not contain a WA Number.</li> <li>• Daily Zip Files – Will only contain type and/or practice records that are not part of the standard ADM release to the public.</li> <li>• YTD Zip Files - Will contain all the type-practice reference records for the Written Agreements contained in the ZIP file release.</li> <li>• It is important to note that these tables may contain type or practice codes that are not part of the standard ADM release to the public.</li> </ul>	Class (A00410) Commodity Type (A00430) Cropping Practice (A00450) Intended Use (A00470) Interval (A00480) Irrigation Practice (A00lar490) Organic Practice (A00500) Practice (A00510) Sub Class (A00530) Type (A00540)
ICE	<ul style="list-style-type: none"> <li>• WA Number is a key on these records</li> </ul>	Damage Cause Commodity (D00077) Exception Request (D10028) Guarantee Adjustment (D00068)  Maximum Replant Guarantee Per Acre (D00129) Maximum Yield (D00120) Notice Type Exclusion (D00032) Reference Year Adjustment (D00086) Skip Row (D00039) Stage Commodity (D00124) Stage Factor (D00069)

**B. Header Record for WA ADM/ICE.**

The ICE Exception Request (D03001) record for the Written Agreement is the controlling record for the use of the WA ADM/ICE data. This is the only table that will be used by Determined Yields.

**B. Header Record for WA ADM/ICE. (continued)**

<b>Field</b>	<b>Purpose</b>
Reinsurance Year	Reinsurance Year for which the details of the WA ADM/ICE can be applied.
Record Type Code	“D03007” – PASS ICE table identifier
Request number	RMA issued request identifier.
Sub Request Number	Identifier tied to decision path (Offer, Denial, Not Accepted, etc.)
Version Number	Identifier for revisions to the offer.
Insurance Plan Code	Insurance Plan Code to which the details of the offer can be applied.
Commodity Code	Commodity Code for which the details of the record can be applied.
Exception Request Process Code	“AC” – Actuarial Change “DY”-Determined Yield
Commodity Year	Commodity Year for which the details of the record can be applied.
AIP Code	AIP associated with the Actuarial Change Request
AIP Exception Request Key	AIP assigned internal identifier for the Actuarial Change Request
Producer Tax ID	Tax ID for the insured covered by the terms of the Written Agreement.
Producer Tax ID Type Code	Tax ID Type Code for the insured covered by the terms of the Written Agreement.
Location State Code	State Code for which the details of the record can be applied.
Location County Code	County Code for which the details of the record can be applied.
Policy Number	Policy Number assigned by AIP
Exception Request Offer Type Code	Identifies whether offer made by the RO is exactly what was required or not.
Exception Request Type Code 1	Type of Exception Request Type covered by the Written Agreement offer.
Exception Request Type Code 2	Type of Exception Request Type covered by the Written Agreement offer.
Exception Request Type Code 3	Type of Exception Request Type covered by the Written Agreement offer.
Exception Request Type Code 4	Type of Exception Request Type covered by the Written Agreement offer.
Signature Required Flag	Indicates whether Insured’s signature is required (“Y”) or not required (“N”)

**40 WA ADM/ICE Records Formats and Content (Continued)**

**B. Header Record for WA ADM/ICE. (continued)**

<b>Field</b>	<b>Purpose</b>
Crop Inspection Required Flag	Indicates whether a Crop Inspection is required (“Y”) or not required (“N”)
Exception Request Status Code	Indicates whether offer is preliminary, active or inactive for the specified Reinsurance Year.
Offer Expiration Date	Date by which the insured needs to accept the offer.
RO Approved Date	Date RMA made the offer.
Insured Accepted Offer Date	Date Insured accept the offer.
Insured Accepted Offer Flag	Indicates that according to RO records the Insured accepted (“Y”) or did not accept (“N”) the offer.
WA Number	Written Agreement Number or Determined Yield Number
WA Multi Year Flag	Indicates whether offer covers more than one Reinsurance year (“Y”) or is for a single year (“N”).
Begin Commodity Year	First Commodity Year that offer is valid
End Commodity Year	Commodity Year after which the offer expires. A value of 9999 indicates that no expiration year was set by the Regional Office for the offer.
ADM Source State Code	Informational only. State Source for ADM/ICE records used to build the WA ADM/ICE records.
ADM Source County Code	Informational only. County Source for ADM/ICE records used to build the WA ADM/ICE records.
Exception Request Release Reason ID	Details as to why the ICE Exception Request record was released.
Land Level Code	Level at which the validation of legals reported to PASS as covered by a Written Agreement offer will be performed.
Adm Exists Flag	Indicates whether WA ADM/ICE records have been created (“Y”) or not (“N”) for the specified Reinsurance Year for the WA Number recorded. PASS will skip post 2023 Written Agreement validation if the value of this field is “N”.
Multi-Year Cancelled Date	Indicates whether a Multi-Year WA has been cancelled. If populated the MY will no longer apply for future Reinsurance Years

**C. How to Use the Land Description Table Records.**

Except when the Land Level is set to “CTY”, the Land Description (A00040) table and Land Level Code field (from the Exception Request (D10028) are key to determining what land is covered by the Written Agreement and what WA LAND ID to use. When the Land Level is set to “CTY” there are no records for the Written Agreement in the Land Description table because all the legals in the location county associated with the Written Agreement are covered by the terms of the offer, so the Land Description table is not needed to filter what land has coverage. (When the Written Agreement has a map attached, the map may designate uninsurable areas within the county, so covered in this context differs from insurability.)

The Land Level value indicates what field(s) in the Land Description table have to match for coverage of the Written Agreement to apply. The chart in Exhibit 206-0 shows what field(s) need to match based on the Land Level Code value. The match may return more than one record from the Land Description table. All that is important is that there is at least one match found for the legals in order for it to be covered by the Written Agreement.

**41 Content of Year-to-Date Releases**

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The WA ADM txt files will be generated in a similar manner to the existing ADM txt files. Here is some specific information:

**A. General**

- Files will contain written agreement related data.
- Files are generated per AIP and only contain data specific to the written agreements for each AIP.
- A file will only be created if there is data to put in the file. There will not be any empty files or files with only column headers.
- A file will only be created or recreated if data in the corresponding table has changed that day. This means that if data didn’t change for an AIP in a particular table, the txt file will not be re-created and therefore will not have a new timestamp.

## 41 Content of Year-to-Date Releases (Continued)

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### B. YTD Files

- Will contain all written agreement data for a single Reinsurance Year for each AIP.
- Example - if an YTD AdmDate.txt file contained 100 rows in it yesterday for an AIP, those same 100 rows will be in the txt file today with any updated data plus any new rows inserted today.
- YTD txt files are zipped together by Reinsurance Year and AIP.
- There will only be one zip file with the same file name for a reinsurance year for an AIP. It will be updated nightly with any new or updated txt files.  
(Example: 2023WAAadm\_YTD.zip)

### C. Prices

- For insurance plans where the pricing data is not initially released with the ADM, the WA ADM will also be released without pricing data in the WA ADM files.
- When an ADM Price update triggers a re-release of the WA ADM, the IceExceptionRequest and AdmPrice txt files will be generated.
- The files will contain records for the impacted written agreements.
- IceExceptionRequest will have an updated Release Reason of 4 – ADM Prices Updated and the records in both files will have an updated Release Date of \*that-day.

*\*NOTE: that-day = Includes releases for the entire day that the WA ADM job is executed. For example, if the job were to run November 12 starting at midnight, the data will be marked with a ReleasedDate = 11/12/2013 and some timestamp. The code will look for rows of data where ReleasedDate >= 11/12/2013 and ReleasedDate < 11/13/2013.*

## 42 Identifying Active Written Agreement Offers

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The Exception Request Status Code in the Ice Exception Request table indicates whether the Actuarial Change Request is associated with an active agreement. The Exception Request Status codes are Preliminary, Final, Superseded, Withdrawn and Cancellation. The reason for the release of the WA ADM/ICE records is captured in the Exception Request Release Reason ID. A listing of the valid codes and the relationship to the Exception Request Status Code is documented in Exhibit 204-0.

The WA ADM/ICE records will be initially released as “Preliminary”. This is noted as “P” in the Exception Request Status Code field on the record for the Actuarial Change Request in the Ice Exception Request table (D03001). Once the RO is notified of the insured’s acceptance and, when required, documentation that Crop Inspection was passed by the AIP’s posting of electronic copies of the documentation to the request folder, the WA ADM/ICE records will be released as

## 42 Identifying Active Written Agreement Offers (Continued)

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Final (Exception Request Status Code of “F”) with an Exception Request Release Reason ID of “2”. PASS will only recognize the existence of the Written Agreement when the Exception Request Status Code is “F”.

If the RO does not receive notification that the insured accepted the offer or when the insured rejects the offer, the WA ADM/ICE will be released with an Exception Request Status Code of “W-Withdrawn” and the Deleted Date populated on each WA ADM/ICE record. The reason for the withdrawal will be noted using a code in the Exception Request Release Reason ID field (See Exhibit 204-0).

For some insurance plans, the pricing data may not be released by RMA until 15 days prior to the Sales Closing date, so WA ADM/ICE will be released without the price data in those situations. When pricing data is updated later in the Reinsurance Year, the WA ADM/ICE records will automatically be regenerated to include this additional data. This will occur not earlier than 10 days after the release of the ADM price data. The Exception Request Release Reason ID will be set to “4 – ADM Prices Update”.

Once the Preliminary Offer is released to the AIP, if a revision has to be made to the offer because of situations like corrections for errors, a new Written Agreement with a new WA Number will be created and a complete set of WA ADM/ICE records posted to the AIP FTP site. The Exception Request Status Code depends on whether a producer signature will be required. If a producer approval signature is required, then the new version of the Written Agreement will be released with “P” in the Exception Request Status Code. If the RO is not required to obtain another producer approval signature, which would be the situation when the new version corrects an error identified after the RO was notified of the insured’s acceptance of the offer, the new version of the Written Agreement will be released with an Exception Request Status Code of “F – Final” with an Exception Request Release Reason of “3 - New Version”. Once the revised Written Agreement is approved by the producer the WA ADM/ICE records for the previously issued Written Agreement will be released with an Exception Request Status Code of “S – Superseded” and the Deleted Date populated on each WA ADM/ICE record. The reason for the original offer was modified will be noted using the codes in the Exception Request Release Reason ID (See Exhibit 204-0).

For active multi-year agreement, the WA ADM/ICE for the current Reinsurance Year will be released 10 days after the filing date for the commodities covered in the agreement with an Exception Request Status Code of “F-Final” and an Exception Request Release Reason ID of “6 – Multi-Year Rebuild”. The RO will then have up to 30 days before the cancellation date to review the multi-year agreement. If the RO determines that the agreement must be cancelled, the WA ADM/ICE will be reissued with an Exception Request Status Code of “C-Cancellation” and the appropriate code to assign to the reason for cancelling the agreement.

Actuarial Change Requests that are Denied or Not Accepted by an RO will also have a record in the ICE Exception Request table. These records will contain “F” in the Exception Status Code field, an Exception Request Release Reason ID of “11 – No Offer”, and NULL in the WA Number field in the Ice Exception Request table. There will be no other ADM or ICE records associated with these request records.

In ROE there can only be one WA ADM/ICE associated with a specific commodity-type-practice-legal combination, so the Regional Office will need to merge all changes approved for each request into a single Written Agreement offer. The exception to this rule is for Written Unit Agreements, which has to be issued as a separate agreement. This approach was taken because Written Unit Agreements are generally issued as multi-year agreements, whereas the RO may not wish to make a multi-year offer on all the other Actuarial Change Request Types that the insured is able to request.

Up to four different Actuarial Change Request Type changes can be recorded for a particular non-UA Written Agreement. Modification for more than four Request Type changes can be made; however, these, modifications will not be documented in a field.

### **A. Written Unit Agreements**

The existence of the Written Unit Agreement will be noted by the use of “UA” in the Unit Structure Code on the P11 record, but the actual Written Agreement Number will not be reported on a P record. Since WUAs do not modify the ADM or ICE records associated with the Written Agreement, PASS will just access the standard tables to lookup the needed ADM and ICE information if no other Written Agreement is associated. If another Written Agreement is associated with the unit, it will be reported on the P records in the WA Number field, and PASS will look up the ADM/ICE data associated with that WA Number in order to process the unit.

### **B. All Other Written Agreement Types**

Only the non-Written Unit Agreement numbers will be specifically reported on the PASS records in the WA Number field.

### **C. Validation based on information stored in the Ice Exception Request and ADM Land Description tables**

Legal validation will be controlled by the Land Level Code according to the logical diagram in ROE Exhibit 205 “Validation of Legals Associated with Written Agreement Using Land Level Code”. It will be up to the Regional Office to determine what Land Level Code to apply.

If land was not initially listed on the request, the terms of the Written Agreement cannot be applied to the land unless it passes the required validation set by the Land Level Code field.

For 2023, failure on the legal validation tests will only result in a warning.

**C. Validation based on information stored in the ICE Exception Request and ADM Land Description tables (continued)**

The way PASS will validate the legal records based on the Land Level Code is illustrated in [Validation\\_of\\_Legals\\_Associated\\_with\\_Written\\_Agreement\\_Using\\_Land\\_Level\\_Code\\_Exhibit\\_205-0.pdf](#).

The WA Land ID is a sequential number that is incremented each time a new WA LAND ID group is created. It has to be 1 or greater. It lets the ROE system group legals to provide the correct T-yield, sub county rate, and option rate for that set of legals. This means we can create different offers in those three tables within a WA instead of having to create separate WAs for each group.

If there is a Land Level Code of CTY you will not get any Land Description records for the WA because PASS doesn't do any validation on the fields in those records. In that case you just need to use a WA land id of "1" because that is the default value for the wa land id field stored on the Option Rate (A01060), Sub County Rate (A01050), and Yield And T-yield (A01100) records.

**D. P15 Record Submission**

An RO may create additional WA Land IDs because the RO has determined that they need to make different adjustments to the sub county rate based on the legals or because they wish to group the legals on the WA for clarity. A set of Transitional Yield, Option Rate and Sub County Rate records is automatically created by the ROE system for each WA Land ID at the time the source ADM is imported into ROE. PASS is only going to accept multiple P15 records for the request types below. When the Transitional Yield differs by WA Land ID, the AIP will need to submit a separate set of APH records for each WA Land ID. Otherwise, if the T-yields across WA Land IDs match, the AIP can just send in one P15 with a WA Land ID of "1" or any other WA Land ID associated with the WA.

Request Types Allowed to Have Multiple P15 Records

- NB - New Breaking
- SP - Special Purpose Corn
- HR - High Risk
- XC - No Program
- UC - Unclassified Land

#### **43 Written Agreement PASS Reporting (Continued)**

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##### **E. Use of ICE table with WA Number field**

The general rule when using PASS ICE table is that if there is not a specific match on a key field the record where that key field is NULL can be used. This is not supported for the WA Number field in ICE tables where the WA Number field is a key. If there is no match for the WA Number in the table, the matching record where the WA Number is NULL cannot be used. Refer to section 40 for a list of ICE tables with the WA Number keys.

#### **44 WA ADM/ICE Data for Multi-Year Written Agreements**

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RMA will automatically generate a complete set WA ADM/ICE records for active Multi-Year Written Agreements no sooner than 10 days after the scheduled filing date for the source ADM/ICE for the current reinsurance year. The source State and County for the WA are stored on the Exception Request (D10028) table. The data will be provided in the Daily zip file for the day the process is release and Year to Date zip file for the AIP.

#### **45-50 (Reserved)**

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**Appendix III Records and Reports Overview**

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The records in exhibit 2-10 can be found on the RMA website at <https://www.rma.usda.gov/en/Policy-and-Procedure/Appendix-III-M13-Handbook-Index>. You can download the entire handbook or view a specific record type.

**Accounting Records**

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**FCIC Settlement Reports:**

- 1\_1 - FCIC Operations Report RCP001
- 1\_3 - Installment Report INS001
- 1\_4 - A&O Rate Group by Insurance Plan
- 1\_5 - FCIC Adjustment Detail Report ADJ001
- 1\_6 - Detail Accounting Report Excluding CAT ADR001
- 1\_7 - FCIC Detail Accounting Report Excluding CAT ADR002
- 1\_8 - FCIC Detail Accounting Report Grand Totals ADR003
- 1\_9 - FCIC Detail Accounting Report ADR004
- 1\_10 - PCR Memo Reject Listing PCR001
- 1\_11 - Interest Calculation Examples
- 1\_12 - CAT Conservation Compliance Report CCC001
- 1\_13 - CAT Conservation Compliance Report by Billing Date CCC002

**Administrative Fee Reports:**

- 2\_1 - FCIC Administrative Fee Report FEE001
- 2\_2 - Cat Coverage Fees Reinsured Company Detailed Report CFE001
- 2\_3 - Cat Coverage Fees Excluding Buy Up State Totals CFE002
- 2\_4 - Cat Fee Receivable Report CFE003
- 2\_5 - Additional Coverage Administrative Fee Summary Report ACA001

**Reinsurance Run:**

- 3\_1 - Reinsurance Run RO Recap
- 3\_2 - Reinsurance Run State Recap

**Reconciliation Reports:**

- 4\_1 - Summary Book of Business for Recon Reduction REC002

**FCIC Administrative Reduction Reports:**

- 5\_1 - Administrative Reduction Report Late Reported Reduction LFS001
- 5\_2 - Administrative Reduction Report LFS002

**Premium Due Worksheets:**

- 6\_1 - Premium Due Worksheet PDW001
- 6\_2 - Premium Due Worksheet Example

- 6\_3 - Premium Due Worksheet Deferred Example
- 6\_4 - Premium Due Report PDR001
- 6\_5 - Premium Due Without Payments Worksheet PDW002
- 6\_6 - Premium Due Without Payments Worksheet Example
- 6\_7 - Premium Due Without Payments PDR002

**Fund Transfer:**

- 7\_1 - Instruction Guide for Funds Transfer

**Escrow:**

- 8\_1 - Escrow Register Detail
- 8\_2 - Escrow Register Summary
- 8\_3 - Escrow Register Raw Data File
- 8\_4 - Escrow Bank Reconciliation Report

**RAS Summary Reports –Livestock:**

- 9\_1 - Livestock Operation Report LRCP01
- 9\_2 - FCIC Livestock Detail Report LADR001
- 9\_3 - Livestock Settlement Report LIV002
- 9-3-1 Livestock Settlement State Detail Report LIV001
- 9\_4 - State Livestock Reimbursement Report LINS02
- 2023 Administrative Fee Schedule

**Administrative Fee Schedule:**

- I60 - Ineligible Producer Record
- I60A - Ineligible Producer Address Record
- I60B - Ineligible Producer Other Person Record
- I61 - Ineligible Producer Output Record
- I65 - Ineligible Policy CAT Fee Debt Record
- 2023 ITS Status
- I90A - ITS Batch Summary Record Counts
- I90B - ITS Batch Summary Rule Counts
- I98Z - ITS Unknown Reason
- I99Z - ITS Exception

## CIMS

**PASS Record Descriptors (Note PASS Record Descriptors available with this release of Appendix III are on the RMA public website and serve as a baseline for further ITM development. Record descriptors contained on the ITM extranet site can be accessed by AIP ITM team members as needed and provide the most up-to-date decisions/modifications being made during development and testing of the record descriptors in accordance with the timelines set forth in the ITM project plan.)**

- C05 - CIMS Request
- C05\_1 - CIMS Status Code Returned Exhibit
- CIMS Output Format - Status Codes
- CIMS Output Format - Name Record
- CIMS Output Format - Address Record
- CIMS Output Format - Phone Record
- CIMS Output Format - Email Record
- CIMS Output Format - Program Record
- CIMS Output Format - Summary Record
- CIMS Output Format - Detail Record
- CIMS Output Format - Sharing Record
- CIMS FSA Intended Use Codes
- CIMS Acreage Difference Discovery FSA Detail Output
- CIMS Acreage Difference Discovery RMA Detail Output
- CIMS Acreage Difference Discovery Summary Detail Output
- CIMS Business/Entity FSA Detail Output
- CIMS Business/Entity Difference Summary Output
- CIMS Reported FSA, Not RMA Detail FSA Export Layout
- CIMS Reported FSA, Not RMA Detail RMA Export Layout
- CIMS Reported FSA, Not RMA Summary Export Layout
- CIMS Acreage Difference by CLU FSA Detail Output Record
- CIMS Acreage Difference by CLU RMA Detail Output Record
- CIMS Acreage Difference by CLU Summary Output Record

- T81 - Policyholder Tracking Experience Inquiry Output Format

**PASS Records**

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- P09 - Fund Designation
- P10 - Policy Producer
- P10A - Policy Producer Address
- P10B - Policy Producer Other Person
- P11 - Acreage
- P11A - Acreage Supplement
- P12 - Payment
- P13 - Inventory Value
- P14 - Insurance In Force
- P15 -Yield
- P15A - Yield History
- P16 LGM Premium
- P17 LRP Premium
- P18 - DRP Premium
- P19 - WFRP Farm Reports
- P19A - WFRP Farm Reports Detail
- P19B - WFRP Farm Reports Sub Detail
- P20 - Loss Total Record
- P20A - Disbursement
- P21 - Production Loss Detail
- P21A - Production Loss Sub Detail
- P22 - Inventory Loss Detail
- P23 - WFRP Indemnity
- P23A - WFRP Indemnity Detail
- P24 LGM Indemnity
- P25 LRP Indemnity
- P26 - Production Record
- P27 - Land
- P27A - Land Other Person Sharing
- P28 - DRP Indemnity

- P29 - DRP Coverage Inquiry
- P35 - Personal Projected Price
- P35A - Revenue and Yield Summary
- P35B – Tolerance
- P35C - Revenue History
- P48 - Record Type Delete
- P49 - Policy Delete
- P51 - Conflict of Interest
- P54 - Employee
- P55 - Insurance Agent
- P55A - Insurance Agent Agency
- P55B - Insurance Agent Servicing State
- P56 - Adjuster
- P57 - Quality Control Reporting
- P57A - Quality Control Review Correction
- P58 - Notice of Loss
- P70 - Book of Business
- P75 - Producer Certification
- P75A - Producer Certification Detail
- P87 Batch Prioritization
- P90 - Batch Summary Statistics
- P90A - Batch Summary Record Counts
- P90B - Batch Summary Rule Counts
- P91 - Duplicate Policy
- P94 - Producer History
- P95 - BFR History
- P98Z - Unknown Malformed Batch
- P99Z - Exception

**PASS Calculations**

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- P11\_1 - Plan 01 02 and 03 Premium Calculation
- P11\_2 - Plan 04 05 06 and 13 Premium Calculation
- P11\_3 - Plan 40 Premium Calculation
- P11\_4 - Plan 41 Premium Calculation
- P11\_5 - Plan 47 Premium Calculation
- P11\_6 - Plan 50 Premium Calculation
- P11\_7 - Plan 51 Premium Calculation
- P11\_8 - Plan 55 Premium Calculation
- P11\_9 - Plan 90 Premium Calculation
- P11\_11 - Plan 31 32 and 33 Premium Calculation
- P11\_12 - Plan 35 and 36 Premium Calculation
- P11\_13 - Plan 16 and 17 Premium Calculation
- P11\_14 - Plan 37 Premium Calculation
- P11\_15 - Plan\_21\_22\_23\_Premium Calculation
- P11\_16 - Plan 87 88 89 Premium Calculation
- P13\_1 - Plan 43 Premium Calculation
- P13\_2 - Plan 50 Premium Calculation
- P13\_4 - Plan 37 Premium Calculation
- P16\_1- Plan 82 Premium Calculations
- P17\_1- Plan 81 Premium Calculation
- P18\_1 - Plan 83 Premium Calculation
- P19\_1 - Plan 76 Premium Calculation
- P21\_1 - Plan 01 Indemnity Calculation
- P21\_2 - Plan 02 and 03 Indemnity Calculation
- P21\_3 - Plan 04 05 06 and 13 Indemnity Calculation
- P21\_4 - Plan 40 Indemnity Calculation
- P21\_5 - Plan 41 Indemnity Calculation
- P21\_6 - Plan 47 Indemnity Calculation
- P21\_7 - Plan 50 and 51 Indemnity Calculation
- P21\_8 - Plan 55 Indemnity Calculation

- P21\_9 - Plan 90 Indemnity Calculation
- P21\_11 - Plan 31 32 and 33 Indemnity Calculation
- P21\_12 - Plan 35 and 36 Indemnity Calculation
- P21\_13 - Plan 16 and 17 Indemnity Calculation
- P21\_14 - Plan 37 Indemnity Calculation
- P21\_15 - Plan\_21\_22\_23\_ Indemnity Calculation
- P21\_16 - Plan 87, 88, 89 Indemnity Calculation
- P22\_1 - Plan 43 Indemnity Calculation
- P22\_2 - Plan 50 Indemnity Calculation
- P22\_3\_Plan\_37\_ Indemnity Calculation
- P23\_1 - Plan 76 Indemnity Calculation
- P24\_1 - Plan 82 Indemnity Calculation
- P25\_1 -Plan 81 Indemnity Calculation
- P28\_1 - Plan 83 Indemnity Calculation

**PASS Exhibits**

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- P09\_1 - Fund Designation Exhibit
- P10\_1 - Entity ID Type Table Exhibit
- P11A\_1 - Acreage Detail Guidelines Exhibit
- P11\_1 - Non-Premium Acreage Reporting Requirements Exhibit
- P11\_2 - Commodity Processing Flow Diagram Exhibit
- P11\_5 - Prevented Planting Guarantee Adjustment Factor Exhibit
- P11\_6 - Acreage Report Acceptance Dates Exhibit
- P11\_7 - Seed Cycle Code Exhibit
- P11\_8 - Price Election Amount Rounding Exhibit
- P13\_2 - Nursery Insurable Plant Types Exhibit
- P13\_3 - Non-Premium Inventory Reporting Requirements Exhibit
- P14\_1 - Commodities Allowing Multiple Insurance In Force P14 Records Exhibit
- P14\_2 - Duplicate Policy Exhibit
- P14\_3 - Edits For Common Option Requirements Exhibit
- P14\_5 - Commodity NOT Allowing CAT Coverage Exhibit
- P14\_6 - Late Reported Reason Code Usage Exhibit
- P14\_7 - WFRP Coverage Level Eligibility Exhibit
- P15\_1 - Yield Type Master Exhibit
- P15\_2 - Yield Type by Crops Exhibit
- P15\_3 - Yield Option Code List Exhibit
- P15\_4 - Yield Limitation Code Exhibit
- P15\_5 - Yield Indicator Code Exhibit
- P19\_2 - WFRP Diversity Factor Example Exhibit
- P19\_3 - WFRP Unit of Measure Exhibit
- P19\_4 - WFRP Method of Establishment Exhibit
- P35 - Personal Projected Price
- P35A - Revenue and Yield Summary
- P35B - Tolerance
- P35C - Revenue History
- P35\_1 - Personal Revenue History Exhibit

- P57A-1 - Error Source Type Values Exhibit
- P97 - Data Flow Diagram Exhibit
- P99A - Commodity Type Exhibit
- P99B - List of PASS ITS and ROE Record Types Exhibit
- P99D - Abbreviations and Acronyms Exhibit
- P99E - FIPS State Code Exhibit
- P99F\_1 - Insurance Plan Code List Exhibit
- P99F\_2 - Insurance Plan Code Conversion Exhibit
- P100\_1 - Weekly Transaction Cutoff Dates Exhibit
- P101\_1 - Fund Cutoff and LRR Dates Exhibit
- P103 - ICE File Crosswalk Exhibit
- P104 - Common Land Unit (CLU) Rules Exhibit
- P105 - CLU AIP File Geodatabase Schema Exhibit
- P106 - Resource Land Unit (RLU) Rules Exhibit
- P107- Geospatial Data Sources

## ROE

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- EXH201 - ROE - Actuarial Change Request Processing Flow Exhibit
- EXH202 - ROE - Relationship Between R-Record Flat Files Exhibit
- EXH203 - ROE - Impact of Nine Hour Delay on Release of Written Agreement Documents and WA ADM/ICE Data Exhibit
- EXH204 - ROE - Relationship Between Exception Request Status and Exception Request Release Reason ID Exhibit
- EXH205 - ROE - Validation of Legals Associated with Written Agreement Using Land Level Code Exhibit
- EXH206 - ROE - Relationship Between the Land Level Code and Land Description Table Exhibit

**ROE Record Descriptors (Note ROE Record Descriptors available with this release of Appendix III are on the RMA public website and serve as a baseline for further ITM development. Record descriptors contained on the ITM extranet site can be accessed by AIP ITM team members as needed and provide the most up-to-date decisions/modifications being made during development and testing of the record descriptors in accordance with the timelines set forth in the ITM project plan.)**

- R10 - ROE - Exception Requests Producer
- R10A - ROE - Exception Requests Producer Address
- R10B - ROE - Exception Requests Producer Other Person
- R27 - ROE - Exception Requests Legal R35 - ROE - Exception Requests Request
- R36 - ROE - Exception Requests Request AIP Field Office
- R37 - ROE - Exception Requests Commodity
- R90 - ROE - Batch Summary Statistics
- R90A - ROE - Batch Summary Record Counts
- R90B - ROE - Batch Summary Rule Counts
- R98Z - ROE - Exception Requests Unknown Reason
- R99Z - ROE - Exception Requests Process Result

**Other**

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- Conservation Compliance Producer Look-up Service
- Resource Land Unit Summary
- RMA System Security Plan Template (SSP)
- RMA Plans of Action and Milestones (POAM)
- RMA-AIP Interconnection Security Agreement (ISA)
- Agricultural Security Operations Center PII Incident Report (Form AD 3038)