



United States
Department of
Agriculture



Federal Crop
Insurance
Corporation

FCIC 20260U
(June 2018)

FCIC 20260U-01
(September 2018)

MARGIN PROTECTION PLAN OF INSURANCE STANDARDS HANDBOOK

2019 and Succeeding Crop Years

**UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250**

TITLE: MARGIN PROTECTION PLAN INSURANCE STANDARDS HANDBOOK	NUMBER: FCIC-20260U-01
EFFECTIVE DATE: 2019 and Succeeding Crop Years	ISSUE DATE: Setember 06, 2018
SUBJECT: Provides the procedures and instructions for administering the Margin Protection Plan of Insurance	OPI: Product Administration & Standards Division
	APPROVED: /s/ Richard H. Flourney Deputy Administrator for Product Management

Reason for Issuance

This handbook provides FCIC-approved standards for administering the Margin Protection Plan of Insurance (MP) for the 2019 and succeeding crop years.

This handbook has been revised as indicated below. Minor changes and corrections are not included in this listing. See changes or additions in text which have been highlighted. Three stars (***) identify where information has been removed.

Changes for Crop year 2019 (FCIC-20260U-1):

1. Paragraph 34 “Entity Change” has been modified to be more specific on the interaction of MP policy with a base policy in the case where a policyholder died, disappeared, or was judicially declared incompetent

**MARGIN PROTECTION PLAN OF
INSURANCE STANDARDS HANDBOOK**

CONTROL CHART

Control Chart For: Margin Protection Insurance Standards Handbook							
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Numbers	Exhibit Page(s)	Date	Directive Number
Insert	Entire Handbook						
Current Index	1-2	1-2	1-22	1-2	23-26	06-2018	20260U
Insert	1-2		12			09-2018	2026U-1

FILING INSTRUCTIONS

This handbook is effective for the 2019 and succeeding crop years.

Modifications for MP:

Add the following to the end of this section as new section D:

D. Margin Protection Policies

- (1) If the named insured of a MP policy dies, disappears, or is judicially declared incompetent, the policy will default to the spouse if all the following are met:
 - (a) The surviving spouse was included on the MP policy as having a SBI in the named insured;
 - (b) The surviving spouse has a share in the crop.
 - (c) The named insured's share does not convert to an estate or is not otherwise legally transferred to a person other than a spouse.

- (2) If any of these events occur prior to the cancellation date for the base policy and a base policy does not exist, the surviving spouse of the named insured on the MP policy can apply in their name for a base policy and be eligible for a premium credit.

- (3) A surviving spouse who does not have a SBI in the named insured on the MP policy and who has a share in the crop may purchase a base policy for that share. However, this base policy cannot be linked to the MP policy since that policy is subject to the terms of section 2(g)(3) of the Basic Provisions and will not default to the surviving spouse.

In the case of all other persons, including a surviving spouse whose circumstances do not satisfy all the conditions stated in the first paragraph of subsection D(1), if the death, disappearance, or judicial declaration of incompetence occurred later than 30 days prior to the MP cancellation date but more than 30 days prior to the base policy cancellation date and a base policy exists, the base policy is automatically cancelled. No application for a base policy may be accepted because the MP policy continues in force subject to the terms of section 2(g)(3)(ii) of the Basic Provisions.