

United States
Department of
Agriculture

1997

CROP

Farm Service
Agency

INSURANCE

HANDBOOK

Product
Development
Branch

Underwriting and Actual Production History (APH)
Standards for Limited & Additional Coverage
Multiple Peril Crop Insurance (MPCI) Contracts
Written by Reinsured Companies

FCIC 18010
(7-96)



July 23, 1996

INFORMATIONAL MEMORANDUM: R&D-96-035

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/
Director
Research and Development Division

SUBJECT: Issuance of the 1997 FCIC 18010 Crop Insurance Handbook

BACKGROUND:

For the 1997 crop year, changes have been made to underwriting, administrative, and Actual Production History (APH) procedures/calculations for the Federal crop insurance program. The Federal Crop Insurance Corporation (FCIC) is transmitting these changes for limited and additional coverage via the 1997 FCIC 18010 Crop Insurance Handbook (CIH). The same changes will be made, as applicable, to the FCIC 18100 Catastrophic Risk Protection (CAT) Handbook, to be issued shortly. Changes not applicable to CAT coverage are marked (**NACAT**) in the summary of changes.

Summary of Changes:

Section 4

- Removes Highly Erodible Land (HEL) and Wetland Conservation (WC) compliance verification requirements.
- (**NACAT**) Modifies the required written agreement request statements.

Section 5

- Outlines that program yields for crop insurance purposes will be taken from the Farm Service Agency (FSA)-423.
- Authorizes insurance providers to determine approved APH yields for blueberries in Michigan.
- Removes the use of cups or caps when the program yield and/or Transitional Yield ("T" Yield) changes by 10 percent or more when "T" yields are used in the approved APH yield calculation.
- Implements the use of simple average program yields to determine "T" Yields if more than one FSA farm serial number is contained in a unit.
- Reserves a section for pilot county "T" Yield procedures for new producers pending analysis and approval on whether or not to continue the pilot program.

Issuance of the 1997 FCIC 18010 Crop Insurance Handbook

- Clarifies the acres and production to be used for APH purposes when acreage is bypassed/unharvested.
- Updates sugarcane instructions to determine pounds of raw sugar used for APH.
- For perennial crop acreage tolerance review purposes, does not require a new inspection if the latest field inspection is not more than 5 years old.

Exhibit 6

- (NACAT) Authorizes insurance providers to approve initial potato Master Yields in Minnesota.

Exhibit 11

- (NACAT) Authorizes insurance providers to approve written agreements for non-irrigated corn for grain when only irrigated corn for grain is listed on the actuarial table, overage stands of forage production, and unrated NIBR practice sunflowers.

Exhibit 16

- Modifies the Producer's Pre-acceptance Worksheet outlining that the insurance provider must obtain the required information, perform an inspection, or deny coverage if the worksheet is not completed in an acceptable manner by the insured.
- Clarifies that perennial crop approved APH yields will be calculated using total production and total acres if separate block production is not certified. Updates several examples to more clearly illustrate these requirements.
- Adds blueberries in Michigan to the APH instructions.

Exhibit 17

- A chart has been added that illustrates FSA rules for skip-row planting patterns.

Exhibit 22

- (NACAT) Removed the instructions for the 95-91A Malting Barley Endorsement. It is not available for the 1997 crop year.

Exhibit 33

- (NACAT) Removed the pilot county instructions for air-seeded soybean written agreements.

Exhibit 36

- Charts have been added to clarify added land/practice/type/variety procedures.

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- For determined irrigated yields, bases irrigated “T” Yield reference factors on the years of actual yields contained in the reference unit’s database.

ACTION:

Attached is the approved 1997 FCIC 18010 Crop Insurance Handbook. It is to be used in the administration of limited and additional coverage Federal crop insurance policies for the 1997 crop year; however, insurance providers may use the provisions that are also applicable to CAT coverage until the 1997 CAT Handbook is issued. Changes, additions, or corrections to the text are shaded to aid in identifying the changes.

The CIH will be placed on the Reporting Organization Server in WordPerfect 5.1. An informational memorandum from the Actuarial Branch will announce when it is available. If you do not have access to the Reporting Organization Server, a set of disks containing the CIH is available in WordPerfect 5.1 upon request. If you have any questions about the CIH, please contact the Product Development Branch at (816) 926-7743.

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U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

FEDERAL CROP INSURANCE CORPORATION DIRECTIVE		NUMBER: 18010
SUBJECT: 1997 CROP INSURANCE HANDBOOK (CIH)	DATE: July 1996	
	OPI: Product Development Branch	
	APPROVED: Tim B. Witt 7/23/96	

1 (SECTION 1) PURPOSE

To provide underwriting STANDARDS and instructions for Multiple Peril Crop Insurance (MPCI) Policies insured at the LIMITED AND ADDITIONAL COVERAGE levels. Standards and instructions are provided for:

The Actual Production History Program (APH). APH is used to establish yields for all crops that have a yield based coverage.

Selected crop provisions, special crop provisions, and options used to underwrite and administer The MPCI Program.

2 (SECTION 2) CANCELLATION

A Effective Date. Upon approval.

B Series Replaced.

(1) The FCIC 18010 dated July, 1996 replaces the following issuance systems and individual directives published as:

(a) 1996 FCIC 18010 and Amendments 18010-01 and 18010-02

(b) MGR-Bulletins: 96-036, 96-031, 96-014.1, 96-014, 93-027 and 92-055

(c) R & D Informational Memorandums: 96-021, 96-020, 96-017, 96-008.1 and 96-008

(2) Conversion of the above issuances will take place upon receipt of this handbook.

C Issuance Rescinded. This handbook replaces Transmittal No. 18010 Crop Insurance Handbook dated August 31, 1995.

DISTRIBUTION

Farm Service Agency, Washington, D.C. and Kansas City; Risk Management Agency Directors, Branch Chiefs, Washington, D.C. and Kansas City; Regional Service, and Compliance Offices; Reinsured Companies, National Appeals Division, National Crop Insurance Services and Crop Insurance Research Bureau.

3 OPERATING POLICY

This handbook is the Federal Crop Insurance Corporation's (FCIC's) official publication on the Multiple Peril Crop Insurance (MPCI) program insured at the limited or additional coverage level. These procedures are FCIC's underwriting standards for administration of MPCI Policies written by the Farm Service Agency (FSA) or by Private Insurance Companies, reinsured by FCIC (hereafter referred to as Insurance Providers). Approval authorities within FCIC and Insurance Providers are indicated in this handbook. Insurance Providers are delegated the same underwriting authorities as FCIC, ONLY when indicated in this handbook (i.e., FCIC RSO/Insurance Provider.)

Insurance Providers must use this handbook or comparable procedure approved by FCIC to deliver limited or additional coverage. Handbooks issued by an Insurance Provider or service organization must agree with this handbook and must be approved by FCIC prior to their use. This handbook is the FCIC standard for approval.

Each Insurance Provider is responsible for using FCIC approved procedure. If an Insurance Provider is audited by a government agency or is selected for an FCIC compliance review, the applicable procedure in this handbook or comparable FCIC approved procedure will be the basis for all determinations.

Insurance Providers may develop forms based on their internal needs. The structure of these forms may vary from the standard FCIC form, but they require FCIC's written approval and must contain the same information as the FCIC forms. All certification statements MUST BE IDENTICAL to the ones approved for use by FCIC and the Privacy Act Statement must be included on any form used to collect information or provided as a separate document when the form is signed.

This handbook is generic in format where practical. Some exhibits and examples used in this handbook are not exact reproductions of actual forms they represent. They are computer generated for ease in handbook preparation. Refer to the FCIC approved forms for the actual form format. This handbook is written and maintained by:

Office of the Assistant Manager for Research and Development,
Product Development Branch, P.O. Box 419293, Kansas City, MO 64141
Telephone Number (816) 926-7743, FAX (816) 926-1841

If an error is found, notify us in writing at the above address. Outline the error and indicate the proposed correction. Errors may be corrected for the current crop year. Proposed changes should be submitted in writing through your proper organizational channels to the Product Development Branch for consideration.

Shaded areas indicate changes, additions or corrections from the 1996 CIH issued August 31, 1995.

4 GENERAL UNDERWRITING INFORMATION**A BASIC INFORMATION**

To be eligible for benefits under the Agricultural Market Transition Act (AMTA); loans or any other USDA provided farm credit, including; guaranteed and direct farm ownership loans, operating loans, and emergency loans under the Consolidated Farm and Rural Development Act provided after October 13, 1994; and benefits under the Conservation Reserve Program provided by any new or amended application or contracts executed after October 13, 1994, the producer must obtain at least the Catastrophic Risk Protection level of insurance coverage (CAT) for each crop of economic significance unless a waiver of any eligibility for emergency crop loss assistance (waiver) for the crop is executed.

A(1) Crop of economic significance: A crop that has either contributed in the previous crop year (as defined in the applicable crop policy), or is expected to contribute in the current crop year, 10 percent or more of the total expected value of the insured's share of all crops grown in the county. However, a crop will not be considered a crop of economic significance if the expected liability for CAT coverage is equal to or less than the administrative fee (\$50) required for the crop.

Each crop year, the producer is responsible for determining which crop(s) in the county will be of economic significance. If a producer decides to plant an uninsured crop that is a crop of economic significance, insurance cannot be obtained unless the crop is a substitute crop (See Sec. 4, Par. G[1][c] of the CAT Handbook) after the crop's sales closing date and a waiver must be executed to be eligible for any of the USDA program benefits listed in A above. Failure to execute such a waiver will require the producer to return such benefits already received. To determine the percentage of value for each crop:

- (a) Multiply the acres planted to each crop, times the producer's share, times the approved yield (when applicable) times the price 1;
- (b) Added the values of all crops grown in the county (determined as in [a] above); and
- (c) Divide the value of each crop by the value of all crops grown in the county.

1/ A type of price such as the current local market price, futures price, established price, highest amount of insurance, etc., may be used provided the same type of price is used for all crops in the county.

A(2) Eligibility for Coverage. Application for insurance on forms prescribed or approved by FCIC may be made by any person to cover such person's share or interest (as landlord, owner-operator, or tenant) in an eligible crop.

A "person" is an individual, partnership, association, corporation, estate, trust or other legal entity, and wherever applicable, a state or a political subdivision or agency of a state. (See Exhibit 32, Entities: Definition, Determination, and Documentation.)

- (a) Eligible crops are those crops grown on insurable acreage for which a guarantee and premium rate have been established for the respective county(ies). See Exhibit 1 for a listing of:

- 1 Eligible crops;
- 2 The General Crop Insurance Policy (FCIC/NCIS) and the applicable crop endorsement or individual crop policy which applies;
- 3 Applicable coverage plans;
- 4 Availability of late planting coverage and prevented planting;
- 5 Availability of Replanting/Reseeding coverage;
- 6 Units of measure;
- 7 Type of units which apply;
- 8 Unit discount, if applicable; and
- 9 Availability of High-Risk Land Exclusion.

- (b) Eligible counties are those counties for which premium rates have been established or for which the actuarial documents indicate coverage is available for certain crops and/or for certain practices, types, or varieties (P/T/V) by use of a written agreement from the FCIC Regional Service Office (RSO).

- A(3) Insured Cause(s) of Loss. Insured causes of loss are stated in the Crop provisions (Policy). Examples are: adverse weather conditions, fire, insects, plant disease, wildlife, earthquake and volcanic eruption occurring within the insurance period. Refer to each crop's policy or endorsement for insured causes of loss plus any limitations to insured causes of loss.
- A(4) Term. The policy is a continuous contract. Insurance on each crop remains in force until canceled in writing by either the insured or the Insurance Provider on or before the cancellation date for the effective crop year.
- A(5) Other MPCCI Insurance. Only ONE MPCCI policy that provides limited or additional coverage, IS permitted on the same crop and share (entity) in the same county except for Hybrid Seed Corn. However, a Catastrophic Risk Protection (CAT) Policy and a limited or additional coverage policy is permitted for the same person for the same crop when high-risk land was excluded from limited or additional coverage and insured separately under a CAT policy. AZ & CA Citrus, Florida Citrus, Texas Citrus, Texas Citrus Trees, Grapes (CA only), Peas, Stonefruit, and Guaranteed Tobacco crop provisions indicate types/varieties that are insurable as separate crops. A separate policy may be written for such type/variety. Refer to the Sec. 4, Par.(3) of the CAT Handbook for additional information.

If more than one policy is written on the same acreage, crop, county for the same person and it is determined that more than one policy covering the insured's share on the same acreage is intentional, the insured may be subject to the fraud provisions stated in the applicable crop policy. If the Insurance Provider determines the violation was not intentional, the policy with the earliest date of application (except if additional coverage was purchased timely, the CAT policy will be void) will be in force and all other policies for such crop will be void.

- (a) When other insurance covering like perils is carried on Hybrid Seed Corn, the MPCCI policy provides for only excess coverage if damaged by a like peril. See the Hybrid Seed Corn policy for details.
- (b) When Hybrid Seed Corn is grown under contract with more than one Seed Corn company, a separate MPCCI policy is allowed for the acreage grown under each contract.

- 1 Separate policies for acreage contracted with different Seed Corn companies do not create additional units other than as provided for by the policy. Payment of loss MUST be made accordingly and must be coordinated between policies/Insurance Providers.
- 2 Different levels of limited and/or additional coverage may be selected on the individual policies issued for the acreage contracted by different Seed Corn companies.

A(6) Other Insurance Against Fire. When other fire insurance is carried on insured crops, the MPCCI policy provides for only excess coverage.

B GENERAL RULES

- B(1) Sales Closing Dates. Sales closing dates are established for each insurable crop and are published in the actuarial documents. These dates usually precede the beginning of the insurance period. After the sales closing date, new applications for insurance for that crop year may not be accepted, except for those allowed under E(1)(d) of this Sec. Sales closing dates falling on Saturdays, Sundays, or legal holidays are extended to the next business day.
- B(2) Rounding Rules. (See Exhibit 7 for rounding rules.)
- B(3) Replanting or Reseeding. Part or all of the crop acreage may have to be replanted or reseeded when the initial planting/seeding does not produce a satisfactory stand. The insured must replant/reseed the crop if it is practical to do so for coverage to continue. When it is practical to replant/reseed and the crop is not replanted/reseeded, insurance does not attach (no premium or indemnity is due on such acreage). If the stand cannot be determined until after the final planting date or the crop is damaged after the final planting date it is the Insurance Provider's determination whether or not it is practical to replant/reseed. For additional information see FCIC-30010 (General Loss Adjustment Standards).

The earliest planting date, where applicable for the crop, is published in the Special Provisions of Insurance located in the county actuarial documents. It is specific to replant payments.

- (a) If any acreage of the crop is planted before the earliest planting date, that acreage is ineligible for a replant payment. If acreage initially planted before the earliest planting date is **replanted** after the earliest planting date, and such acreage is **replanted** a second time, the acreage **replanted** the second time may be eligible for a replant payment.

acreage **replanted** the second time may be eligible for a replant payment.

- (b) If an earliest planting date for the crop is not listed in the Special Provisions of Insurance, the initial planting date provision is not applicable.
- (c) The policy provides that a replanting/reseeding allowance on some crops shall be applicable to any insured acreage replanted/reseeded upon which written consent to replant/reseed has been given, according to the following guidelines:
 - 1 For Canola, Coarse Grains, (Corn, Grain Sorghum, and Soybeans) and Sunflower Seed the acreage replanted must be at least 20 acres or 20 percent of the insured acreage for the farm unit. The appraisal must be less than 90 percent of the production guarantee. When the crop is replanted using a practice that is uninsurable as an original planting, the liability for the unit will be reduced by the amount of the replanting payment.
 - 2 For Dry Beans, Popcorn, Sugar Beets, and Rice, the acreage replanted must be at least 20 acres or 20 percent of the insured acreage for the farm unit and the appraisal must not exceed 90 percent of the guarantee.
 - 3 For small grains, WHEAT ONLY, replanting payment provisions are available in counties for which the Special Provisions designate; 1) a spring final planting date only if the acreage was initially planted to spring Wheat, or 2) both a fall final planting date and a spring final planting date and damage occurs after the fall final planting date. The appraisal must be less than 90 percent of the production guarantee, the acreage replanted must be at least 20 acres or 20 percent of the insured acreage for the farm unit as determined on the final planting date, and replanting must take place no later than 25 days after the spring final planting date.

When Wheat is replanted using an uninsurable practice following an original planting, the liability for the unit will be reduced by the amount of the replanting payment. The premium amount is not reduced.

- 4 For Fresh Market Tomatoes, (amount of insurance and production plans) and Peppers, the acreage replanted must be at least 20 acres or 20 percent of the insured acreage for the farm unit and the crop must have sustained a stand reduction in excess of 50 percent.
- 5 For Fresh Market Sweet Corn, the acreage replanted must be at least 20 acres or 20 percent of the insured acreage for the farm unit, and the crop must have sustained a stand reduction in excess of 25 percent.
- 6 For Peanuts, the acreage replanted must be the lesser of 10 acres or 10 percent of the insured acreage for the farm unit and the appraisal must not exceed 90 percent of the guarantee.
- 7 For Forage Seeding, fall seeded acreage with less than a 75 percent stand must be reseeded in the next succeeding spring by the final spring seeding date.
- 8 No replanting payment will be made for acreage initially planted to Winter Wheat in any county for which ONLY a fall final planting date is established.

B(4) Prevented Planting. Prevented Planting Coverage is a feature provided by the Small Grains (Barley, Flax, Oats, Rye, and Wheat), Coarse Grains (Corn, Grain Sorghum, and Soybeans), Cotton, Dry Bean, ELS Cotton, Hybrid Seed (Corn), Hybrid Sorghum Seed, Sunflower Seed, Sugar Beet and Rice MPCCI policies.

- (a) The definition of prevented planting is the inability to plant the insured crop with proper equipment by the final planting date designated in the Special Provisions for the insured crop in the county or by the end of the late planting period. Exception: ELS Cotton does not have the late planting period provision. The insured must have been unable to plant the insured crop due to an insured cause of loss that prevented the majority of producers in the surrounding area from planting the same crop.
- (b) Applications and exclusions. To obtain prevented planting coverage, an MPCCI policy must be in force on the crop. Applications for insurance must be signed and submitted on or before the sales closing date for the crop.

- 4 For Fresh Market Tomatoes, (amount of insurance and production plans) and Peppers, the acreage replanted must be at least 20 acres or 20 percent of the insured acreage for the farm unit and the crop must have sustained a stand reduction in excess of 50 percent.
- 5 For Fresh Market Sweet Corn, the acreage replanted must be at least 20 acres or 20 percent of the insured acreage for the farm unit, and the crop must have sustained a stand reduction in excess of 25 percent.
- 6 For Peanuts, the acreage replanted must be the lesser of 10 acres or 10 percent of the insured acreage for the farm unit and the appraisal must not exceed 90 percent of the guarantee.
- 7 For Forage Seeding, fall seeded acreage with less than a 75 percent stand must be reseeded in the next succeeding spring by the final spring seeding date.
- 8 No replanting payment will be made for acreage initially planted to Winter Wheat in any county for which ONLY a fall final planting date is established.

B(4) Prevented Planting. Prevented Planting Coverage is a feature provided by the Small Grains (Barley, Flax, Oats, Rye, and Wheat), Coarse Grains (Corn, Grain Sorghum, and Soybeans), Cotton, ELS Cotton, Hybrid Seed (Corn), Hybrid Sorghum Seed, Sunflower Seed and Rice MPCl policies.

- (a) The definition of prevented planting is the inability to plant the insured crop with proper equipment by the final planting date designated in the Special Provisions for the insured crop in the county or by the end of the late planting period. Exception: ELS Cotton does not have the late planting period provision. The insured must have been unable to plant the insured crop due to an insured cause of loss that prevented the majority of producers in the surrounding area from planting the same crop.

- (b) Applications and exclusions. To obtain prevented planting coverage, an MPCCI policy must be in force on the crop. Applications for insurance must be signed and submitted on or before the sales closing date for the crop.

Insureds may exclude eligibility for prevented planting coverage if a substitute crop is planted on prevented planting acreage. When excluded, the premium will be reduced as indicated by the applicable actuarial document. The exclusion remains in force until the policy or the exclusion is canceled.

1 Exclusion or cancellation of an exclusion must be requested (signed and submitted by the insured) on or before the sales closing date for the insured crop.

2 An application (for new insureds) or an approved policy change form (for carryover insureds) must be used to document the insured's intent to exclude such coverage.

- (c) Acreage Reports. Insureds are required to report, on or before the applicable acreage reporting date, any insurable acreage which they intended to plant to the insured crop but were prevented from planting.

- (d) Eligible Acreage. The eligible acreage to which prevented planting coverage applies will not exceed:

1 For Hybrid Corn Seed or Hybrid Sorghum Seed: the number of acres required to be grown for the crop year under a contract(s) executed by a seed company(ies) prior to the acreage reporting date.

2 For Small Grains, Coarse Grains, Cotton, ELS Cotton, Sunflower Seed, or Rice: the TOTAL acreage on all FSA FSNs (adjusted for any reconstitution that occurred on or before the sales closing date) in which the insured has a share of the insured crop. For each FSA FSN the eligible acreage will not exceed:

a For insureds participating in any program administered

by the USDA that limits the number of acres that may be planted for the crop year, the total acreage permitted by the USDA program to be planted to the insured crop.

b

For insureds NOT participating in any program administered by the USDA that limits the number of acres that may be planted for the crop year (unless the Insurance Provider agrees in writing on or before the sales closing date) the greater of:

i
The FSA base acreage for the insured crop, including acres that could be flexed from another crop, if applicable;

ii
The number of acres planted to the insured crop on the FSA FSN during the previous crop year; or

iii
One hundred percent (100%) of the simple average of the number of acres planted to the insured crop during the previous crop years for which the insured has provided continuous records (production reports for APH crops) of planted acreage.

3

For an irrigated practice: the number of eligible acres for which adequate water and facilities were available prior to the insured cause of loss which prevented the insured from planting the insured crop.

- (e) Insureds may request an increase of the eligible prevented planted acreage as limited by (d)2b above to cover additional acreage that they intend to plant to the insured crop. Insurance providers are authorized to approve or deny the requests. Such requests:

- 1 Must be made in writing, signed by the insured, and received AND APPROVED by the Insurance Provider on or before the sales closing date for the insured crop in order for the additional acreage to be eligible for prevented planting coverage.
- a A report of intended acreage made in writing, signed by the insured, and received by the Insurance Provider on or before the sales closing date that exceeds the eligible prevented planted acreage may be considered as a request to increase eligible prevented planted acreage.
- b Requests received after the sales closing date or not approved on or before the sales closing must be denied and the eligible acres limited as indicated by Par. (4)(d)2b.
- 2 Must be made and approved/rejected on an annual basis.

- (f) Adjustments to the acreage reported for prevented planting coverage may be required.

each of the last four years. If insured APH crops are involved, the acreage and production reported to determine the approved APH yield must be used to verify if the acreage qualifies. Acreage will be considered double-cropped if for the same acreage and same crop year:

1 Another crop was: planted and harvested; planted and it failed or it was hayed or grazed unless planted as a cover crop not for harvest.

Exception: If a fall planted crop (e.g., Wheat) was planted in a county with ONLY a spring final planting date and it failed, spring planted Wheat or another spring planted crop will be eligible for prevented planting coverage if:

i The insured is NOT eligible for crop insurance coverage or any other payment associated with the crop loss;

ii The fall seeded crop failed prior to the time that planting of spring crops normally begins;

iii The failed winter crop is no longer cared for or NOT harvested (haying or grazing is allowed); and

iv A policy containing prevented planting coverage for the spring crop intended to be planted is in place.

2 The insured previously received a prevented planting indemnity, unless the acreage was planted to a substitute crop.

3 MPCI coverage was provided for another crop.

(k) Prevented planting coverage will not be provided for any acreage:

1 That does not constitute the lesser of 20 acres or 20 percent (20%) of the acres in the unit.

2 For which a premium rate is not designated in the actuarial document or by FCIC RSO written agreement.

3 Used for conservation purposes or intended to be left unplanted under any program administered by the United States Department of Agriculture.

a 50 percent for Coarse Grains, Hybrid Sorghum Seed, Small Grains, and Sunflower Seed;

b 40 percent for Hybrid Seed (Corn);

c 35 percent for Cotton, ELS Cotton and Rice).

3 For acreage planted to a substitute crop for harvest:

a If the substitute crop provision IS NOT excluded from prevented planting coverage and if the substitute crop is planted later than 10 days after the final planting date for the prevented planted crop; the production guarantee /amount of insurance applicable to timely planted insurable acreage is multiplied by the appropriate percentage as follows:

i 25 percent for Coarse Grains, Hybrid Sorghum Seed, Small Grains, and Sunflower Seed;

ii 20 percent Hybrid Seed (Corn);

17.5 percent for Cotton, ELS Cotton and Rice. iii

b If a substitute crop for harvest is planted within 10 days after the final planting date for the prevented planted crop, a prevented planting production guarantee/amount of insurance is not provided.

c If the substitute crop provision IS excluded from prevented planting coverage and a substitute crop for harvest is planted, a prevented planting production guarantee/amount of insurance is not provided on such acreage.

d Eligible prevented planted acreage that is planted to a cover crop that is hayed or grazed is not considered planted for harvest.

(h) The insured must give written notice of prevented planting to the Insurance Provider no later than the acreage reporting date for the crop if the insured was prevented from planting insurable acreage.

- (i) Insurance Period. To be eligible for a prevented planting indemnity, insured cause(s) of prevented planting must have also prevented the majority of producers in the surrounding area from planting the same crop and must have occurred:

1 If a producer is a NEW insured: between the sales closing date (beginning of the insurance period) and the latest final planting date for the insured crop in the county, or within the late planting period.

2 If a producer is a CARRYOVER insured: between the sales closing date for the previous crop year (beginning of the insurance period) and the latest final planting date for the current crop year for the insured crop in the county, or within the late planting period.

- (j) Double-cropping. Except for ELS Cotton (see Par. [k]7 for additional information), prevented planting coverage is provided on double-cropped acreage; however, to qualify each insured MUST provide adequate records of acreage and production showing that the acreage has a history of double-cropping in each of the last four years. If insured APH crops are involved, the acreage and production reported to determine the approved APH yield must be used to verify if the acreage qualifies. Acreage will be considered double-cropped if for the same acreage and same crop year:

1 Another crop was: planted and harvested; planted and it failed or it was hayed or grazed unless planted as a cover crop not for harvest.

Exception: If a fall planted crop (e.g., Wheat) was planted in a county with ONLY a spring final planting date and it failed, spring planted Wheat or another spring planted crop will be eligible for prevented planting coverage if:

i The insured is NOT eligible for crop insurance coverage or any other payment

associated with the crop loss;

ii The fall seeded crop failed prior to the time that planting of spring crops normally begins;

iii The failed winter crop is no longer cared for, harvested, hayed, or grazed; and

iv A policy containing prevented planting coverage for the spring crop intended to be planted is in place.

2 The insured previously received a prevented planting indemnity, unless the acreage was planted to a substitute crop.

3 MPCI coverage was provided for another crop.

(k) Prevented planting coverage will not be provided for any acreage:

1 That does not constitute the lesser of 20 acres or 20 percent (20%) of the acres in the unit.

2 For which a premium rate is not designated in the actuarial document or by FCIC RSO written agreement.

3 Used for conservation purposes or intended to be left unplanted under any program administered by the United States Department of Agriculture.

4 That is double-cropped unless the insured provides adequate records indicating that the

acreage has a history of double-cropping in each of the last four years.

5 On which planting history or conservation plans indicate the acreage would remain fallow for crop rotation purposes.

6 Planted to a substitute crop within 10 days after the final planting date, or if the prevented planting provision for a substitute crop is excluded and another crop is planted later than 10 days after the final planting date.

7 Of double-cropped ELS Cotton unless the other crop was planted as a cover crop not for harvest, or the ELS Cotton was planted as a substitute crop.

(l) The production guarantee/amount of insurance for a unit is the total of the production guarantee/amount of insurance for acreage:

1 Timely planted to the insured crop;

2 Late planted to the insured crop (planted during the late planting period (see [g]1), planted after the late planting period, or ELS Cotton planted after the final planting date (see [g]2);

3 Not planted to the insured crop that is eligible for prevented planting coverage (idle acreage, acreage planted to a cover crop not for harvest, planted to a substitute crop for harvest (see [g]3).

(m) The premium for insurable acreage eligible for prevented planting coverage is the same as that for timely planted insurable acreage. If the amount of premium (gross premium less subsidy) for prevented planting acreage exceeds the prevented planting liability on a unit, coverage is not provided for such acreage (no premium is due and no indemnity will be paid).

(n) Reserved

B(5) Notice of Damage or Loss. It is the duty of the insured to provide notice of loss to the agent without

delay. Refer to the applicable policy or endorsement for requirements.

B(6) Summerfallow (SF) Practice.

- (a) Definition: The tillage of uncropped land during the summer to control weeds and store moisture in the soil for the growth of a later crop.
- (b) General qualification: The land must not have been planted to a crop in the preceding crop year and must be fallow for a full crop year, except as provided in item (6)(d).
- (c) Requirements. Summerfallow practice requires the termination of all plant growth prior to the date designated for the area (May 1 in California, June 15 in South Dakota, July 1 in North Dakota and June 1 in all other states) followed by a continuous chemical and/or mechanical weed control program. Summerfallow practices carried out must be consistent with Soil Conservation Service soil erosion control measures and a good summerfallow practice for the area with regard to method(s), frequency, and adequacy of tillage and/or chemical control.
- (d) The following exceptions to the summerfallow rule in (b) above will apply unless the first crop is harvested (see crop endorsement definition of "harvest"). If the first crop is harvested, the second crop will not qualify as summerfallow.

1

Two consecutive crop years: A crop was planted on acreage qualifying for the summerfallow practice for the 1996 crop year (fall of 1995 or spring of 1996) but it failed and/or was destroyed before the date specified in item (6)(c). If all other summerfallow requirements were carried out, a crop planted for the 1997 crop year (fall of 1996 or spring of 1997) would qualify for summerfallow.

2

Two plantings in one crop year: A crop was planted in the fall which qualified for the summerfallow practice. It failed and the insured was given consent to put the acreage to another use. If the first crop was destroyed before the date specified in (c) above and the insured plants to a different (second) crop, the second crop also qualifies for the summerfallow practice.

- B(7) Special Crops and Farming Practices. The general policy or crop endorsement and actuarial table for the county may provide for or exclude from insurability certain farming practices. Refer to these documents for specifics.
- B(8) Experience - Premium Adjustment. Previous insurance experience must be retained/used when insureds have been continuously insured on the crop/county and the crop remains insured under the same yield coverage plan (APH, or Dollar). For insureds who switch coverage plans (i.e., APH to GRP and back to APH) previous experience is retained and is used if the insured switches back to the APH plan. If the insured is eligible for a premium reduction in excess of five percent based on his/her loss ratio and the number of years continuous experience through the applicable crop year, the insured will continue to receive the benefit or premium reduction subject to the conditions in Par. (b). Insurance experience is available from the PHTS. See Sec. 9 E for Example Premium Calculation and Exhibit 26 for Premium Adjustment Tables 1 and 2.

- (a) Several crop groupings are applicable for premium adjustment purposes. Premium adjustment tables were removed from the following crop policies beginning with the crop year as shown:

- 1 1985 crop year: Corn, Grain Sorghum, Soybeans, Tobacco, Raisins, Peanuts, Tomatoes (Canning and Processing), Sweet Corn (Canning and Freezing) and Potatoes. Premium reductions are based on insuring experience through the 1983 crop year subject to the conditions in Par. (b).
- 2 1986 crop year: Wheat, Barley, Oats, Rye, Sunflowers, Almonds, Apples, Forage Production, Flax, Grapes, Peas, Dry Beans, Peaches and Sugar Beets in all states except Arizona and California. Premium reductions are based on insuring experience through the 1984 crop year subject to the conditions in Par. (b).
- 3 1987 crop year: Sugarcane, AZ-CA Citrus and AZ-CA Sugar Beets. Premium reductions are based on insuring experience through the 1985 crop year subject to the conditions in Par. (b).
- 4 1990 crop year: AUP Cotton and Rice. Premium reductions are based on insuring experience through the 1989

crop year subject to the conditions in Par. (b).

5

1990 crop year: Florida Citrus. Premium reductions are based on insuring experience through the 1988 crop year subject to the conditions in Par. (b).

- (b) Premium experience conditions:
- 1 The premium reduction will not increase because of favorable experience.
 - 2 The premium reduction will decrease in accordance with Table 1 of Exhibit 26 because of unfavorable experience.
 - 3 Once the loss ratio exceeds 0.80, no further premium reduction will be applicable.
 - 4 Participation must be continuous.
- (c) Favorable and unfavorable premium adjustments are applicable to forage seeding. Both Table 1 and Table 2 of Exhibit 26 are applicable.
- (d) No other crops have premium adjustments based on experience.

B(9) Transfer of Experience. Applicable for all crops.

- (a) Experience rate adjustments and APH yield history that have accumulated may be transferred to certain successor entities if eligible.
- (b) Eligibility. Transfer may be made if:
- 1 There is continuity of participation or any break in continuity was due to active duty in the armed services.
 - 2 An insured stops farming in one county, is not a debtor, and then starts farming in another county.
 - 3 More than one heir in an estate has participated in the farm operation.
- (c) In the formation of a partnership, the partnership will be credited with the fewest number of years no loss accumulated by any one of its partners. Its loss ratio will be determined by dividing the total indemnities of all partners by the total premiums of all partners.
- (d) In the dissolution of a partnership, each partner who has a policy in force the crop year immediately following the dissolution may be credited with the experience (years and loss ratio) accumulated by the partnership.

- B(10) Transfer of Actual Production History (APH). If an insured has an approved APH yield and turns the operation over to another person/entity who has participated (managed, performed the physical activities necessary to produce the crop, or received a share of the crop) in the operation and the establishment of the approved APH yield. The Insurance Provider may approve transferring the APH yield history to the person/entity taking over the operation. The new operator must provide the Insurance Provider with verifiable evidence that indicates a transfer of the APH yield history is appropriate.
- B(11) Application for Successor-in-interest. (Applicable for all crops.)

A Successor-in-interest Policy continues the insurance protection and the successor receives any yield history, experience and/or premium discounts accumulated by the former insured.

- (a) A Successor-in-interest application may be approved by the verifier when there is only one successor to the insured entity.
- 1 The Successor must have participated in an active farming capacity to assist with the earning of the premium reduction.
 - 2 A Successor-in-interest policy covers only the land previously insured. If additional land is to be covered under the same policy, a Successor-in-interest application is not applicable.
- (b) Eligibility. A Successor-in-interest application may be taken from:
- 1 An immediate family member (spouse, son, daughter, brother, sister, legally adopted child, or grandchild).
 - 2 Authorized representative (executor or administrator of an estate; trustee of a trust; guardian of a judicially declared incompetent, minor, or incapacitated individual; or individual having power of attorney).
 - 3 Individuals whose status has changed (dissolution or a declaration of incompetency or incapacity; change of name due to marriage, divorce, etc., or a minor attains majority).
 - 4 Individuals due to change of insurable entity. Changes of insurable entity include dissolution of a partnership, corporation, trust, or settlement of an estate. The applicant must have been an active member of that insurable entity and operates all or part of the same land previously insured by the entity.

- (c) APH Yield History. If the insured had an approved APH yield and turned the operation over to another person who qualifies for a Successor-in-interest policy, the verifier transfers the APH Yield History to the Successor-in-interest policy.
- (d) If the insured dies:
- 1 BEFORE the beginning of planting any insured annual crop, or BEFORE insurance attaches for any insured perennial crop, coverage for all crops under the policy terminates. A successor-in-interest application may be prepared so that participation is continuous and any favorable experience discount can continue.
 - 2 AFTER the beginning of planting any insured annual crop, or AFTER insurance attaches for any insured perennial crop, coverage for all crops under the policy will continue until the end of the insurance period. A crop inspection is not required if the acreage report is filed by the acreage reporting date. Insurance terminates for the succeeding crop year if a Successor-in-interest or new application is not obtained.

C BASIS OF COVERAGE

The amount of insurance to be written on each eligible crop in the county for the farm unit is determined as follows:

C(1) Guarantee.

- (a) Production Guarantee. The production guarantee is the amount of production (bushels, pounds, dollars, etc.) guaranteed for the unit. It is calculated by multiplying the total acres in the unit by the guarantee per acre times the insured share.
- (b) Variable Production Guarantees. For some crops the guarantee per acre is higher for harvested acreage than unharvested acreage or the guarantee may vary with the maturity (stage) of the crop. Refer to the endorsements for specifics by crop.

C(2) Risk Classifications. The risk classifications and rates established for each county and crop are presented in the actuarial tables. Risk classifications may be presented through yield spans, maps, Transitional Yield Maps, General Transitional Yield Tables and listings of land locations, producers or FSA Farm Serial Numbers (FSN's).

C(3) Levels of Coverage. All crops (except Texas Citrus Trees which may be insured at 50%, 65%, or 75%) may be insured at 50%, 55%, 60%, 65%, 70%, or 75% of the approved APH yield, amount of insurance, or of the farm Quota (Quota Tobacco). The level of coverage is chosen at the time the application is completed. Except for high-risk land excluded from limited or additional coverage and insured separately under a CAT policy and

Hybrid Seed Corn grown under contract with more than one seed company and insured on separate policies, all acreage of the crop insured under the policy must be insured at the same level. The level may be changed if requested in writing on or before the applicable sales closing date for the crop.

- C(4) Price Elections. The insured may select any price ranging from 60 percent of the established price through 100 percent of the established price or market-based price election (when available on the crop). The price election is chosen at the time the application is completed. The price may be changed if the change is requested in writing on or before the applicable sales closing date for the crop. If an insured does not select a valid price, the Insurance Company may impose a valid price and notify the insured.
- (a) The market-based price for fall seeded crops (Barley, Oats, Rye, and Wheat), will be announced by FCIC on or prior to September 1 for the upcoming crop year.
 - (b) The market-based price for spring planted crops (Corn, Grain Sorghum, Hybrid Corn Seed, Hybrid Sorghum Seed, and Soybeans) will be announced by FCIC on or prior to December 31, for the upcoming crop year.
- C(5) Unit Determination.
- (a) A unit is defined as that acreage of the insured crop in the county which is taken into consideration when determining the guarantee, premium, and the amount of any indemnity (loss payment) for that acreage.

- (b) Each insured crop has its own unit structure defined in the policy and/or respective endorsement. All insurable acreage of each insured crop within the unit is the basis for determining coverage, premium and indemnities.
- (c) For Peanuts and Quota Tobacco, the unit consists of all insurable acreage of the crop covered by a single FSA FSN without regard to state or county lines.
- (d) For most other crops:

1 Basic/policy units (hereafter referred to as basic units) will be determined by entity according to the definition in the policy provisions.

a 100 percent share in the crop is one basic unit.

NOTE: 100 percent interest includes share as owner/ operator, share on land that is rented for cash, a fixed commodity payment or any consideration other than a share in the crop.

b Land shared with each different landlord/tenant is a separate basic unit. Reversed roles do qualify for separate basic units. Example:
Landlord becomes tenant and tenant becomes landlord.

NOTE: Varying percentages of shares within a basic unit do not qualify for separate basic units. However, for loss adjustment purposes production commingled from two or more basic units will be apportioned based on the share arrangement.

c Certain crops have a premium discount for basic units not divided into optional units. (See (d)5 of this paragraph.)

2 Optional/guideline units (hereafter referred to as optional units) are determined by section, section equivalent, FSA Farm Serial Number, noncontiguous land (for certain perennial crops) and Irrigated and Non-Irrigated practices. Optional units are determined according to the optional unit definition contained in each crop's policy unless otherwise specified in the unit division guidelines contained in the county actuarial documents. If basic and optional unit requirements are not consistent with good farming practices for the acreage involved, special optional units, on a limited basis, may be considered by the FCIC RSO in the form of a written agreement. Written unit agreement requests must be requested on or before the applicable acreage reporting date for the crop and received in

3 To the extent possible, the unit number designation for a particular unit should remain the same from year to year. Unit numbers should correspond for each crop as much as possible (i.e., Wheat unit 0100 should match with the location of Barley unit 0100, etc.).

4 Examples:

a Two basic units, no optional units are written: 0100 and 0200.

b One basic unit separated into three optional units are written: 0101, 0102, 0103.

c One basic unit not separated into optional units, plus a second basic unit separated into two optional units is written: 0100, 0201, 0202.

5 In situations when optional unit production is commingled and optional units are being combined, unit numbering should be handled as follows:

a The first two positions of the combined unit designate the basic unit.

b The second two positions designate the optional units. If, after the combination, two or more optional units remain, the combined unit number should be the lowest unit number of the units which were combined.

Example: Original units are 0101, 0102 and 0103. If 0101 and 0102 are combined due to commingled production, the revised acreage report and loss unit numbers would be 0101 and 0103.

D GOVERNMENT PROGRAM COMPLIANCE REQUIREMENTS

D(1) The Food Security Act (FSA) of 1985, the National Environmental Policy Act (NEPA), the Food, Agriculture and Trade Act of 1990, and the regulations written therefrom, require producers who wish to participate in a United States Department of Agriculture (USDA) program certify compliance with the Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions of those statutes.

- (a) For the 1997 and succeeding Crop Years, compliance with HEL and WC provisions is not a prerequisite for obtaining Federal crop insurance.
 - (b) Under the Food Security Act of 1985, any person who is convicted under federal or state law of planting, cultivating, growing, producing, harvesting or storing a controlled substance in any crop year will be ineligible for crop insurance for five years from the date of conviction.
- D(2) Failure to comply with all provisions (excluding administrative fees when a "waiver" of any eligibility of emergency crop loss assistance is executed) of the Federal crop insurance policy constitutes a breach of contract and may result in ineligibility for the farm program benefits listed in Par. A of this Sec. for that crop year. If ineligible, any benefit already received must be refunded. If a producer breaches the insurance contract, the execution of a waiver will not be effective for the crop year in which the breach of contract occurred.
- D(3) An insured who is eligible to receive an indemnity under a limited or an additional coverage policy and who is also eligible to receive benefits for the same loss under any other USDA program may receive benefits under both programs, unless specifically limited by the crop insurance contract or by law. However, the total amount received from all such sources may not exceed the amount of the actual loss sustained by the insured. The total amount of the actual crop loss is the difference between the fair market value of the insured crop before and after the loss, based upon the producer's production records and the highest price election or amount of insurance available for the crop. FSA will determine and pay the additional amount due to the insured for any applicable USDA program, after first considering the amount of any crop insurance indemnity. AMTA payments, farm ownership, and operating loans may be obtained from the USDA in addition to insurance indemnities.

E BASIC FORMS

- E(1) Application. Use the FCI-12, Crop Insurance Application, or application approved by FCIC to insure all eligible crops.
- (a) The policy will be void or voidable if the insured has falsely and/or fraudulently concealed either the fact that the insured is restricted from receiving benefits under the Federal Crop Insurance Act or that action is pending which may restrict eligibility to receive such benefits.

Non-Irrigated Practice is not required on the acreage report for the corners of the field when they are considered to be irrigated. However, a separate APH yield is required for Non-Irrigated acreage. E.g. Non-Irrigated acreage extending beyond the intersecting lines drawn at right angles of the radius of the center pivot system or other Non-Irrigated field(s).

If separate records of acreage and production are provided for the Non-Irrigated corner(s) of a field planted to the insured crop and the portion of the field irrigated by a center pivot irrigation system and the planting pattern continues between the NI and I portions of the field, two practices will have been considered as carried out; however, the acreage is not eligible for separate units. Separate APH's are required, separate line entries are required on the acreage report, and irrigated acreage is limited to the acreage contained in the center pivot irrigation system.

ii Optional Non-Irrigated Units. When the corners of a field planted to the insured crop are considered to be irrigated acreage contained in a center pivot irrigation system, Non-Irrigated acreage in the same section, section equivalent or FSA FSN that does not continue into the irrigated acreage may qualify for optional units as long as all other optional unit requirements are met.

3 Exceptions. Insureds who do not provide production reports for the most recent crop year in the base period may qualify for optional units if:

a A new producer who has not produced the crop and is not providing records from another person sharing in the crop (See Sec. 5, B[18] for definition) intends to keep separate acreage and production records by P/T/V according to the optional unit division requirements.

b New land or a new practice (IRR or NI), type or variety is added to the operation for the current crop year which meets all optional unit requirements and the insured has not produced the crop and is not providing records from another person sharing in the crop and intends to keep separate acreage and production records according to optional provisions.

NOTE: FCIC RSO/Insurance Provider Verifiers have the option to consider as the production report for that unit an acreage report which indicates that no acreage of the crop was planted on a unit.

4 Additional Unit/Yield Directions.

a For an insured who adds land to an existing operation, the agent will determine whether the added land will be added to an existing unit or will constitute a separate unit. (Also see Exhibit 36 for added land instructions.) This determination will be made based on information obtained from the insured.

- b When determining optional units, the agent must determine whether:
- i The policy provides for optional units or if the actuarial material provides for units by unit division guidelines.
 - ii The insured has met optional unit production reporting requirements. See C (5)(d)2, 3 of this Sec.
 - iii The insured will maintain separate records for the proposed optional units for the effective crop year.
- 5 Premium discount for basic units not divided into optional units.
- a Eligible crops: Barley (including Malting Barley), Canola, Canning & Processing Beans, Corn, Cotton, ELS Cotton, Dry Beans, Flax, Forage Seeding, Grain Sorghum, Hybrid Seed (Corn), Hybrid Sorghum Seed, Oats, Peas, Peppers, Popcorn, Potatoes (except Certified Seed Potatoes), Rice, Rye, Safflower, Soybeans, Sugar Beets, Sugarcane, Sunflower Seed, Sweet Corn (Canning & Freezing), Sweet Corn (Fresh Market), Tobacco (Guaranteed Production), Tomatoes (Canning & Processing), Tomatoes (Fresh Market - Dollar Plan), Tomatoes (Fresh Market - Guaranteed Production Plan) and Wheat.
 - b For each basic unit not divided into optional units, the unit's premium will be decreased by 10 percent. The discount also applies if only one optional unit within a basic unit is planted and earning premium. The appearance of optional unit numbers on the acreage report does not automatically indicate that the discount will not apply.
 - c Once optional units are elected by the insured and processed as such by the Insurance Provider on the acreage report, the full premium (without discount) is earned. However, if the acreage report is revised and the revision changes the unit arrangement, the 10% discount (if applicable) will be based on the revised acreage report.

- (e) Tobacco, Guaranteed Production "OPTIONAL UNIT DIVISION". Tobacco acreage of an insurable type that would otherwise be one unit, as defined in item C(5)(d)1 of this Sec., may be divided into more than one unit if for each proposed unit:
- 1 The insured maintains written verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; **AND**
 - 2 Acreage planted to insurable Tobacco is located on land identified by separate FSA Farm Serial Numbers, provided:
 - a the boundaries of the FSA FSN are clearly identified and the insured acreage is easily determined; and
 - b the Tobacco is planted in such a manner that the planting pattern does not continue into an adjacent FSA FSN.
- (f) For Cranberries, further division of a basic unit is permissible, provided that the requirements in C(5)(d)2 of this Sec. are met, and that each unit's insured acreage is located in separate tracts of noncontiguous land. "Contiguous Land" may be defined as "any separate tracts of land owned and/or operated by the insured, whose boundaries touch at any point." Land that is separated by a public or private roadway, waterway, or irrigation ditch is considered as contiguous.
- (g) Unit Numbering. Unit numbers must be assigned according to the following system.
- 1 A four-position unit number will be used. The first two positions designate the basic unit and the second two positions designate the optional unit, if applicable.
 - 2 If no optional units exist, the second two positions will be "00". If optional units do exist, the second two positions must not be "00" for the divided unit.

3 To the extent possible, the unit number designation for a particular unit should remain the same from year to year. Unit numbers should correspond for each crop as much as possible (i.e., Wheat unit 0100 should match with the location of Barley unit 0100, etc.).

4 Examples:

a Two basic units, no optional units are written: 0100 and 0200.

b One basic unit separated into three optional units are written: 0101, 0102, 0103.

c One basic unit not separated into optional units, plus a second basic unit separated into two optional units is written: 0100, 0201, 0202.

5 In situations when optional unit production is commingled and optional units are being combined, unit numbering should be handled as follows:

a The first two positions of the combined unit designate the basic unit.

b The second two positions designate the optional units. If, after the combination, two or more optional units remain, the combined unit number should be the lowest unit number of the units which were combined.

Example: Original units are 0101, 0102 and 0103. If 0101 and 0102 are combined due to commingled production, the revised acreage report and loss unit numbers would be 0101 and 0103.

D GOVERNMENT PROGRAM COMPLIANCE REQUIREMENTS

D(1) The Food Security Act (FSA) of 1985, the National Environmental Policy Act (NEPA), the Food, Agriculture and Trade Act of 1990, and the regulations written therefrom, require producers who wish to participate in a United States Department of Agriculture (USDA) program certify compliance with the Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions of those statutes.

(a) For the 1997 and succeeding Crop Years, compliance with HEL and WC provisions is not a prerequisite for obtaining Federal crop insurance.

(b) Under the Food Security Act of 1985, any person who is convicted under federal or state law of planting, cultivating, growing, producing, harvesting or storing a controlled substance in any crop year will be ineligible for crop

insurance for five years from the date of conviction.

- D(2) Failure to comply with all provisions (including administrative fees) of the Federal crop insurance policy constitutes a breach of contract and may result in ineligibility for the farm program benefits listed in Par. A of this Sec. for that crop year. If ineligible, any benefit already received must be refunded. If a producer breaches the insurance contract, the execution of a waiver will not be effective for the crop year in which the breach of contract occurred.
- D(3) An insured who is eligible to receive an indemnity under a limited or an additional coverage policy and who is also eligible to receive benefits for the same loss under any other USDA program may receive benefits under both programs, unless specifically limited by the crop insurance contract or by law. However, the total amount received from all such sources may not exceed the amount of the actual loss sustained by the insured. The total amount of the actual crop loss is the difference between the fair market value of the insured crop before and after the loss, based upon the producer's production records and the highest price election or amount of insurance available for the crop. FSA will determine and pay the additional amount due to the insured for any applicable USDA program, after first considering the amount of any crop insurance indemnity. AMTA payments, farm ownership, and operating loans may be obtained from the USDA in addition to insurance indemnities.

E BASIC FORMS

- E(1) Application. Use the FCI-12, Crop Insurance Application, or application approved by FCIC to insure all eligible crops.
- (a) The policy will be void or voidable if the insured has falsely and/or fraudulently concealed either the fact that the insured is restricted from receiving benefits under the Federal Crop Insurance Act or that action is pending which may restrict eligibility to receive such benefits.
 - (b) The insured's application for insurance is subject to acceptance by the Insurance Provider.
 - (c) If any application is taken before revised rates and rules filing, the applicant will be advised of any change which would adversely affect the insured crop(s). The applicant will then have the option to cancel such crop(s) on or before the cancellation date.
 - (d) Late-filed requests for insurance (applications signed after sales closing date), based on sufficient justification in writing and after completion of a satisfactory crop inspection (Crop appraised at 90 percent or more of the yield upon which the guarantee is based) performed by the Insurance Provider authorized representative, MAY

be approved only by authorized Insurance Provider representatives under the following conditions:

- 1 The primary reason for the insurance application being late-filed is the fault of an Insurance Provider representative.
- 2 There is documented evidence that it was the applicant's intent to make timely application, but circumstances beyond his or her control prevented the applicant from doing so (i.e., personal illness, family tragedy, etc.).

If the application is rejected, the original application along with a letter of explanation should be sent to the applicant with copies to the agent/representative.

- (e) The policy is continuous and may be canceled only in writing on or before the cancellation date for the succeeding crop year. The policy may not be canceled for the first effective crop year except as outlined in E,(1)(c) of this Sec., when the approved APH yield has been lowered by more than five percent compared to the preliminary yield quoted (See Sec. 8, F), or a preliminary yield was not calculated and the approved yield is not acceptable to the insured. Except if CAT coverage was elected at the FSA and the insured then purchased limited or additional coverage from a Reinsured Company on or before the sales closing date, policies may not be canceled for the purpose of insuring with another agent, or Insurance Provider the first effective crop year without the consent of the insurers involved.
 - (f) Final determination of premium is subject to the information reported on the acreage report.
 - (g) The coverage applies to the crop in the state for the county shown on the application.
- E(2) Transfer of Contracts. Use FCIC approved forms to cancel a policy and to transfer experience data from one Insurance Provider to another and to cancel FSA policies and to transfer the policyholder data to Insurance Companies (and vice versa). To be effective, transfer requests must be signed by the cancellation date and received by the ceding Insurance Provider no later than 45 days after the cancellation date. Requests received later than 45 days after the cancellation date may be rejected for that crop year.

Transfers Between Insurance Providers.

- (a) The assuming Insurance Provider must complete and have the insured sign a Policy Cancellation and Transfer of Experience Data Form for each contract being transferred. Requests for transfers must be made by the cancellation date for the crop. A policyholder may transfer a contract only once per year.

- (b) The assuming Insurance Provider must complete an application, indicate it is a renewal, obtain the insured's signature, and enter the ceding Insurance Provider's policy number(s) on the Policy Cancellation and Transfer of Experience Data Form.
 - (c) The assuming Insurance Provider must advise the policyholder that:
 - 1 Any premium and loss experience will be transferred.
 - 2 Approved APH yields and APH yield history will also be transferred.
 - 3 A policy issued by the new insurance carrier will be terminated for existing indebtedness, just as the old insurance carrier would have terminated it under the previous policy.
 - (d) All Insurance Companies are required to transmit experience (premium and loss data) and APH Records to FCIC. FCIC will enter this information into Experience and Yield History Databases. The PHTS accesses this information. Insurance Companies may complete/issue policies using the PHTS without requiring records from the ceding Insurance Provider. However, if the PHTS information appears incomplete or inaccurate, the assuming Insurance Provider should request the data from the ceding Insurance Provider. For transfers from the FSA, Insurance Companies must request such data from the FSA. If due to a lag in processing the immediate past year's business, the cumulative experience factor may be used by the assuming Insurance Provider to provide an estimated premium. The actual premium for the current crop year will be billed after the immediate past year's experience is completed.
 - (e) When the assuming Insurance Provider has accepted the transfer, it must notify the ceding Insurance Provider of the transfer. The ceding Insurance Provider will then terminate its policy. When requested, the ceding Insurance Provider will provide the experience and APH data to the assuming Insurance Provider no later than 15 calendar days after receiving the request. In any transfer, the assuming Insurance Provider must issue the policy and the ceding Insurance Provider must terminate its policy.
 - (f) Upon completion of the transfer process, policy service functions will be performed by the assuming Insurance Provider.
- E(3) Acreage Report FCI-19. Use the FCI-19, Crop Insurance Acreage Report or form approved by FCIC, for meeting reporting requirements.
- (a) Required Annually. Each crop year the insured is required to submit an acreage report by unit for each insured crop. The acreage report is the

basis for determining the amount of insurance provided and the premium charged. These reports consist of, but are not limited to the crop, P/T/V, location, date of planting or seeding, number of acres and share in the crop. The acreage report must be signed and submitted by the insured (or authorized representative) on or before the final acreage reporting date contained in the Special Provisions for the county for the insured crop.

- (b) Reporting Irrigated Practices. Insurance Providers are to provide a copy of the Irrigated Practice Guidelines to all insureds for whom the irrigated practice may apply. The Irrigated Practice Guidelines identify factors to be considered in determining the proper acreage to be reported and insured under an irrigated practice. See Exhibit 33 for Irrigated Practice Guidelines.
- (c) Late Reporting. The policy provides that if the insured does not submit an acreage report within the specified time, the Insurance Provider may determine by unit the insured acreage, share and practice or may deny liability on any unit. If the final acreage reporting date falls on Saturday, Sunday, or a legal holiday, the next business day will be considered as the final acreage reporting date.

NOTE: If the Insurance Provider declares the crop "insured," the Insurance Provider is entitled to the premium.

- (d) Revised Acreage Reports. Prior to the final acreage reporting date insureds may revise acreage reports to reflect a change in their intentions. However, AFTER the final acreage reporting date, acreage cannot be removed except when provided under the MPCI crop provisions by the date specified in the Special Provisions. For other situations, premium adjustments will not be made for insured acreage put to another use after the acreage reporting date. If the insured destroys or puts acreage to another use without consent, an appraisal of not less than the guarantee will be assessed on such acreage; however, such appraisals are not used for APH purposes.
 - (e) Reporting Errors. The agent should carefully review with the insured the Schedule of Insurance, Cancellation, Termination, and Policy Confirmation.
- E(4) Additional Crops and Counties. Use FCI-12 Application or FCIC approved form to add a crop to an existing policy or to insure crops in additional counties. Any additions must be made on or before the sales closing date for the crop(s) in the specified county.
 - E(5) Policy Changes. Use FCI-12A, Contract Changes or form approved by FCIC to request the following contract changes.

- (a) An insured must notify FCIC/Insurance Provider on or before the sales closing date for Item 1 and for Item 2 on or before the cancellation date. Items 3 and 4 are acceptable anytime.
- 1 A change of price election or coverage level.
 - 2 Cancellation of a county or a crop or a crop in a specific county.
 - 3 A transmittal for a successor-in-interest application.
 - 4 Correction of insured's name, address, identification number, administrator, executor, etc.

NOTE: When changing an election or level of coverage, notification must be given before the fall sales closing date in counties with both Winter and Spring Wheat sales closing dates.

- (b) The insured's signature is required for all contract changes listed above, except for correction of insured's name, address, identification number, administrator, executor, etc.

E(6) Cancellation, Termination, and Policy Continuation.

- (a) Cancellation. Insurance on a crop may not be canceled by the insured the first effective policy year, except when a change is made in the policy, endorsement, actuarial documents (special provisions or rates) which adversely affects the coverage or rate and which was not filed at the time of the application. (See Sec. 4, E[1][e] for other exceptions.) Thereafter, when a cancellation request for a crop is received after the cancellation date for the specified crop year, the cancellation will be effective for the following crop year.

Either party may cancel the insurance for any year following the initial crop year insured by giving a signed notice to the other party on or before the cancellation date that precedes the crop year.

- (b) Termination for Non-payment of Premium. The policy provides for termination of the contract for any crop year if any of the premium remains unpaid as of the termination date for non-payment of premium (which precedes that crop year). A policy issued by a new carrier will be terminated for existing indebtedness (see D[4]) this Sec. for Transfer of Policyholders From One Carrier to Another). FCIC will not provide reinsurance on policies that should have been terminated for non-payment of premium.
- (c) Cancellation and Termination Dates. Dates for specific states and/or counties can be found in the Special Provisions of Insurance published in the county actuarial documents book.

POLICY for: C&P Beans, Onions, Safflower Seed, and C&P Tomatoes (except for Rice and Hybrid Sorghum Seed (see [b] below). The LPA may be elected under the following **INDIVIDUAL CROP INSURANCE POLICIES**: Peas, Peanuts, Popcorn, Potatoes, C&F Sweet Corn, Guaranteed Tobacco, and Quota Tobacco.

The LPA provides coverage on late planted insurable acreage and applies for the designated crop year for all late planted insurable acreage of the crop covered by the policy.

- 1 For late planted insurable acreage, the insured may elect reduced coverage at the same premium cost per acre as if the crop had been planted by the final planting date contained in the Special Provisions. The Agreement contains the specific coverage reductions and conditions.
- 2 Requests may be made by crop for the LPA. These requests must be made by the final planting/transplanting date for the crop insured.
- 3 Additional units are not to be formed under this agreement.
- 4 If an insured has not signed a late planting agreement form by the final planting/transplanting date, late planted acres must be shown as "uninsured acreage" on the acreage report. If the deadline date for signing and filing the late planting agreement falls on a Saturday, Sunday or legal holiday the signing/filing dates are extended to the next business day.

- (b) Late Planting provisions are incorporated in: the **92B1 COMMON CROP INSURANCE POLICY** (hereafter referred to as Common Policy) for Small Grains (Wheat, Barley, Oats, Rye, and Flax), Canola, Coarse Grains (Corn, Soybeans, Grain Sorghum) Cotton, Dry Beans, Sugar Beets, and Sunflower Seed; the **ENDORSEMENTS** for Rice and Hybrid Sorghum Seed; and the **HYBRID CORN SEED POLICY** for Hybrid Corn Seed.

The policies listed in (b) above automatically provide reduced coverage for acreage planted to the insured crop during the late planting period. Late planted reduced production guarantees are combined with timely planted production guarantees for insurable acreage for each unit. If the amount of premium (gross premium less subsidy) for late planted insurable acreage exceeds the liability on

such acreage, coverage for those acres will not be provided (no premium is due and no indemnity is paid).

1 For spring-planted Wheat acreage in counties for which the Special Provisions designate a spring final planting date, and all Barley, Flax, Oat, Rye, Corn, Dry Bean, Soybean, Sugar Beet, Grain Sorghum, Cotton, Sunflower Seed, Rice, Hybrid Corn Seed, and Hybrid Sorghum Seed acreage that is planted after the final planting date but on or before 25 days after the final planting date, the production guarantee for each acre will be reduced for each day planted after the final planting date by:

a One percent (.01) for the first day through the tenth day; and

b Two percent (.02) for the eleventh day through the twenty-fifth day.

2 The insured is required to report ALL the acreage that is planted within the late planting period.

3 If any acreage of the insured crop is planted after the final planting date, the acreage reporting date for that crop will be the later of:

a The acreage reporting date contained in the Special Provisions; or

b Five (5) days after the end of the late planting period.

F(4) Request to Exclude Hail and Fire as Causes of Loss, FCI-78 or Exclusion Form approved by FCIC. Use the Hail and Fire Exclusion, to exclude hail and fire coverage. Hail and fire may be excluded ONLY from "additional" coverage policies (coverage equal to or greater than 65/100). The Exclusion also applies to any applicable option.

(a) Hail and fire may be excluded as causes of loss on applicable crops insured under the policy. The request for exclusion must be submitted to the Insurance Provider within:

1 72 hours after the effective date of an annual hail and fire policy or the first year of a multi-season hail and fire policy. This request must be made on or before the date MPCII coverage attaches for the crop year when

or an appeal related to this request for a written agreement."

- (d) The term for most written agreements is for one year only. Agents will need to check to see if a request for reissuance of a written agreement is necessary.

- 1 Written agreements issued to classify either land or individuals may have been incorporated into the actuarial documents book, in which case reissuance is not necessary.
- 2 Written agreements issued to provide coverage for a crop, P/T/V for which rates were not listed in the actuarial documents book are not needed if rate tables are subsequently published in the actuarial documents book.
- 3 If reissuance of a written agreement is required, attach a photocopy of the previous agreement (and if applicable the previous APH form) to the request and obtain the insured's signature and date. The deadline for requesting reissuance of a written agreement is the applicable crop's sales closing date (including transfers) for most written agreements. The request (including required documentation) must be signed and dated by the insured on or before the sales closing date for the crop and received in the FCIC RSO no later than 20 calendar days after the sales closing date. If the request is received after the deadline the request will be denied. (See Exhibit 11 subsequent year's deadline for exceptions.) If the previous agreement needs updating because of a new FSN, legal description, etc., note this information on the photocopy. The FCIC RSO will evaluate the request and reissue the agreement if it remains appropriate on the previous terms. If deemed necessary, the agent/Insurance Provider notified of the change. If more information is needed, the FCIC RSO will contact the agent/Insurance Provider.
- 4 Written unit agreements authorized for unit division purposes may be continued in subsequent crop years without reapproval or reissuance by an Insurance Provider. Land may be added to or deleted from (but not subdivided into new units) the units initially approved, to the extent that the units remain viable without further approval from FCIC. FCIC RSO approval is required if significant changes occur to the farming operation which invalidate the viability of the units designated in the written agreement.

- F(2) High-Risk Land Exclusion Option, FCI-549 or FCIC approved Exclusion Form. (See Exhibit 24). This option is designed to exclude from crop insurance coverage, ALL high-risk land by crop and county. For exclusion purposes, high-risk land is defined as acreage that employs an "R" classification in the actuarial document or on a written agreement to determine the base premium rate and to which a high-risk classification and premium adjustment factor applies. The option must be signed, dated and submitted on or before the applicable sales closing date (by crop and policy) for the initial crop year for which the insured wants the option to be effective. It is a continuous form and may be canceled in accordance with the cancellation provisions of the policy.
- (a) The basic crop insurance policy provides insurance coverage on all insurable acres planted to a crop in the county. When coverage and rates are provided on high-risk land, producers are required to insure the high-risk land at an increased cost (reflecting the risk). Insureds who do not wish to insure high-risk land may amend the basic insurance policy by signing and submitting the High-Risk Land Exclusion Option (by crop(s) and policy) to the Insurance Provider. If the insured has not filed a waiver and is relying on crop insurance to meet the "linkage" requirements, excluded high risk land must be insured on a separate CAT policy to maintain eligibility for "linked" USDA Benefits. See Par. 4A of this Sec.

- (b) The option is available for land located in high-risk map areas for the following crops: Barley, Corn, Cotton, ELS Cotton, Dry Beans (not available in Idaho, Oregon, Utah and Washington), Flaxseed, Grain Sorghum, Oats, Popcorn, Rice, Rye, Safflower (not available in Idaho and Utah), Soybeans, Sunflowers, Sugar Beets (not available in Colorado), C&F Sweet Corn, and Wheat. Check the county actuarial table for applicable high-risk classifications, high risk map area adjustment factors, and corresponding high-risk map areas.
- (c) Acreage planted to the crop on high-risk land must be reported as uninsurable acreage on the acreage report each year the High-Risk Land Exclusion Option is in effect. Separate production records showing planted acreage and harvested production from this excluded land also must be maintained. If the crop on the excluded land is insured under a CAT policy, such acreage and production must be reported for APH purposes under the CAT policy.
- (d) Once the cancellation date has passed, a High-Risk Land Exclusion Option executed by an insured cannot be canceled or otherwise rendered ineffective by either party.

If the insured signed the option and requested reclassification of high-risk land and the written agreement is pending, the following policies apply:

- 1 If FCIC issues a written agreement that does not provide standard R-span rates, the High-Risk Land Exclusion Option prevails and the insured must report acreage as uninsurable.
- 2 If FCIC issues a written agreement that reclassifies the acreage to standard R-span rates and the insured accepts the agreement before its expiration date, the agreement is valid. The insured must report the acreage as insurable.

F(3) Late Planting Provisions

Late Planting Provisions provide reduced coverage on late planted insurable acreage which provides for the designated crop year for all late planted insurable acreage of the crop covered by the policy.

- (a) To obtain coverage for late planted insurable acreage the insured must sign a Late Planting Agreement (LPA) or FCIC approved Agreement Form for the following crops. The LPA may be elected under the **88-G (Rev. 3-91) GENERAL CROP INSURANCE POLICY** for: C&P Beans, Onions, Safflower Seed, and C&P Tomatoes (except for Rice and Hybrid Sorghum Seed (see [b] below). The LPA may be elected under the following **INDIVIDUAL CROP INSURANCE POLICIES**: Dry Beans, Peas, Peanuts, Popcorn, Potatoes, Sugar Beets, C&F Sweet Corn, Guaranteed Tobacco, and Quota Tobacco.

The LPA provides coverage on late planted insurable acreage and applies for the designated crop year for all late planted insurable acreage of the crop covered by the policy.

- 1 For late planted insurable acreage, the insured may elect reduced coverage at the same premium cost per acre as if the crop had been planted by the final planting date contained in the Special Provisions. The Agreement contains the specific coverage reductions and conditions.
- 2 Requests may be made by crop for the LPA. These requests must be made by the final planting/transplanting date for the crop insured.
- 3 Additional units are not to be formed under this agreement.
- 4 If an insured has not signed a late planting agreement form by the final planting/transplanting date, late planted acres must be shown as "uninsured acreage" on the acreage report. If the deadline date for signing and filing the late planting agreement falls on a Saturday, Sunday or legal holiday the signing/filing dates are extended to the next business day.

- (b) Late Planting provisions are incorporated in: the **92B1 COMMON CROP INSURANCE POLICY** (hereafter referred to as Common Policy) for Small Grains (Wheat, Barley, Oats, Rye, and Flax), Canola, Coarse Grains (Corn, Soybeans, Grain Sorghum) Cotton, and Sunflower Seed; the **ENDORSEMENTS** for Rice and Hybrid Sorghum Seed; and the **HYBRID CORN SEED POLICY** for Hybrid Corn Seed.

The policies listed in (b) above automatically provide reduced coverage for acreage planted to the insured crop during the late planting period. Late planted reduced production guarantees are combined with timely planted production guarantees for insurable acreage for each unit. If the amount of premium (gross premium less subsidy) for late planted insurable acreage exceeds the liability on such acreage, coverage for those acres will not be provided (no premium is due and no indemnity is paid).

- 1 For spring-planted Wheat acreage in counties for which the Special Provisions designate a spring final planting date, and all Barley, Flax, Oat, Rye, Corn, Soybean, Grain Sorghum, Cotton, Sunflower Seed, Rice, Hybrid Corn Seed, and Hybrid Sorghum Seed acreage that is planted after the final planting date but on or before 25 days after the final planting date, the production guarantee for each acre will be reduced for each day planted after the final planting date by:

considered and the premium is not reduced on such acreage.

- (d) The insured may revise the liability on the hail and fire exclusion form (FCI-78) to reflect the liability for the reported acreage on the insured crop provided:
- 1 The difference between the total acreage report liability and the total liability shown on the original hail and fire exclusion form is more than one (1) percent. (An insured will be considered to have a like amount of private hail and fire liability, if the difference in liability described above is less than one (1) percent.)
 - 2 The hail and fire exclusion form showing the revised liability must be submitted no later than 15 days after the liability (based on the reported acreage) is established.
- (e) If the crop has been damaged to the extent that a loss has occurred and an indemnity is to be, or may be claimed on any unit of the crop, a request for annual hail and fire exclusion will not be accepted. If a continuous hail and fire exclusion, the exclusion will not be effective the first year. Issuance of a preventive planting or replant payment for any insured unit will not affect an insured's ability to exclude hail and fire coverage.
- (f) If the insured elects to delete hail and fire coverage from the MPCCI policy and the crop is subsequently damaged by hail or fire, an appraisal for the production lost due to hail and/or fire will be made. See FCI-78 or FCIC approved Exclusion Form for specifics on calculating the appraisal for uninsured causes.
- (g) Hail and fire policies must be provided by a company licensed in the state where the coverage is written in order to exclude hail and fire from the MPCCI policy. If hail and fire coverage is provided by unlicensed entities/companies the hail and fire exclusion from the MPCCI Policy must be approved by the Reinsurance Services Liaison Branch. The policy must include BOTH hail and fire coverage for the policyholder to be eligible for the premium credit for hail and fire exclusion from the MPCCI policy.
- (h) The MPCCI premium reduction for the hail and fire exclusion option is shown on the county actuarial table as an Option Factor. The base premium rate shall be reduced by the hail/fire exclusion factor shown on the actuarial table. Liability times the base premium rate times the hail and fire exclusion factor multiplied by the applicable producer premium factor equals the producer premium without hail and fire.

- (i) The following formula is used to calculate the appropriate premium:

$$\frac{\text{Base Premium}}{\text{Hail \& Fire Exclusion Factor}} \times \frac{\text{Producer Premium}}{\text{Subsidized Premium}} = \text{Subsidized Premium}$$

- F(5) Assignment of Indemnity, FCI-20 or FCIC approved creditor Assignment Form. An insured may assign the right to an indemnity payment (only one assignment per crop per policy) for a crop(s) under an MPC I insurance contract to another party(ies) by using this form. An assignment applies for all acreage of the crop covered by the policy.
 - (a) The assignment will become effective upon approval by an authorized representative of the Insurance Provider.
 - (b) An assignment is in effect only for the crop year specified on the assignment form.

- (c) The assignment may be made after acceptance of the application but must be completed before a loss claim is processed. Issuance of a replant payment for any insured unit will not affect the insured's ability to assign the right to an indemnity to another party.
 - (d) Cancellation of the assignment during the crop year will be accepted by the Insurance Provider only if the assignee(s) submits a written statement showing the insured's name, mailing address, policy number and crop(s) released from assignment.
- F(6) Transfer of Coverage, FCI-21 or FCIC approved Transfer Form. Coverage under a policy may be transferred from one entity to another, by use of this form, when the transfer of ownership or share in the crop occurs during the insurance period.
- (a) A separate form is required for each different unit or portion of a unit on which coverage is being transferred.
 - (b) Transfers are subject to an outstanding assignment of indemnity made by the transferor before the date of transfer.
 - (c) Transfer of Coverage Forms are effective only to the end of the insurance period for the crop year specified. For succeeding crop years, application must be made to insure the proper entity if insurance is to continue in effect.
 - (d) The transferee and the insured shall be jointly and severally liable for any unpaid premium on the acreage and share transferred.
- F(7) Apple Options/Endorsement. An insured with an MPC I apple policy in effect may elect to obtain additional coverage on Apples through the use of available options (where premium rates for the options are established). These options apply for all acreage of the crop covered by the policy unless designated differently on the form. The option(s) must be signed and submitted on or before the sales closing date for the initial crop year for which the insured wants the option(s) to be effective. They are continuous forms and may be canceled in accordance with the cancellation provisions of the policy.

1 Option I:

- a Upon purchase of the option, subsection 9.b.(1)(a) of the Dollar Plan of Fresh Market Tomato Endorsement will be amended to change reference from \$3.00 to \$2.00 in determining the total value of harvested production to count.
- b The premium rate for the option will be an additional 30 percent of the premium for basic coverage.

2 Option II:

- a Upon purchase of the option, subsection 9.b.(1)(a) of the Dollar Plan Fresh Market Tomato Endorsement will not apply to Tomato acreage. The total value of harvested production will be the dollar amount obtained by multiplying the number of 25-pound cartons of Tomatoes sold by the price received minus allowable cost as contained in the actuarial table; however, such price must not be less than zero for any carton.
- b The premium rate for the option will be an additional 50 percent of the premium for basic coverage.

- (d) The Option may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the "basic policy," preceding such crop year.

F(12) Cotton Harvest Incentive Endorsement, 95-21A or FCIC approved endorsement. A pilot program available in selected Texas counties (Bailey, Cochran, Dawson, Fisher, Hale, Haskell, Howard, Jones, Lamb, Mitchell, Nolan, and Scurry) for the 1997 and 1998 crop years.

- (a) This endorsement is designed to provide policyholders an incentive to harvest their Cotton, thereby reducing the number of unharvested appraisals.
- (b) When harvested production falls below the production guarantee, the endorsement modifies the policy by reducing the harvested production to count by the lesser of:

- 1 7.5 percent of the approved APH yield "(with a 35 pound maximum)" times the number of harvested acres, or,

- 2 The difference between the total guarantee for the harvested acres and the harvested production to count, or
- 3 The harvested production to count.
- (c) Optional units are not allowed under the Cotton Harvest Incentive Endorsement.

- 1 Protection for quality is based on the insured's marketing records on potatoes graded in accordance with the U.S. Standards for Grades of Potatoes for Processing, and provides a measure of quality for specific gravity and fry color.
 - 2 If less than four years of records indicating grade are available, the grade from actual records will be averaged with the default percentage as shown on the actuarial table. If no actual records of grade are available, the default percentage shown on the actuarial table will be used. See Sec. 5, D(17)(i)5.
 - 3 When the actuarial documents provide separate rates and coverage for U.S. No. 1 and for U.S. No. 2 Potatoes, the insured must designate on the processing potato quality option form which U.S. Grade (1 or 2) is to be applicable.
 - 4 If both the processing Potato quality option and the frost/freeze Potato option are in effect, the option resulting in the least production to count will apply.
- (c) Certified Seed Potato Option Amendment, FCI-505 or FCIC approved Option. This option is designed for potato insureds who desire coverage for their certified seed production. This is an annual form and must be signed and submitted on or before the sales closing date for the crop year for which the insured wants the option to be effective.
- 1 The determination of certified seed must be made by a certified seed inspector. The seed must also have a winter test reading for germination.
 - 2 Liability under the option is determined by multiplying the production guarantee of the Potato policy by the price for certified Seed Potatoes shown in the rates and rules.
 - 3 Availability of this option is limited to insureds who furnish acceptable records of certified seed Potato acreage and production for at least the previous three years and certified seed option rates are contained in the county actuarial table.
 - 4 Insured acreage is the acreage entered into the state seed Potato certification program.
- (d) Frost/Freeze Potato Option. This option is designed for potato insureds who desire specific coverage against frost/freeze damage. If the potato quality option or the processing potato quality option is also in effect, the option resulting in the least production to count will apply.

- F(10) Wheat Winter Coverage Options, Under the Endorsement, Option A or B attaches to the Small Grains Wheat Crop Provisions and provides coverage for fall seeded Wheat between the fall final planting date and the spring final planting date. They are available only in counties where BOTH a fall final planting date and a spring final planting date are provided. See Sec. 5, D(17)(1)6 and 7 for APH instructions relating to Options A and B.

For fall planted Wheat or Barley in counties for which there is only a spring final planting date, a replanting payment is not applicable. For insurance to attach on fall planted Wheat and Barley in these counties, insureds must request coverage prior to the sales closing date. Insurance attaches to fall seeded acreage that had an adequate stand to produce a normal crop on the earlier of the spring final planting date or the date the Insurance Provider agreed to accept coverage for the crop.

If coverage under Option A or B is desired, the election must be made by the fall sales closing date. Failure to elect either Option A or Option B indicates both Options are rejected. The provisions of Option A or B are as follows:

- (a) Coverage begins the later of the date the application is accepted or the fall final planting date. Coverage ends on the spring final planting date shown on the Special Provisions.
- (b) For Winter Wheat that is damaged and at least 20 acres or 20 percent of the acreage in the unit does not have an adequate stand to produce at least 90 percent of the average production guarantee, the insured may:

1 Destroy the remaining crop on such acreage.

a Option A. Production to count for claims for indemnities is equal to the greater of 70 percent of the production guarantee or the actual appraisal for the damaged acreage. An appraisal of the crop's potential production is required prior to the Winter Wheat's destruction. Only the actual appraisal will be used for APH purposes. The insured has the option to plant Spring Wheat and insure it separate.

b Option B. An appraisal must be made on the damaged acreage to determine the production to count for APH and for indemnity purposes under the policy provisions.

2 Continue to care for the damaged crop.

Options A and B Winter Wheat coverage continues and the acres and production (harvested or appraised) will be used for the Winter Wheat APH.

- 3 Replant the damaged acreage to an appropriate variety of Wheat if practical and receive the replant payment specified in the Small Grains Crop Provisions. Under Option A or B, coverage on such acreage will continue under the policy provisions.
- (c) Insureds must provide written notice of damage in accordance with the policy, but not later than the spring final planting date shown on the Special Provisions.
- (d) Winter Wheat acreage for which a replant payment was made for planting to Spring Wheat shall retain the Winter Wheat approved APH yield and premium rate. The acres and production are used for the Winter Wheat APH.
- F(11) Fresh Market Tomato Minimum Value Option, FCI-550 or FCIC approved Option. This option amends the Dollar Plan, of Fresh Market Tomato Endorsement.
- (a) The option must be signed, dated, and submitted on or before the final date for accepting applications for the initial crop year in which the insured wishes to insure Tomatoes under the Option.
- (b) The insured must have an FCIC approved Multiple Peril Crop Insurance General Policy and Dollar Plan Fresh Market Tomato Endorsement ("basic policy") in force.
- (c) The insured must select either Option I or II. All insurable acreage in which the insured has a share in the county will be covered under the option selected.

1 Option I:

- a Upon purchase of the option, subsection 9.b.(1)(a) of the Dollar Plan of Fresh Market Tomato Endorsement will be amended to change reference from \$3.00 to \$2.00 in determining the total value of harvested production to count.
- b The premium rate for the option will be an additional 30 percent of the premium for basic coverage.

2 Option II:

- a Upon purchase of the option, subsection 9.b.(1)(a) of the Dollar Plan Fresh Market Tomato Endorsement will not apply to Tomato acreage. The total value of harvested production will be the dollar amount obtained by multiplying the number of 25-pound cartons of Tomatoes sold by the price received minus allowable cost as contained in the actuarial table; however, such price must not be less than zero for any carton.
- b The premium rate for the option will be an additional 50 percent of the premium for basic coverage.

- (d) The Option may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the "basic policy," preceding such crop year.

F(12) Cotton Harvest Incentive Endorsement, 95-21A or FCIC approved endorsement. A pilot program available in selected Texas counties (Bailey, Cochran, Dawson, Fisher, Hale, Haskell, Howard, Jones, Lamb, Mitchell, Nolan, and Scurry) for the 1996 and 1997 crop years.

- (a) This endorsement is designed to provide policyholders an incentive to harvest their Cotton, thereby reducing the number of unharvested appraisals.
- (b) When harvested production falls below the production guarantee, the endorsement modifies the policy by reducing the harvested production to count by the lesser of:
 - 1 35 pounds times the number of harvested acres, or,
 - 2 The difference between the total guarantee for the harvested acres and the harvested production to count, or
 - 3 The harvested production to count.
- (c) For unharvested acreage, production to count is the greater of the appraised production or 35

pounds multiplied by the number of unharvested
acres.

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5 ACTUAL PRODUCTION HISTORY (APH)

OVERVIEW OF THE APH PROGRAM. Under the APH program, the yield determination methods provide flexibility the initial year of insurance for insureds who do not furnish acceptable records and at the same time improve actuarial efficiency. Approved APH yields for producers who elect not to supply records are limited to 65 percent of the applicable Transitional Yield the first year the producer is insured. Insureds must provide production reports for subsequent crop years according to the terms of the MPCCI policy. For producers who provide less than four years of actual yields, variable "T" Yields are used to complete 4-year databases. See D (2)(b). When four or more years of actual yields are available for a database, "T" Yields are not used in the database. As more years of actual production history are reported, insurance yields more accurately reflect the individual insured's capability of producing the crop.

A RELATED HANDBOOKS

- A(1) M8-FS - FIELD SERVICE HANDBOOK
- A(2) FCIC 18100 - CATASTROPHIC RISK PROTECTION HANDBOOK
- A(3) M8-AR - ACREAGE REPORT HANDBOOK
- A(4) OTHER FCIC APPROVED REINSURANCE HANDBOOKS

B APH TERMS AND APPLICATION (CATEGORY B AND C APH CROPS)

- B(1) Actual Yield. The yield for a crop year calculated from the producer's records and/or claims for indemnities. The actual yield is determined by dividing total production (which includes harvested and appraised production) by planted insurable acreage for annual crops and by insurable acres for perennial crops [unless production from uninsurable acreage is commingled with production from insurable acreage, see Sec. 7 B (2)]. Total production includes harvested and appraised production. The actual yield is entered in the Yield column of the APH form (column 18 of the FCI-19-A).
- B(2) Added Land. Added land is land on which the insured has not actively engaged in farming for a share of the crop's production on the unit for more than two crop years. For added land APH provisions, refer to Exhibit 36.
- B(3) Additional Coverage. MPCCI plans of insurance providing coverage greater than available under Catastrophic Risk Protection (CAT) coverage. For administrative purposes additional coverage falls in two categories, hereafter referred to as:
 - (a) Limited Coverage. MPCCI coverage that is equal to or greater than the 50 percent coverage level and 100 percent of the market price (or comparable coverage established by FCIC but less than the 65 percent coverage level and 100 percent expected market price (or comparable coverage established by FCIC)). Eligible for limited subsidy.

- (b) Additional Coverage. MPCIC coverage equal to or greater than the 65 percent coverage level and 100 percent of the expected market price (or comparable coverage established by FCIC). Fully subsidized.
- B(4) Appraised Production. Production determined by the Farm Service Agency (FSA), FCIC or an Insurance Provider reinsured by FCIC that was unharvested but which reflected potential production for the crop at the time of appraisal. Appraisals made for production lost due to insured cause(s) or uninsured cause(s) of loss are not considered production for APH purposes. Only potential production remaining in the field at the time of the appraisal is used for APH purposes. (Applies to APH appraisals or appraisals made to determine a loss.)
- B(5) Approved APH Yield. A yield, calculated and approved by the verifier, used to determine the production guarantee. The approved APH yield may contain up to ten consecutive APH crop years of actual and/or assigned yields.
- B(6) FSA Program Yield. For Barley, Corn, Cotton, ELS Cotton, Grain Sorghum, Oats, Rice and Wheat, the yield established by the FSA County Office Committee or proven, from production records, for individual farms by FSA Farm Serial Number (FSA FSN). For crop insurance purposes, FOR THE 1997 CROP YEAR, THE 1996 FSA PROGRAM YIELD (taken from the FSA-423) for the applicable FSN and provided (by the insured) by the production reporting date will be used. The FSA Historical Weighted Average Yield (HWY Yield) or the adjusted yield (program payment yield) used for FSA program payment purposes indicated on the FSA-476, or FSA-156 are not acceptable for MPCIC purposes.
- B(7) Assigned Yield. A yield assigned (by the verifier) for the most recent crop year in the base period if carryover insureds do not file acceptable production reports by the production reporting date, as required by the crop insurance contract. Assigned yield provisions apply on an APH crop year basis (by database). The assigned yield is 75 percent of the previous year's approved APH yield. Assigned yields are used in the same manner as actual yields when calculating APH yields except when the insured is listed under the Nonstandard Classification System (NCS).
- B(8) Average APH Yield. The average APH yield is the sum of the actual, assigned and/or applicable "T" Yields divided by the number of yearly yields in the database (prior to the application of yield limitations if yield limitations apply). The average APH yield is used to determine the premium rate when the yield floor applies.
- B(9) Base Period. Ten consecutive APH crop years (except Apples and Peaches, which have a five consecutive APH crop year base period), immediately preceding the current crop year (defined in the applicable insurance policy) for which the approved APH yield is being

established (except for Sugarcane, which begins the crop year preceding the immediate previous calendar year [lag year]). The base period for each APH database is determined by the consecutive APH CROP YEARS it contains, not calendar years.

- B(10) Carryover Insured. A carryover insured is a person or entity who was insured the previous year without respect to the carrier or agent and is determined on a crop policy (by county) basis.
- B(11) Continuous Production Reports. Production reports submitted by a producer for each consecutive APH crop year (within the base period) and must include the most recent APH crop year in the base period. Continuity is not interrupted if for any calendar year the crop was: not planted, prevented from being planted by an insurable cause, or was NOT produced for an insurable purpose (See Sec. 7, Par. B[2]). Zero planted production reports/acreage reports are used to verify continuity of production reporting requirements. Zero planted years are entered in the database if sufficient space exists.
- B(12) Crop Year.
- (a) APH CROP YEAR. For APH purposes, the term APH CROP YEAR does not include any year the crop was not planted, the crop was prevented from being planted by an insurable cause, or NOT produced for an insurable purpose as provided in the crop's policy (See Sec. 7, Par. B[2]). Example: When an insured plants insurable acreage in a county to Wheat for harvest as grain one year, that year is a crop year for APH data purposes. If the land is summerfallowed the next calendar year, that year is not a crop year for APH data purposes.
- Example: Years that Oats were planted as a cover crop, pastured, or put up for hay are not considered as APH CROP YEARS unless such acreage was reported and insured as "intended for harvest as grain" under the MPCIC contract.
- (b) POLICY CROP YEAR. The period defined by the applicable crop insurance policy.
- B(13) Database. The data used to calculate the average APH yield. A minimum of four up to a maximum of ten continuous APH CROP YEARS of production data are used. The data provided must begin with the most recent APH CROP YEAR. Years containing assigned yields do not break continuity of production data and are considered APH CROP YEARS. Actual yields may be added to an existing database if continuity requirements are met. Actual yields within the base period may not be removed from an established database without FCIC RSO approval.
- B(14) FCIC RSO Determined Yields. The approved APH yield determined by the FCIC RSO for insureds who do not provide at least four years of acceptable production reports when a "T" Yield Table is not published, other cases referred to the RSO for yield determinations, Blueberries in the states of Maine, Mississippi, North

Carolina, and New Jersey, and Texas Citrus (for the 1997 crop year) APH yields.

- B(15) Gross Production. For APH purposes, harvested or appraised gross production, documented in the unit of measure indicated by the crop's policy, is acceptable. Gross production is production prior to deductions made for dockage, test weight, moisture content, poor quality, foreign material and etc. When acceptable records that indicate dockage, low test weight, high moisture content, poor quality, foreign material, etc., are available at the time production reports are filed, gross production MUST be adjusted for APH purposes to reflect the same quality of production as provided in the crop's policy for loss payment purposes. See D(17) or E (14) this Sec. for additional instructions for each crop.
- B(16) Insurance Provider. Private Insurance Companies approved to provide limited and additional coverage and Reinsured by FCIC to provide insurance coverage to producers participating in the Federal crop insurance program.

- B(17) New Insured. A person or entity who was not insured the previous year without respect to the carrier or agent. If the insured had an MPCCI crop insurance policy the previous year (on a county and crop basis) that was insured by FCIC or reinsured by FCIC, that insured is not a new insured.
- B(18) New Producer. (CATEGORY B CROPS ONLY) See Sec. 5, D(2)(d). A person who has not been actively engaged in farming for a share of the production of the insured crop in the county (producing the crop) for more than two APH crop years. Formation or dissolution of an entity which includes individuals with more than two APH crop years of production history during the base period is not a new producer for APH yield determination purposes.
- B(19) Preliminary Yield. The APH yield calculated by the agent prior to approval by the FCIC authorized verifier. It is used to provide coverage estimates and premium quotes and is calculated using the same procedures as approved APH yields.
- B(20) Prior APH Yield. The approved APH yield (item 21 of the FCI-19-A) from the previous year's APH form.
- B(21) Production Report. A written record showing the insured crop's planted acreage and annual production used to determine the insured's actual yields for insurance purposes. Production reports may be APH forms or documents containing the same information that is required to complete APH forms. The insured must certify acreage and production for each unit of the crop for at least the most recent APH crop year in the base period. To be acceptable they must meet the requirements as outlined in this handbook and be signed, dated, and submitted by the insured on or before the production reporting date.
- (a) An indemnity form (Proof of Loss, Production Worksheet, FCI-75, FCI-74 or FCI-74 T-P-C, etc.) for 1986 and succeeding crop years will be considered a production report for the applicable unit(s) provided continuity of insurance is maintained. If an acceptable production report is not filed for all planted units with insurable acreage, the assigned yield is applicable to ALL planted units of the crop for the APH crop year, EXCEPT FOR UNITS WHICH HAVE LOSS RECORDS. (See Sec. 4, C (5) and Exhibit 2.) Assigned yields will not apply to units which do not have planted insurable acreage.
- (b) A zero acreage report for an annual crop may be considered a production report for the crop for the purposes of maintaining continuity of production reports. If an insured has planted insurable acreage on part of the units and zero acreage on the other units, the zero acreage units may be considered reported on the acreage report when production reports are filed for the planted acres.

B(22) Production Reporting Date (PRD). The latest date production reports will be accepted for inclusion in the database to be used to calculate an approved APH yield for the current crop year; and, the PRD is the earlier of the acreage reporting date or 45 calendar days after the cancellation date for the crop for the current crop year. This definition is used to standardize the production reporting date for all Category B and C Crops for the various policy versions currently in force.

NOTE: For new insureds, if a crop has both a Spring and Fall sales closing date, and application for insurance is made after the earlier sales closing date, the PRD is the earlier of the acreage reporting date or 45 calendar days after the spring sales closing date. Insurance does not attach to the acreage planted to the type with the earlier sales closing date if application is made after the earlier sales closing date.

B(23) Transitional Yields ("T" Yields).

(a) An estimated yield provided in the Actuarial Documents that is used to calculate average/approved APH yields when less than four years of actual, temporary, or assigned yields are available. Some "T" Yield Tables contain a yield factor that is used with a reference (a different crop) crop's program yield to calculate the "T" Yield (see D [13][b]2 for use of the factor). For example: IA, MN, and WI forage production "T" Yield Tables contain a "T" Yield Factor which is used with a reference crop to obtain the "T" Yield (see Exhibit 25 for instructions for forage production "T" Yields).

Note: Some actuarial documents may still contain references to Determined Yields ("D" Yields) if so, they are considered "T" Yields for APH purposes.

- (b) "T" Yields ARE NOT SET in the database. They must be recalculated as applicable if the percentage of the "T" Yield changes. They are not used when four years of actual and/or assigned yields are obtained. See D(2)(a), D(2)(b), D(2)(d) and D(2)(e) of this Sec. for instructions.
- (c) Special "T" Yields may be used for an added P/T/V if the insured has provided records for other land or P/T/V(s). See D(13)(f) of this Sec.
- (d) "T" Yields for high-risk land or unrated land. The county actuarial table or FCIC approved written agreements may indicate adjusted "T" Yields for high-risk or unrated land. See D(13)(e) for instructions.

B(24) Transitional Yield Locator Document ("T" Yield Map). A county map indicating area classifications. For example, "T" Yield maps are used to establish area classifications for Soybeans, Safflowers, Sunflowers, Dry Beans and Flax in certain counties. "T" Area

classifications are used in conjunction with the "T" Yield table to determine "T" Yields.

- B(25) Units (Basic and Optional). See Sec. 4, C(5). for detailed information and instructions. Also see Exhibits 2,3,4, and Exhibit 15 for additional information and instructions for combining or dividing databases for existing units when databases contain actual and/or assigned yields.
- B(26) Verifier - An Insurance Provider authorized by FCIC to calculate approved APH yields.
- B(27) Yield Floor. For Category B APH crops, the lowest approved APH yield allowed under APH procedures if insureds have provided at least one year of acceptable records. (See Par. D[11][c]) of this Sec.
- B(28) Yield Limitations. Adjustments, when applicable, that are made to average APH yields which result in the yield used to determine the production guarantee (approved APH yield). (See Par. D(11) this Sec.).

C RESPONSIBILITIES (CATEGORY B AND C APH CROPS)

C(1) Agent/Representative

- (a) Explain production reporting and supporting record requirements.
- (b) Assist producers, when necessary, in completing an APH form for each unit (by P/T/V when applicable) and crop year for which acceptable records are available).
- (c) For all NEW INSUREDS compute, quote, and enter preliminary yields on the APH form when calculation of preliminary yields is authorized by FCIC. Calculation of preliminary yields is authorized for Blueberries in MI and all other APH crops except Blueberries (in the states of ME, MS, NC, and NJ) and Texas Citrus. Explain to insureds that:
 - 1 For reinsured contracts, an insured may request in writing a reconsideration if the approved APH Yield calculated by the Insurance Company verifier is less than 95 percent of the preliminary yield on ANY unit (See Sec. 8, Par. F for instructions.); or request a mutual consent cancellation. A mutual consent cancellation applies to the entire crop policy (by county). Requests for mutual consent cancellation of policies are made to the applicable Insurance Provider.
 - 2 For approved APH yields issued by the FCIC RSO or FSA, if the approved APH yield is lower than preliminary yield, the insured may request review of the approved APH yield through reconsideration, agency appeal, mediation, and/or appeal to the National Appeals Division (NAD). (See Sec. 8, Par. A-D for additional information and Exhibit 12 for NAD Area Offices.)
- (d) If calculation of preliminary yields (for new insureds) is not authorized by FCIC, explain to the insured that upon receipt of an approved APH yield:
 - 1 The approved APH yield will be considered accepted unless a mutual consent cancellation of the policy is requested (if the approved yield is not accepted); or
 - 2 Reconsideration, agency appeal, mediation, or appeal to NAD of the approved APH yield(s) is requested.
- (e) Inform carryover insureds that mutual consent cancellations for approved APH yields unacceptable to the insured are not allowed for subsequent crop years except for Blueberries (in the states of Maine, Mississippi, North Carolina, and New Jersey) and 1997 Texas Citrus.

- (f) Explain to insured that requests for reconsideration or mutual consent cancellation of crop policies must be made within 30 calendar days of the date the approved APH yield was mailed or otherwise made available to the insured. If an adverse decision is made by the FCIC RSO or FSA verifier, reconsideration, mutual consent cancellation, mediation, agency appeal and/or NAD appeal rights are provided. If a request was not made timely, such requests will be rejected and the approved APH yields are considered accepted by the insured (See Sec. 8). Requests for reconsideration or mutual consent cancellations must be forwarded to the verifier no later than three calendar days after their receipt by the agent or representative as indicated below:
- 1 For APH yields approved by the FCIC RSO or FSA, reconsideration requests must be referred to the FCIC RSO if the FCIC RSO approved the APH yield, or to the FSA county committee if the FSA approved the APH yield. Utilization of the agency's informal reconsideration process will not prejudice the insured's right to subsequently request agency appeal, mediation, and/or NAD appeal. If during a reconsideration an adverse decision is rendered (by the FCIC RSO), mutual consent cancellation, mediation, agency, and/or NAD Appeal Rights must be provided.
 - 2 Reconsiderations of APH yields approved by Insurance Company verifiers are made to the Insurance Company. Insurance Company verifiers may correct errors in yield computation or in the application of FCIC approved procedures. Corrections will not be subject to additional reconsideration.
- (g) Review the APH form for completeness and accuracy and obtain the insured's signature and date of signature.

- (h) For insureds establishing an APH yield history (database), who elect to provide records for verification rather than be subjected to a field review, compile and forward copies of supporting records to the verifier unless a discretionary review is required.
- (i) Insurance Company Agents. Forward the signed APH form and any applicable worksheets to the verifier within 10 calendar days of completion, but not later than 10 calendar days after the production reporting date. APH forms signed after the production reporting date are not timely filed and are not acceptable.
- (j) For Blueberries in the states of Maine, Mississippi, North Carolina, and New Jersey and Texas Citrus, forward all requests for inspections no later than 10 calendar days after the sales closing date to the applicable Insurance Provider's representative.

For Blueberries in Michigan and all other perennial crops requiring a pre-acceptance inspection, forward all requests for inspections no later than 10 calendar days after the PRD to the applicable Insurance Provider's representative.

See Exhibit 16 for the perennial crop pre-acceptance inspection form and instructions.

- (k) Upon receipt of the APH form from the verifier indicating the approved APH yield:
 - 1 Explain the approved APH yield(s) and determine the production guarantee(s).
 - 2 Explain premium provisions and, if applicable, premium discount and compute the premium.
 - 3 Verify insurance units and explain appropriate provisions.
 - 4 Administer and explain to the insured yield limitations, yield floors, record requirements, and assigned yield provisions that apply for subsequent APH crop years if records are not provided.
 - 5 File and maintain copies of the APH form.
- (l) When insureds do not supply acceptable production reports for APH purposes:
 - 1 When necessary, determine the applicable "T" Yield(s) to be used for APH yield calculation purposes. Verify or determine the FSA program yield(s) when they are necessary to calculate the approved APH yield for the crop. Contact the FSA office or use the insured's copy of form FSA-423 (computer form).

- 2 Determine preliminary APH yields according to FCIC approved procedures. (See Par. D and E of this Sec.)
 - 3 Assign basic units according to those allowed in the policy. For exceptions see Sec. 4, C(5)(d)3 and D(2)(d)1 a of this Sec.
 - 4 For carryover insureds (Category B and C crops), administer assigned yield provisions.
 - 5 For insureds qualifying as "new producers" follow applicable new producer procedures.
- (m) Explain that if additional cropland is purchased or rented after the production reporting date, it may be added as a separate unit (provided it meets basic/optional unit requirements and production reporting requirements) or it may be added as part of an existing unit. See Exhibit 36 for added land provisions for Category B crops.
- (n) Enter the prior crop year's Approved APH yield in the prior yield block on the APH form and identify each yield in the database with the correct yield type descriptor (See D[3] this Sec.).
- (o) Compare the yield history on the APH reporting form received from the verifier to the yield history on the previous crop year's APH form. If the yield history does not agree, attach a copy of the previous crop year's APH form to the current crop year APH form and return to the verifier for a corrected current crop year APH form.
- (p) Retain prior years' APH forms for the insured in the insured's file folder.
- (q) Refer requests for field visits for APH acreage and yield determinations (appraisals, bin measurements, etc.) to the appropriate Insurance Provider's representative. (See Sec. 7, D.)

C(2) Producer/Insured:

- (a) Request all field visits for APH acreage and yield determinations from the Insurance Provider's office. (See Sec. 7, D.)
- (b) Report all production, acres and actual yields on an APH form by the production reporting date. Other documents which contain the same information as required by the APH form may be used. When required by the Insurance Provider, furnish acceptable production evidence (records).
 - 1 For Category B and C Crops, certify annually acreage and production by crop, "T" Yield Map area, unit, P/T/V by the production reporting date. Include production reports for zero planted units.
 - 2 For carry-over Blueberry insureds in the state of Michigan ONLY and all other perennial crops except Texas Citrus and Blueberries in Maine, Mississippi, North Carolina, and New Jersey. Certify on an annual basis by the PRD underwriting information by completing, dating and signing the Producer's Pre-Acceptance Worksheet(s).
- (c) Sign and date the form. This certifies that the information contained on the APH form is true and accurate.

NOTE: If the insured provides a production report by a means other than a FCIC approved APH form, it MUST HAVE THE FOLLOWING CERTIFICATION STATEMENT or it is not an acceptable production report.

"I certify that the information I have furnished as reflected on this form is complete and accurate for the commodity(ies), unit(s) and year(s) shown. I understand this form may be reviewed or audited and that information inaccurately reported or failure to retain records to support information on this form, may result in a recomputation of the approved APH yield. I also understand that failure to report completely and accurately may result in voidance of my crop insurance contract and may result in criminal or civil false claims penalties (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730)."

- (d) Request transitional yields, when applicable, by contacting an agent/representative. If necessary, contact the FSA Office and obtain FSA program yields for APH purposes. If FSA program yield(s) have not been established, request that the FSA establish program yield(s) for FCIC/MPCI purposes only. If it is felt the program yield assigned by FSA for FCIC/MPCI purposes ONLY is inaccurate, a reconsideration of the yield may be requested from the FCIC RSO. Such requests must be made within 30 calendar days of when the program yield was mailed or otherwise made available from the FSA to the insured.

- (e) Review approved APH yields. If the approved APH yield is less than (95 percent for reinsured contracts) the preliminary yield, the insured may request the appropriate review of the yield calculated. A request for reconsideration, mutual consent cancellation, mediation, agency appeal or NAD appeal must be filed (requested in writing) within 30 calendar days of the date of notification of the approved yield. If the review request is not filed timely, the approved APH yield will be considered accepted. If reconsideration, mutual consent cancellation, mediation, and/or appeal rights were provided as part of an adverse decision by the verifier, the appeal must be requested within the time specified (30 calendar days).
 - (f) Retain hard copy production evidence to support the information reported (certified) on the APH form. Provide supporting records to the field reviewer when selected for APH review at the time of the field review. Reviewers are not authorized to track down supporting records for insureds at other sources, i.e., FSA, packers, elevators, etc.
- C(3) Verifier: Insurance Providers and FCIC RSO. The following responsibilities pertain when APH forms and APH yield calculations are received for verification.
- (a) Review the acreage and yield history data and any supporting documentation.
 - (b) Insurance Company verifiers must review previously reported APH history for each insured available in the PHTS. The FSA for carryover insureds must use the transfer of contracts procedure (See Sec. 4, Par. D(4)(a) to transfer the policy and obtain the APH history from an Insurance Company. If the insured is transferring from the FSA to an Insurance Company, the company must request the prior APH history from the FSA. All APH history within the base period attributed to the insured must be used provided continuity of insurance and APH records for the crop has been maintained. Assigned yield provisions apply if insurance experience is continuous but the insured failed to provide production reports as required by the insurance contract. It may also be necessary to correct current crop year APH forms or perform an APH review in order to reconcile any differences between the current APH history certified and prior APH history available through the FSA or PHTS.
 - (c) Review entries on the APH form, verify that entries are according to procedure and that all required entries have been made.
 - (d) Update the insured's yield history (database).
 - (e) Calculate the average APH yield and apply applicable yield limitations/yield floors.

- (f) When authorized to calculate approved APH yields, calculate the approved APH yield for each unit by crop year, and when necessary, by area classification ("T" Yield Map Area), P/T/V.
- (g) Complete and distribute the APH form.
- (h) Verify acreage and production with the supporting records for insureds who have elected to provide records rather than be subjected to the field review process. Corrections when necessary will be made according to tolerances established for the field review process.
- (i) FCIC RSO determined yields. For crops requiring pre-acceptance inspections, the completed pre-acceptance inspection and all required supporting documentation (See Par. E [6][b] of this Sec. for required documentation.) must be received in the FCIC RSO no later than:
 - 1 20 calendar days after the PRD for Blueberries in the states of Maine, Mississippi, North Carolina, and New Jersey) and Texas Citrus.
 - 2 30 calendar days after the PRD for Blueberries in Michigan and all other Category C APH crops except Texas Citrus. See Par. E(5), E(7) and E(8) this Sec. for situations requiring FCIC RSO determined yields.

3 Insurance Providers may contact the FCIC RSO to arrange a schedule if this deadline cannot be met due to the volume of production reports received, additional information must be obtained, etc. The FCIC RSO will establish a final date based on the volume of contracts, weather conditions affecting preacceptance inspections, etc. The final date for receiving the remaining production and inspection reports in the FCIC RSO will be NO LATER THAN:

- a 45 calendar days after the PRD for Blueberries in the states of Maine, Mississippi, North Carolina, and New Jersey and Texas Citrus.
- b 60 calendar days after the PRD for all other Category C APH crops.

Note: Supporting records/documentation initially received after the applicable date specified in a or b will be considered unacceptable. An approved APH yield will NOT be issued unless assigned yield provisions are applicable.

4 If additional supporting records/documentation/clarification of timely submitted requests are required by the FCIC RSO, the verifier will have 20 calendar days from the date of notification from the FCIC RSO to secure and provide the records to the FCIC RSO. If supporting records are not received in the FCIC RSO by this date, the FCIC RSO will consider the records unacceptable and use assigned yield provisions for carryover insureds. For new insureds the FCIC RSO will determine that the production reports are unacceptable and determine the yields accordingly.

- (j) The FCIC RSO will notify Insurance Providers of the approved APH yield(s) by certified mail (return receipt requested); or, positively document the crop policy (insured's name if policy number not available) and the date the approved yield was mailed/postmarked to the Insurance Provider. This documentation will be used to verify timeliness of issuance of approved APH yields and presentation of those yields to insureds.

Insurance Providers must notify each affected insured of the approved APH yield(s) no later than 25 calendar days after issuance of the approved APH yield by the FCIC RSO. The Insurance Provider will notify the insured of the approved APH yield(s) by certified mail (return receipt requested); or, positively document the date the insured was notified and the method used. Documentation of the date the insured was notified of the approved APH yield must be available to verify timeliness of presentation of approved APH

yields to insureds, requests for reconsiderations, mediation, mutual consent cancellation of crop policies, and for appeals.

- (k) Insurance Provider approved APH yields. If the approved APH yield is less than the preliminary yield (less than 95 percent for reinsured contracts), the verifier will notify the insured of the change and of the approved APH yield(s) by certified mail, return receipt requested; or, positively document the date the insured was notified of the approved APH yield and the method used. Insureds must be notified of all approved APH yields (in this category) no later than 25 calendar days from the issuance date of the approved APH yields by the verifier. Documentation of the date the insured was notified of the approved APH yield must be available to verify timeliness of presentation of approved APH yields to insureds, requests for reconsiderations, mediation, mutual consent cancellations, and for appeals.

If the approved APH yield issued by the FCIC RSO is lower than the preliminary yield, or if during the APH process information is discovered that may require an adverse decision (such as denial of coverage, rejection of the insured's records, etc.), the FCIC RSO must provide the participant with applicable reconsideration, mutual consent cancellation, agency appeal, mediation, and/or appeal rights.

Reconsiderations for NCS determinations are made to the appropriate FCIC RSO.

C(4) Additional FCIC RSO Responsibilities:

- (a) Mail approved APH yield forms no later than 15 calendar days after receipt of the form and required documentation to the FCIC RSO. A binding offer may be made upon receipt of the approved APH yield from the FCIC RSO.
- (b) Review all questionable cases received and determine the approved APH yield(s).
- (c) If records are needed to substantiate yields reported on the APH form, notify the verifier and make every effort to expedite the issuance of the approved APH yield.
- (d) Document the date requests for approved APH yields were received and the date the approved APH yield was mailed to the Insurance Provider or insured.
- (e) Provide additional underwriting services related to APH which are approved by the FCIC Product Development Branch or the Assistant Manager for Insurance Services upon request from the verifier.
- (f) If FSA is the verifier for the insured and FSA has not determined a FSA Program Yield for the insured, the FCIC RSO MUST approve any program

yield the FSA establishes for MPCCI program purposes only. If a number of Program Yields are needed for MPCCI insurance purposes, the FCIC RSO may approve the method of establishing such program yields in lieu of reviewing each individual program yield.

C(5) APH verification at time of loss. The person working the loss will use the following guidelines WHENEVER MAKING FARM INSPECTIONS:

- (a) If the insured is an affiliate of Crop Insurance (employee, agent, contractor, etc.), and a field review has not been performed on any of the yields certified, an APH field review must be performed as outlined in Manual 14.
- (b) For all other insureds, a current approved APH form must be in the file in order to complete a claim.
 - 1 Review the yields certified by the insured for reasonableness.
 - 2 Perform a cursory review to determine if the APH yield was calculated accurately.
 - 3 Compare the approved APH yields to the acreage report. Verify that the correct APH yields have been entered on the acreage report (by unit, P/T/V, map area etc.).
 - 4 Contact the next level of supervision if:
 - a A current approved APH yield is not in the file;

- b Yields certified do not appear to be reasonable; or
- c The approved APH yield appears to have been calculated incorrectly.

If a correct/current APH yield cannot be verified before an inspection must be made, and the insured has a bona fide contract and claim, the inspection may be made but the claim cannot be finalized (do not obtain the insured's signature).

C(6) Reserved.

D ELIGIBLE CATEGORY B CROPS AND PROCEDURES

Barley, Canola, Canning and Processing Beans, Corn, Cotton, ELS Cotton, Dry Beans (including Bush Varieties for Garden Seed), Flax, Forage Production, Grain Sorghum, Oats, Onions, Peas (dry and green), Potatoes, Popcorn, Rice, Rye, Safflowers, Soybeans, Sugarcane, Sugar Beets, Sunflowers, Sweet Corn (Canning and Freezing), Tobacco (Production Guarantee - types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; and 32 MD), and Tomatoes (Canning & Processing and Fresh-Market Guaranteed Production Plan) and Wheat.

- D(1) General Instructions. Agents/representatives are REQUIRED to calculate preliminary yields for new insureds and Insurance Providers are authorized to calculate approved APH yields for all Category B APH crops.
- (a) If more than one person/entity is insured on the same unit, each person/entity is responsible for submitting acceptable production report(s). Different yield calculation methods may apply based on the production reports provided by each person/entity.
 - (b) Carryover Insureds. Carryover insureds must provide acceptable annual production reports. Assigned yield provisions apply to carryover policies on an APH crop year basis to databases (units, P/T/V "T" Yield map areas) that had planted acres (except for units with claims for indemnities) if the required production reports are not provided by the PRD. Claims for indemnities are considered production reports and must be used; however, some claims may have to be reviewed to ensure that the correct production is used for APH purposes (See Sec. 6, Par. C(4)(b). See Exhibit 2 for further assigned yield instructions.

Yield limitations (cups, caps, and floor yields) are applicable on a unit basis (by P/T/V) to databases that contain at least one actual or assigned yield. When applicable the approved APH yield will not increase or decrease more than the amount established by FCIC compared to the prior approved APH yield, for the same unit (by P/T/V).
 - (c) If insured on a continuous basis, ALL actual and assigned yields from the past APH production history within the 10 APH CROP YEAR base period MUST be used; however, assigned yields may be replaced with actual yields. This includes policies that have been canceled and rewritten (transfers) to change agents/insurers.
- D(2) Yield Calculation Methods. A minimum of 4 yields are required in each database used to calculate approved APH yields. Except for new producers (see Par.[d] following), insureds classified under Nonstandard Classification System (NCS) with yield adjustments, feed or forage grown for on-farm use (see Par. [e] following), added land/P/T/V see Exhibit 36, high-risk land with high-risk "T" Yields (see Par. [f] below),

and units located in more than one "T" Yield Map area (see Par. [g] following); when less than 4 years of actual and/or assigned yields are available in the database (unit/P/T/V), the database is completed with a variable "T" Yield based on the number of years of actual and/or assigned yields available for the database. See Sec. 10 for additional instructions WHEN insureds/land are classified under the NCS. Variable "T" Yields are determined as follows:

- (a) No Actual or Assigned Yields. For new insureds who do not provide acceptable production reports by the PRD or provide production reports containing only zero planted acres, approved APH yields are calculated by multiplying the applicable "T" Yield(s) by 65 percent. 65 percent of the "T" Yield applies only ONE year, for subsequent years see D(1)(b) above.
 - 1 New insureds must request approved APH yields by completing and signing APH forms. Separate 4-year APH Databases are required for each unit (by P/T/V and for each "T" Yield map area). Each database must contain four 65 percent "T" Yields. Agents/representatives MUST quote the applicable 65 percent "T" Yield as the preliminary yield. The verifier must approve all APH yields.
 - 2 Yield limitation provisions (caps/cups) are NOT applicable the initial year insured; however, they apply for subsequent crop years to databases with actual and/or assigned yields.
 - 3 65 percent "T" Yields are not set in the database. Databases must be updated each year and the approved APH yield recalculated.
 - 4 Optional units are NOT authorized.
- (b) 1-3 Actual and/or Assigned Yields Provided. Databases containing less than 4 years of actual and/or assigned yields, require the use of a variable "T" Yield to meet the 4-year requirement (on a unit basis and by P/T/V when applicable) as follows:
 - 1 If one year, 80 percent of the applicable "T" Yield.
 - 2 If two years, 90 percent of the applicable "T" Yield.
 - 3 If three years, the applicable "T" Yield (100 percent).
 - 4 Databases (Units by P/T/V when applicable) with no actual or assigned yields that do not qualify as added land/P/T/V receive 65 percent of the applicable "T" Yield. For added land/P/T/V see Exhibit 36.

- 5 For carryover insureds also refer to D(1)(b) above.
- (c) 4 or More Years Actual and/or Assigned Yields.
When 4 or more years of actual or assigned yields are available for a database (unit by P/T/V "T" Yield map area) the average APH yield is determined by a simple average of the insured's actual and/or assigned yields divided by the number of years actual and/or assigned yields contained in the database.
- 1 For carryover insureds also refer to D(1)(b) above.
- 2 Optional units are allowed if for the most recent APH CROP YEAR (the crop was planted) acceptable production reports were provided by the PRD, on an optional unit basis.
- (d) New Producer. See Exhibit 37 for additional instructions. If the insured qualifies as a new producer, the approved APH yield must be determined using the method below for which the insured qualifies.
- 1 If no production records (has not produced the crop one or two crop years), the applicable "T" Yield (100 percent) is the approved APH yield. Databases must be established that contain four 100 percent "T" Yields preceded by the yield descriptor code "I". Agents and representatives quote the applicable "T" Yield as the preliminary yield. The verifier must approve all APH yields.

- a Optional units are allowed, provided they are requested by the acreage reporting date and the new producer keeps separate records of acreage and production for each proposed optional unit for the current crop year.
 - b For subsequent crop year(s), if acceptable production reports are not provided by the PRD, assigned yield provisions apply. "T" Yields are then determined using the number of assigned yield(s), and optional units are not allowed. Yield limitation provisions apply if appropriate.
- 2 Production reports ARE REQUIRED if the insured has produced the insured crop for one or two crop years, (See Exhibit 37, Par 1B and Par. 5).
- a Production reports must be provided for such crop years to qualify for use of the applicable "T" Yield(s) (100 percent). If provided, the approved APH yield is calculated by dividing the sum of the actual yield(s) and the 100 percent "T" Yields by four. If such production report(s) are not provided, see Exhibit 37 Par. B(2).
 - b Units are determined according to the way production reports are filed for the previous APH crop year (basic or optional).
 - c For subsequent crop years refer to instructions for carryover insureds in D(1)(b) above.

3 Pilot county "T" Yields for new producers. Applicable for Category B APH crops for the 1996 and 1997 crop years in pilot project counties, follow the procedures in (d) above; except, use 110 percent of the applicable "T" Yield instead of 100 percent. The 110 percent "T" Yield is preceded by the yield descriptor "H". Pilot project new producer states and counties are as follows.

Alabama:	DeKalb, Cullman
California:	Fresno, Stanislaus, Tulare, Merced
Florida:	Hillsborough, Alachua
Georgia:	Hall, Coffee
Indiana:	Elkhart, Allen, Adams, Noble, Dekalb
Kansas:	Nemaha, Miami
Montana:	Rosebud, Big Horn
North Carolina:	Johnston, Duplin, Wayne
South Dakota:	Minnehaha, Lincoln, Hutchinson, Turner, Brookings, Lake
Texas:	Hidalgo, Cameron, Erath, McLennan

(e) Feed or Forage Grown for On-farm Use. If a producer who does not qualify as a new producer grows feed (includes crops such as Corn, Grain Sorghum, Soybeans, etc.) or forage primarily for on-farm use in a livestock, dairy, or poultry operation, and over 50 percent of the net farm income of the producer is derived from the livestock, dairy, or poultry operation, use the following procedure:

- 1 If the first year insured and the insured can not provide acceptable production report(s) for at least the most recent APH crop year or provides production reports containing ONLY zero planted acres, the approved APH yield is 80 percent of the applicable "T" Yield.
- 2 Follow the procedures in Par. D (2)(d)1 above; however, use 80 percent of the "T" Yield instead of 100 percent. The eighty percent "T" Yield is preceded by the yield descriptor "X".
- 3 For a zero planted unit in the current (policy) crop year, four eighty percent "T" Yields will again apply the subsequent year.

- (f) High-Risk Land. For acreage with less than four years of actual and/or assigned yields that is located on high-risk (with a high-risk "T" Yield) or unrated land (on which the FCIC RSO has assigned high-risk "T" Yields), variable "T" Yields do not apply. 100 percent of the assigned "T" Yield applies. Use yield descriptor "F".
- (g) "T" Yield Map Areas. For units located in more than one "T" Yield Map Area (except for high-risk, unrated land with a high-risk "T" Yield assigned by the FCIC RSO, or insureds classified under NCS with yield adjustments) the variable "T" Yield is determined by the number of years of actual and/or assigned yields provided on the unit for each applicable P/T/V.

NOTE: If a different percentage of the "T" Yield is used for the individual "T" Yield map area than indicated by actual and/or assigned yields. use yield descriptor "C".

- D(3) When completing APH databases, each yield entered in the yield column must be identified with the applicable yield type descriptor. Yield type descriptors are as follows:
- A = Actual Yields (Example: A120)
 - J = Temporary Yield (Example: J100)
 - S = 65% "T" Yield (Example: The "T" Yield is 100, the entry for 65% "T" Yield is S65).
 - E = 80% "T" Yield (Example: E80).
 - N = 90% "T" Yield (Example: N90).
 - T = 100% "T" Yield (Example: T100).
 - P = Assigned yield (Example: P60).
 - I = Initial yield for new producers of the crop (Example: I100).
 - H = 110% "T" Yield, Pilot County New Producer "T" Yields (Example: H100).
 - X = 80% "T" Yield, assigned the initial year of insurance for producers who grow feed or forage primarily for on-farm use (Example: X80).
 - C = Special "T" Yield determined for added P/T/V or when the percentage of the "T" Yield is determined using the number of actual/assigned yields from more than one "T" Yield map area. (Example: C90)
 - F = FCIC RSO Determined Yields (Example: F85) Used when less than four years of actual and/or assigned yields are available and the "T" Yield is assigned by the FCIC RSO, or a high-risk "T" Yield (also applicable to unrated land when high-risk "T" Yields are assigned by written agreement) is used in the approved APH Yield calculation. Also used to identify special "T" Yields published for CC Wheat, Barley, and Oats for some counties in Montana and Wyoming (See [17][1]10 of this Sec.).
 - L = Added Land (L100)
 - Z = Zero Planted

continuity will be used unless approved by the verifier. (Also see Sec. 7, A).

- D(5) Production reports must be filed on an optional unit basis by the PRD for the most recent year that the crop was planted in order to qualify for optional units. See Sec. 4, C(5)(d)3 for exceptions.
- D(6) For annual crops with zero planted acres (by unit, P/T/V), enter zero (0.0) in the Acres Column (Col. 17 FCI-19-A) and enter a Z in the Yield Column (Col. 18 FCI-19-A). Do not count a year of zero planted acres (by unit and by P/T/V if applicable) when determining the number of years of actual and assigned yields. The yield descriptor Z is entered in the database primarily to indicate continuity of production reports. If the 10 APH crop year database requires removal of a zero planted year to provide space to retain an actual/assigned yield, remove the OLDEST zero planted year.
- D(7) Reserved.
- D(8) When acceptable production reports have been submitted by the PRD, the yield history will be updated with the following types of yields as applicable:
- (a) Actual Yields from production reports or claims forms (See Sec. 7).
 - (b) Applicable variable "T" Yield if less than 4 years of actual and/or assigned yields are available. See D (2) of this Sec.
 - (c) For added land/P/T/V, a Special "T" Yield may be used instead of 65 percent of the applicable "T" Yield. See D (13)(f) of this Sec. and Exhibit 36 for instructions for added land/P/T/V.
 - (d) Temporary Yield. The prior APH yield may be used ONLY as a temporary yield for the last year in the base period if an insured is unable to finish harvest (due to an insurable cause), or records are unavailable from the processor, marketing outlet, etc., (by unit) by the production reporting date. The temporary yield is considered an actual yield when determining the number of actual and assigned yields for APH calculation purposes. The temporary yield is valid for one year only. A production report indicating the actual yield for that year must be filed by the following year's production reporting date or assigned yield provisions will apply.
- NOTE: Insureds using a temporary yield may retain optional/guideline units for the current crop year.
- D(9) When acceptable production reports are required but, not submitted for all units the database will be updated with the following types of yields as applicable:

- (a) Actual Yields and appraised potential production from loss claims, if any, will be used. (See Sec. 7, C[1][d].)
- (b) Assigned Yields - 75% of the prior APH yield for the same unit (by area classification, P/T/V).
- (c) Applicable variable "T" Yield if less than 4 years of actual and/or assigned yields are available in the database. (See D[2] of this Sec.)

NOTE: The insured will not qualify for optional/guideline units unless loss records account for all units, or other exceptions apply (See Sec. 4, C[5][d]3 and Exhibit 2).

- D(10) The insured may submit (certify) production reports for crop years for which production reports were not previously submitted, provided continuity of production reports is maintained. Acceptable production reports must be submitted by the applicable PRD for the current crop year to be used for the current crop year. Such production reports are subject to APH field reviews and acceptable supporting records must be available.
- D(11) Yield limitations. Carryover insureds who have provided at least one APH crop year of records containing actual and/or assigned yields qualify for yield limitation provisions (cups and caps). New insureds and carryover insureds who have provided at least one APH crop year of acceptable records containing actual yields for a Category B APH crop, qualify for yield floors.

Cups, caps, and yield floors apply on a database (unit/P/T/V) basis, if the database contains at least one actual or assigned yield and only the most recent year's production history (including zero planted) is added to the database. If zero planted and the prior year's approved APH yield was limited, calculate the current year's average APH yield and apply the applicable yield limitation.

- (a) 10 Percent Cup. Approved APH yields may not decrease by more than 10 percent compared to the previous year's approved APH yields. However, if the yield floor (See Par. D [11][c]) is higher than the cupped yield, the yield floor is the approved APH yield. (For exceptions see Par. D [11][f]).
- (b) 20 Percent Cap. The approved APH yield may not increase more than 20 percent compared to the previous year's approved APH yield. However, if the yield floor is higher than the capped yield, the approved APH yield will be the yield floor. (See exceptions for Par. D [11][f]).
- (c) Yield Floors are applicable to Category B APH crops with published "T" Yields. Yield floors are designed to work in conjunction with cups and caps to provide additional protection from the effects of low crop yields. Yield Floors do not apply to Policies when classified under the NCS. The approved APH yield will not fall below the yield floor. The yield floor is a percentage of the applicable "T" Yield based on the years of records the insured has provided:
- 1 1 year, 70 percent of the "T" Yield.
 - 2 2-4 years, 75 percent of the "T" Yield.
 - 3 5 or more years, 80 percent of "T" Yield.
- NOTE: For added land/P/T/V, the yield floor percentage is based on the number of actual and/or assigned yields used to determine the special "T" yield. The percentage is applied to the applicable P/T/V's "T" Yield. (See Exhibit 36 Par. 1 C). In subsequent crop years, the yield floor percentage is retained until enough actual and/or assigned yields are provided on the added land P/T/V to qualify for an increased percentage.
- (d) Determining approved APH yields when cups, caps, or yield floors apply (See Exhibit 19 for Examples).
- 1 Calculate the average APH yield using current APH procedures.
 - 2 When applicable, apply the cup/cap to the average APH yield.
 - 3 Calculate the yield floor.

- 4 Determine the preliminary yield (and subsequent approved APH yield):
- a If cup/cap is NOT applicable, use the higher of the average APH yield or the yield floor.
 - b If cup/cap applies, use the higher of the cupped/capped yield or the yield floor.
- (e) Premium Rates. Premium rates are determined differently when the approved APH yields are based on cupped, capped, or yield floor yields. Rates are determined as follows when the approved APH yield is subject to:
- 1 10 Percent Cup (Category B and C). The rate is determined from the CUPPED YIELD and a five (5) percent surcharge is applied. For data processing purposes a 10 percent yield limitation flag is used and the surcharge administered on a line entry basis. See Manual 13, Data Acceptance System (DAS) Handbook.
 - 2 20 Percent Cap. The rate is determined from the CAPPED YIELD. (Same as last year.) For data processing purposes, a twenty percent yield limitation flag is used. See Manual 13, DAS Handbook.
 - 3 Yield Floor (Category B only). Yield floors do not apply when Nonstandard Classification System (NCS) is applicable. For yield-span rated crops, the rate is determined from the average yield; however, guarantees are based on YIELD FLOOR. For data processing purposes, an additional yield flag is required. For non yield-span rated crops (rate maps, etc.), a five (5) percent surcharge is applied; however, guarantees are based on the yield floor. See Manual 13, DAS Handbook.
- (f) Caps or Cups do not apply to units (by P/T/V) when:
- 1 Classified by NCS (the first effective crop year) or the crop year removed from NCS. Caps ONLY apply for subsequent crop years while classified by NCS (Also See Sec. 10 Par. B[4]).
 - 2 Special cases are referred to the FCIC RSO for yield determination.

NOTE: Special case means when the verifier is not authorized to calculate an approved APH yield or the approved APH yield cannot be determined by the verifier and the case is referred to the FCIC RSO for an approved APH yield.

- 3 Initially nonactual yields are replaced with adjusted "T" Yields for high-risk or unrated land.
- 4 Previously approved APH yields are corrected/changed. These include:
- a Revision of a previously reported actual yield based on acceptable, more accurate production records submitted by the insured.
 - b Revision of the APPROVED APH yield is required for the current crop year according to APH review procedure when discrepancies in production and/or acreage information found during an APH field review cause the APH yield to exceed established tolerances. If the approved APH yield does NOT require correction for the current crop year, cup and cap procedures apply (for the current and subsequent crop year when the yield is corrected). (See Sec. 11.)
 - c Actual yields which have been submitted are accepted for other than the most recent APH crop year in the data base. (Assigned yields or "T" Yields are replaced).
- 5 The initial year added land/P/T/V or new producer procedures are applicable; or when units, P/T/V with established APH databases containing actual and or assigned yields are combined or further divided.
- 6 The Continuous Cropping (CC) approved APH yield is INITIALLY used in place of the Summerfallow (SF) approved APH yield for the SF practice.
- 7 The "T" Yield and/or program yield change and the result is that the "T" Yield increases or decreases 10 percent or more when the "T" Yield is required to calculate the approved APH yield.

- D(12) Instructions for New Insureds. When acceptable production reports are submitted by the PRD for all units/practices, the yield history will be established using the following types of yields as applicable:
- (a) Actual Yields from production reports.
 - (b) Applicable variable "T" Yield if less than 4 years of actual yields are available. (See D[2][b] of this Sec.)
 - (c) Special "T" Yields for added land, P/T/V (when actual yields have been provided for the crop). See Exhibit 36 for procedures.
- D(13) "T" Yield Calculation Methods. (See Exhibit 13.)
- (a) For crops using FSA program yields to determine the "T" Yield: Multiply the "T" yield factor found on the County Coverage and Rate Table (see Exhibit 13) times the FSA program yield to determine the "T" Yield.
 - 1 For Wheat, Barley, Oats, Grain Sorghum, and Corn, blended FSA Irrigated (I) and Non-Irrigated (NI) program payment yields are not acceptable when I and/or NI practice "T" Yields are required for crop insurance purposes. For these crops, individual I and NI program yields listed on the FSA-423 are applicable for I or NI practice "T" Yield purposes. If the FSA-423 indicates only blended I and NI yields, the insured must request that FSA or the FCIC RSO establish individual program yields for crop insurance purposes. The applicable "T" Yield factor for each practice is applied to the appropriate FSA (I and NI) program yield. For Cotton and ELS Cotton blended I and NI program yields are used to determine applicable "T" Yields.
 - 2 When separate FSA program yields are established for I and NI practices and the actuarial document does not indicate separate (different) I or NI practice "T" Yields, use a **WEIGHTED** average of the I and NI program yields to determine the "T" Yield. Multiply the "T" Yield factor times the weighted average program yield to determine the 100 percent "T" Yield. See Par. (14)(b) of this Sec. for an example.
 - 3 The 100 percent "T" Yield may not exceed the maximum transitional yield indicated on the County Coverage and Rate Table (See Exhibit 13). Variable "T" Yield percentages are multiplied times the 100 percent "T" Yield. If the FSA program yield is from a county other than the county where the land is physically located, use the "T" Yield factor for the county where the land is physically located.

NOTE: Normally the FSA program crop is used to determine that crop's "T" Yield. In certain cases based on P/T, another FSA program crop may be used to determine the "T" Yield. Example: Oats is an FSA program crop; however, Wheat may be a reference crop for oats in certain sections of the country. Be sure to check the County Coverage and Rate table for a reference crop and if a reference crop is listed, use the reference crop's FSA program yield to determine the "T" Yield.

- (b) For crops using "T" Yields based on a reference crop's FSA program yield:
 - 1 Determine the reference crop's FSA program yield.
 - 2 Use the reference crop's FSA program yield and the "T" Yield factor from the County Coverage and Rate table in effect for the crop for which the "T" Yield is being assigned (use the correct P/T) to determine the "T" Yield.
- (c) For crops that use "T" Yield Maps.
 - 1 Locate the insured's land on the "T" Yield Map and determine the area classification.
 - 2 Compare the area classification to the "T" Yield table to determine the "T" Yield.
 - 3 Separate yields must be calculated on the APH form for each "T" Yield area classification.
- (d) "T" Yields based on a General "T" Yield Table consisting of a listing which indicates a yield by P/T/V.
- (e) "T" Yields for high-risk land. The actuarial table may indicate adjusted "T" Yields for high-risk land (high-risk area) and FCIC approved written agreements may assign high-risk "T" Yields to unrated land. When high-risk "T" Yields are used to complete the 4-year database, they are not further reduced if less than 3 years of actual and/or assigned yields are available. Separate APH databases are required for land with adjusted (high-risk) "T" Yields when less than four years of actual and/or assigned yields are available. High-risk "T" Yields are preceded by the yield descriptor "F" when used to calculate the approved APH yield.
- (f) Special "T" Yields may be determined for added land or added P/T/V if insureds have provided acceptable production reports containing actual and/or assigned yields for the insured crop. Special "T" Yields are calculated for ALL Category B Crops for P/T/V's listed on the actuarial documents with published "T" Yields. For the Summerfallow Practice for Wheat, Barley, Malting Barley, and Oats when a Continuous Cropping (CC) Practice has been carried out on the same unit,

refer to summerfallow APH yield instructions in Par. (17)(1)13. (See Exhibit 36 for Special "T" Yield instructions for added P/T/V's.)

D(14) More Than One Program Yield Within A Unit.

- (a) Simple Average Program Yields. For each practice, when there is more than one FSA FSN within a unit and the "T" Yield is derived from the FSA program yield, determine the "T" yield using a simple average FSA program yield (for forage production, see Exhibit 25) .

EXAMPLE: Simple Average Program Yield (PY)

	Practice	FSA PY (FSA 423/424)
FSN A-22	NI	30 bushels
FSN A-23	NI	25 bushels

		55 bushels

55 bu. ÷ 2 = 27.5 = 28 bu. simple average program yield
 .90 ("T" Factor) X 28 = 25 bu. simple average "T" Yield
 MULTIPLY THE SIMPLE AVERAGE "T" YIELD BY THE APPLICABLE
 PERCENTAGE FOR THE NUMBER OF YEARS OF ACTUAL AND/OR
 ASSIGNED YIELDS FOR THE DATABASE.

- (b) Weighted Average Program Yields. If separate FSA program yields are established for I and NI practices and separate I and NI practices are not specified on the actuarial document, the "T" Yield is derived from a WEIGHTED average FSA program yield. Use Irrigated cropland acres and Non-Irrigated cropland acres taken from the FSA-476, (FSA-423) or FSA-156.

EXAMPLE: Weighted Average Program Yield
 Irrigated & Non-Irrigated

	FSA Cropland Acres		FSA PY (FSA 423)
FSN 2222	150 acres (NI)	X	50 Bu. = 7500 bu.
FSN 2222	70 acres (IRR)	X	90 Bu. = 6300 bu.

	220 acres		13,800 bu.

13,800 bu. ÷ 220 acres = 62.72 = 63 bu. program yield:
 .90 ("T" Factor) X 63 = 57 bu. weighted average "T" Yield
 MULTIPLY THE WEIGHTED AVERAGE "T" YIELD BY THE APPLICABLE
 PERCENTAGE FOR THE NUMBER OF ACTUAL OR ASSIGNED YIELDS FOR
 THE DATABASE.

- D(15) Separate Yield Requirements. (See Sec. 6 for separate APH yield requirements and D(17) of this Sec. for separate APH yield requirements by crop for Category B Crops.)

- (a) When production has been reported separately by "T" Yield Map Area/P/T/V requiring separate APH yields, a yield will be determined for each "T" Yield Map Area/P/T/V using the separated production.
- (b) When production has been commingled, separate production may be determined by practice, "T" Yield Map Area/P/T/V or variety if:
- 1 The producer provides a yield estimate by "T" Yield Map Area/P/T/V from past production records and accounts for total disposition, and
 - 2 The verifier considers resulting yields reasonable or
 - 3 The production is apportioned (see Exhibit 9) using the commingled production worksheet.
- (c) When production has been commingled between "T" Yield Map Area/P/T/V and the insured cannot provide a yield estimate by "T" Yield Map Area/P/T/V or the production is not apportioned using the commingled production worksheet, the total acreage and production will be charged to the "T" Yield Map Area/P/T/V that would normally result in the highest yield (i.e., production commingled between Irrigated and Non-Irrigated practices is charged to the Irrigated practice). The lower yielding "T" Yield Map Area/P/T/V(s) APH yield will be based on variable "T" Yields (applicable to the "T" Yield Map Area/P/T/V's determined by number of years that actual and/or assigned yields that were provided (including commingled years). Indicate such years with the "C" yield type descriptor.
- (d) For additional instructions regarding summerfallow practices, refer to D(17)(1)13 of this Sec.
- D(16) Master Yield. Master Yields are available for Canning and Processing Beans, Dry Beans (Dry Edible and Bush Varieties for Garden Seed), Onions, Peas, Potatoes, Sugar Beets, Sweet Corn (canning and freezing), Tomatoes (canning and processing) (fresh market guaranteed production plan), for some practices and locations. See Exhibit 6 for procedures, practices and locations.
- D(17) APH Provisions by Crop.
- (a) Canning and Processing Beans.
- 1 A copy of the contract must be available and must indicate planted acres. Processor records must be settlement sheets showing tons delivered for payment (gross tons if there was no quality adjustment), grade, where specified on the actuarial table, and harvested acres. If farm management records are used to support production reports they must be substantiated by records from a

marketing outlet, processor, packer, first handler, etc.

- 2 Bypassed/Unharvested Acreage. If an indemnity is to be claimed, Insurance Providers MUST inspect the acreage and determine whether or not timely harvest was prevented directly due to adverse weather and make appraisals that accurately reflect the crop's potential production remaining in the field. If a notice of damage or loss is not filed and insured acreage will not be harvested, the insured should notify the Insurance Provider and request an appraisal for APH purposes. Planted insurable acreage is used for APH purposes when acreage is bypassed/not harvested. Production for APH purposes is determined as follows:

- a If bypassed by the processor, records may indicate amount of bypass payment, acres bypassed, reason for bypass and the basis for the bypass payment(s). DO NOT convert compensation received from the processor (bypass payment) to production for APH purposes.
 - b Appraisals made for potential production (if any) remaining in the field on bypassed/unharvested acreage are used for APH. Potential production appraisals should not be identified as due to an uninsured cause of loss.
 - c A separate appraisal must be made and identified as due to an uninsured cause of loss if the crop's potential production was reduced by an uninsured cause of loss. Appraisals identified as due to an uninsured cause of loss (failure to follow recognized good farming practices for the crop, neglect mismanagement, etc.), are not used for APH.
 - d If a claim for indemnity was completed and no potential production was determined (zero appraisal), then no production from the bypassed/unharvested acreage will be used for APH purposes. i.e., the acreage was bypassed due to an insured cause of loss and an uninsured cause of loss appraisal was NOT made.
- (b) Coarse Grains: Corn, Soybeans, and Grain Sorghum.
- 1 Settlement sheets, ledger sheets and assembly sheets must show gross production in pounds or bushels except for silage which must be in pounds or tons to tenths. Refer to the FCIC 30010 Loss Adjustment Manual and the FCIC-30080 Corn Handbook for additional silage record instructions. Individual scale tickets may be used to support determinations for moisture, dockage, kernel damage, test weight, quality adjustment and unit division.
 - 2 To be eligible for quality adjustment, the following determinations must be made by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act.

 - a Corn: grades U.S. No 5 or worse because of test weight, damaged kernels (excluding

heat damage) or having a musty, sour, or commercially objectionable foreign odor.

b Grain sorghum: grades U.S. Sample grade because of test weight, kernel damage (excluding heat damage) or having a musty, sour or commercially objectionable foreign odor (except smut odor) or meets the special grade requirements for smutty Grain Sorghum.

c Soybeans: grades U.S. Sample grade because of test weight, kernel damage (excluding heat damage) or having a musty, sour or commercially objectionable foreign odor (except garlic odor) or meets the special grade requirements for garlicky Soybeans.

Note: To be eligible for quality adjustment due to the presence of substances or conditions that have been identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health, the determination must have been made by a laboratory acceptable to FCIC/Insurance Provider.

3 The "T" Yield for Corn and Grain Sorghum is normally based on the respective crop's FSA program yield (See D(13)(e) exception).

4 Corn. White, Yellow, or Mixed Yellow/White Corn, including: Waxy and High-Lysine Corn, predominate mixtures of high yielding yellow dent female plants with high-oil pollinators (e.g., 90 percent female and 10 percent male pollinators), and commercial varieties of high-protein hybrids, are insurable under the Corn policy using published rates. Separate APH yields are not required.

All OTHER special purpose Corn including High-Amylose, High-Oil or High-Protein varieties not meeting the above requirements, flint, flour, indian, blue, varieties genetically adapted for wildlife purposes, and other open pollinated Corn may be insured at the limited or additional coverage level by written agreement if coverage is not provided by the crop provisions.

For APH purposes, harvested production will be determined in bushels for acreage

type (silage) must be the same relationship/percentage as the price elected. The following examples are based on 1996 Corn price elections. Example 1: $\$2.45$ (the insured elected the established grain price per bu.) \div $\$16.70$ (the established silage price per ton) = $.147$ rounded to $.15$. Example 2: $\$2.12$ (the insured elected 80 percent of the market price per bu. $\$2.65$) \div $\$14.32$ (80 percent of the silage market price per ton $\$17.50$) = $.148$ rounded to $.15$.

To convert bushels to tons, multiply bushels times the bushel/tonnage conversion factor and round to the nearest one-tenth ton.

Example: $5,000$ bushels \times $.15$ = 750.0 tons.

To convert tons to bushels divide tons by the bushel/tonnage conversion factor and round to the nearest whole bushel. Example: 750 tons \div $.15$ = $5,000$ bu.

- a Grain only counties - Counties for which ONLY grain premium rates are provided by the actuarial table. All insurable Corn acreage must be insured as grain (reported as grain on the acreage report), unless insured at the limited or additional coverage level and a valid written agreement authorized by the FCIC RSO provides silage coverage. A variety of Corn adapted for silage use only is NOT insurable as grain. The acres and production from such acreage will not be used for APH purposes unless such silage production is commingled with production from insurable acreage harvested as silage.

- i Approved APH Yields and APH appraisals are on a bushel (grain) basis. Acceptable production reports that have been provided on a grain or silage basis must be used for APH yield calculation purposes. Silage production (tons) must be converted to bushels of grain.
 - ii Appraisals which indicate potential production in bushels are required for APH purposes when less than 50 percent of the acreage on the unit will be harvested as grain and acceptable records will not be maintained/provided for the acreage harvested as silage; or, if at least 50 percent of the acreage will be harvested as grain and acceptable records will not be maintained/provided for the acreage harvested as grain. If such appraisals are not made, acceptable production records are not available and assigned yield provisions apply.

 - aa If an indemnity is claimed, the production from the claim (in bushels) must also be used for APH.
 - bb When at least 50 percent of the acreage is harvested as grain and acceptable production reports are provided for the acreage harvested as grain, if acceptable records were not maintained/provided for the acreage harvested as silage, the harvested grain actual yield is used to calculate the unit's APH yield.
 - iii If insured at the limited or additional coverage level and a written agreement provides silage coverage and all acreage is insured as silage refer to 4 b i and 4 b ii below. If some of the acreage is insured as grain and some is insured as silage refer to 4 c iii below.
- b Silage only counties - Counties for which silage premium rates ONLY are provided by the actuarial table. All insurable Corn acreage must be insured as silage (reported as silage on the acreage report); unless, insured at the limited or additional coverage level and

a valid written agreement authorized by the FCIC RSO provides grain coverage.

i APH Yields and APH potential production appraisals are on a tonnage basis. Acceptable production reports that have been provided on a grain or silage basis must be used for APH yield calculation purposes. Grain production must be converted to tons.

ii Appraisals which indicate potential production in tons are required for APH purposes when less than 50 percent of acreage on the unit will be harvested as silage and acceptable records will not be maintained/provided for the acreage harvested as grain; or, at least 50 percent of the acreage will be harvested as silage and acceptable records will not be maintained/provided for the acreage harvested as silage.

Note: If such appraisals are not made, acceptable production records are not available and assigned yield provisions apply.

aa If an indemnity is to be claimed and the acreage will be harvested as grain, the actuarial table (special provisions) requires tonnage appraisals. The production from the claim must also be used for APH.

silage (by unit and IRR and NI practices).

For a crop year with only one type of production (silage or grain), complete the other type's database using zero planted acreage procedures. (The production for the type harvested is not converted and entered in the other type's database.)

aa An appraisal is required if acceptable production records of either type will not be maintained.

bb In counties for which the actuarial table contains premium rates for Non-Irrigated silage but does not provide premium rates for Non-Irrigated grain unless a written agreement has been approved to insure such acreage as grain, all insurable Non-irrigated Corn acreage will be insured as Non-irrigated silage. If a loss is to be claimed on acreage insured as Non-Irrigated silage which will be harvested as grain, such acreage must be appraised in tons (as silage).

d For carryover insureds with established databases:

i If the type for which the databases were established, on a unit basis, is the same type as insured for the current crop year, update the database with the 1996 production history using applicable APH procedures. It is not necessary to make adjustments/conversions to prior production history.

ii If a different or additional type (applicable in grain and silage counties), on a unit basis, is insured for the current crop year than the type for which the database was established:

aa If the entire unit is insured as grain for the current crop year, and the previous year's database was established on a silage basis any actual and/or assigned yields must be converted to bushels and a

database established for grain.

bb If the entire unit is insured as silage for the current crop year, and the previous year's database was established on a grain basis any actual and/or assigned yields must be converted to tons and a database established for silage.

iii If on the same unit, both grain and silage are insured, if the previous production history indicates type, use the grain actual yield(s) to calculate the APH yield for grain and the silage actual yields for silage. If records are for one type, any actual and/or assigned yields must be converted to the other type and a database established for the other type).

5 Soybeans.

"T" yields are based on a Transitional Yield by county.

NOTE: Only one yield is required for Intertilled Between Rows (IBR) and Not Intertilled Between Rows (NIBR) practices. However, if the insured elects to maintain separate yields, that is acceptable.

(c) Cotton and the ELS Cotton Endorsement. See Exhibit 17 for additional APH Instructions.

1 Gin records and gin bale receipts must show net weight in pounds. Individual bale receipts may be used to support determinations for grade, staple length and micronaire reading. When the Harvest Incentive Endorsement is applicable and a claim for indemnity was completed, do NOT use the pounds added to or subtracted from the production to count (required under the endorsement) for APH purposes.

2 To be eligible for quality adjustment, the quality of Cotton produced must be such that on the date stated in the applicable policy (final notice of loss [FCIC policy] or date on the last grading card [NCIS policy]), the price quotation for Cotton of like quality is less than 75 percent of that day's growth area price quotation, at the same area, for Cotton of the grade, staple length and micronaire reading shown on the FCI-35.

3 "T" Yields are based on the respective FSA program yield for Cotton or ELS Cotton. (See Par D(13)(e) of this Sec. for exception on

high-risk land). Do not use adjusted program yields shown on the CCC 477.

- 4 Separate production reports (yields) are required to establish or update an APH yield for the following practices:
- a ELS Cotton: Irrigated (I) and Non-Irrigated (NI).
 - b Cotton: Irrigated (I) and Non-Irrigated (NI).
- 5 Additional instructions for Non-Irrigated skip-row Cotton or ELS Cotton. In order to provide a yield that may be used for any skip-row pattern the insured may carry out, skip-row Cotton must be converted to a solid planted basis. See Exhibit 17 for skip-row yield conversion factors, percent planted factors, computation procedures and worksheet for production history.
- a When completing the APH form, the acres entered in the acres column (Col. 17, FCI-19A) must be the acres considered planted (to Cotton) by FSA. If the insured reported gross skip-row acres, multiply the acres reported by the appropriate percent planted factor (for the skip-row pattern carried out), round to the nearest tenth acre and enter the result in the acres column.
 - b Acreage planted in different skip-row patterns requires use of the correct skip-row factor(s) for the year(s) in which the different patterns were carried out.
 - c Acreage planted in more than one skip-row pattern requires use of an additional step to arrive at a solid planted yield. (See Exhibit 17, Par. E.)
 - d When a Non-Irrigated skip-row planting pattern is reported, the solid planted yield in the approved APH Yield block (Item 21) of the FCI-19A APH form must be multiplied by the appropriate skip-row yield conversion factor (for the skip-row pattern carried out) to determine the APH yield for skip-row acreage. The APH yield is then applied to the rate table to determine the rate.
 - i Agents are to transfer the factored skip-row yield calculation to the approved yield column (item 10 FCI-19) of the acreage report.
 - ii The production guarantee for Non-Irrigated skip-row Cotton is

calculated by multiplying the approved yield (item 10 FCI-19) of the acreage report by the percentage for the level elected (50, 55, 65, 70, or 75%).

- e When an APH yield has been established on a farm which includes other operators' production history, insureds may request that only their own production history be used. FCIC RSO's/Reinsured Companies may approve such requests.

(d) Dry Beans.

- 1 Bush Varieties for Garden Seed, see Peas D(17)(g)3.
- 2 Dry Edible Beans, see Safflower, Sunflower Seed, Canola and Dry Beans D(17)(k).

- (e) Forage Production. (See Exhibit 25.) When forage is harvested as other than air dry hay, production to count must be adjusted to the equivalent of air dry hay. Documentation must show total production.
- 1 Sold. Settlement sheets, certified weight tags, broker sales summaries or load receipts must indicate net tons of forage produced, producer's name, and delivery date.
 - 2 Farm-stored. Determinations of harvested production to be counted must be based on measurements and conversion factors consistent with procedures used for loss adjustment.
 - 3 Fed (without being sold). Records must specify the number of head, type of livestock (cattle, hogs, horses, sheep, etc., with weight estimated to the nearest 100 pounds for each type) and number of days fed.
- (f) Onions. If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc.
- 1 Field run records that show gross production before sort or grading.
 - 2 For production that is sold or delivered at time of harvest to the:
 - a Processor. Settlement sheet must show either gross weight minus dirt and foreign material, or net sorted or graded weight with percent of pack figures on the settlement sheet.
 - b Fresh Market. Settlement sheet must show percent pack out and total pack out weight (net) or gross weight when received at the grading or packing facility. If these records are not available, records of harvest expense, shipping, commercial storage, etc., may be submitted to the RSO for a determination of acceptability.
 - 3 For farm stored production, structure measurements, indicating deductions for obstructions are acceptable.
 - 4 Measurements must be definitive on all production records and be verifiable.
- (For Example):
- a Unacceptable, 16 bins or 34 loads.
 - b Acceptable, bin = 1,500 lbs. 16 bins @ 24,000 lbs. and 34 loads @ 612,000 lbs.

- (g) Peas. If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc.

1 Dry Peas.

a Smooth Green and Yellow. Settlement sheets must show gross production, dockage and net production which grades #3 or better (or adjusted to #3 in accordance with policy provisions). Dockage is determined by loss adjustment methods currently in effect.

b Lentils. Settlement sheets must show gross production, dockage and net production. Dockage is determined by loss adjustment methods currently in effect.

2 Green Peas. A copy of the contract and/or settlement sheet must show planted acres, the contract price for the tenderometer reading or sieve size shown on the Special Provisions of Insurance for that type of pea, dollars received for peas delivered (exclusive of bonuses for acres, high production, split payment, late planting payment, etc., or deductions for seed, pesticides and their application, planting or harvesting), variety (specific name from the seed company) and acres harvested.

a Bypassed/Unharvested Acreage. Follow the instructions provided under Canning and Processing Beans, Par.(17)(a)2 of this Sec.

b For harvested delivered production, determine the production for APH by dividing the dollar amount received from the processor by the contract price per pound for the tenderometer or sieve size designated by the actuarial table.

c All Dry Pea production harvested from green pea acreage, provided the insured retains ownership of the dry peas, shall be divided by .60 and added to the total green pea production on the APH form. The total production is divided by the acreage originally planted to green peas.

3 For contract seed Dry Beans and Dry Peas (Dry Bean Bush varieties for garden seed and wrinkled seed Peas), the unit of measure is whole pounds of clean seed equivalent as derived from dollars per acre. A copy of the seed company contract must be on file to show the contract price for each variety grown for the current crop year.

Production to count for yield determination shall be final settlement sheets specifying pounds of merchantable clean seed, any cull or mill tare poundage and the price paid or value of the respective production.

NOTE: See Exhibit 27 for additional procedure:

a addressing the Production Computation Statement located on the Dry Beans Definition & Statement Supplement to the FCI-35 and the FCI-35 for Dry Peas.

b examples of how to calculate the approved APH yield and entries required on the acreage report.

(h) Popcorn.

1 A copy of the contract must show planted acres and the contract price. Processor records must be settlement sheets showing pounds of shelled Popcorn. Any ear Popcorn production must be converted to shelled Popcorn. Production from Yellow or White Dent Corn will be counted as Popcorn on a weight basis. Individual scale tickets may be used to support determinations for moisture and quality adjustment.

2 To be eligible for quality adjustment, the processor records must indicate that the production has been rejected by the processor because it was not of merchantable Popcorn quality.

3 "T" yields are based on factored Corn "T" yields derived from the FSA program yield for Corn (See D(13)(e) of this Sec. for exception).

4 Separate production reports (yields) are required to establish or update an APH yield for the Irrigated (I) and Non-Irrigated (NI) practices.

- (i) Potatoes. If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc.
- 1 For the "southern" Potato states (Alabama, Arizona, Arkansas, California, Delaware, Florida, Georgia, Louisiana, Maryland, Mississippi, Kentucky, Missouri, Nevada, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia) marketable mature potatoes (except for production with external defects) will be considered production for APH.
 - 2 Production that is sold or delivered at the time of harvest must include potatoes sold as seed, fresh market or processing Potatoes. Records must account for culled Potatoes. Required documentation:
 - a Processed. Settlement sheet must show first net weight. First net weight is defined as gross weight minus dirt and foreign material.
 - b Fresh Market and Table Stock. Settlement sheet must show total pack-out weight (including overweight, over-pack, etc., if applicable), including cull Potatoes.
 - c Seed. Records must show total weight sold from acres insured under the Certified Seed Potato Option Amendment.
 - 3 Required documentation for production that is farm stored. If an inspection is not made prior to potatoes being placed in storage the production records must show the gross weight of stored Potatoes. A copy of the weight slips and production measurements must be provided.
 - 4 Production for APH from Claims for Indemnities. If insured under the Quality, Processing Quality, or Frost/Freeze Option, first net weight from the claim prior to adjustment for quality is used for APH purposes.
 - 5 Additional documentation needed for the Potato Quality Option and the Processing Potato Quality Option. Marketing records or records determined at the time of harvest prior to Potatoes being placed in storage must indicate the percentage of potatoes grading U.S. No. 2 or better (or as otherwise specified in the actuarial table). The percentage factor (PF), as stated on the Potato Quality Option will be based on the actual average percentage (AAP) of Potatoes grading U.S. No. 2 or better (as specified on

the actuarial table) as determined from the insured's records if four or more years of acceptable records are available. If less than four years of acceptable records are available, the percentage factor will be calculated as follows:

*YEARS ACTUAL PERCENTAGE RECORDS	ACTUAL AVG. PERCENTAGE (AAP)		**DEFAULT PERCENTAGE (DP)		PERCENTAGE FACTOR (PF)
0	(0 AAP)	+	(4 DP)	÷	4 = PF
1	(1 AAP)	+	(3 DP)	÷	4 = PF
2	(2 AAP)	+	(2 DP)	÷	4 = PF
3	(3 AAP)	+	(1 DP)	÷	4 = PF

*Use of loss records showing the percentage of Potatoes meeting the grade designations stated above must be used as an actual year of records for any year in which we determine the percentage of Potatoes meeting the stated grades.

**The default percentage is:

THE GRADE PERCENTAGE(S) BY GROUP, FRESH MARKET OR PROCESSING, TYPE, AND GRADE NO.(S), AS APPLICABLE FROM THE COUNTY ACTUARIAL DOCUMENT.

6 In Alabama, Arizona, Arkansas, California, Delaware, Florida, Georgia, Louisiana, Maryland, Mississippi, Kentucky, Missouri, Nevada, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia marketable mature potatoes (except production with external defects) will be considered production for APH.

(j) Rice.

- 1 Settlement, ledger, and assembly sheets must show gross production in tons, hundredweight or pounds. Individual scale tickets may be used to support determinations for moisture, test weight, dockage, quality adjustment and unit division.
- 2 To be eligible for quality adjustment, the following determinations must be made by a grain grader licensed by the Federal Grain Inspection Service.
 - a Milling yield.
 - b Chalky kernels.
- 3 The "T" yield is based on the FSA program yield for Rice (See Par D(13)(e) exception).
- 4 Rice is insured only under an Irrigated (I) practice.
- 5 Any harvested production from regrowth is counted as production for APH yield purposes.

(k) Safflower, Sunflower Seed, Canola, and Dry Beans.

- 1 Settlement sheets, ledger sheets and assembly sheets must show gross production in pounds.
- 2 To be eligible for quality adjustment, the following determinations must be made by a grain grader licensed by the Federal Grain Inspection Service.
 - a Seed damage for Safflower.
 - b Pick in excess of 4 percent for Dry Edible Beans (commercial) of the classes of Pea and medium white or any other classes which do not grade No. 2 or better of Dry Edible Beans.
- 3 "T" yields are based on one of the following systems by county, for Canola, Dry Beans, Safflower, and Sunflower Seed:
 - a The FSA program yield for the reference crop Corn or Wheat in some states (See D(13)(e) exception).
 - b A General Transitional Yield Table.

c A Transitional Yield Map.

See the actuarial table for the applicable system.

4 Separate production reports (yields) are required to establish or update an APH yield for the following P/T's.

a Dry Beans: Irrigated (I), Non-Irrigated (NI), IBR and NIBR when specified in the county actuarial documents.

b Safflower and Canola: Irrigated (I) and Non-Irrigated (NI) when indicated on the actuarial table.

c Sunflower Seed: Irrigated (I); Non-Irrigated (NI); and Oil (OIL includes birdseed) and Non-Oil (N-OIL) types, IF separate (different) "T" Yields are shown on the actuarial table for Oil and Non-Oil types. When different "T" Yields are applicable, Oil and N-Oil databases (production records) may be used to establish the initial approved APH yield. In subsequent crop years, Oil and N-Oil must be reported separate.

Note: If different "T" Yields are not shown on the actuarial table, separate Oil and N-Oil databases are not required. However, if separate price elections for oil and non-oil have been established, separate line entries on the acreage report are required.

(1) Small Grains: Wheat, Barley, Oats, Rye, and Flax.

1 Settlement sheets, ledger sheets and assembly sheets must show gross production in pounds or bushels. Individual scale tickets may be used to support determinations for moisture, dockage, kernel damage, test weight, quality adjustment and unit division.

2 To be eligible for quality adjustment, the following determinations must be made by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act.

a Sound kernels for Barley and Oats.

b Damaged kernels for Wheat, Barley, Rye and Flax.

c Shrunken and broken kernels for Wheat.

- d Thin kernels for Barley and Rye.
 - e Black kernels for Barley.
 - f Smutty, garlicky or ergoty grain for Wheat, Barley, Oats, Rye or Flax.

- 3 To be eligible for a quality adjustment due to the presence of substances or conditions, including microtoxins, identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health, the determination must have been made by a laboratory acceptable to the FCIC/Insurance Provider.

- 4 For fall planted Wheat or Barley in counties for which there is only a spring final planting date, insurance attaches to the Fall seeded crop ONLY if an adequate stand exists on the final spring planting date and the Insurance Provider agrees to insure the acreage. Insureds must report all planted acreage on which insurance attached for APH purposes.

- 5 The Wheat Winter Coverage Endorsement (Option A or B) is available in all counties that have both a fall and spring planting date. If the Wheat Winter Coverage Endorsement is NOT selected and Winter Wheat (WW) is damaged after the final planting date to the extent that producers in the area would not normally further care for it the acreage must be seeded to an appropriate type of the crop in order for insurance to continue. The production from such acreage will count for the WW crop.

- 6 For WW, when Option A or B is elected, an appraisal reflecting the crop's potential production is required for APH purposes prior to destroying the WW or putting it to another use. The acres and appraised potential production then must be used to calculate the WW APH yield. See Exhibit 29 for a flow chart outlining acres and production used for APH when Option A or B has been selected.
 - a For Option A, if the appraised potential production is less than 70 percent of the production guarantee, additional production is accessed that when considered with the appraised potential production, equals 70 percent of the production guarantee. Only the appraised potential production is used for the WW APH. Additional production accessed for the policy provision is not

- 7 Under Option A or B, once an appraisal is made and the WW acreage is released the insured may:
- a Destroy the WW and plant the acreage to another crop.
 - b Destroy the WW and plant the acreage to spring Wheat (SW) and
 - i Insure the SW as a separate optional unit. In this case the appraised potential production is used for the WW APH. The acres and production from the SW are used for the SW APH unless the production is commingled with WW production. If the production is commingled, see iii below.
 - ii Not insure the SW. In this case the appraised potential production is used for the WW APH. The SW is uninsured and the acres and production are NOT used for the APH unless the production is commingled with production from an insured unit (either WW or SW).
 - iii If the SW production is commingled with WW production, the SW acreage will be considered to be a part of the original WW unit. The acreage originally planted to Winter Wheat and the acreage planted to Spring Wheat and the appraised production (WW) and Spring Wheat production will be used for the Winter Wheat APH.
- 8 Acreage initially insured that qualifies for the short rate and is removed from insurance coverage (acreage report revised to indicate the short rate) is not used for APH purposes; unless, the acreage is harvested and the harvested production is commingled with production from insured acreage.
- 9 FCIC will insure Barley or Oat small grain mixtures planted for harvest as grain, as the crop which is predominate on a weight basis in the mixture, if the predominate crop is insured. The applicable crop designation (Barley or Oats) must be indicated on the acreage report.
- 10 "T" Yields for Wheat, Barley and Oats are normally based on the crop's FSA program yield (See Par D(13)(e) for high-risk or unrated land exceptions). Adjusted "T" Yields are also published for the Continuous Cropping (CC) practices for Wheat, Barley, and Oats in Montana (003 Big Horn, 005 Blaine, 017 Custer, 021 Dawson, 027 Fergus,

033 Garfield, 037 Golden Valley, 041 Hill, 051 Liberty, 055 McCone, 065 Musselshell, 069 Petroleum, 071 Phillips, 079 Prairie, 087 Rosebud, 101 Toole, 105 Valley, 107 Wheatland, 111 Yellowstone, and 111 Yellowstone) and Wyoming (005 Campbell and 033 Sheridan). These adjusted "T" Yields have been assigned to reflect the additional risk for the CC practice in these areas and are not further reduced when used to calculate the APH yield if the less than three years of records are available. These adjusted "T" Yields are identified with the yield descriptor "F" when entered in the APH database.

Rye "T" yields are based on the FSA program yield for the reference crop Wheat. Flax "T" yields are based on the FSA program yield for the reference crop Wheat, a Transitional Yield Map, or a General Transitional Yield Table.

- 11 Malting Barley approved APH yields are determined differently depending on whether Option A or Option B under the 96-91B Malting Barley Price and Quality Endorsement has been selected. See Exhibit 22 for additional APH instructions for Malting Barley Price and Quality Endorsement procedures.
- 12 Separate production reports (yields) are required to establish or update an APH yield for the following P/T's.
- a Flax and Rye. None.
- b Wheat, Barley, Malting Barley (see Exhibit 22) and Oats. Spring and Winter types (when indicated on the actuarial table); practices listed on the actuarial table including Irrigated (I), Non-Irrigated (NI), Summerfallow (SF), Continuous Cropping (CC) and Waterfallow (WF). Spring Wheat records (databases/production records) may be used to establish initial approved APH yields for Durum Wheat; however, separate databases are required for other types of Spring Wheat for data processing purposes. For subsequent crop years, Durum and other types of Spring Wheat must be reported separately.
- 13 Summerfallow (SF) APH yield instructions. If the SF database contains less than three years of actual and assigned yields, the approved APH yield for the SF practice will be the higher of the APH yield calculated for the summerfallow practice using added practice procedures (with "Special" "T" Yields) or the approved APH yield calculated for the continuous cropping (CC) practice if

- 12 Separate production reports (yields) are required to establish or update an APH yield for the following P/T's.
- a Flax and Rye. None.
 - b Wheat, Barley, Malting Barley (see Exhibit 22) and Oats. Spring and Winter types (when indicated on the actuarial table); practices listed on the actuarial table including Irrigated (I), Non-Irrigated (NI), Summerfallow (SF), Continuous Cropping (CC) and Waterfallow (WF).
 - c Durum and Spring Wheat, IF separate (different) "T" Yields are shown on the actuarial table. When different "T" Yields are applicable, Spring Wheat records (databases/production records) may be used to establish initial approved APH yields for Durum Wheat. For subsequent crop years, Durum and Spring Wheat must be reported separately.

Note: If different "T" Yields are not shown on the actuarial table, separate databases are not required. Spring Wheat records for the applicable practice may be used for Durum Wheat.

- 13 Summerfallow (SF) APH yield instructions. If the SF database contains less than three years of actual and assigned yields, the approved APH yield for the SF practice will be the higher of the APH yield calculated for the summerfallow practice using added practice procedures (with "Special" "T" Yields) or the approved APH yield calculated for the continuous cropping (CC) practice if a CC practice has been carried out on the same unit. This procedure is applicable in counties with separate published "T" yields for SF and CC practices and applies until the SF practice contains at least three years of actual or assigned yields. (See Exhibit 20 for examples)
- a Determine the yield for the SF practice. If a CC practice has been carried out on the same unit determine the CC practice's yield using the current APH procedure. Compare the two yields. The approved APH yield for the SF practice is the higher of the approved APH yield for the CC

practice or the yield calculated for the SF practice. If the CC yield is higher, the information in the CC database is duplicated and reported to FCIC as the SF practice. However, production history for the SF practice must be retained and used to update the SF database according to the applicable APH procedure for subsequent crop years.

- b Once the SF database contains three years of actual and/or assigned yields it will be used to calculate the approved APH yield for the SF practice according to applicable subsequent crop year APH procedure.
- (m) Sugar Beets. If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc., sugar company delivery records or settlement sheets must show net paid tons of beets delivered and percent of sugar. Sugar beet production to count is adjusted by taking net paid tons times percent sugar divided by county percent sugar factor found in the Special Provisions. The APH certification process is also used for Sugar Beets (verifiers are not authorized to use additional years' history which may be available from the processor).

NOTE: Pre-acceptance inspections are required for California Sugar Beets (except Imperial County) when the application was signed after insurable acreage was planted.

- (n) Sugarcane. If farm management records are used to support production reports, they must be substantiated by records from the boiling house (mill). Unit of measure is whole pounds of raw sugar. Boiling house (mill) records must show net tons, net tons per acre, or net pounds of raw sugar.
- 1 Raw sugar production indicated in net tons must be multiplied by 2000 to determine pounds of raw Sugar. Pounds of raw sugar are then entered in column 16 of the APH form.
- 2 Appraised potential production used for APH purposes must also be determined in net pounds of raw sugar. Formula: Appraised tons per acre X percent-of-sugar factor X 2000 = potential production in pounds of raw sugar.

The percent-of-sugar (sucrose) must be determined from: 1) field samples from the same field made by the mill, 2) acreage harvested from the same field, or 3) the percent-of-sugar as indicated by a factor on the County Actuarial Table, if the percent-of-sugar from 1) or 2) is not available. Enter the percent-of-sugar in item 19 of the APH form which was used to adjust the production for the most recent crop year in the base period.

Note: Appraised potential production indicated on claims for indemnities will be in pounds of raw sugar.

- 3 Sugarcane records are generally not available by the cancellation date for the most recent crop year. Therefore, there is a one-year lag in the database; e.g., for the 1997 crop year, the base period will begin with the 1995 crop year and may contain up to 10 APH consecutive crop years. (Begin with 1995 and work backwards). Because of the lag year, adjustments are necessary to advance the percentage of the variable "T" Yields when Sugarcane was produced in 1996 to assure equitable APH yields compared to other category B Crops.
- a Added land provisions apply to units on which the insured has not actively engaged in farming for a share of the crop's production for more than two crop years prior to the 1996 crop year. See Exhibit 36 for added land instructions.
- b "New Producer" procedures apply if a person was not actively engaged in farming for a share of the Sugarcane production for more than **TWO CROP YEARS** prior to the 1996 calendar year.
- c For units (by practice) on which Sugarcane was produced for the 1996 crop year, 1996 is recognized as a crop year with actual yields available, even though they cannot be reported until the 1998 crop year. For new insureds who elected to provide production reports and for carryover insureds who do not qualify as a "New Producer" or the acreage does not qualify as added land, determine the applicable percentage of the "T" Yield as follows:
- i If no production history prior to the 1996 crop year can be provided and assigned yield provisions do not apply, the APH Yield is 80 percent of the applicable "T" Yield. The APH database is completed using four 80 percent "T" Yields.

- ii If one actual/assigned yield (example: 1995) is applicable, the APH database is completed using one actual/assigned yield and three 90 percent "T" Yields.
 - iii If two actual/assigned yields (example: 1995 and 1994) are applicable, the APH yield is calculated using two actual/assigned yields and two 100 percent "T" Yields. Two actual/assigned and two 100 percent "T" Yields are entered in the database.
 - iv If three actual/assigned yields (example: 1995, 1994 and 1993) are applicable, the APH yield is calculated using three actual/assigned yields and one 100 percent "T" Yield. The three actual/assigned yields and one 100 percent "T" Yield are entered in the database.
 - v For carryover insureds, yield limitations apply on a unit basis (by practice) when using the special lag year procedures in Par. ii, iii, and iv above.
- d Use the yield descriptors as indicated in Par. D(3) of this Sec. to identify each yield entered in the APH databases.

- (o) Sweet Corn (Canning & Freezing). If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc.
- 1 A copy of the contract must show planted acres and the contract price. Processor records must be settlement sheets showing tons delivered for payment (gross tons if there was no quality adjustment), grade (where specified on the actuarial table) and harvested acres.
 - 2 Bypassed/Unharvested Acreage. Follow the instructions provided under Canning and Processing Beans, Par.(17)(a)2 of this Sec.
- (p) Tobacco (Guaranteed Production Policy) (Types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; and 32 MD). If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc. Tobacco warehouse records must show total pounds sold.
- 1 For APH purposes, when harvested production for the unit is damaged due to insurable cause(s) and:
 - a Has a value less than the market price, the APH production is adjusted by dividing the average value per pound for the unit by the market price per pound for the type and multiplying that result by the number of pounds of the damaged production.
 - b Has no market price available for the grade harvested, the APH production will be reduced 20 percent for each grade the production falls below the lowest marketable grade with a market price.
 - 2 Harvested production which was not sold (carryover Tobacco) in the crop year produced is also used for APH purposes. Carryover Tobacco production must be substantiated by records from a third party such as FSA or the Insurance Provider/FCIC.

- (q) Tomatoes (Fresh Market-Guaranteed Production Plan). If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc. Unit of measure is 25-pound carton equivalents to the nearest whole carton. Certified records may include a printout or receipt from each first handler of the crop for that crop year. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records (See Sec. 7, C[4] for acceptable pick records) or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates, bushels or pounds must be converted to the equivalent of 25-pound cartons.
- (r) Tomatoes (Canning & Processing). If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc. Statements or contract summaries from processors must indicate the quantity of paid No. 1 fruit.

NOTE: Only one approved APH yield is required for Hand-Harvest and Machine-Harvest practices.

E CATEGORY C, PERENNIAL CROPS. Almonds, Apples, Blueberries, Cranberries, Citrus (Arizona-California), Figs, Grapes, Macadamia Nuts, Peaches, Pears, Plums, Prunes, Stonefruit (Apricots, Nectarines and Peaches), Table Grapes, Texas Citrus (fruit) and Walnuts.

E(1) Related Handbooks. See Sec. 5, A

E(2) APH Terms and Their Application. See Sec. 5, B

E(3) Responsibilities

(a) Agent, see Sec. 5, C(1)

(b) Producer/Insured, see Sec. 5, C(2)

(c) Verifier, see Sec. 5, C(3)

(d) Additional FCIC RSO, see Sec. 5, C(4)

(e) APH Verification at Time of Loss, see Sec. 5, C(5)

E(4) General Instructions. To be eligible for coverage, minimum requirements for insurability stated in the crop policy must be met (e.g. age, production, etc.). Insurability requirements will be verified through the use of a certification process requiring Producer's Pre-Acceptance Worksheet(s) or pre-acceptance field inspections performed by the Insurance Provider or by FCIC. "T" Yields are available for Blueberries in only Michigan and all other Category "C" crops except Texas Citrus.

(a) Insurance Providers are required to calculate and approve APH yields for Blueberries in Michigan and all other Category C APH crops except Texas Citrus; Blueberries in Maine, Mississippi, North Carolina and New Jersey, and cases requiring FCIC RSO determined yields as indicated in Par. E(7) and E(8) of this Sec. See Par. C(3) for verifier responsibilities.

(b) Agents/representatives ARE REQUIRED to calculate preliminary yields for Blueberries in Michigan and for all other Category C APH crops (including cases requiring FCIC RSO determined yields as indicated in Par. E(7) and E(8) of this Sec.) except for Texas Citrus; Blueberries in Maine, Mississippi, North Carolina and New Jersey, See Par. C(1) of this Sec. for detailed responsibilities.

(c) The FCIC RSO will determine ALL approved APH yields for Blueberries in the states of ME, MS, NC, and NJ and Texas Citrus.

(d) On an annual basis, insureds will certify underwriting information by completing, dating and signing the Producer's Pre-Acceptance Worksheet(s) for each crop insured (including Blueberries in Michigan and excluding Texas Citrus and Blueberries in Maine, Mississippi, North Carolina and New Jersey,). Based on the actual yields submitted or the information certified on the

Producer's Pre-Acceptance Worksheet(s) a pre-acceptance field inspection may be required. See Exhibit 16, Par. 5 for the sample Producer's Pre-Acceptance Worksheet and related instructions.

- (e) All acreage determinations/measurements for perennial crops will be based on land acres (i.e. planimetered, wheeled/taped) with deductions for non-crop areas. This method of acreage determination establishes consistency nationwide.
 - (f) Base Period. See Sec. 5, B(9).
 - (g) Special database instructions for Apples and Peaches. ONLY the five most recent APH crop years' actual and/or assigned yields will be used to calculate the APH yield. Databases containing more than five years' actual and/or assigned yields WILL BE TRUNCATED to the most recent five APH crop years' actual and/or assigned yields.
- E(5) Pre-Acceptance Field Inspections and FCIC RSO Determination of Approved APH Yields. The Insurance Provider (FSA or Insurance Provider authorized personnel) insuring the crop will perform all field inspections. Pre-acceptance field inspections and FCIC RSO determination of approved APH yields are mandatory for:
- (a) Blueberries in Maine, Mississippi, North Carolina, and New Jersey (only Pre-Acceptance Field Inspections for first time insured Blueberries in Michigan) and Texas Citrus the first year insured. For Texas Citrus, the FCIC RSO will continue to do fruit count inspections to determine the Stage II guarantee.
 - (b) Cases indicated in Par E(8) of this Sec.

(c) All Category C APH crops (except Blueberries in Maine, Mississippi, North Carolina, and New Jersey and Texas Citrus) meeting or exceeding the Pre-Acceptance Field Inspection Selection Criteria, Par. E(7) of this Sec., when the FCIC RSO has not issued guidelines which authorize waiving such field inspections. When application of the referenced criteria identifies an excessive number of contracts for pre-acceptance field inspections:

- 1 The FCIC RSO is authorized to issue guidelines which waive pre-acceptance field inspections and/or forwarding of the pre-acceptance field inspection form and supporting documentation to the FCIC RSO for approval of the approved APH yield for certain situations. (i.e. abnormally high yields or low yields caused by insurable cause[s] of loss for a given area would require an excessive number of contracts to be selected for pre-acceptance field reviews when applying the yield variance table.)
- 2 Insurance Providers should contact the applicable FCIC RSO, specify the reason which may cause excessive pre-acceptance field inspections, and provide examples which clearly indicate that excessive pre-acceptance field inspections would be required.
- 3 If forwarding pre-acceptance inspections and supporting documentation to the FCIC RSO for approval of the APH yield is WAIVED:
 - a For units which meet or exceed minimum insurance requirements, the Insurance Provider determines the approved APH Yield(s). Units not meeting minimum insurance requirements may be eligible for Non-Insured Assistance Program (NAP).
 - b Approved APH yields are based on the correct information determined during the pre-acceptance field review (when required) and calculated using the standard Category C APH procedures.

A list of such policies will be forwarded each year to applicable FCIC RSO. FCIC may spot check such policies.

E(6) The Pre-Acceptance Perennial Crop Inspection Report and Crop Addendum Worksheet. See Exhibit 16 Par. 2 for the Pre-Acceptance Perennial Crop Inspection Report. See Exhibit 16, Par. 3 for Crop Addendum Worksheets and their respective instructions. When a field inspection is required:

- (a) Acceptable supporting acreage and production evidence (hard copy) MUST be furnished to the Provider by the grower.
- (b) The Insurance Provider performs the field inspection and forwards the Pre-Acceptance Field Inspection Report and supporting documentation to the FCIC RSO.

Required supporting documentation: The applicable Crop Addendum, Producer's Pre-Acceptance Worksheet (not required for Blueberries in the states of Maine, Mississippi, North Carolina, and New Jersey or Texas Citrus), APH form(s), and when applicable Block Production Worksheet(s) and/or Unit Summary Worksheet(s).

E(7) Pre-Acceptance Field Inspection Selection Criteria. Pre-acceptance field inspections are mandatory:

- (a) On a contract (by crop by county) basis if the insurable acreage for the crop in the county exceeds THE ACREAGE TOLERANCE (e.g., Apples, 150 acres) established by the FCIC RSO for the following crops: Almonds, Apples, Blueberries (in Michigan), Cranberries, AZ&CA Citrus, Figs, Grapes, Macadamia Nuts, Peaches, Pears, Plums, Prunes, Stonefruit (Apricots, Nectarines, and Peaches), Table Grapes, and Walnuts. AZ&CA Citrus and Stonefruit have acreage tolerances established for each insurable type (CA Grapes for each insurable variety). See the Perennial Crop Transitional Yields and Acreage Tolerances Listing for tolerances.

Note: For acreage tolerance purposes, a new pre-acceptance field inspection is not necessary for carryover insureds whose most recent pre-acceptance field inspection is NOT MORE than five years old, unless the Producer's Pre-Acceptance Worksheet indicates a significant change in acres. Contact the FCIC RSO for guidelines concerning changes in acreage.

- (b) For any UNIT for which:
 - 1 A yield greater than the average yield is requested with reasonable cause. The request must be in writing and signed by the insured.
 - 2 There is a break in continuity of the records being certified.
 - 3 High variability of actual yields used to calculate the approved APH yield are indicated. The actual yields are less than 75 percent of the APH AVERAGE YIELD (See Par.

B(8) of this Sec.) as shown on the following yield variance table:

Number of Times the Annual Actual Yield is Less Than 75 Percent of the APH Average Yield	Number of Years of Verifiable Records
2	4 or 5
3	6 or 7
4	8 - 10

OR, the average yield of the most recent three years of actual yields is 25 percent more or less than the average yield.

Insurance Providers are not expected to perform field inspections, based on the yield variance table (as amended by RSO guidelines), on more than 10 percent of their Category C APH contracts (per crop, per region). FCIC RSO's are authorized to issue additional guidelines/criteria identifying which contracts (by crop, by region) are to be selected under the 10 percent limitation.

When the yield variance table indicates a field inspection is required and the producer is:

- a A new insured or a carryover insured whose most recent field inspection for the crop is MORE than five years old, a new field inspection is required for the current crop year.
- b A carryover insured whose current pre-acceptance field inspection for the crop is NOT MORE than five years old, a new inspection for the current crop year is NOT required.

For a or b above, the applicable Pre-Acceptance Field Inspection Form and supporting documentation (as stated in Par. E[6][b] of this Sec.) are required to be sent to the FCIC RSO for determination of the approved APH yield.

4 Known tree or vine damage has occurred or cultural practices have been performed that will reduce the insured crop from previous production levels.

5 The insured answers YES to either of the following questions on the Producer's Pre-Acceptance Worksheet:

- a #22, "Has damage (i.e., disease, hail, freeze) occurred to trees/vines/bushes /boq or have cultural practices been performed that will reduce the insured crop's production from previous levels?"

- b #23, "Is the producer using organic farming practices, or other non-conventional practices?"
- 6 If Irrigated, and the insured answers NO to question #24, "Is the current water supply (surface allotment/well) adequate to produce a normal crop for the crop year being certified above?"
- (c) If notified in writing to do pre-acceptance field inspections for a specified county crop program by FCIC in Kansas City.
- E(8) Insurance Providers may submit questionable records or other unusual cases to the FCIC RSO for a determination of acceptability. In these cases, the yield history is not completed on the APH form for the crop year(s) in question. To be considered, a pre-acceptance field inspection must be completed by the Insurance Provider and all supporting documentation must be sent to the FCIC RSO. See Par. E (6)(a) and (b) of this Sec. for the required supporting documentation.
- E(9) APH Yield Calculation. Yield calculation methods used to determine approved APH yields are based on the number of years actual and/or assigned yields that are available: 65 percent of the "T" Yield (no actual or assigned yields), variable "T" Yields (1-3 years actual and/or assigned yields), or (if at least four years are available) the simple average of the actual and/or assigned yields or a weighted average yield. See Sec. 10 for additional instructions when insureds/land is classified under the NCS.
- (a) "T" Yield Instructions. Variable "T" Yields are determined by the number of years actual and/or assigned yields in the UNIT (by applicable P/T/V indicated in the actuarial document). If a different percentage of the "T" Yield is used for the "T" Yield than indicated by the number of actual and/or assigned yields in the database, use yield descriptor "C".
- 1 "T" Yields may be established by tree age and densities, by county, by "T" Yield map areas within a county, or by other appropriate factors. See Exhibit 16 for additional information.
- 2 Weighted average "T" Yields are required when less than four years actual and assigned yields are provided on the unit and:
- a Different "T" Yields are applicable on the unit (e.g., different tree age and densities or "T" Yield map areas); and
- b The insured has certified production and acreage (or other information required on the Producer's Pre-acceptance Worksheet) for more than one block (e.g., tree age and densities or "T"

Yield map areas) within a unit. See Exhibit 16.

- 3 Crops with minimum age and/or production requirements. Perennial crop policies require that one of the following conditions must have been met prior to insurance to attaching. Refer to the crop's policy for the applicable requirements. The acreage must have:
- a Produced a minimum average amount of production (e.g., Apples in Colorado must have produced at least 200 bu. per acre).
 - b Attained a minimum age without regard to production (e.g., almonds must be 7th leaf or older).
 - c Attained a minimum age and production (e.g., Grapes must be 4th leaf and must have produced at least 2.0 tons per acre at least once during the base period).
 - d Attained either a minimum age or amount of production (e.g., Peaches must be 4th leaf or have produced 100 bushels per acre).

To meet minimum production requirements, acceptable production report(s) must be filed that indicate at least one crop year has produced the minimum average amount of production. Once qualifying actual yields have been submitted, continuous production reports must be submitted for each subsequent crop year. All such actual yields will be used. The actual yields will be used to determine the variable "T" Yield percentage and incorporated into the APH database. For crops requiring minimum production, acreage which has not met minimum production requirements does not qualify for insurance.

For crops with minimum age requirements only (e.g., Almonds) or, minimum age or production requirement (e.g., Peaches), the insured has the option of using the previous year's acceptable production report from under age acreage or 65% of the applicable "T" Yield. Once accepted this acreage and production must remain in the database until excluded by the base period.

- (b) Assigned Yield Instructions. Assigned yield provisions apply on a crop year basis to databases (units by P/T/V indicated in the actuarial document) that had insurable acres (except for units with claims for indemnities or if the producer qualifies for a temporary yield) if acceptable production reports for the most recent crop year in the base period are not provided by the PRD. Production history from claims for

indemnities are considered production reports and MUST be used (if in the base period and are continuous).

- (c) No Actual or Assigned Yields. For a crop whose crop provisions do not require minimum production: if a new insured does not provide acceptable production reports which contain actual yields by the PRD, approved APH yields are calculated by multiplying the applicable 100 percent "T" Yield(s) by 65 percent. Sixty-five percent of the "T" Yield applies to the entire crop policy by unit (by P/T/V indicated in the actuarial document). Applicable only ONE year (See Par. 3 below).

1 New insureds must request approved APH yields by completing and signing APH forms. Separate 4-year APH databases are required for each unit (by P/T/V indicated in the actuarial document). Each database must contain four 65 percent "T" Yields. Agents/representatives MUST quote the applicable percentage of the "T" Yield as the preliminary yield.

2 Yield limitation provisions are NOT applicable the initial year insured; however, they apply for some Category C APH crops (See Par. E[10][e] of this Sec.) in subsequent years to databases containing actual and/or assigned yields. (For exceptions, see Par. E[10][f] of this Sec.)

3 For subsequent crop years:

a Production reports are required and assigned yield provisions apply if acceptable production reports are not filed by the PRD.

b The "T" Yield is not set in the database. The database must be updated each year and the approved APH yield recalculated.

4 Optional Units are not authorized. Insureds must file acceptable production report(s) for the most recent APH crop year on an optional unit basis to obtain optional units.

- (d) 1-3 Actual and/or Assigned Yields. For insureds who have provided production reports, databases containing 1-3 years of actual and/or assigned yields, require the use of variable "T" Yields to complete the 4-year minimum data requirement on a unit basis (by P/T/V indicated in the actuarial document) as follows:

1 If one year actual or assigned yield, three 80 percent "T" Yields.

2 If two years actual and/or assigned yields, two 90 percent "T" Yields.

- 3 If three years actual and/or assigned yields, one 100 percent "T" Yield.
- 4 For crops which have no minimum production requirements. Units (by P/T/V indicated in the actuarial document) with no actual or assigned yields receive 65 percent of the "T" Yield unless added land/P/T/V is involved. For added/P/T/V, see Par. E(11) of this Sec.
- 5 For subsequent crop years, production reports are required and assigned yield provisions apply if acceptable production reports are not filed by the PRD.

- (e) 4 or More Years' Actual and/or Assigned Yields. When 4 or more years of actual or assigned yields are available on a unit (by P/T/V indicated in the actuarial document) the approved APH yield is determined by either:
- 1 A simple average of the insured's actual and/or assigned yields divided by the number of years' actual and/or assigned yields contained in the database, or
 - 2 A weighted average yield WHEN producers provide separate records by block in the same unit (by P/T/V).
- (f) Annual production reports are required. Assigned yield provisions apply if reports are not provided by the PRD for the most recent crop year in the base period.
- Optional units are allowed if for the most recent APH crop year acceptable production reports were provided by the PRD, on an optional unit basis.
- (g) Separate APH yields are required for each unit (by P/T/V indicated in the actuarial document). Different map areas do not require separate APH yields for Category C crops.
- (h) The approved APH yield may be different than the simple average for: Blueberries in the states of Maine, Mississippi, North Carolina, and New Jersey; Texas Citrus, FCIC RSO determined yields (cases outlined in Par. E[7] and E[8]) of this Sec.), and when procedure requires a weighted average yield.
- (i) When completing APH databases, each yield entered in the yield column must be identified with the applicable yield descriptor. See Par. D(3) of this Sec. for the applicable yield descriptors.

E(10) Additional Instructions for Carryover Insureds.

- (a) When a carryover insured is unable to finish harvest (due to an insurable cause), or records are unavailable from the processor, marketing outlet, etc., (by unit by P/T/V indicated in the actuarial document) by the production reporting date, the prior APH yield is used as a temporary yield for the most recent crop year in the base period. The temporary yield is preceded by the yield descriptor "J" and is valid for one year only.
- NOTE: Insureds using this provision may retain optional/guideline units when applicable.
- (b) Yield and acreage data within the base period indicated on a previous approved production report will be retained (except for truncating apple databases to the five most recent crop years) provided continuity of production reports has not been broken. Actual yields within the base period

previously certified by the insured may not be dropped from the database without FCIC RSO consent. The database is corrected, for the current crop year, if an error is determined that exceeds APH yield tolerances.

- (c) The insured may submit production reports for crop years within the base period for which production reports were not previously submitted (including yields previously assigned by the FCIC RSO), provided continuity of production reports is maintained.
- (d) If production reports are not filed by the production reporting date, 75 percent of the prior APH yield on a per acre basis will be assigned for the most recent crop year in the database. Complete the APH form by entering the assigned yield in the Yield Column (Col. 18 FCI-19-A) preceded by a "P". Enter reported acres in the Acres Column (Col. 17 FCI-19-A) (See item (a) for exceptions).

NOTE: Production reports certified by the insured are subject to Insurance Provider APH field reviews if acceptable records to support such reports are not submitted and verified by the Insurance Provider.

- (e) Yield limitations. Yield floors do not apply. Cups or Caps apply to the following Category C APH Crops: Almonds, Cranberries, Citrus (AZ-CA), Figs, Grapes, Macadamia Nuts, Pears, Plums, Prunes, Stonefruit, Table Grapes, and Walnuts. For these crops, carryover insureds who have provided at least one APH crop year of records containing actual or assigned yields qualify for yield limitation provisions.

1 Cups or caps apply on a database (unit by P/T/V indicated in the actuarial document) basis, if the database contains at least one actual or assigned yield when the most recent crop year's production history is added to the database. See Par. D(11) (a) and (b) of this Sec.

2 See Par. D(11)(e)1 or 2 of this Sec. respectively for rate determination instructions when approved APH yields have been CUPPED or CAPPED.

- (f) Yield limitations (cups or caps) do not apply:
 - 1 Classified by NCS (the first effective crop year) or the crop year removed from NCS. Caps ONLY apply for subsequent crop years while classified by NCS (See Sec. 10 B[4]).
 - 2 Special cases are referred to the FCIC RSO for yield determination.

NOTE: Special case means when the Insurance Provider is NOT authorized to calculate the

approved APH yield or the approved APH yield cannot be determined by the verifier and the case is referred to the FCIC RSO for an approved APH yield.

- 3 Previously approved APH yields are corrected or changed. These include:
 - a Revision of a previously reported actual yield based on acceptable, more accurate production records submitted by the insured.
 - b Revision of the approved APH yield, acres and/or production according to the procedure outlined for APH reviews when production and acreage information found on a field review do not match. (See Sec. 11.)
 - c Actual yields which have been submitted are accepted for other than the most recent crop year in the data base. (Assigned yields or "T" Yields are replaced).
- 4 The initial year added land P/T/V procedures are applicable; or units, P/T/V's (indicated in the actuarial documents) with established APH databases containing actual and or assigned yields are combined or further divided.

E(11) Provisions for New Producers, Added Land, Added Insurable Acreage, Added P/T/V.

- (a) Added Insurable Acreage. Acreage of the crop which was not insurable for the previous crop year that meets or exceeds minimum policy requirements for the current policy crop year (e.g. production requirements, maturity [age/leaf year/etc.]). APH yield calculation instructions by P/T/V indicated in the actuarial document:

1 When added to an existing unit use the weighted average APH yield procedures to calculate the approved APH Yield for the unit (See Exhibit 16, Apples Example 2).

a If the production from previously uninsurable acreage is commingled with production from insurable acreage, total production divided by total acreage is used for all crop years which were commingled. The commingled production and acreage meeting or exceeding policy requirements are entered on the APH form.

b If the crop policy requires minimum production and separate acreage and production records which meet policy requirements are submitted (block records) such acreage and production are included on the APH form (non-insurable years prior to the qualifying crop year's records are excluded).

c If insurability of the crop is based on maturity and records of acres and production from the previous crop year which was uninsurable are provided as a separate block, such production is entered on the APH form.

d A special "T" Yield based on the number of years' actual and/or assigned yields on the unit is weighted into the approved APH yield (by entering it in the yield column of the block production worksheet).

2 If added as a separate unit. When insurability of the crop is based on maturity and the crop attained the required maturity, the approved APH yield is calculated using four Special "T" Yields. If acreage and production from the previous uninsurable crop year is provided, such production history is entered on the APH form.

If the crop requires production records that meet minimum production requirements and acceptable records for such acreage are provided, the actual yields submitted for the crop year and three Special "T" Yields are used to calculate the approved APH yield. The qualifying acreage and production are entered on the APH form.

- 3 Special "T" Yields (weighted average if block records are submitted) are calculated using a percentage of the applicable "T" Yield based on the years of actual and/or assigned yields in the database for the unit/P/T/V of the insured crop (within the county) with the most APH crop years of actual and/or assigned yields irrespective of P/T/V. Special "T" Yields entered in the database are preceded by the yield descriptor "C". Refer to Exhibit 36, Par. 1 C(3) for additional instructions.
- (b) New producers or carryover insureds who have recently added land (recently purchased or leased perennial crop acreage which meets policy requirements) may use the prior producer's records (by P/T/V indicated in the actuarial document) whether or not that producer continues to share in the crop, WHEN ACCEPTABLE HARD COPY RECORDS of acreage and production (prior loss MPCIC records are acceptable) are submitted to the Provider.
- 1 When acceptable production reports/records are submitted, use the applicable procedures (simple or weighted average yield) based on whether or not separate block records are submitted. See Par. (9) this Sec. and Exhibit 16 for procedures. See Sec.7 Par. E record requirements for producers sharing in the crop with another producer.
- 2 If acceptable production reports/records are not provided and insurability of the crop is based on maturity and the crop has attained the required age, 65 percent of the appropriate "T" Yield is applicable using standard Category C Crop APH yield procedures. If the insured can demonstrate that a yield greater than 65 percent of the "T" Yield is reasonable for that particular acreage, the insured may request a FCIC RSO determined yield as provided for in Par. E (7)(b)1.

E(12) Additional APH Provisions by Crop.

- (a) Almonds. Delivery statements, pool closing statements or production recaps must show total meat pounds including rejects by variety. Pounds of in-shell Almonds, including rejects, must be shown separately, by variety. Pounds of in-shell Almonds must be converted to meat pounds. See Exhibit 31 for conversion factors by variety.
- (b) Apples. Certified records including printouts or receipts from each first handler of the fruit for that crop year must show total marketable (as defined in the policy or endorsement) production (in bushels, bin count, or weight delivered) by variety. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records (see Sec. 7, C(4) for acceptable pick records) or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

If insured under the Fresh Fruit Option or Sunburn Option/Endorsement and a claim for indemnity has been completed, total marketable production from the claim prior to adjustment for quality is used for APH Purposes.

- (c) Blueberries. Printouts or receipts from a handler must indicate the date, producer's name, and total production in pounds. Printouts or receipts from a packing operation, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records (See Sec. 7, Par. C[4] for acceptable pick records.), warehouse, certified scale receipt (with third party verification, inventory stock sheet, receiving report, grower pay report, grower summary report must indicate the date of the transaction, producer's name, and total production. Total production must indicate unmarketable and marketable production separately. Marketable production must indicate grade and type of production: fresh, processing, or juice. Production indicated as trays, flats, cartons, containers, or quarts must be converted to pounds. The method of conversion must be explained and included with the records.
- (d) Citrus (AZ & CA). Pool statements, pool summary statements, pack statements or year-end settlement sheets must show standard packed cartons by type and carton weight. Citrus cartons of different size(s) must be converted to the equivalent of the standard carton (listed in the policy) for the type.
- (e) Cranberries. Truckload weight receipts, berry slips, settlement weight sheets, sales receipts, final or year-end statements from a processor or packing house must indicate net paid barrels of cranberries delivered or stored for each unit.

- (f) Figs. Packer or California Advisory Board Summary Sheet must show net paid pounds of marketable Figs including manufacturing grade. For new insureds and policies which are being canceled and rewritten (transfers) supporting records of acreage and production must be provided to the verifier.
- (g) Grapes. Settlement sheets, sales receipts, final or year-end statements from a winery, cannery or processor must indicate net paid tons of Grapes delivered by variety. Remittance or final statement sheets from Raisin packers or the Raisin Administrative Committee must show the net paid tons of clean, dry Raisins. Each pound of Dry Raisins converts to 4.5 pounds of Grapes.
- Production for Grapes harvested before normal maturity or for special use are used for APH purposes when adequate records are available. The production of such Grapes will be increased by the factor calculated by dividing the price per ton for such Grapes by the price per ton for fully mature Grapes of the same type (as stated in the crop endorsement).
- (h) Table Grapes. Packing house records must be settlement sheets, receiving statements, final sales statements from broker or Table Grape Commission records. Records must show the number of packed lugs by variety. If the fruit is packed in other than standard weight lugs (as stated in the crop endorsement), the net weight of the lugs must be noted.
- (i) Macadamia Nuts. Delivery records, production recaps or sales receipts from processors must indicate weight of wet-in-shell nuts by variety excluding foreign material. Wet-in-shell is defined as the weight of the Macadamia nuts as they are removed from the orchard with the nut meats in the shells after removal of the husk and before being dried.
- (j) Peaches (Canning & Processing). See Stonefruit, E(12)(o).
- (k) Peaches. The base period is five continuous crop years beginning with the crop year previous to the current crop year (The base period for the 1997 crop year is 1996-1992). Certified records may include a printout or receipt from each first handler of the fruit for that crop year. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records (see Sec. 7, C.(4). for acceptable pick records) or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.
- (l) Pears. Certified records including printouts or receipts from each first handler of the fruit for

that crop year must show total production in tons by variety. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records (See Sec. 7, C (4) for acceptable pick records) or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

1 If records certified by the production reporting date do not include production by grade, use the following grade factors to convert field-run production to production to count for APH purposes:

Type I = 85%, and Type II = 80%. If the grade is certified after the production reporting date, it will be included in the next year's update.

2 Do not modify any current databases due to price election changes or use of the above factors.

3 If an insured provides actual grade and price records by the production reporting date that result in a higher APH yield than using the above factors, the higher yield should be used.

4 A production level of at least 5.0 tons per acre of field-run production is sufficient to satisfy the requirement of 4.0 tons per acre of first grade canning or U.S. No. 1 Pears as stated in item 1.b.(1) of the pear endorsement.

(m) Plums. Fresh Plums production to count shall be U.S. No. 1 as modified by the California Tree Fruit Agreement.

(n) Prunes. Unit of measure is tons of natural condition (dried) Prunes to the nearest tenth. Advance payment summary sheets must show, by variety, net paid weight which grades substandard or better. Marketed fresh-fruit production is converted to a dried-fruit basis by dividing the total tons of fresh fruit by 3.1.

(o) Stonefruit.

1 For Type IV Cling Peaches, the Cling Peach Advisory Boards' (CPAB) determined acreage is to be used for APH purposes. If the CPAB acreage is not available, wheeled acreage is acceptable. California, processor or Cling Peach Advisory Board summary must show net paid tons of No. 1 and No. 2 fruit, by variety and type. Minimum 1 year acceptable production records for the type elected. Fresh records may be used for the processing type elected.

- 2 Type II Apricots and Type V Freestones (processing), must meet California Department of Food and Agriculture minimum standards and include all production accepted (marketed). Minimum 1 year acceptable production records for the type elected. Fresh records may be used for the processing type elected.
- 3 Peaches (fresh market) Type VI, Apricots (fresh market) Type I and Nectarines Type III. Certified records may include a printout or receipt from each first handler of the fruit for the crop year. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records (see Sec. 7, C(4) for acceptable pick records) or a warehouse are acceptable. Bin count, cartons, crates, lugs or irregular sizes or weight must be converted to the appropriate unit of measure. Minimum 1 year acceptable production records for the type elected.
- 4 Production from alternative uses are used for APH purposes when adequate records are available. Production of fresh Stonefruit damaged by insured causes that could be marketed for any use other than fresh packed Stonefruit, is determined by multiplying the number of tons that could be marketed by the value per ton of fruit or \$50.00 per ton, whichever is greater, and dividing that result by the highest price election available on the actuarial table for the type.
- (p) Walnuts. Delivery records, production recaps or sales receipts from processors must indicate the net weight of Walnuts by variety.

NOTE: Any production evidence which does not meet the requirements specified for the crop, may be forwarded to the FCIC RSO to determine its acceptability.

F CATEGORY A, PRODUCER LISTING APH CROPS

The Producer Listing Plan offers coverage based on the actuarial table with a listing that identifies the coverage available. Yields are based on actual production history reported to the FSA county office.

F(1) Eligible Crop: Peanuts.

F(2) Certification of Peanut Yields. Peanuts will continue to use listings.

- (a) Insureds are not required to report yield history on an APH form. They will continue to report yield history to FSA.
- (b) The rates and coverages are quoted from the appropriate actuarial documents.

- (c) Upon written request from the insured, a form will be issued from the FCIC RSO indicating the approved APH yield and the insured's yield history.
- F(3) Price Election. The insured may select one price election percentage per contract for Peanuts within the price election range listed in the actuarial documents. The price election percentage elected applies to both Quota and Non-Quota Peanuts. Price elections of less than 60 percent are not available.

G CATEGORY D, DOLLAR PLAN CROPS

G(1) Eligible Crops: Citrus (Florida), Citrus Trees, Forage Seeding, Hybrid Corn Seed, Hybrid Sorghum Seed, Macadamia Trees, Peppers, Raisins, Sweet Corn (Fresh Market), Tomatoes (Fresh Market - Dollar Plan).

G(2) Plan Description. This plan offers the producer the opportunity to select one of several dollar amounts of insurance per unit (per acre or per ton, depending on the crop). The available coverage elections and the rates are indicated on the actuarial table. Use any maps or supplemental listings included in the actuarial materials to determine the coverage options and premium rates.

NOTE: Production reports are not required to qualify for optional units. Exception: Raisins may be divided into more than one unit if, for each proposed (optional) unit:

(a) The insured maintains written, verifiable (tray counts are acceptable) records of Raisin production for at least the previous crop year; and

(b) The acreage of insured Raisins is located on noncontiguous land.

G(3) Hybrid Seed Corn or Hybrid Sorghum Seed.

(a) Hybrid Seed Yields are established by county and are used to calculate the amount of insurance. The Hybrid Seed Yield that applies at each coverage level will be published as part of the county actuarial documents. The insured may elect a coverage level (associated yield) as well as price election. Coverage is provided only for acreage grown under a contract executed with a seed company by the acreage reporting date.

(b) The amount of insurance is the Hybrid Seed Yield times the price election. The amount of insurance for hybrid seed approximates the dollar value of insurance of Corn planted for grain. However, the basis of insurance for hybrid seed is female acres. Acreage planted to the male inbred line is not insurable.

The insured must accurately report the acreage occupied by the female inbred line. The Standard Planting Practice is to plant the male and female inbred lines in rows separated by normal spacing (e.g. 2 rows male and 6 rows of female-FFFMMFFF). This results in 75 to 80 percent of the total acreage being occupied by the female inbred line. This is the concept underlying the determination of the amount of insurance. In some cases the male inbred line may be interplanted between normally spaced rows planted to the inbred female line. In this situation, the Hybrid Seed Yield will be adjusted to reflect the level of coverage normally associated with field Corn so that the amount of

insurance for the two planting practices (Standard Planting and Interplanting) is equivalent.

- (c) Minimum Contract Payment. A statement by the insured is required either on the acreage report or on a document accompanying the acreage report. This statement will include the amount of any guaranteed minimum payment provided by the insured's contract with a seed company.

Required Statement:

"My contract with (Seed company) does not provide a guaranteed minimum payment to me."

"My contract with (Seed company) provides a guaranteed minimum payment of _____ (dollars or bushels) per acre."

The amount of insurance must be reduced if there is a guaranteed minimum payment. Deduct any minimum payment that is denominated in bushels from the yield that is used to establish the amount of insurance. If the minimum payment is stated in dollars, divide the amount by the price election. Round the result to the nearest whole bushel and subtract it from the Hybrid Seed Yield.

- (d) Yield Base factor for Seed Companies. FCIC will require additional information about a seed company's operations, the inbred lines and foundation seed projections from seed companies in some circumstances. These circumstances include very high expected yields for a particular hybrid, poor crop insurance experience, newly formed seed companies, previously limited production records submitted by a seed company, etc. The FCIC RSO will request additional information when needed. An annual update of actual yield history and expected yields is required from each seed company as a prerequisite to approving yields by FCIC Research and Development.
- (e) Approved Yields. The FCIC RSO will provide companies with approved yields for varieties/hybrids upon request. Requests should be received by the FCIC RSO no later than the end of the insurance period. Agents initiate requests by preparing "Notification of Request for Yield Guarantee Determinations" and by sending them to the Insurance Provider who forwards to the appropriate FCIC RSO. Representative (Provider) then provides the hybrid seed company with blank forms for completion of the "Hybrid Seed Corn/Hybrid Sorghum Seed Yield/Verification" for each hybrid to be insured. The Hybrid Seed Corn/Hybrid Sorghum Seed Yield Verification form will be returned to the FCIC RSO. The FCIC RSO will calculate and issue the Approved Yield for each variety and forward to the Insurance Provider requesting the yield. Losses will be paid on the same basis as yields are determined (ear Corn, shelled, etc).

- (f) Value per Bushel. The dollar value per bushel is calculated by the Insurance Provider at loss time, and is multiplied times the seed production to count to obtain the value of seed production to calculate the indemnity. The dollar value per bushel equals the amount of insurance (dollars) divided by approved yield times the coverage level. A variety with one approved yield can have more than one dollar value per bushel as the amounts of insurance may vary.

$$\text{Dollar Value/Bu.} = \frac{\text{Amount of Insurance (\$/Ac)}}{\text{Approved Yield (Bu/Ac) x Level (\%)}}$$

G(4) Citrus (Florida):

- (a) If the acreage on the policy meets or exceeds established tolerances for the region, an on-site inspection of grove(s) is required by the Insurance Provider.
- (b) A list of policies exceeding the established tolerances will be forwarded to the FCIC RSO for a discretionary review. See Florida Citrus crop handbook for grove inspection instructions.

H CATEGORY E, TOBACCO QUOTA PLAN

- H(1) Eligible Crop: Tobacco insured under the Quota Plan of Tobacco (Type 31, all states).
- H(2) This plan bases the insurance guarantee on the FSA poundage quota assigned to the producer, with optional or mandatory adjustments as indicated in the policy.

I CATEGORY F, TOBACCO-GUARANTEED PRODUCTION PLAN (TYPES NOT REQUIRING INDIVIDUAL APH PRODUCTION REPORTS)

- I(1) Eligible Crop: Tobacco on the guaranteed production policy except for types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; 32 MD.
- I(2) Plan Description. Except for the types listed in (1) above, listings will continue to be used.
- (a) Insureds are not required to report yield history on an APH form. They will continue to report yield history to FSA as in the past. The FCIC RSO obtains the data from FSA, processes the data into producer classifications, and publishes the classifications in the actuarial classification listings (FCI-32).
 - (b) The rates and coverages are quoted from the appropriate actuarial documents.
 - (c) Upon written request from the insured, the FCIC RSO will provide documentation of the insured's yield history and approved APH yield classification.

J CATEGORY G, NURSERY CROP

- J(1) Eligible Crop: Nursery Crops listed on the eligible plant listing located in the Actuarial Table. The FCIC RSO's are authorized to expand the Nursery Eligible Plant Listing (NEPL) through actuarial addendums. Prior to issuance of addendums, the FCIC RSO must collect the following information from a recognized nursery expert within the region to assess and determine the insurability of the plant recommendations.
- (a) Scientific name and common name;
 - (b) Type;
 - (c) Hardiness, zone, and winter protection codes;
 - (d) Special risks;
 - (e) Temperature sensitivity;
 - (f) Disease risks;
 - (g) Supply (versus) demand;
 - (h) Other concerns

The expert must not have a financial interest in any nursery eligible for nursery crop insurance and should be affiliated with a Land Grant University.

- J(2) The FCIC RSO recommends the addition of new plant types to be added to the NEPL to the Actuarial Branch in Kansas City, MO.
- J(3) An on-site inspection of the Nursery is required if guidelines established by the Nursery Crop Insurance Guide are met or exceeded. The applicable Insurance Provider performs the inspection.

A list of policies meeting the established tolerance will be forwarded to the FCIC RSO. FCIC may at its option perform a review of the policy.

- J(4) Coverage Available for CAT, 60 percent of the 90 percent wholesale inventory at the 50 percent coverage level.

6 USE OF THE APH FORM**A THE APH FORM**

- A(1) The APH form meets all production reporting requirements and is to be used as the insured's production report(s). It may be used to establish or update the yield history for a farming operation by crop, unit, practice, etc. Supporting evidence (records), when required, must meet acreage and production requirements outlined in Sec. 7 of this handbook.
- A(2) Approval of APH forms is required if a form other than the FCI-19-A(APH) is used. Any Insurance Provider desiring to use an alternate form must submit a request with justification, to:

Federal Crop Insurance Corporation,
Chief, Product Development Branch,
P.O. Box 419293,
Kansas City, Missouri 64141.

B GENERAL PROVISIONS

- B(1) An approved APH form must be used by Insurance Providers for all APH crops requiring production reports to establish the approved APH yield: Almonds, Apples, Canning and Processing Beans, Canola, AZ-CA Citrus, Blueberries, Coarse Grains (Corn, Soybeans and Grain Sorghum), Cotton, ELS Cotton, Cranberries, Dry Beans, Figs, Forage Production Grapes, Table Grapes, Macadamia Nuts, Onions, Peaches, Pears, Peas, Plums, Popcorn, Potatoes, Prunes, Rice, Safflower, Small Grains (Wheat, Barley, Oats, Rye and Flax), Stonefruit (Apricots, Nectarines, Peaches), Sugar Beets, Sugarcane, Sunflower Seed, Sweet Corn (Canning and Freezing), Tobacco (Guarantee Types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; 32 MD; 31 NC, VA and WV), Tomatoes (Canning and Processing), Tomatoes (Fresh Market Guaranteed Production) and Walnuts.
- B(2) Entries must be completed on the APH form for each APH crop year by unit and by P/T/V (within the unit that requires separate APH yields). Verifiers must establish a database for each P/T/V listed on the County Coverage and Rate Table (FCI-35) that has separate "T" Yields for each P/T/V that has been carried out and/or will be carried out for the current crop year.

Separate databases must also be established within a unit for each area classification ("T" Yield Map Area). For high-risk land (when high-risk "T" Yields are established) a separate database must be established within a unit if less than 4 years of actual/assigned yields are available for the high risk land (by P/T/V). When 4 or more years of records are available, it is not necessary to continue to maintain separate databases for high-risk land. It is not required to establish separate databases (APH yields) for area classifications that are for rate only.

B(3) The APH form is subject to verification and Insurance Provider field review. Policies without records (65 percent "T" Yields ONLY) are subject to office review. The insured must maintain acceptable production evidence for each crop year by unit for each P/T/V and crop year. Insureds may submit production evidence for all units and years for which yields are being certified and request verification of the information. If they do so, they will not be subject to the APH field review process for the crop year. When the crop is selected for review, supporting evidence (records) of acreage and production will be required by unit for all crop years' acreage and production as certified on the form.

When established tolerances have been exceeded as determined on the field review, the APH form will be corrected. See Sec. 11, A, B, and C. Such reviews will be performed by authorized FCIC/Insurance Provider personnel. Actual yield history determinations which may be used to correct approved APH yield include:

- (a) Production evidence for loss adjustment purposes which is recorded on FCI-74, FCI-63, FCI-74 T-P-C, MPC1 production worksheet, etc., which is accepted by FCIC or an Insurance Provider.
- (b) FSA forms or records completed for production measurement service purposes.
- (c) Production determined for other FSA program purposes or in the course of an FSA spot check or FCIC/Insurance Provider review.

B(4) The insured may amend the APH form after submission on the basis of more recent information. Amended APH forms submitted after the production reporting date will be used when computing the following year's yield.

B(5) When selected for an APH review, the INSURED is responsible for furnishing production evidence to support the production as reported on the APH form. Any FSA information or supporting documentation for the production report must be furnished by the INSURED at the time of the review.

B(6) The verifier must correct the yields reported on the APH form for the current crop year if yield tolerances are exceeded based on the results of an APH review. The verifier must correct the APH yield the following year if discrepancies exist but are within the tolerances. The FCIC RSO/Insurance Provider may also request an APH review on any unit that has a yield which appears to be excessive, based on:

- (a) Established tolerances.
- (b) Personal knowledge of the producer's farming operation.
- (c) Actual yields on neighboring farms that have similar productive characteristics.
- (d) Unique circumstances that may have affected the crop on the unit but did not affect the majority of the other farms in the county.

C PREPARATION OF THE APH FORM - GENERAL INSTRUCTIONS

C(1) The APH form is designed to accommodate both the insured with established yield history (database) and the new insured. The form contains space for ten APH years of yield history (limited to five years for Peaches and Apples) necessary for the verifier to calculate an approved APH yield.

- (a) The producer completes the APH form by furnishing all continuous years of yield history data.
- (b) The agent/representative completes the production history by entering assigned, and/or, variable "T/D" Yields, for years for which actual production was not reported.
- (c) Each year, carryover insureds are required to certify the most recent APH crop year in the base period.
- (d) Supporting records may be required by the verifier to allow for verification of actual yields in the database if not previously verified.
- (e) The insured must sign and date the form when certifying the most recent APH crop year and/or using the form to report production for prior APH crop years.
- (f) Preliminary yields must be computed by the agent/representative for new insureds when authorized to do so by FCIC.

- C(2) Each form accommodates two databases. Separate databases are established as indicated in (3) below.
- C(3) Separate yield determinations (databases) are required for each APH crop year certified for each:
- (a) Unit. Acres and production prorated between basic units are not acceptable records for basic units unless prorated on a claim for indemnity.
 - (b) Insured (landlord or tenant).
 - (c) Different practice (except for Soybeans Intertilled Between Rows [IBR] and Not Intertilled Between Rows [NIBR]), type, or variety identified in the actuarial documents as having separate (different) "T" Yields.
 - (d) Area Classification ("T" Yield Map Area and high-risk land if "T" Yields are established) except for Category C Crops when weighted average yields are required.
- C(4) Production. The production adjusted for APH is entered in the total production column when actual yields are reported. Some crops require an adjustment or conversion to total production before being entered. If a worksheet is used to adjust APH production, it must be sent to the verifier along with the APH form. (See Exhibit 9 for worksheets and instructions used to determine APH production, separate commingled production and Exhibit 17 to determine skip row yield factors for Cotton.)
- (a) For adjustments or conversions required to determine production for individual crops see Sec. 5, D(17) for Category B Crops or Sec. 5, E(12) for Category C Crops.
 - (b) Production determined on a Claim for Indemnity for the 1986 and subsequent crop years (Proof of Loss, FCI-74, FCI-74 T-P-C, etc.) will be used, except for appraisals made for excluded causes of loss (hail and/or fire when the FCI-78 Hail and Fire Exclusion is elected). Beginning with the 1992 crop year, appraisals made for uninsured causes of loss (e.g. failure to follow recognized good farming practices and acreage destroyed without consent) are not used for APH purposes.

- 1 Appraisals for potential production remaining in the field (for unharvested acreage) are considered production for APH yield purposes.
 - 2 Use production from the Claim for Indemnity if production reported by the insured does not correspond to the production on the claim for indemnity. Exceptions: 1) apple claims where the production was adjusted for quality and an Apple Option was in force and 2) potato claims when the production was adjusted for quality and the Quality, Processing or Frost/Freeze Option was in force 3) allocated production from unreported unit(s) and 4) Sugarbeet appraisals that were reduced because Sugarbeets were in the first stage (use appraisal prior to reduction) and 5) Onions and Peaches actual production prior to any adjustment to the production for a high market value. Also see Loss Adjustment Manual (M8-LAM) regarding allocated production from unreported unit(s).
- (c) Production reported on the APH form will be adjusted for moisture, test weight, quality, grade, etc., on the same basis as claims for indemnities (see exceptions in (b) above), provided supporting records indicate requirements stated in the policy have been met. Note: This also includes farm stored production.
- (d) Production having less moisture than the percentage stated in the policy will not be increased to account for the difference.
- (e) Production reported by the insured will not be reduced for moisture, foreign material, cracked kernels, etc., UNLESS INDICATED on supporting records.
- (f) Grain used as seed for the producer's own use should be included in the APH yield history. The insured must furnish scale tickets or weight slips showing date of weighing, name of producer and commodity. The insured must also certify the amount of seed which was used for planting by:
- 1 Certifying to amount of the seed planted per acre.
 - 2 Certifying to and identifying the acreage on an aerial photo.
- (g) Separate APH yields must be determined for Irrigated and Non-Irrigated practices when separate "T" Yields or "T" Yield factors are indicated on the actuarial table. Exception: when the planting pattern for the Non-Irrigated corners of a field continues into the Irrigated acreage of a center pivot or acres and production from the center pivot is not separated from the Non-Irrigated corners (See Sec. 4, C[5][d]2 f). If production is commingled between an Irrigated and a Non-Irrigated practice, separate yields may

be established for the two practices by using the commingled production worksheet (See Exhibit 9) or by using the insured's certification of estimated production for the Irrigated and Non-Irrigated production. (See Sec. 5, D, [15]).

D PREPARATION OF APH FORM - ITEM BY ITEM INSTRUCTIONS for Category B and Category C APH Crops when acres and production are reported.

See additional yield history provisions by crop Sec. 5, D (17) and E (12). See Exhibit 8 for completed samples for individual crops and for directions outlining adjustments to total production entries. Directions for sample production worksheets have been provided for Sugar Beets, Dry Beans and Potato quality options. Also, directions for commingled production worksheets are provided. (See Exhibit 9.)

D(1) Separate yields are required each crop year for each unit, insured (landlord or tenant), different practice, area Classification ("T" Yield Map Area). See Par. C(3)(a)-(d) for additional instructions.

D(2) Agents/Representatives must complete the following items on the APH (FCI-19-A[APH]) (FCIC-19-A furnished for illustration purposes on the last page of this Exhibit) in the following manner:

Item 1 Insured's name or insurable entity, address, phone number, social security or tax identification number.

Item 2 Required Field Review. If a field review is required the "Field Review" box must be checked.

Required Inspection. The "Inspection" box must be checked when the agent has specifically identified acreage on which a crop inspection is required. These inspections will be performed only by individuals delegated the authority by FCIC RSO/Insurance Provider.

Item 3 State, county and policy number to which the form pertains.

Items 4&5 Agent's name, address, phone number and code. Insurance Provider's name and address.

Item 6 Crop name, farming P/T/V (if applicable) and unit number for the unit. Enter the abbreviation for the farming practice requiring a separate APH yield.

Item 7 Enter the section, township and range descriptions for land under the Rectangular Survey System. Use other descriptions to identify the geographical location of the unit if legal descriptions cannot be determined or legal descriptions are not applicable. If additional space is needed, attach a supplemental sheet. Check the appropriate box to indicate if any unit or

portion of the unit is physically located in another county but insured by Written Agreement in this county.

- Item 8 Name(s) of others sharing in the crop. If none, enter "NONE".
- Item 9 Check appropriate "Record Type(s)" box(es) to indicate the form of verifiable acceptable records maintained for the last year in the base period. NOTE: Farm-stored production records may include bin, silo, crib, wagon measurements, etc.
- Item 10 Processor contract number(s), processor name, when applicable, and/or total number of trees or vines for perennial crops (not applicable if Producer's Pre-Acceptance Worksheet has been completed).
- Item 11 For perennial crops, the year(s) in which the majority of the insurable trees or vines in the unit, by block, were planted/set out in the orchard, vineyard, grove or bog (not applicable if Producer's Pre-Acceptance Worksheet has been completed). Contract price for Green Peas, percent of sugar for Sugarcane and Sugar Beets and Potato option percentages for Potatoes insured under the quality options (for the most recent year in the base period). For new producers, added land, added P/T/V, enter the crop years they have produced the crop (e.g., 1995 and 1996). See individual crop examples (Exhibits 8 and 16) for completed samples. If not applicable, leave blank.
- Item 12 Enter the current FSA FSN.

Item 13 FSA program yield. Required if the program yield is necessary to calculate the "T" Yield. If not applicable or not used, leave blank.

Item 14 The applicable 100 percent "T" Yield, needed when less than four years of actual and/or assigned yields are available, and to calculate the yield floor for Category B crops. New producers (Category B Crops) qualify for 100 percent of "T" Yields (110 percent of the "T" Yield in pilot new producer counties).

Item 15 Enter the appropriate years for the base period.

Item 16 Enter total production as adjusted for production reporting purposes when actual yields are reported.

NOTE: Sample production worksheets have been provided for Sugar Beets, Dry Beans, Potato quality options and skip-row Cotton. (See Exhibit 9)

Item 17 Enter planted insurable acreage in acres to tenths for each year an actual yield is available in column 16. For annual crops, if the crop was not planted for any year enter "0.0"

Item 18 Enter the appropriate yield and yield type descriptor for each yield entered in the database. See Sec. 5, D(3) for instructions.

Item 19 Enter the total of all entries in column 18.

Item 20-A For crops listed in Sec. 5, D and E, (if weighted average APH yield not required) divide the total from item 19 by the number of years. Apply any applicable yield limitations (cup, cap, or yield floor) and enter the limited yield as the preliminary yield.

NOTE: If a Special "T" Yield was determined, enter the Special "T" Yield, i.e., "C100".

Item 20-B Enter the prior Approved APH yield, if applicable. If it is not applicable, enter N/A.

Item 21 (Completed by verifier.) Enter the approved APH yield after all entries are verified.

For potatoes insured under the Potato Quality Option or the Processing Potato Quality Option, enter the appropriate percent for #1 Potatoes and #2 or better Potatoes for both fresh and processing Potatoes when applicable.

Insured's Signature: _____ Date: _____

D(3) Agents/representatives must obtain the insured's signature and the date of the signature. Point out the certification statement and explain the statement to make sure the insured understands what is being certified and the consequences of an inaccurate production report.

NOTE: FCIC APH forms for Category "C" crops may be computer generated. The items may be arranged to more precisely fit the production reporting requirements of specific crops. All FCIC or other approved APH computer generated forms MUST also have a space to indicate the preliminary yield, a space for the insured's signature, and Certification Statement if they are to be used as production reports. If arranged differently, follow the instructions provided with the form or contact the FCIC RSO for assistance. A remarks section may be added to indicate the basis for establishing the approved APH yield.

E PREPARATION OF THE APH FORM FOR INSUREDS WITHOUT RECORDS
(CATEGORY B CROPS) (See Par. D above)

F COMBINING AND SPLITTING OF UNITS

When production report(s) are on file and continuity of insurance participation is not broken, the prior yield history must be considered if optional units are changed (combined or split) when completing the current crop year APH form. See Exhibit 15 for directions and examples. Refer unit calculations to the FCIC RSO for crops requiring FCIC RSO determined yields.

PRODUCTION AND YIELD REPORT

See reverse side of form for statement required by the Privacy Act of 1974
We reserve the right to correct errors made in computation.

1 Producer's Name and address		2 Required Field Review <input type="checkbox"/> Required Inspection <input type="checkbox"/>		4 Agent Name/Address			
Phone No.:		3 State:		Phone No.		Agent Code	
SSN/Tax No:		County:		5 Company Name/Address			
		Policy No.					

6 Crop Practice Type Unit No.	7 Section Twnshp Range	Land Other County <input type="checkbox"/> Yes <input type="checkbox"/> No	15 Crop Year	16 Total Production	17 Acres	18 Yield
			19			
			19			
			19			
			19			
			19			

8 Other Entity(ies)		12 FSA Farm No.		19			
				19			
				19			
				19			
				19			
9 Record Type: <input type="checkbox"/> Production Sold/Commercial Storage <input type="checkbox"/> On Farm Storage, Recorded Bin Measurement <input type="checkbox"/> Livestock Feeding Records <input type="checkbox"/> FSA Loan Record Number of Trees or Vines		Crop Year:					19 Total
		13 FSA Yld.					
		14 Transitional Yld.					
10 Processor Number/Name		11 Other		20(A) Preliminary Yield		21 Approved APH Yield (For Verifier Use Only)	
				20(B) Prior Yield			

6 Crop Practice Type Unit No.	7 Section Twnshp Range	Land Other County <input type="checkbox"/> Yes <input type="checkbox"/> No	15 Crop Year	16 Total Production	17 Acres	18 Yield
			19			
			19			
			19			
			19			
			19			

8 Other Entity(ies)		12 FSA Farm No.		19			
				19			
				19			
				19			
				19			
9 Record Type: <input type="checkbox"/> Production Sold/Commercial Storage <input type="checkbox"/> On Farm Storage, Recorded Bin Measurement <input type="checkbox"/> Livestock Feeding Records <input type="checkbox"/> FSA Loan Record Number of Trees or Vines		Crop Year:					19 Total
		13 FSA Yld.					
		14 Transitional Yld.					
10 Processor Number/Name		11 Other		20(A) Preliminary Yield		21 Approved APH Yield (For Verifier Use Only)	
				20(B) Prior Yield			

I certify that the information I have furnished as reflected on this form is complete and accurate for the commodity(ies), unit(s) and year(s) shown. I understand this form may be reviewed or audited and that information inaccurately reported or failure to retain records to support information on this form, may result in a recomputation of the approved APH yield. I also understand that failure to report completely and accurately may result in avoidance of my crop insurance contract and may result in criminal or civil false claims penalties (18 U.S.C., 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

INSURED'S SIGNATURE;

DATE:

PART 1

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7 ACREAGE AND PRODUCTION EVIDENCE REQUIREMENTS (APH)

Acceptable records are required which support the approved APH yield. If selected for field review, supporting evidence is required to be available by the insured for all the crop years for which acreage and production was certified on the current crop year APH form (by crop). Acreage and production evidence must be retained by the insured for three crop years after the crop year it is initially certified. The following acreage and production evidence requirements pertain to all crops using the APH form as production reports.

A ACCEPTABLE PRODUCTION REPORTS

All acceptable production reports that are continuous, signed, and submitted by the Production Reporting Date (PRD) by the insured for the applicable base period, will be used. Once acreage and production are certified, they will remain in the insured's database. Additional acreage and production may be certified and included in the database as long as the continuity and all other requirements are met. Acreage and production cannot be dropped or removed from the database without FCIC RSO approval.

A(1) For most Category B and Category C crops, the base period consists of the 10 most recent APH crop years.

Exceptions:

(a) AZ-CA Citrus (beginning with the 1998 crop year) and Sugarcane, have a lag year for APH purposes. The Sugarcane base period begins with the 1995 APH crop year and the 1998 AZ-CA Citrus base period begins with the 1996 APH crop year.

(b) Apples and Peaches, have a base period of the five most recent APH crop years.

A(2) There may be no break in the continuity of years for which production reports are provided. A production report indicating the crop was not planted (zero acreage) is considered a year of records for purposes of determining production report continuity.

A(3) If a break in continuity (of production reports) occurs for a crop year due to no interest in the crop (did not farm, cash leased to another party, sold, etc.) and the insured requests to use acreage and production history prior to the break in continuity, the records may be used with verifier approval.

(a) For Category B crops, if the verifier approves use of the records prior to the break in continuity enter a Z in the crop year that broke continuity and calculate the APH yield according to the current procedure.

- (b) For Category C crops, Blueberries, Texas Citrus and situations that require an FCIC RSO Determined Yield (See Sec. 5, E [7] and [8]), the request and the records for crop years prior to the break in continuity must be submitted to the FCIC RSO for approval. The FCIC RSO will determine if the records may be used.

B SUBMISSION OF PRODUCTION REPORTS

In order to be used for a crop year, acceptable production reports must be signed and submitted to the agent by the PRD and include:

- B(1) All units in which the insured (entity) had an interest in the crop for each APH crop year production reports are certified. Include all insurable acreage that was "PLANTED" FOR HARVEST AS DEFINED IN THE CROP PROVISIONS. PLANTED acres for APH purposes means "insurable acreage planted to the crop for harvest as defined in the crop provisions." For annual crops, the verifier may consider zero planted acreage reports (by unit) as production reports.

The report must contain yield history from harvested acreage and appraised potential production for the previous APH crop year(s) by an FCIC, FSA or MPCCI company representative. If PLANTED acreage of the crop was destroyed/put to another use and an appraisal of potential production was not made (not insured, or no claim), the production report will indicate planted acres and a yield of zero. The production report must include planted insurable acreage for annual crops and insurable acreage for perennial crops.) For additional production and acreage requirements/exceptions for perennial crops, see Sec. 5, Par. E(9)3.

- B(2) For APH purposes do NOT include:

- (a) Acreage and production of the crop that was seeded as a cover crop, for experimental purposes, for pasture, or that was NOT produced for an insurable purpose or any other uninsurable acreage as provided in the crop's policy (and reported as such if an MPCCI policy is in force).
- (b) Acreage planted for the development or production of Hybrid Seed or for experimental purposes.
- (c) Farming practices carried out that are not in accordance with the farming practices for which the premium rates, production guarantees or amounts of insurance have been established.
- (d) Eligible prevented planting acreage that was not planted to the insured crop.

- (f) A crop planted to a type, class or variety established as not adapted to the area or excluded by the Special Provisions.
- (g) A second crop following the same crop (insured or not insured) harvested in the same crop year unless specifically permitted by the Crop Provisions or the Special Provisions.
- (h) Production produced on acreage used for wildlife protection or management.

Note: If separate determinations of acreage and production (insurable and not insurable) can be made SUCH ACREAGE AND PRODUCTION ARE NOT used for APH purposes. If production was not kept separate, total acreage and total production (insurable and not insurable) must be included when calculating the actual yield.

- (i) For annual crops, acreage which was destroyed and which was practical to replant but was not replanted according to the policy provisions for the crop (insurance did not attach).
- (j) Acreage and Production from any initially insured Small Grain Crops (Wheat, Barley, and Oats as indicated in the Special Provisions) will not be used to calculate the approved APH Yield if the agent was notified prior to the published date in the Special Provisions, that the insured intended to:
 - 1 Destroy acreage prior to harvest or
 - 2 Graze the acreage on or after the published date in the Special Provisions.
- (k) Appraisals made for production LOST due to insurable or uninsurable causes of loss (i.e., appraised production lost due to fire or chemical carryover).

C SUPPORTING EVIDENCE

C(1) When supporting evidence is required, insureds may submit the following types of records:

- (a) For Barley, Canola, Corn, Cotton, ELS Cotton, Dry Beans (except Bush Varieties for Garden Seed), Flax, Grain Sorghum, Oats, Popcorn, Rice, Rye, Safflowers, Soybeans, Sunflowers, and Wheat farm management records which indicate total acres and production by crop and crop year are acceptable. Also see Sec. 5, D(17).
- (b) For Almonds, Apples, Blueberries, Canning and Processing Beans, Citrus (Arizona-California and Texas), Cranberries, Dry Beans (Bush Varieties for Garden Seed), Figs, Forage Production, Grapes, Macadamia Nuts, Onions, Peaches, Pears, Peas, (Dry and Green), Plums, Potatoes, Prunes, Stonefruit (Apricots, Nectarines, and Peaches), Sugarcane, Sugar Beets, Sweet Corn (Canning and Freezing), Table Grapes, Tobacco (Production Guarantee -Types 41 and 32 PA; 51 and 61 CT; 51, 52, and 61 MA; 32 MD; 31 NC; VA, WV), Tomatoes (Canning and Processing and Fresh Market Guaranteed Production Plan), Walnuts, production reports must be substantiated by records from a marketing outlet, processor, packer, first handler, etc. (See Sec. 5, D(17) and E(12).)
- (c) Acreage and production evidence previously recorded at FSA on FSA documents such as FSA 658-1, FSA 503, FSA 578, FSA 658, FSA 156, or other FSA computer generated forms. The CCC 477 will NOT be used for "T" yield purposes.
- (d) Acreage and production evidence accepted by either FCIC or Insurance Provider on their respective Field Inspection and Claim for Indemnity forms (FCI-74, FCI-74 T-P-C, FCI-63, etc.) or MPCII Production Worksheet forms. For Category B and C Crops, claims from 1986 and succeeding crop years will be used even though the insured does not file production reports for those years.

NOTE: If a Claim for Indemnity has the production to count reduced to account for transportation to a market, reconditioning, etc., facility, that adjustment may be added back into the production to count for APH purposes. If an add-back is made, it must be documented and provided to the verifier with the applicable production report. A copy of the documentation must also be attached to the applicable production report and retained in the insured's file at the service point.

- (e) Production substantiated by evidence such as copies of elevator or warehouse receipts, ledger sheets, load summaries, settlement sheets, CCC loan documents, etc.

These documents must show:

1 commodity,

- 2 name of the insured,
- 3 name of the buyer, storer, or marketing outlet,
- 4 crop year produced and date of the transaction,
- 5 P/T/V when applicable and
- 6 quantity of production which can be converted to the proper unit of measure, if necessary.

- (f) Farm stored production measurements performed by an authorized person from FCIC, FSA or an MPCCI company.

C(2) Production Fed to Livestock

Production fed and substantiated by livestock feeding records, field harvest records, etc., as documented through a formal record system (e.g. FCIC's Guidelines for a Production Record Management System) may be used for APH. When feeding from a previous year's inventory to which current year's production will be added, the amount of previous year's production must be measured at least 15 pays prior to the beginning of harvest. If feeding continuously, the producer should record the following:

- (a) The amount of grain fed each day.
- (b) The bin ID from which the production was taken.
- (c) The number and kind of livestock.
- (d) Estimated average weight of livestock per head and location or pen number.
- (e) The unit number from which the fed production was taken (indicate in the remarks on the Livestock Feeding Record).
- (f) Whether fed production was from previous years or fed directly from the field or truck (indicate in remarks on the Livestock Feeding Record).

C(3) Supporting Evidence/Production Reports For Optional Units

- (a) Most Recent APH Crop Year.

To qualify for optional units, acceptable production reports must be filed for each optional unit (by P/T/V) for the most recent APH crop year used to calculate the approved APH yield. Acceptable supporting records such as; farm management records (Category B APH crops), elevator ledger sheets, bin measurements, livestock feeding records, field harvest records, etc., that indicate planted acres and production for each optional unit and which account for all

planted acreage and total production must be available for that year.

(b) Prior APH Crop Year(s).

For APH crop years prior to the most recent APH crop year, if a NEW insured is UNABLE to provide separate acceptable production reports on an optional unit basis but provides acceptable records of acreage by unit and production for each basic unit by P/T/V, production for optional units within a basic unit may be determined on a prorata basis (except for optional units determined by P/T/V), and applied to optional units with planted acres. For example: 100 acres, 150 acres, and 50 acres were planted on units 0101, 0103 and 0105 respectively. The insured has records of total production, 37,500 bu. $37,500 \div 300 = 125$ bushels per acre. For unit 0101: 12,500 (100 acres x 125 bu.), 100.0 acres and "A"125 bu. are entered in the Total Production, Acres, and Yield Column respectively on the APH form. For unplanted units 0102 and 0104, 0.0 is entered in the acres column and "Z" in the yield column. The insured is eligible for five optional units.

(c) For Subsequent Crop Years.

If optional units are desired, acceptable production reports must be filed for each optional unit. Acceptable supporting records such as; farm management records (Category B APH crops), elevator ledger sheets, bin measurements, livestock feeding records, field harvest records, etc., that indicate planted acres and production for each optional unit and which account for all planted acreage and total production must be available for each subsequent APH crop year. Acres and production submitted to qualify for optional units for the previous crop year may not be combined into a basic unit and then prorated if the insured wishes to continue to qualify for optional units.

C(4) Acceptable Pick Records

When pick records are allowed as production evidence they must meet basic requirements stated in C(1) and C(3) of this Sec. plus the requirements outlined below.

- (a) Pick records must indicate name of the individual paid by the grower (crew leader or picker).
- (b) A photocopy of complete pick records for the crop year must be submitted to the Insurance Provider. These records must be the actual running tally of production harvested by the pickers; a summary of the pick records is not acceptable unless it is not feasible to photocopy all the material. In this instance, a summary which itemizes each invoice or transaction may be submitted with an example of the pick records used to calculate the total production. The pick records must also be legible, understandable and reasonable when

explained by the insured. Such records must accompany the APH form.

- (c) Pick records must be accompanied by verifiable receipts such as a photocopy of the canceled check(s) showing the banking institution's stamp of payment. If this is unavailable, a copy of payments made to the Social Security Administration for tax payments made on behalf of the picker(s) is acceptable. The insured must also identify the price paid per volume of picked, (converted to the insurable unit of measure) bushels, lugs, or boxes and weight per bushel, lug, or box.
- (d) Pick records must include the calculations used to determine total production or be accompanied by a cover page which shows the calculations used to determine the production shown on the APH form. All calculations must be verified by the FCIC RSO/Insurance Provider. All bin, volume, and weight figures must be converted to the insurable unit of measure, bushels, lugs, or boxes and weight per bushel, lug, or box.
- (e) If production is marketed direct to the consumer, a pre-harvest appraisal (performed by RSO/Insurance Provider) or a daily accounting of sales is acceptable unless the actuarial document for the crop requires a pre-harvest appraisal for APH purposes. The daily account must be a photocopy of the insured's actual ledger. Tax forms or other receipts of verification must be submitted showing the income and production derived from the sale. Pick records alone, if production is marketed directly to the consumer are not acceptable if the actuarial table indicates an appraisal must be made for APH purposes.
- (f) Production summaries or estimates will not be accepted. This includes summaries and estimates made by inspectors, agents, growers, FCIC or MPCIC personnel.
- (g) When unacceptable records or no records are received, forward to the FCIC RSO to determine the yield for the year and issue the approved APH yield.

D FIELD VISITS

- D(1) Insureds may request that Insurance Providers perform field visits (by unit) for APH record purposes if **INSURED** acreage will be:
- (a) Destroyed or NOT harvested as defined in the crop provisions (put to another use),
 - (b) Harvested as defined in the crop provisions and the insured will not be able to maintain/provide acceptable records of the harvested production (examples: high moisture grain chopped for silage)

or forage production stored in an airtight structure),

- (c) Harvested as defined in the crop provisions for Corn and the insured will not be able to maintain/provide acceptable records for 50 percent or more of the Corn acreage. (See Sec. 5, D[17][b]4)

Harvested Corn production with acceptable records may be converted from tons to bushels and vice versa using the bushels/tonnage conversion factor when necessary to provide records that are consistent with the type insured. (See Sec. 5, D[17][b]4)

If less than 50 percent of the acreage is harvested and the remainder of the acreage was not appraised, then such records are unacceptable for APH purposes.

- D(2) When requested by an insured, field visits for APH acreage and production determinations are performed by the Insurance Provider servicing the policy. Insureds whose MPCIC policy is with an Insurance Company may request acreage and production determinations from the FSA for APH purposes; however, they will be charged for the cost of the inspection by the county FSA office according to FSA procedure. It is the insured's responsibility to provide such determinations to the Insurance Company.
- D(3) Requests for acreage and production determinations made by an Insurance Provider will be made through the agent/representative to the Insurance Provider.
- D(4) Failure to provide required acreage and production evidence when required by the Insurance Provider or during a field review, will require use of assigned yields in calculating the approved APH yield.

E USE OF ANOTHER PRODUCER'S RECORDS

- E(1) When an insured has not maintained acceptable records, acreage and production evidence from another person who shares in the same acreage of the crop for the current crop year may be used to support production reports certified by the insured:
- (a) When the evidence is acceptable and accounts for all of the other producer's acreage and production of the crop in the county.
 - (b) When continuity requirements are met (See Exhibit 23).
 - (c) And a copy is provided by the insured when selected for APH review or when required by FCIC/Insurance Provider.
- E(2) When determining APH yields for both the landlord and tenant (share-rented), the production reports from each party will be used; unless, the use of production reports from one insured party is requested by the

other insured. Parties sharing in the crop may use production reports submitted by the other insured provided:

- (a) The party wanting to use the other insured's production reports has authorized their use by power of attorney or in writing by the production reporting date. If a written authorization statement is used it must include the certification statement required on the APH form.

NOTE: Each existing database is updated with the production reports from the appropriate party each crop year.

- (b) All other APH requirements are met (i.e., continuity requirements; all units, P/T/V have acceptable production reports, etc.).

F RESERVED

8 RECONSIDERATIONS, MEDIATION, AND APPEALS

Any individual or entity (participant) who has applied for, or whose right to participate in or receive a payment or benefit in accordance with the Federal Crop Insurance Act who is adversely affected by an administrative decision by a Federal agency may obtain a review of the adverse decision. An "adverse decision" is an administrative decision made by an officer, employee, or committee of an agency that is adverse to a participant. The term includes a denial of equitable relief by an agency or the failure of an agency to issue a decision or otherwise act on a request or right of the participant within a reasonable time if timeframes are not specified in such statutes or regulations. However, adverse decisions based on: a general program provision or program policy, any statutory or regulatory requirement that is applicable to all similarly situated participants, mathematical formulas established under a statute or program regulations and decisions based solely on the application of those formulas, are not appealable.

A participant may request reconsideration, agency appeal, mediation, and/or appeal to the National Appeals Division (NAD) by timely requesting such consideration with the appropriate authority.

A Time Limitations

A request for reconsideration, agency appeal, mediation, and/or NAD appeal must be filed within 30 calendar days after written notice of the decision is mailed or otherwise made available to the participant. A request for reconsideration, agency appeal, mediation, and/or NAD appeal shall be considered filed when personally delivered to the appropriate reviewing authority or when a properly addressed request, postage paid, is postmarked.

B Reconsiderations and Appeals to FCIC/FSA

- B(1) Reconsideration. A subsequent consideration of an adverse decision by the original decision maker. A participant cannot request reconsideration of a decision resulting from a reconsideration request.
- B(2) Appeal. A written request by a participant asking the next level reviewing authority to review an adverse decision.
- B(3) Final Decision. An initial program decision rendered by the county or State committee, FCIC RSO, or Financial Operations and Systems Branch (FOSB). A decision that is otherwise final shall remain final unless a request is timely received for reconsideration, agency appeal, mediation or appeal to NAD. A decision of FSA or FCIC made by personnel subordinate to the county committee is considered "final" for the purpose of appeal to NAD only after the decision has been appealed to the county committee.
- B(4) Documentation. The request must state the basis upon which the participant relies to show that: 1) the decision was not proper and not made in accordance with applicable program policies/regulations; or 2) all material facts were not properly considered.

C Mediation/Alternative Dispute Resolution (ADR) Of FCIC/FSA Decisions

Mediation is a technique in which one or more neutral parties called mediators, help parties to find ways to settle their dispute. There is no formal hearing in mediation. Instead, using joint meetings and private caucuses, mediators (1) help the parties identify their real goals, (2) narrow the issues, and (3) look for alternatives and options as well as areas of common interest which are consistent with program policies, regulations, and statutes, and (4) prevent the parties from focusing on only one solution. Mediators have no formal power to make a decision: their role is that of facilitator.

C(1) When Mediation May be Chosen. Participants have the right to seek mediation involving any decision within 30 days after written notice of the decision which is the subject of the request is mailed or otherwise made available to the participant.

C(2) Requests for Mediation. In states covered by a Certified State Mediation Program, participants request mediation by writing to the State mediation program. In noncertified States participants request mediation by writing the FSA State Executive Director.

C(3) Stay of Time Limitation. Any time limitation for reconsideration, agency appeal, or appeal to NAD will be stayed pending pursuit and completion of the mediation process. The participant has the balance of the time limitation period remaining to request reconsideration, agency appeal, or appeal to NAD.

C(4) Frequency. A participant may mediate an adverse decision only once.

D NAD Appeals

A participant may appeal a final decision of the FSA county committee, FCIC RSO, or FOSB directly to NAD. However, a participant must seek an informal review of an adverse decision issued at the field service office level by an officer or employee of FSA, or by any employee of a county or area committee before NAD will accept an appeal of an FSA adverse decision. If a participant receives a determination from an agency that an agency decision is not appealable the participant may submit a written request to the Director, NAD for a determination of appealability.

D(1) Appealability Determinations. In order to be considered, a request for:

(a) Determination of appealability, must be filed in writing not later than 30 calendar days after the date on which a participant receives a determination from an agency that an adverse decision is not appealable. Such requests must be submitted to the Director, NAD.

(b) An appeal of the adverse decision, must be filed in writing not later than 30 calendar days after the director's determination is received by the participant that an agency decision is appealable.

- D(2) Documentation. A request for a NAD hearing shall be in writing and personally signed by the participant. It must include a copy of the adverse decision to be reviewed, if available, along with a brief statement of the participant's reasons for believing that the decision, or agency's failure to act was wrong.
- D(3) Levels of NAD appeals.
- (a) Division Hearings. Requests must be made to the applicable NAD Area Office (See Exhibit 12). A hearing before a Hearing Officer will be in person unless the appellant agrees to a hearing by telephone.
 - (b) Appellant Requests for Director Reviews. In order to be entitled to a Director Review, not later than 30 days after the date on which an appellant receives the determination of a Hearing Officer, the named appellant must submit to the director, a personally signed written request to review the determination. Such request shall include specific reasons why the appellant believes the determination is wrong.
 - (c) Agency Requests for Director Reviews. Not later than 15 business days after the date on which an agency receives the determination of a Hearing Officer, the head of the agency may make a written request that the Director review the determination. Such request shall include specific reasons why the agency believes the determination is wrong, including citations of statutes or regulations that the agency believes the determination violates. Any such request may be made by the head of an agency only, or by a person acting in such capacity, but not by any subordinate officer of such agency.
 - (d) Reconsiderations of Director Decisions. May be requested by the appellant or agency within 10 calendar days of receipt of the determination. The request must contain a detailed statement of a material error of fact made in the determination, or a detailed explanation of how the determination is contrary to statute or regulation, which would justify reversal or modification of the determination.
 - (e) Director Address. Requests to Director, NAD, must be made to the National Appeals Division, 3101 Park Center Drive, Room 1020, Alexandria, Virginia 22302.
- D(4) Pre-hearing Conference. The Hearing Officer shall hold a pre-hearing conference in order to attempt to resolve the dispute or to narrow the issues involved.
- D(5) Adverse Agency Decisions Not Under the Jurisdiction of NAD:
- (a) Program decisions governed by Federal contracting laws and regulations (appealable under other rules

and to other forums, including to the Department's Board of Contract Appeals);

- (b) Programs subject to various proceedings provided for in 7 CFR part 1;
- (c) The Freedom of Information Act;
- (d) Suspension and debarment disputes, including, but not limited to, those falling within the scope of 7 CFR parts 1407 and 3017;
- (e) Disputes between reinsured companies and the Federal Crop Insurance Corporation (including adverse decisions made by a reinsured company);
- (f) Personnel, equal employment opportunity, and other similar disputes with any agency or office of the Department which arise out of the employment relationship;
- (g) The Federal Tort Claims Act, 28 U.S.C. 2671 *et seq.*;
- (h) Discrimination complaints prosecutable under the nondiscrimination regulations at 7 CFR parts 15, 15a, 15b, and 15e.

E Judicial Reviews

A final determination of NAD is reviewable and enforceable by any United States District Court of competent jurisdiction. A participant may not seek judicial review of any agency adverse decision appealable under this part without first receiving a final determination from NAD.

F INSURANCE COMPANY RECONSIDERATIONS FOR CHANGES OR CORRECTIONS TO APH YIELDS

F(1) Changes or Corrections to Preliminary APH yields. If the Insurance Company verifier calculates or determines yields resulting in approved APH yields which are less than 95 percent of the preliminary yield quoted by the agent/representative and documented on the APH form, NEW insureds have the following options:

- (a) Accept the yields on all units (no action required by the insured); or
- (b) Accept the yields on all units and request reconsideration of approved APH yields which differ from the preliminary yield. If a reconsideration is requested and the approved APH yield is not changed, the original approved APH yield is binding unless subject to dispute resolution through arbitration or mediation in accordance with the policy terms. If the original approved APH yield is changed during the reconsideration, the approved APH yield calculated as a result of the reconsideration is binding unless subject to dispute resolution through arbitration or mediation in accordance with the policy terms.

Note: The Insurance Company verifier may correct errors in yield computation or in the application of FCIC approved procedures. Corrections are not subject to additional reconsiderations.

- (c) Request mutual consent cancellation of the crop policy for unacceptable APH yields.

Limited or additional coverage contracts may be cancelled by mutual consent for the current crop year when:

- 1 For new insureds, the approved APH yield computed for any unit of the crop is less than 95 percent of the preliminary yield computed for the unit.
- 2 The yield determined by the FCIC RSO for initial Master Yields, Blueberries, Texas Citrus, or other FCIC RSO determined yields outlined in Sec. 5, Par.E(7), and (8) when a preliminary yield was not calculated and the approved APH yield is not acceptable to the insured. (Applies to both new and carryover insureds.)

The forms necessary for cancellation must be completed timely. See (2) below. Timeliness of

the request must be verified prior to the approval of the request for mutual consent cancellation. If certified mail is used to notify the insured, the return receipt is acceptable documentation of date of notification of the approved APH yield(s). If certified mail was not used, the date of notice of the approved yield to the insured must be documented by the person (agent/representative) notifying the insured. A copy of the documentation must be provided to the Insurance Provider in order to process the request. Upon request the documentation will be made available to FCIC for review.

- F(2) Time limitations. A request for reconsideration must be filed within 30 calendar days after written notice of the decision is mailed or otherwise made available to the insured. Such request shall be considered filed when personally delivered to the appropriate reviewing authority or when a properly addressed request, postage paid, is postmarked.
- F(3) APH Reconsideration Documentation. The insured must provide, through the agent/representative, all of the following:
- (a) A copy of the acreage and production evidence initially provided.
 - (b) A copy of the notification for which the reconsideration is requested.
 - (c) A statement of why the insured thinks the determination is not correct and any additional evidence supporting such statement.
 - (d) The date on which notification of the approved APH yield was mailed or otherwise made available. This date must be documented by the return receipt from certified mail, postmarked envelope used to transmit the approved yield, or by written verification of the date the approved APH yield was presented to the insured (by the provider) and how it was presented.
 - (e) Contract number, agent/representative's name and the Insurance Provider's address.

9 ACTUARIAL DATA**A ACTUARIAL DOCUMENT INFORMATION**

A(1) County Actuarial Document Book (CADB). FCIC publishes actuarial data by eligible crop by county.

The CADB contains:

- (a) County Coverage And Rate Table (FCI-35).
- (b) Special Provisions Of Insurance.
- (c) Classification Documents for some crops.

A(2) Special Rating Table. A Special Rating Table is issued as a separate actuarial document for Citrus (Arizona, California, and Texas [fruit]) only. It provides rates for special rating classification codes when they are indicated on the FCI-35, other classification or on written agreements.

A(3) Crop Actuarial Books. Separate actuarial documents are issued for Nursery Stock.

B FCI-35, County Coverage And Rate Table. This document (varies by crop) provides risk class, rates and coverage for crops.

FCI-35, County Coverage and Rate Table Supplement. This supplement is used to assign NCS rates and takes precedence over the FCI-35.

C SPECIAL PROVISIONS OF INSURANCE

The Special Provisions are contained in the CADB and must be explained or provided to the insured. They contain information specific to individual crop policy. The Special Provisions include:

- C(1) Insurable P/T/V.
- C(2) Program dates by P/T/V if applicable; Cancellation, Sales Closing, Final Planting, Acreage Reporting, Billing, Termination, and the calendar date for the End of Insurance.
- C(3) Amounts of insurance for dollar plan crops.
- C(4) Other information specific to crop policies for the state and county.

D CLASSIFICATION DOCUMENTS

If the farm unit is located in more than one risk classification area, separate line entries must be recorded on the acreage report for each separate classification rate.

D(1) FCI-32, Crop Insurance Actuarial Classification Listing. The document is used to assign classifications (based on land or management) by individual listings. The accompanying rules page will clarify whether the FCI-32 is the primary classification mechanism or supplements and takes precedence over another document (example FCI-35, FCI-33).

FCI-32, Supplement. Used primarily to convey minor changes to the FCI-32 and to assign NCS classifications for crops classified on the FCI-32. The FCI-32 Supplement takes precedence over the FCI-32. [See Sec. 10, F(1)].

D(2) FCI-33, Crop Insurance Actuarial Map. A detailed map indicating the classifications for the actuarial structure of a county. It may consist of one or multiple pages and a rules page. It also identifies high-risk or unrated land, when applicable. Maps are also used as "T" Yield locator documents or may authorize deviations from the basic actuarial structure. Classifications assigned by the FCI-33 are used with the FCI-35 to determine rates.

FCI-33, Supplement. Supplements are limited listings of classification exceptions to those shown on FCI-33. The FCI-33 Supplement takes precedence over the FCI-33.

E PREMIUM CALCULATION. The premium calculation varies by crop. The premium calculation steps for Wheat, Barley, Oats, Rye, Sugarcane, and Sugar Beets is as follows:

E(1) Calculate Liability. (Approved APH yield x acres x price election x share x level)

Answer _____

E(2) Refer to the appropriate Base Premium Rate* By Coverage Level Table. Find the APH Yield span and rate class within which the producer's approved yield falls. Locate the base premium rate for the coverage level election.

E(3) Multiply the base premium rate by the Liability.

Answer 2 X Answer 1 _____

- E(4) Refer to the Rate Map Area. If applicable, multiply Answer 3 by the Rate Map Area Adjustment Factor of the applicable classification; otherwise enter Answer 3.

Answer 3 X (Appropriate Rate Map Area Adjustment Factor) _____

- E(5) Refer to the Option Factor Table by Type/Practice. If applicable, select the appropriate Option Factor, multiply Answer 4 by the factor shown; otherwise enter Answer 4. (Total Premium: Note that the Total Premium must not exceed Liability)

Answer 4 X (Appropriate Option Factor by Type/Practice) _____

- E(6) Refer to the Option Factor Table. If applicable, select the appropriate Option Factor, multiply Answer 5 by the factor shown; otherwise enter Answer 5. (Total Premium: Note that the Total Premium must not exceed Liability)

Answer 5 X (Appropriate Option Factor) _____

- E(7) Refer to the Producer Premium Percentage table. Find the producer premium percentage for either limited or maximum subsidy, depending on the selected coverage level election and the price election percentage**. Multiply Answer 6 (Total Premium) by the producer premium percentage to determine the Producer Premium.

Answer 6 X Producer Premium Percentage _____

* Base premium rate may be adjusted for good experience, APH and/or NCS procedures or written agreements.

** Price election percentage = price election/max price election.

NOTE: Total Premium and Producer Premium must be rounded to the nearest whole dollar.

F RESERVED

10 NONSTANDARD CLASSIFICATION SYSTEM (NCS)

This is general procedure for the NCS program for all crop categories. The actuarial document used to identify insureds affected is the FCI-35 County and Rate Table Supplement, FCI-32 Supplement (Tobacco and Peanuts), and FCI-33 Supplement.

Overview of the NCS program: All crops insured or reinsured by the FCIC system of insurance are eligible for NCS. The purpose of NCS is to address insureds on an individual basis without affecting the majority of insureds. The generalized system for assigning insurance rates and coverage such as the APH program does not address all extremes of insurance risk. Detailed review of FCIC's insurance experience indicates a small percentage of contracts exhibit atypical loss frequency and severity when compared to standard experience of all insureds. These contracts are identified and treated as a nonstandard risk group. Coverage and/or rate adjustments provided to this class of insureds are modified to reflect the risk experience of each insurance contract.

A RESPONSIBILITIES**A(1) RSO's:**

- (a) Conduct underwriting review of selected contracts.
- (b) Make adjustments to coverage and/or rate through standard NCS contract adjustment methods.
- (c) Notify affected insureds via certified return-receipt mail of initial placement on the NCS list and of changes to their insurance contracts.
- (d) Notify the insured's last known service office of contract changes.
- (e) Conduct reconsiderations from affected insureds in compliance with NCS Federal Regulations.
- (f) File actuarial documents (Forms FCI-32 Supplement, FCI-33 Supplement, and FCI-35 Supplement) to incorporate contract changes into the Actuarial Document Books.
- (g) Perform yearly updates to nonstandard classifications.

A(2) Agent, Insurance Provider representatives:

- (a) Explain nonstandard classifications to the insured.
- (b) Ensure that yearly NCS coverage and/or rate adjustments to the insured's contract are carried out.
- (c) Follow NCS procedures when servicing contracts of insureds with assigned NCS classifications.
- (d) Recommend names and name combinations of insureds who should be reviewed for NCS classification to the appropriate FCIC RSO.

A(3) Any insured receiving notification of the NCS classification from FCIC must give notice of the NCS classification to any other party with an insurable interest affected by the classification. Such notice must be given:

- (a) Prior to the sales closing date if the other affected person has an established insurable interest at the time the classified person is notified by the Corporation; or
- (b) Prior to the classified person establishing an insurable interest with another person that will be affected by the classification.

B NONSTANDARD CLASSIFICATIONS

B(1) Eligible Crops. Nonstandard classifications (rate or yield adjustment) are assigned by crop. NCS applies to Almonds, Apples, Barley, (Citrus, AZ-CA, Texas, Florida) Corn, Cotton, Cranberries, Dry Beans, Dry Peas, ELS Cotton, Figs, Flax, Forage Production, Grain Sorghum, Grapes, Green Peas, Hybrid Seed Corn, Hybrid Sorghum Seed, Macadamia Nuts, Nursery Stock, Oats, Onions, Peaches, Peanuts, Pears, Peppers, Plums, Popcorn, Prunes, Potatoes, Rice, Rye, Safflower, Soybeans, Stonefruit, Sugar Beets, Sugarcane, Sunflowers, Sweet Corn (C & F), Fresh Market Sweet Corn, Table Grapes, Tomatoes (C & P, and Fresh Market), Tobacco, Walnuts and Wheat.

B(2) Terms And Their Application For NCS Purposes

- (a) Actual Yield: Total harvested production of a crop divided by the number of acres on which the crop was planted. For insured acres, an actual yield is total production to count as defined in the insurance policy divided by insured acres. For NCS purposes, such yields will not be adjusted unless errors are identified.
- (b) Nonactual Yield: All yields other than actual yields assigned for the purpose of determining insurance coverage. Nonactual yields include:
 - 1 Transitional Yields "T" Yields.
 - 2 Assigned Yields.
- (c) NCS Yield: A Nonactual Yield assigned to land. The NCS Yield replaces all Nonactual Yields shown above for APH yield determination.
- (d) NCS Yield Factor: A Yield reduction factor assigned to persons or entities. When NCS Yield Factors are applied, Nonactual Yields (100% "T" Yields, not Variable "T" Yields when variable "T" Yields are entered in the database) and assigned yields used are multiplied times the NCS Yield Factor for determining the APH yield.
- (e) Person: An individual, partnership, association, corporation, estate, trust, or other legal entity,

and wherever applicable, a state or a political subdivision, or agency of a state.

- (f) Entity or Entities: A person or persons other than an individual.
- (g) Actively engaged in farming: A person who in return for a share of profits and losses, makes a contribution to the production of an insurable crop of capital, equipment, land, personal labor, and/or personal management.
- (h) Substantial beneficial interest: An interest of 10 percent or more. In determining whether such an interest equals at least 10 percent, all interests which are owned directly or indirectly through means as ownership of a corporation which owns the interest will be taken into consideration. In order to insure this is not circumvented by an individual or entity, FCIC may determine that an ownership interest requirement of less than 10 percent will be applied.
- (i) Land: A defined geographic area (FSN, Legal Description) on which rates and/or coverages are adjusted for NCS purposes.

B(3) General Instructions

- (a) For statements regarding assignment of nonstandard classifications refer to Form FCI-32 Supplement, FCI-33 Supplement, and FCI-35 Supplement rules pages. Special "T" Yield procedures for added land P/T/V DO NOT apply when classified under NCS.

If acceptable production records are not provided for the added land/P/T/V: If the NCS classification is for rate only, 65 percent of the applicable "T" Yield applies. If the NCS classification assigns an NCS yield or yield factor, the applicable of the NCS yield or NCS "T" Yield (calculated by using the NCS factor) is used.

If acceptable production records are provided for the added land/P/T/V and the NCS classification is for rate only, when less than four years of records are provided the variable "T" Yield based on the years of records provided is used to complete the database. When less than four years of records are provided, if the NCS classification assigns a NCS yield or yield factor, the applicable of the NCS yield or NCS "T" Yield is used to complete the database.

1 For Category B, C, D, and E Crops. Nonstandard classifications assigned to persons are shown on the form FCI-35 Supplement. Nonstandard classifications assigned to land are shown on the form FCI-33 Supplement.

2 For Category A and F Crops. Nonstandard classifications assigned to persons are shown

on the form FCI-32 Supplement. Nonstandard classifications assigned to land are shown on the form FCI-32 Listing.

- (b) Nonstandard classifications assigned to a person will apply to:
- 1 The person; and
 - 2 Any entities in which the person has substantial beneficial interest; and
 - 3 Any other entities and persons that are actively engaged in farming with the person identified for NCS purposes on a shared unit basis.
- (c) Spouses and minor children of a person who is an individual are considered to be the same as that person for NCS purposes except that:
- 1 The spouse who was actively engaged in farming in a separate farming operation prior to their marriage will be a separate person with respect to that separate farming operation so long as that operation remains separate and distinct from any farming operation conducted by the other spouse.
 - 2 A minor child who is actively engaged in farming in a separate farming operation will be a separate person with respect to that separate farming operation if:
 - a The parent or other entity in which the parent has a substantial beneficial interest does not have any interest in the minor's separate farming operation or in any production from such operation;
 - b The minor has established and maintains a separate household from the minor's parent; **AND**
 - c The minor personally carries out the farming activities with respect to the minor's farming operation and for which there is separate accounting.
 - 3 A person shall be considered to be a minor until they reach the age of 18. Court proceedings conferring majority on a person under 18 years of age will not change such person's status as a minor.
- (d) For all share arrangements involving one or more persons identified for NCS purposes, the lowest NCS Yield Factor and/or highest assigned rate will apply to all persons.
- (e) NCS Yields, NCS Yield Factors, and/or assigned rates will apply to insured acreage of the crop unless a higher rate and/or lower coverage is

assigned to the acreage elsewhere in the Actuarial Table using standard APH rules.

- (f) Nonstandard classifications (rate or yield adjustment) assigned to specified land will apply to all persons and entities insuring the identified crop on the land.

B(4) Yield Determination Provisions. Retain all actual and assigned yields contained in the APH databases. It may be necessary to make further adjustments to the original nonactual yields or remove the adjustments. The yields calculated using APH procedures are compared to yields calculated using the NCS yields and the lower yields apply.

- (a) When nonstandard classifications (rate or yield adjustment) are assigned to a person/entity:

- 1 Caps and Yield Floors do not apply. Caps apply after the initial crop year classified by NCS.
- 2 All Nonactual Yields used for the purpose of determining insurance coverage are reduced by multiplying the NCS Yield Factor times the Nonactual Yield. [See B (2)(d) of this Sec.].
- 3 When a NCS yield or NCS yield factor changes in subsequent crop years, the new NCS yield or NCS yield factor is used to determine nonactual yields without regard to any previous adjustment for NCS. In lieu of maintaining the original APH database with unadjusted yields, nonactual yields may be restored by dividing the NCS nonactual (factored) yields by the NCS yield factor for that crop year.

EXAMPLE:

Using an NCS Yield Factor assigned to a person

Farm Serial Number	Nonactual Yield	NCS Yield Factor	Adjusted Nonactual Yield
FSN 0011	"T" 30 bu. (100% T)	X .75	= 23 bu.
	Assigned Yield 24 bu.	X .75	= 18 bu.

The NCS yield factor (.75) is used to factor all Nonactual Yields.

(b) When nonstandard classifications (rate or yield adjustment) are assigned to land for all persons.

- 1 Cups and Yield Floors do not apply. Caps apply after the initial crop year classified by NCS.
- 2 All Nonactual Yields used for the purpose of determining insurance coverage are replaced by the NCS Yield applicable to the identified land.
- 3 When an NCS yield or NCS yield factor changes in subsequent crop years, the new NCS yield or NCS yield factor is used to determine nonactual yields without regard to any previous adjustment for NCS. In lieu of maintaining the original APH database with unadjusted nonactual yields, nonactual yields may be restored by dividing the NCS nonactual (factored) yields for the previous year by the NCS yield factor used for that crop year.

EXAMPLE:

Using an NCS Yield applied to land for all persons

Farm Serial Number	Nonactual Yield	NCS Yield
0011	"T" 30 bu. (100% "T" Yield)	is replaced by: 24 bu.
	Assigned Yield 26 bu.	is replaced by: 24 bu.

The NCS Yield (24 bu.) is used for determining the APH approved yield instead of Nonactual Yields.

(c) When determining APH yields for both the landlord and tenant (share-rented), the lowest nonstandard yield classification applicable to any one of the parties will be used for all parties.

B(5) Nonstandard Rate Assignment Provisions. Rates assigned for NCS purposes will apply unless the acreage is unrated or a higher rate is assigned to such acreage

elsewhere in the Actuarial Table using standard APH procedure.

B(6) Types Of Nonstandard Classifications.

- (a) Nonstandard coverage and/or rate classifications may be assigned to:
- 1 A person/entity for all insurable P/T/V's on all land;
 - 2 A person/entity for a specified P/T/V on all land;
 - 3 A person/entity for all insurable P/T/V's on specified land;
 - 4 A person/entity for a specified P/T/V on specified land;
 - 5 All persons/entities on specified land for all insurable P/T/V's; or,
 - 6 All persons/entities on specified land for a specified insurable P/T/V.
- (b) Review nonstandard classification documents to determine the type of applied adjustment.

C NONSTANDARD CLASSIFICATION DOCUMENTS

The forms used to incorporate nonstandard classifications into the Actuarial Document Books will be the FCI-32 Actuarial Classification Listing Supplement, FCI-33 Crop Insurance Actuarial Map Supplement, and the FCI-35 County Coverage and Rate Table Supplement. All supplements are on a county-by-crop basis.

C(1) The FCI-32 Actuarial Classification Listing Supplement. See F (1). This supplement will make coverage and/or rate adjustments to persons. Coverage will be adjusted by assigning an area number classification. Rate adjustments are assigned to the person. The rate classifications will apply to all acreage in which the listed person has a share in the county. For coverage classification purposes, use the lower of:

- (a) The classification of the listed producer, or
- (b) The classification of the entity or person sharing with the listed producer.

C(2) FCI-33 Crop Insurance Actuarial Map Supplements. (Legal Description or FSA Farm Serial Number). See F (2) of this Sec. This supplement assigns a yield and/or rate to a defined parcel of land. NCS Yields are assigned in the unit of measurement for the crop (Example: A 10.0 for Soybeans = 10 bushels).

C(3) FCI-35 County Coverage and Rate Table Supplements. (Person-Legal Description or Person-FSA Farm Serial Number). See F (3) of this Sec. This supplement makes coverage and/or rate adjustments to persons. Coverage is adjusted by multiplying the Yield Factor by all Nonactual Yields used by the person in accordance with type of adjustment made as outlined in B (4) of this Sec. Rate adjustments assigned to persons are shown on the applicable supplement.

D RECONSIDERATION AND APPEALS (NCS)

Persons receiving NCS notification from FCIC have reconsideration rights. There must be a reconsideration conducted before the appeal rights are applicable.

D(1) Upon receipt of the NCS notification letter persons affected by the NCS have 45 days to request a reconsideration of the NCS from the appropriate RSO.

D(2) Any person adversely affected by a determination of the FCIC RSO during reconsideration may further appeal under federal regulations contained in 7 CFR part 11.

E REMOVAL OF INSUREDS FROM THE NCS

If nonactual yields (assigned) were adjusted for NCS purposes it will be necessary to restore them in the database prior to calculating approved APH yields for any insured removed from the NCS listing. If yield limitation provisions are applicable, they do not apply the initial crop year removed from NCS. Once the database is restructured, subsequent crop years are updated using the APH procedure in effect.

F ACTUARIAL DOCUMENT SUPPLEMENTS FOR NCS

F(1) **FCI-32 ACTUARIAL CLASSIFICATION LISTING SUPPLEMENT
(Producer Listing Category A Crops)**

TOBACCO FORM FCI-32 SUPPLEMENT (PRODUCER) CROP INSURANCE ACTUARIAL CLASSIFICATION LISTING	YOUR STATE (47)	YOUR COUNTY (125)	
	CROP YEAR 19XX	DATE 06/11/XX	PAGE 2 OF 2
NAME OF PRODUCER	TYPE	CLASSIFICATION AREA NUMBER	RATE
FARMER, JOHN A. ((A))	T-22	03	4.4
FARMER, SAM C. ((B))	T-22	05	4.0

- (a) Example ((A)), the classification for John A. Farmer has been adjusted to an Area 3 classification for all acreage of Type 22 Tobacco he insures. An assigned rate (4.4) will also apply to all acreage of T-22 he insures.
- (b) Example ((B)), the classification for Sam C. Farmer has been adjusted to an Area 5 classification for all acreage of Type 22 Tobacco he insures. An assigned rate (4.0) will also apply to all acreage of T-22 he insures.

NOTE: If John Farmer shares with Sam Farmer on one unit, the lower classification and higher rate applicable to any one of the parties will apply to all parties on the shared unit. In these examples, classification Area 3 and the assigned rate 4.4 will also apply to both John and Sam on the shared unit.

F(2) **FCI-33 CROP INSURANCE ACTUARIAL MAP SUPPLEMENT
(Legal Description)**

FORM FCI-33 SUPPLEMENT (LEGAL) U.S. DEPARTMENT OF AGRICULTURE FEDERAL CROP INSURANCE CORP.	STATE: YOUR STATE (17) CROP: SOYBEANS (081)		COUNTY: YOUR COUNTY (167) DATE PREPARED: 06/11/XX PAGE NO. 2 OF 2			
LEGAL DESCRIPTION	PRACTICES					
((A)) 1N 4W SEC. 19 E 1/2 OF E 1/2 ONLY	043	053	094	095		
YIELD: RATE:	10.0 4.0	10.0 4.0	10.0 4.0	10.0 4.0		
((B)) 1N 6W SEC. 20 NE 1/4 OF NE 1/4 ONLY	15.0	15.0	15.0	15.0		
YIELD: RATE:						

Example ((A))

FCI-19-A(APH) BEFORE NCS YIELD ADJUSTMENT		
CROP YEAR	ACRES	YIELD
19XX		
19XX		
19XX		
19XX		
19XX		N29.0
19XX		N29.0
19XX	0.0	Z
19XX	0.0	Z
19XX	50.0	A12.0
19XX	50.0	A6.0
APPROVED YIELD:		19.0

FCI-19-A(APH) AFTER NCS YIELD ADJUSTMENT		
CROP YEAR	ACRES	YIELD
19XX		
19XX		
19XX		
19XX		
19XX		T10.0
19XX		T10.0
19XX	0.0	Z
19XX	0.0	Z
19XX	50.0	A12.0
19XX	50.0	A6.0
NEW APPROVED YIELD		10.0

For insurance purposes, the New Approved Yield (10.0) will be used. If 4 or more actual yields were contained in the database, no yield adjustment would be made using the NCS yield factor.

- (a) Example ((A)), a 10.0 bushel NCS Yield replaces all other Nonactual Yields assigned to the E1/2 of the E1/2 of Section 19 T1N-R4W. The assigned rate 4.0 also applies to this land. The classification changes apply to the practices shown.
- (b) Example ((B)), a 15.0 bushel NCS Yield replaces all other Nonactual Yields assigned to the NE1/4 of the NE1/4 of Section 20 T1N-R6W. The rate assigned is based on the new approved APH yield per acre for the land.

NOTE: The approved APH yield is the lower of the APH yield (Cup or Yield Floor NOT applied) or the NCS yield (Cup or Yield Floor NOT applied). The Cap applies while classified by NCS for subsequent crop years after the effective crop year classified by NCS. The lower yield is reported electronically to FCIC as the approved APH yield.

F(3) FCI-35 COUNTY COVERAGE AND RATE TABLE SUPPLEMENT
(Legal Description)

FORM FCI-33 SUPPLEMENT (LEGAL) U.S. DEPARTMENT OF AGRICULTURE FEDERAL CROP INSURANCE CORP.		STATE: YOUR STATE (47) CROP: SOYBEANS (081)		COUNTY: YOUR COUNTY (125) DATE PREPARED: 06/11/XX PAGE NO. 2 OF 2		
PERSONAL/LEGAL DESCRIPTION		PRACTICES				
((A))		043	053	094	095	
FARMER, JOHN A. YIELD FACTOR: RATE:		.60 4.0	.60 4.0	.60 4.0	.60 4.0	
((B))						
FARMER, SAM C. 1N 4W: YIELD FACTOR: SEC. 19 RATE: E ½ OF E ½ ONLY		.40 4.5		.40 4.5		

(a) Example ((A)), NCS YIELD FACTOR and the assigned rate applies to all land John A. Farmer insures and to all land insured by any entities in which he has a substantial beneficial interest.

Example ((A))

FCI-19-A(APH) BEFORE NCS YIELD ADJUSTMENT		
CROP YEAR	ACRES	YIELD
19XX		
19XX		
19XX		
19XX		
19XX		N32.0
19XX		N32.0
19XX	0.0	Z
19XX	0.0	Z
19XX	50.0	A17.0
19XX	50.0	A19.0
APPROVED YIELD:		25.0

NON-
ACTUAL
YIELD
X FACTOR

T35 X .60=
T35 X .60=

FCI-19-A(APH) AFTER NCS YIELD ADJUSTMENT		
CROP YEAR	ACRES	YIELD
19XX		
19XX		
19XX		
19XX		
19XX		
19XX		T21.0
19XX		T21.0
19XX	0.0	Z
19XX	0.0	Z
19XX	50.0	A17.0
19XX	50.0	A19.0
NEW APPROVED YIELD		20.0

For insurance purposes, the New Approved Yield (20.0) will be used.

- (b) Example ((B)), the NCS Yield Factor only applies to the land located in E ½ of E ½ of Section 19 T1N-R4W and Soybeans are planted to practices 043 and 094. The NCS adjustments also apply to any entities he has a substantial beneficial interest in on the identified land. The NCS adjustments do not apply to any other acreage Sam Farmer insures. The assigned rate (4.5) is applied in the same manner as the NCS Yield Factor.

Example ((B))

FCI-19-A(APH) BEFORE NCS YIELD ADJUSTMENT		
T1N - R4W SECTION 19 E ½ OF E ½ ONLY PRACTICE: 043		
CROP YEAR	ACRES	YIELD
19XX		
19XX		
19XX		
19XX		
19XX		N32.0
19XX		N32.0
19XX	0.0	Z
19XX	0.0	Z
19XX	50.0	A8.0
19XX	50.0	A14.0
APPROVED YIELD:		22.0

NON-ACTUAL
YIELD
X FACTOR

T35 X .40=
T35 X .40=

FCI-19-A(APH) AFTER NCS YIELD ADJUSTMENT		
T1N - R4W SECTION 19 E ½ OF E ½ ONLY PRACTICE: 043		
CROP YEAR	ACRES	YIELD
19XX		
19XX		
19XX		
19XX		
19XX		T14.0
19XX		T14.0
19XX	0.0	Z
19XX	0.0	Z
19XX	50.0	A8.0
19XX	50.0	A14.0
NEW APPROVED YIELD		13.0

For insurance purposes, the New Approved Yield (13.0) will be used.

NOTE: If John Farmer shares with Sam Farmer on the E ½ of the E ½ in Section 19 T1N-R4W, the lower classification and higher rate applicable to any one of the parties will apply to all parties on the shared unit. In these examples, the .40 NCS Yield Factor and assigned rate (4.5) would apply to Soybeans planted to practices 043 and 094. The .60 NCS Yield Factor and assigned rate (4.0) would apply to Soybeans planted to practices 053 and 095.

11 APH FIELD REVIEW INFORMATION

Tolerances are established for each crop Category. They are stated in terms of percent difference. The percent difference is calculated by dividing the difference of the two yields by the actual yield determined to be correct by the reviewer. Calculate a separate percent difference for each yield certified by unit by P/T/V, group, FSA FSN, etc., requiring separate APH yields. Tolerances for the crop categories are:

- A Categories "A", "D", "E", "F", "G" have a tolerance of zero. Peanuts, Citrus (Florida), Citrus Trees, Forage Seeding, Hybrid Seed, Macadamia Trees, Nursery, Peppers, Raisins, Sweet Corn (Fresh Market), Tobacco (Quota), Tomatoes (Fresh Market-Dollar Plan), and Tobacco on the Guaranteed Production Policy (except for types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; 32 MD). Any discrepancy discovered will be corrected for the current crop year.
- B The following Category "B" crops have a five (5) percent tolerance for each actual yield certified. Barley, Canola, Corn, Cotton, ELS Cotton, Dry Beans (except bush varieties for garden seed), Flax, Grain Sorghum, Oats, Popcorn, Rice, Rye, Safflowers, Soybeans, Sunflowers and Wheat. A discrepancy in excess of five (5) percent of the actual yield certified requires a revised FCI-19-A(APH) and a completed review report. Changes will be effective for the current crop year if the revision changes the APH yield (item 19) by more than five percent. If the item 19 yield change is five percent or less, the correction is effective the following crop year.
- NOTE: Any production report listing an incorrect "T" yield as the approved APH yield (block 21 of the FCI-19-A(APH)) must be corrected for the current crop year.
- C The following Category "B" and "C" crops have a two (2) percent tolerance for each year's yield certified. Almonds, Apples, Blueberries, Canning and Processing Beans, Citrus (Arizona-California), Cranberries, Dry Beans (bush varieties for garden seed), Figs, Forage Production, Grapes, Macadamia Nuts, Onions, Peaches, Pears, Peas (except for Contract Seed Peas), Plums, Potatoes, Prunes, Sugarcane, Sugar Beets, Stonefruit, Sweet Corn (Canning and Freezing), Table Grapes, Tobacco (production guarantee - types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; 32 MD, Tomatoes (Canning and Processing, and Fresh Market Guaranteed Production Plan) and Walnuts. A discrepancy in excess of two (2) percent of the yield certified requires a revised FCI-19-A(APH) and a completed review report. This change is effective for the current crop year if the revision changes the approved yield (before rounding) by more than two percent. If the approved yield change is two percent or less, the correction is effective the following crop year.
- D RESERVED. FSA providers refer to Exhibit 30 CAT Handbook, Quality Control guidelines for additional instructions.

Crops	FCIC		NCIS		APH or Dollar (\$)	Late Planting	Prev. Planting	*Replant	Unit of Measure	Unit by County(C) Basic (B) *Optional(O) Farm (WF)	*Unit Disc.	*High-Risk Land Ex. Opt .
	Policy	Endorsement/ Crop Prov.	Basic Provisions	Crop Provisions								
Almonds	88-G	88-16	700-A	719	APH				lbs.	B/O		
Apples	92-054		700	721	APH				boxes/bushels	B/O		
Avocados (Pilot)	92B1	98-019	700-B	711	\$				\$	B/O	Yes	
Blueberries (Pilot)	92B1	97-012	700-B	794	APH				lbs.	B		
C & P Beans (Rev 11-90)	88-G	88-34	700-A	704	APH	Yes ₁			tons	B by type/O	Yes	
Canola/Rapeseed (Pilot)	92B1	97-015	700-B	795	APH	<u>2</u>	<u>2</u>	Yes	lbs.	B/O	Yes	
Citrus (AZ & CA)		98-001	700	731	APH				cartons	B by type/O		
Citrus (Florida) (Rev 6-95)	88-G	90-02	700-A	724	\$				boxes	B by type/O		
Texas Citrus Fruit(Rev 11-96)	92B1	98-049	700-B	733	APH				tons	B/O		
Texas Citrus Trees	88-G	89-46	700-A	737	\$				dollars	B by type/O		
Coarse Grains (Corn, Soybeans, Gr.Sorg.)	92B1	96-041	700-B	702	APH	<u>2</u>	<u>2</u>	Yes	bu./tons	B/O	Yes	Yes ₁
Cotton	92B1	96-021	700-B	703	APH	<u>2</u>	<u>2</u>		lbs.	B/O	Yes	Yes ₁
ELS Cotton	92B1	96-022	700-B	745	APH		<u>2</u>		lbs.	B/O	Yes	Yes ₁
Cranberries	88-G	90-29	700	742	APH				barrels	B/O		
Dry Beans	92B1	97024	700-B	712	APH	<u>2</u>	<u>2</u>	Yes	lbs.	B/O	Yes	Yes _{1, 3}
Figs	92B1	94060	700-B	792A	APH				lbs.	B by type/O		
Florida Fruit Tree	92B1	96014	700-B	748	\$				\$	C		
Forage Production	92033		700	729	APH				tons	B		
Forage Seeding(Rev 10-91)	92032		700	730	\$			Yes	dollars	B/O	Yes	
Grapes	88-G	90-20	700-A	717,717CA	APH				tons	<u>4</u>		
Table Grapes	87-39		700	741	APH				lugs	B/O		

₁ Requires insured's signature

₂ Included in the Crop Policy

₃ Not available in Idaho, Oregon, Utah, and Washington

₄ Basic unit by variety in CA/Optional - All other states B/O units

* Applies to limited and additional coverage only

Crop	FCIC		NCIS		APH or Dollar (\$)	Late Planting	Prev. Planting	*Replant	Unit of Measure	Unit by County (C) Basic (B) *Optional(O) Farm (WF)	*Unit Disc.	*High-Risk Land Ex. Opt.
	Policy	Endorsement/ Crop Prov.	Basic Provisions	Crop Provisions								
Hybrid Corn Seed	96-062		700	738	\$	<u>2</u>	<u>2</u>		bu.	B/O	Yes	
Hybrid Sorghum Seed	88-G	96-050	700-A	797	\$	<u>2</u>	<u>2</u>		bu.	B/O	Yes	
Macadamia Nuts	87-45		700-HA	790	APH				lbs.	B/O		
Macadamia Trees	91-54		700-HA	791	\$				dollars	B/O		
Millet (Pilot)	92B1	96-017	700-B	789	APH	<u>2</u>			cwt.	B/O	Yes	
Nursery	92B1	96-056	700-B	782	Unique				container	5 mile radius		
Onions	88-G	88-50	700-A	709	APH	Yes <u>1</u>			cwt.	B/O by type		
Peaches (11-90)	86-21		700	720	APH				bu.	B/O		
Peanuts	93-075		700-A	718	APH	Yes <u>1</u>		Yes 10% <u>3</u>	lbs.	FSN		
Pears	88-G	89-57	700-A	715	APH				tons	B by type/O		
Peas (Green and Dry)	92-064		700	713	APH	Yes <u>1</u>			dollars (APH) lbs. (claim)	B by type/O	Yes	
Peppers	87-10		700	740	\$			Yes	1 1/9 bu.	B/O	Yes	
Fresh Plums	88-G	90-66	700-A	706	APH				lugs	B/O		
Popcorn	87-38		700	744	APH	Yes <u>1</u>		Yes	lbs.	B/O	Yes	Yes <u>1</u>
Potatoes (Rev 11-90)	86-28		700	734	APH	Yes <u>1</u>			cwt.	B/O	Yes <u>4</u>	
Prunes	86-42		700	747	APH				tons	B/O <u>6</u>		
Raisins	88-G	90-17	700-A	723	\$				tons	B/O		
Rice	88-G	96018	700-A	716	APH	<u>2</u>	<u>2</u>	Yes	lbs.	B/O	Yes	Yes <u>1</u>
Safflower Seed	88-G	91-44	700-A	749	APH	Yes <u>1</u>			lbs.	B/O	Yes	Yes <u>5</u>

1 Requires insured's signature 4 Except Certified Seed Potatoes
2 Included in the Crop Policy 5 Not available in Idaho and Utah
3 10 percent/10 acres replant requirement 6 Optional if provided for by the Actuarial Table

* Applies to limited and additional coverage only

Crops	FCIC		NCIS		APH or Dollar (\$)	Late Planting	Prev. Planting	*Replant	Unit of Measure	Unit by County (C) Basic (B) *Optional(O) Farm (WF)	*Unit Disc.	*High-Risk Land Ex. Opt.
	Policy	Endorsement/ Crop Prov.	Basic Provisions	Crop Provisions								
Small Grains: (Wheat, Barley, Oats, Rye, Flax)	92B1	96-011	700-B	714	APH	<u>2</u> , <u>3</u>	<u>2</u>	Yes ³ (Wheat Only)	bu.	B/O	Yes	Yes ¹
Stone Fruit: Peaches, Apricots (Fresh/ Process.) Nectarines (Fresh)	88-G	88-51	700-A	796	APH				lugs/tons	B by type/O		
Sugar Beets (All States Except AZ & CA)	92B1	97039	700-B	707	APH	<u>2</u>	<u>2</u>	Yes	tons	B/O	Yes	Yes ⁴
Sugar Beets (AZ & CA)	92-039		700	707	APH	Yes ¹		Yes	tons	B/O	Yes	Yes ⁴
Sugarcane	92B1	96-038	700-B	732	APH				lbs.	B/O	Yes	
Sunflower Seed	92B1	96-078	700-B	708	APH	<u>2</u>	<u>2</u>	Yes	lbs.	B/O	Yes	Yes ¹
C & F Sweet Corn	92-042		700	728	APH	Yes ¹			tons	B/O	Yes	Yes ¹
Fresh Sweet Corn	88-G	91-11	700	746	\$			Yes	crate	B/O	Yes	
Guaranteed Tobacco	88-G	90-35	700-A	736	APH	<u>1</u>			lbs.	B by type/O by FSN	Yes	
Quota Tobacco	85-36		700-A	710	\$	Yes ¹			lbs.	B by FSN		
C & P Tomatoes	88-G	88-37	700-A	727,793	APH	Yes ¹			tons	B/O	Yes	
Fresh Tomatoes	88-G	91-09	700	739	\$			Yes	cartons	B/O	Yes	
Fresh Guaranteed Tomatoes (Rev 11-90)	87-22		700	722	APH			Yes	cartons	B/O	Yes	
Walnuts	86-41		700	743	APH				lbs.	B		
Catastrophic Risk Protection Endorsement (Contract Change Date After August 20, 1996)	<u>5</u>	97-CAT	<u>5</u>	1997-777								
Catastrophic Risk Protection Endorsement (Contract Change Date Prior August 20, 1996)	<u>5</u>	95-CAT	<u>5</u>	1995-777								

¹ Requires insured's signature
² Included in the Crop Policy
³ Not available for fall planted Wheat.

⁴ Not available in Colorado
⁵ Endorsement attaches to specific crop policies or endorsements when CAT coverage is selected by the insured.
 * Applies to limited and additional coverage only

Group Risk Plan (GRP) Crops	FCIC		NCIS		Expected County Yield	Late Planting	Prev. Planting	Replant	Unit of Measure	Unit by County(C) Basic (B) Optional (O) Farm (WF)	High- Risk Land Ex.Opt.
	Policy	Endorsement/ Crop Prov.	Basic Provisions	Crop Provisions							
Barley ₁	97-102	97-191	950	952	Yes				bu.	Yes (C)	
Corn ₁	97-102	97-141	950	954	Yes				bu.	Yes (C)	
Cotton ₁	97-102	97-121	950	956	Yes				lbs.	Yes (C)	
Forage Production	97-102	97-133	950	942	Yes				tons	Yes (C)	
Grain Sorghum ₁	97-102	97-151	950	962	Yes				bu.	Yes (C)	
Peanuts ₁	97-102	97-175	950	960	Yes				lbs.	Yes (C)	
Soybeans ₁	97-102	97-181	950	964	Yes				bu.	Yes (C)	
Wheat ₁	97-111	97-111	950	941	Yes				bu.	Yes (C)	
PILOT INSURANCE PLANS (Selected States/Counties)					APH/ Dollar (\$)						
Income Protection (IP) - Corn	92B1	96-341	700B	702-IP	APH/\$	<u>2</u>	<u>2</u>	<u>1</u>	bu./\$	Yes (C)	
Cotton	92B1	96-321	700B	703-IP	APH/\$	<u>2</u>	<u>2</u>	<u>1</u>	lbs./\$	Yes (C)	
Wheat	92B1	96-311	700B	714-IP	APH/\$	<u>2</u>	<u>2</u>	<u>1</u>	bu./\$	Yes (C)	
Soybeans	92B1	97-381	700-B	702S-IP	APH/\$			<u>1</u>	bu./\$	Yes (C)	
Grain Sorghum	92B1	97-351	700-B	702G-IP	APH/\$			<u>1</u>	bu./\$	Yes (C)	
Crop Revenue Coverage (CRC) - Corn ₁			700B-CRC	702C-CRC	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes (B/O ₁)	Yes <u>3</u>
Soybeans ₁			700B-CRC	702S-CRC	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes (B/O ₁)	Yes <u>3</u>
Grain Sorghum ₁			700B-CRC	702G-CRC	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes (B/O ₁)	Yes <u>3</u>
Cotton ₁			700B-CRC	703C-CRC	APH/\$	<u>2</u>	<u>2</u>	No	lb./\$	Yes (B/O ₁)	Yes <u>3</u>
Wheat ₁			700B-CRCW	714W-CRC	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes (B/O ₁)	Yes <u>3</u>
Revenue Assurance Cov. (RA) - Corn ₁			700B-RA	702RA	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes(C/B/O ₁ /WF)	Yes <u>3</u>
Soybeans ₁			700B-RA	702RA	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes(C/B/O ₁ /WF)	Yes <u>3</u>

1 Available as Limited or Additional Coverage Only

2 Included in the Crop Policy

3 Requires insured's signature GRP, IP, CRC and RA insurance plans if elected meet the FSA linkage requirements.

QUALIFYING FOR OPTIONAL UNITS**1 RETENTION AND FORFEITURE**

This exhibit addresses retention of optional units when production has been commingled on some optional units or when acceptable production reports were not filed for all units. The following information will clarify FCIC's position on units.

Note: the term "basic" and "optional" units are used, but the procedure applies equally to those crops for which units are defined in terms of "policy" and "guideline".

2 BASIC AND OPTIONAL UNITS

Basic units are MUST units for which the insured automatically qualifies without exception, optional units are MAY units. The insured may choose coverage on the basis of optional units IF the units qualify as outlined in the crop's endorsement, crop provisions, or unit division guidelines and IF the following reporting requirements are met:

A ACCEPTABLE PRODUCTION REPORTS

Production reports from the most recent APH crop year for all units (basic and optional) of the crop must be timely filed See Sec. 4, C(5)(d)2 and Sec. 7, C(3) and E.

B CLAIM FOR INDEMNITY

If the insured has a loss for the current crop year, the insured is required to maintain production evidence to support the current crop year's unit arrangement as shown on the acreage report. If, at loss time, production is discovered to be commingled between:

B(1) Basic units, the production MUST be apportioned or prorated as applicable to the appropriate basic unit. The apportioned production is used to process both the current year's claim and the following crop year's production reports.

B(2) Optional units, the units with commingled production MUST be combined on the current crop year's claim and the next crop year's production report.

B(3) Situations outlined in items (1) and (2) do not require that other optional units of the crop be combined on the claim for the current crop year. However, the insured will not qualify for optional units the following crop year if claim records or production reports are not on file for all planted units. The claim will be used as a production report for APH.

C PRODUCTION REPORTS FOR APH ARE DEFINED IN SEC. 5, B(21) AND IN SEC. 7, A and B:

C(1) APH forms (if completed, acceptable, signed and submitted timely).

C(2) Loss claim records (in all cases).

C(3) Zero acreage reports (when acceptable production reports are filed for all planted units).

D STEPS FOR REVIEWING PRODUCTION REPORTS TO DETERMINE IF OPTIONAL UNITS MAY BE RETAINED.

D(1) Identify all units with claim records. Actual yield information from claims will be used. For exceptions see Sec. 6, C(4)(b).

D(2) Determine whether claim records account for all units of the crop with planted acres.

(a) If so, zero acreage reports for an annual crop may be considered a production report for the crop for the purposes of maintaining continuity of production reports. The APH yield column is updated with Z when sufficient space remains in the database. If acceptable production reports are on file for all units (basic and optional) of the crop optional units may be retained as documented on the loss claims.

(b) If not, proceed to step 3.

D(3) Determine whether acceptable production reports are on file for all units of the crop with planted acreage that did not have loss claim records.

(a) If acceptable production reports are on file for all units of the crop, for any zero planted units (practices, etc.) the APH yield column is updated with Z when sufficient space remains in the database. Optional units may be retained for the next crop year as certified on the production reports and loss claims.

(b) If acceptable production reports are not on file, for all planted units of the crop, for APH purposes for the next crop year assigned yields are used for all planted units that do not have loss claim records. For zero planted units (practices, etc.) when sufficient space remains in the database, the APH yield column is updated with Z. Assigned yields are not used for zero planted units since they are not considered a "crop year" for APH purposes. Optional units are not allowed for the next crop year.

There MUST be acceptable production reports on file for ALL planted units (basic and optional) for the crop before the insured is allowed to have ANY optional units, EXCEPT as outlined in Sec. 4, C(5)(d)3.

3 EXAMPLES

The following examples show how this procedure is applied for Category B crops when the insured has provided acceptable reports containing actual and or assigned yields for a previous crop year.

Example 1

UNIT	HOW	WHAT
0100	APH form	A(actual)
0201	claim	A(actual)
0202	claim	A(actual)
0300	0 plant	Z

Production reports are filed for all units of the crop with planted acres. For the zero planted unit a Z is entered in the database if sufficient space remains.

Example 2

0100	no APH form	P(assigned - planted acres)
0201	claim	A(actual)
0202	claim	A(actual)
0300	0 plant	Z

Production reports are not filed for all planted units of the crop. Claim records are always used. Assigned yields apply to all other planted units. Optional units 0201 and 0202 revert to basic unit 0200.

Example 3

0100	no APH form	P(assigned - planted acres)
0201	no APH form	P(assigned - planted acres)
0202	claim	A(actual)
0300	0 plant	Z

Production reports are not filed for all planted units of the crop. Use the claim record and use assigned yields for all other planted units. Optional units 0201 and 0202 revert back to basic unit 0200.

Example 4

0100	no APH form	P(assigned - planted acres)
0201	APH form	P(assigned - planted acres)
0202	APH form	P(assigned - planted acres)
0300	0 plant	Z

Production reports not filed for all planted units of the crop, therefore, none of the production reports can be accepted. Exceptions are listed in Sec. 4, C (5)(d)3. Optional units 0201 and 0202 revert back to basic unit 0200.

Example 5

0101	no APH form	P(assigned - planted acres)
0102	no APH form	P(assigned - planted acres)
0201	claim	A(actual)
0202	claim	A(actual)
0301	claim	A(actual)
0302	0 plant	Z

Production reports were not filed for all planted units. Claim records were used. All units revert to basic units 0100, 0200, and 0300. A "Z" yield type descriptor is entered for unit 0302 since zero planting does not count as a "crop year" for APH purposes.

Example 6

0101	}	claim	A(actual)
0102			
0103	}	claim	A(actual)
0104			

The acreage report was processed with the following unit arrangement: 0101, 0102, 0103, and 0104. When working the claim, it was discovered that production was commingled between units 0101 and 0102, and also between 0103 and 0104. The claim is therefore processed on the basis of two optional units: 0101 and 0103. If these are the only units of the crop, or if production reports and/or claim records are on file for all other units with planted acres, the next crop year's APH would be processed with two optional units. However, if other units exist for the crop and production reports and/or claims records are not on file, the claim records will be used to update the yields but optional units revert to basic unit 0100 (as shown in Examples 2 and 5).

CLARIFICATION OF SECTION DEFINITION

1 SECTION DEFINITION

The definition of a section for unit division purposes: A section is defined as a unit of measure under the rectangular survey system describing a tract of land usually one mile square and containing approximately 640 acres. In some areas (e.g., Louisiana, New Mexico, Texas), other methods of measure (i.e., Spanish grants, railroad surveys, leagues, labors, Virginia Military Lands and etc.) are employed. If these units of measure are legally recorded and consist of 640 acres or more they will be considered as a "section equivalent."

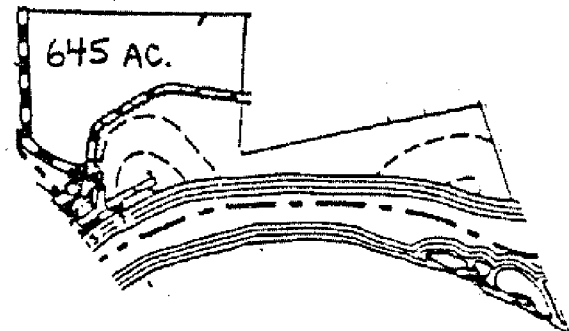
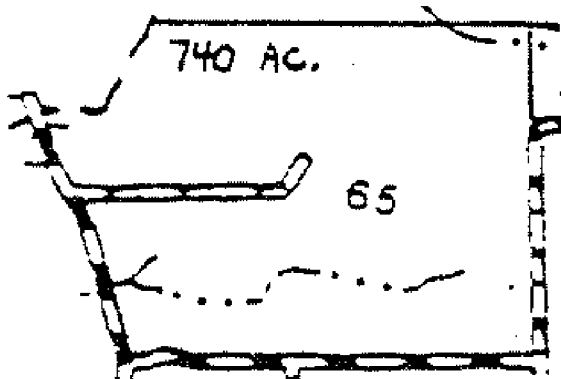
A OPTIONAL OR UNITS BY SECTION

This definition applies to all crops which are allowed optional or guideline units by section. It also applies to all states where sections, as defined above, exist.

B SECTION EQUIVALENTS

"Section equivalents" under other units of measure under a rectangular survey system refers to: A unit of measure consisting of 640 acres or more.

Examples:



C ORDER OF PRECEDENCE

The order of precedence to determine whether sections, "section equivalents", or FSA Farm Serial Numbers are used to determine optional units is:

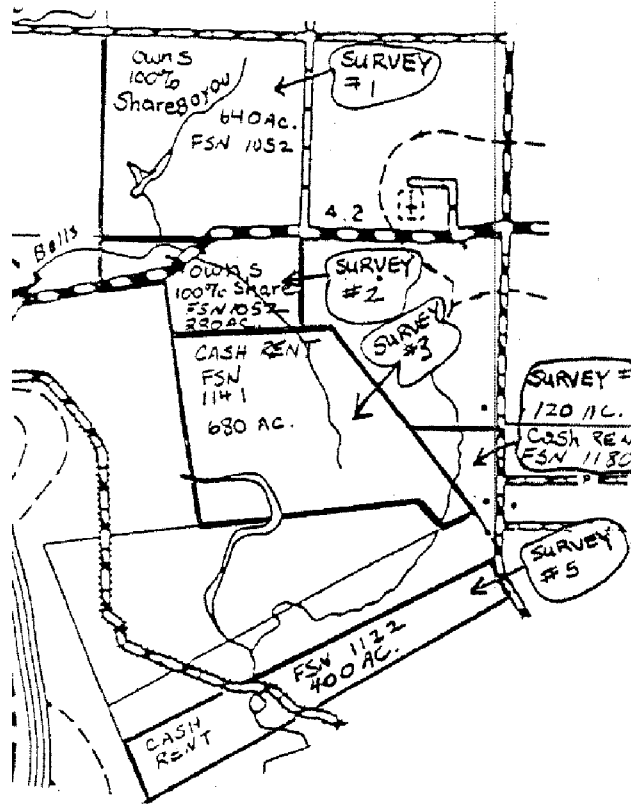
- C(1) Section usually one mile square containing approximately 640 acres.
- C(2) "Section equivalent" containing 640 acres or more.
- C(3) FSA Farm Serial Numbers in the absence of section descriptions and "section equivalents".

2 EXAMPLES

Assume that for each survey identified the insured has kept separate records of acreage and production, the survey

boundaries are clearly visible, and that the planting pattern does not cross the survey boundaries.

EXAMPLE 1: The county is primarily surveyed in one mile squares containing approximately 640 acres.



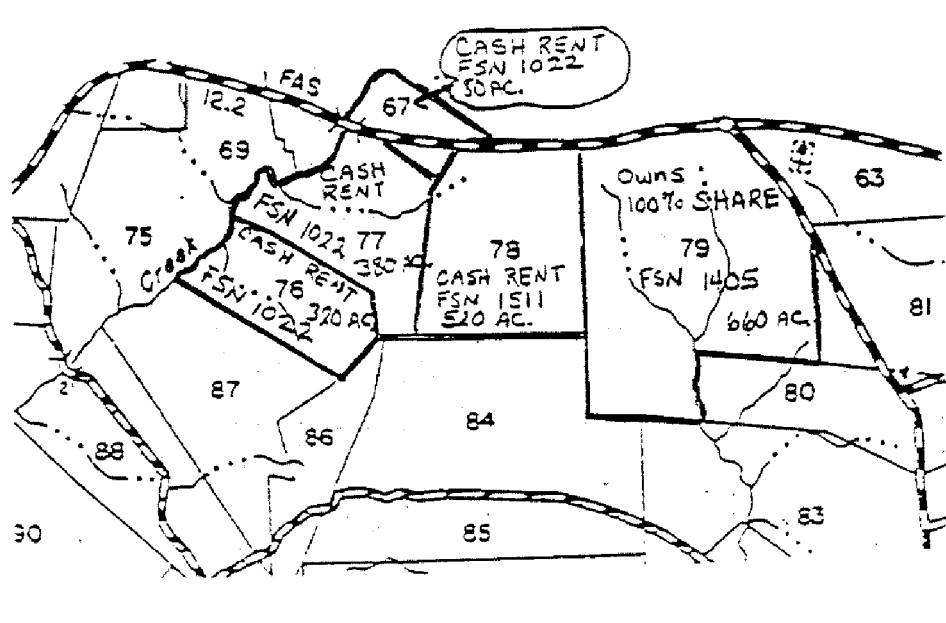
Units are determined by precedence as follows:

Survey #1 is a separate optional unit (section) - 0101

Survey #3 is a separate optional unit ("section equivalent" survey containing 640 acres or more) - 0102

Survey #2, #4 and #5 are each FSN optional units (FSN units in the absence of section and "section equivalent" descriptions) - 0103, 0104 and 0105.

EXAMPLE 2: Rectangular Survey System (Spanish Land Grant)



Units are determined by precedence as follows:

Survey #79 is a separate optional unit ("Section equivalent") - 0101

Survey #78 is an optional unit (FSN unit in absence of "section equivalent" description) - 0102

Survey #67, #77 and #76 is one optional unit (FSN unit in absence of "section equivalent" descriptions because each survey contains less than 640 acres and is a single FSN.) - 0103

1 OPTIONAL UNIT DIVISION - INDIANA, OHIO, AND TEXAS**A DETERMINATION INSTRUCTIONS**

In areas surveyed under the U.S. Rectangular Survey System, sections are the basis for optional units. U.S. Rectangular Survey References mean: Sections, parcels of land with legally identified boundaries (generally one mile square, which contain approximately 640 acres), township, and range.

B U.S. RECTANGULAR SYSTEM

The U.S. Rectangular System was not made in some areas of Indiana, Ohio, and Texas. In some areas, parcels of land are legally identified by other methods such as: donations, locations, surveys, Spanish grants, railroad surveys, leagues, labors, and Virginia Military Lands.

B(1) Legally identifiable railroad surveys similar to the U.S. Rectangular Survey (square and consisting of approximately 640 acres) may be considered "Sections" under the U.S. Rectangular Survey System for optional unit purposes in the referenced states.

B(2) Legally identifiable parcels (using the most recent subdivision) containing 640 or more acres may be considered "section equivalents" for optional unit purposes.

C AREAS NOT SURVEYED USING THE U.S. RECTANGULAR SURVEY

In areas not surveyed using the U.S. Rectangular Survey, optional units are determined by:

C(1) "Section equivalents" (single Parcels containing at least 640 acres), or

C(2) FSA Farm Serial numbers in the absence of "Section equivalents" as described in B and C unless the insured signs the Unit Division Option aggregating (two or more legally identifiable parcels of land that are grouped together to equal or exceed 640 acres) parcels of land into "section equivalents".

The Unit Division Option applies when legally identifiable parcels smaller than 640 acres exist. The insured may not establish optional units by FSN when the Option is applicable.

2 UNIT DIVISION OPTION INSTRUCTIONS

In areas of Indiana, Ohio, and Texas not surveyed under the U.S. Rectangular Survey System or similar surveys allowing for Sections or "section equivalents" (see 1 B above), insureds may request the Unit Division Option to aggregate two or more, (any shape) legally identifiable parcels of land into "section equivalents" for optional unit division purposes.

NOTE: If a survey is required to identify the parcel(s) of land, the parcel(s) is not legally identifiable for the purpose of this option. For purposes of this Option, a unit cannot be divided by a physical boundary (i.e. road, creek, drainage ditch, fence, etc.) which is NOT identified by a legal survey.

A OPTIONAL UNITS FOR THE PROPOSED AGGREGATION

To qualify for optional units for the proposed aggregation, the insured MUST comply with the production reporting, record, and planting pattern guidelines specified in the applicable crop policy or actuarial documents.

B ESTABLISH THE SAME AGGREGATED OPTIONAL UNITS

The insured MUST establish the same aggregated optional units for all crops insured by all carriers (direct and reinsured systems). The purpose of the option is to provide aggregated optional units on the same basis as those determined by section under the Rectangular Survey System.

B(1) If it is discovered that the insured has more than one Unit Division Option, the one with the earliest signature date will apply.

B(2) If the insured does not have acreage and production records or does not file required production to support the aggregated optional units, the insured will be limited to basic units for the crop(s). (See Sec. 4 C(5)(d)3 for exceptions.)

B(3) Bona fide landlord - tenant arrangements (companion policies) are not required to have the same aggregated optional units. If a landlord and a tenant have different aggregated optional units, each party will have its own approved APH yield and unit arrangement.

C POLICIES WITH MORE THAN ONE AGENT

If the insured has policies with more than one agent, the insured must decide which agent to work with to develop the Unit Division Option aggregate and then provide the other agent(s) copies of the Unit Division Option on or before the acreage reporting date.

D CONTINUOUS OPTION

The option is a continuous option and applies until canceled to any crop for which optional units are chosen. Written documentation must be completed and filed in the insured's crop insurance file folder at the service office by the applicable acreage reporting date.

- D(1) If the insured chooses optional units for any crop(s), the aggregated optional units established on the option apply to all insured crop(s) permitted optional units by section.
- D(2) If the insured does not want optional units for a crop(s), the option is not effective for that crop(s).
- D(3) All parcels of the aggregated optional unit MUST be legally identified by number or name of each parcel (donation, section, labor, block, tract, etc.), and identified on the option.
- D(4) All parcels of land in an aggregated optional unit MUST be contiguous (lie adjacent to each other). It is not required that the aggregated optional unit be of a rectangular shape. Acreage aggregated may or may not be classified as cropland.
- D(5) Ownership or control of all land in the aggregate by the insured is not required.
- D(6) If the insured starts farming additional land that was not included in any of the aggregated optional units, the added land may be:
- (a) Added to an existing aggregated optional unit, or
 - (b) Combined with other non-aggregated land to form its own aggregated optional unit.

E OPTIONAL UNITS

Optional units determined by sections or "Section equivalents" (single parcels containing at least 640 acres) are not required to be entered on the option.

F AGENTS WILL PREPARE THE OPTION

Agents will prepare the FCIC-553 Unit Division Option or option approved by FCIC option and forward it to the applicable Insurance Provider for verification. If the agent needs assistance in preparing the option, the RSO will provide the assistance.

3 UNIT DIVISION OPTION GUIDE**A COMPLETING THE UNIT DIVISION OPTION**

All the required documentation must be filed in the insured's crop insurance file folder at the service point.

Agents will help the insured in preparing the option and forward it to the applicable Insurance Provider for verification.

Guidelines for completing the Unit Division option:

- (1) Does the insured farm the land as separate parcels?
Yes, continue to number 2.
No, Stop!
- (2) Does the insured have separate verifiable records of planted insurable acreage and harvested production for at least one crop from the most recent APH crop year for each proposed optional unit

Yes, continue to number 3.
No, Stop!
- (3) Will the insured keep and maintain separate production records for each proposed optional unit for the current crop year?
Yes, continue to number 4.
No, Stop!
- (4) Enter legal descriptions for all the parcels to be aggregated on the option.
- (5) Attach a sketch map, commercial map, or plat map that displays the parcels as they are aggregated. FSA aerial photos may be used. Delineate each proposed optional unit. Do not split any parcel that does not have a separate legal description identifying the parcel. Legal descriptions must be shown on the attached map.
- (6) Identify the optional units with the applicable unit number, i.e., 0101, 0102, etc.
- (7) Inform the insured that **ALL** the acreage of the crop planted in the aggregated acreage divided from the basic unit will be one optional unit.
- (8) Forward the Unit Division Option and maps to the applicable Insurance Provider as soon after completion as possible, but not later than 15 calendar days after the applicable acreage reporting date.

FCI-553
(6-91)

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
UNIT DIVISION OPTION

This is a continuous Option
Refer to item 7 of this Option

INSURED'S NAME:

CONTRACT NO:

ADDRESS:

CROP YEAR:

COUNTY:

Upon our verification of this option, we agree to amend the definition of OPTIONAL UNITS when your Federal Crop Insurance Policy(ies) permit optional units by section subject to the following terms and conditions:

1. You are allowed one Option per county that covers all applicable insured crops. The Option must be submitted to us on or before the applicable acreage reporting date for the crop before it is effective for that crop. If it is determined you have two or more Options, the Option with the earliest date will be applicable to all crops and the other Option(s) will be void.
2. You must aggregate legally identifiable parcels of land into parcels that contain a minimum of 640 acres. The aggregation of parcels for optional units will be established at the time you complete and sign this Option. Optional units are established on the attached sketch map(s).
3. For each optional unit you MUST have available written verifiable records of acreage and production for the previous APH crop year and maintain records for the current crop year.
4. Upon our request, if you fail to provide to us such records, optional units created under this Option will revert to the basic unit(s).
5. Determination of your optional units will be made at the time you report your acreage of the insured crop.
6. For crop(s) requiring production reports, to retain such optional units, acceptable production reports must be filed annually for each optional unit.
7. This Option may be canceled by either you or us for any succeeding crop year by giving written notice on or before the cancellation date for the crop year.
8. All other provisions of the policy not in conflict with this Option are applicable.

INSURED'S NAME:	DATE
CORP. REP'S SIGNATURE AND CODE NUMBER	DATE
VERIFIED BY: (RSO AUTHORIZED SIG.)	DATE

A false claim made to the Corporation, or a false statement made on a matter within the jurisdiction of the Corporation, may subject the maker to criminal and civil penalties (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

1 RESERVED

MASTER YIELD

1 MASTER YIELD PROCEDURE

Master Yields are available for some crops and locations (See Master Yield List Par. 2) where crop rotation and land leasing practices limit the APH crop years of yield history available on individual units. Data from all acreage of the crop the OPERATOR has in the county (identified by unit; practice, type, variety (P/T/V), and "T" Yield map area as shown on the FCI-35) are used to establish the approved APH Master Yield for all acreage of the crop planted in the designated Master Yield area(s). A combination of Master Yield(s) and APH approved yields (calculated by using standard APH procedures) may not be established on the same policy (by crop and county).

A INITIAL MASTER YIELD APPROVAL AUTHORITIES

A(1) Insurance Providers may approve initial Master Yields for the crops and locations listed below following successful completion of approved training. Initial training is mandatory and in some instances additional update training may also be required by FCIC. FCIC may withdraw an Insurance Provider's authority to calculate initial Master Yields if FCIC reviews indicate an inordinate number of Master Yields have been calculated incorrectly. However, if the acreage and production history submitted is attributed to an entity(ies) dissimilar to the entity named on the MPC I contract, the request must be referred to the FCIC RSO for approval. Insurance Providers electing NOT to be responsible for approval of initial Master Yields will refer all requests to the FCIC RSO.

- (a) Sugar Beets, all locations approved for Master Yields.
- (b) Sweet Corn, all locations approved for Master Yields.
- (c) Tomatoes - Fresh Market, limited to California.
- (d) Tomatoes - Canning and Processing, limited to California.
- (e) Green Peas, all locations approved for Master Yields.
- (f) Dry Peas, all locations approved for Master Yields.
- (g) Dry Beans (Dry Edible and Bush Varieties for Garden Seed), all locations approved for Master Yields.
- (h) Canning and Processing Beans, all locations approved for Master Yields.
- (i) Potatoes, all locations approved for Master Yields, except Texas.

A(2) The FCIC RSO must approve ALL initial Master Yields for all other crops and locations approved for Master Yields.

B REQUIREMENTS FOR ESTABLISHING INITIAL MASTER YIELD(S)

- B(1) Master Yields are established on an operator/tenant entity basis. Operator/tenant entity is described as the person/entity with the largest insurable interest in the crop. If two or more equal interests are involved, the operator/tenant entity is the person who makes the daily farm management decisions regarding the crop. Farm management decisions begin with land selection and continue through harvest. The operator must be denoted (in the block indicating the producer's name and address) on the APH form to indicate the Master Yield has been established on an operator entity basis. The Master Yield determined for the operator/tenant entity also applies to landlord(s) involved in that farming operation. A copy of the operator's Master Yield or a Master Yield with the operator's history must be placed in the landlord's file. All initial Master Yields for insureds sharing in the crop (companion contracts) must be reconciled using the following guidelines prior to issuing approved Master Yields.
- (a) If the operator/tenant is insured and has an approved Master Yield (or requests an initial Master Yield that is subsequently approved) and a person who shares in the crop (landlord) with the operator/tenant also timely requests a Master Yield, the operator/tenant's Master Yield is applicable.
 - (b) An insured sharing in the crop with an operator/tenant who has an approved Master Yield will have his or her production guarantee(s) based on standard APH procedures unless a timely request for a Master Yield was made.
 - (c) A person sharing in the crop with an operator/tenant who does not have an approved Master Yield may request an initial Master Yield from the verifier; however, Insurance Providers must forward the request and individual unit APH forms to the FCIC RSO for approval.
- B(2) Master Yields approved for previous crop year(s) which were not established on an operator/tenant entity basis may, if requested timely by the insured, be converted to an operator/tenant entity basis.
- B(3) Master Yields must be established and approved by the verifier for each:
- (a) "T" yield map area.
 - (b) P/T/V as indicated in the Actuarial Documents.
 - (c) For unique situations, the FCIC RSO may designate homogenous Master Yield area(s) at the time the initial Master Yield(s) is requested. If the FCIC RSO designates homogeneous Master Yield areas, they must be clearly indicated on the initial Master Yield form (e.g., county, map area, legal descriptions). Any limitations (if applicable) as to entity must also be indicated.

C PRODUCTION REPORTING REQUIREMENTS

Persons requesting initial Master Yields must furnish at least the four most recent APH crop years of continuous production reports (that contain actual and/or assigned yields for each crop year) for the crop, by county, within the base period. Insureds under standard APH the previous year who request initial Master Yields must use all previously certified yield history that is still within the base period. (See Sec. 5, D[1]). Insureds with an approved Master Yield for a crop who begin farming the crop in an adjoining county may request a Master Yield for the crop in that county from the FCIC RSO. Records from other entities sharing in the crop on the same land with the operator/tenant may be used to meet the four-year record requirement with FCIC RSO approval.

- C(1) For the most recent APH crop year in the database, an APH form must be completed and signed by the insured for each unit (by basic or optional units) and by "T" Yield Map Area (when applicable) on which the crop was grown. For such locations (legal descriptions) acreage and production must also be reported separately by P/T/V when indicated on the actuarial table. Production reported for the most recent APH crop year determines whether the insured qualifies for basic or optional units.
- C(2) Different parcels of land are often leased from year to year; therefore, units may not correspond for all reported years in the database. However, the insured must report ALL planted acres and production for each APH crop year.
- (a) For APH crop year(s) previous to the most recent APH crop year, acreage and production must be reported separately by P/T/V (when indicated on the actuarial table) and by location (legal description) when "T" Yield Map areas are involved. If production is commingled between multiple "T" Yield map areas, but the acreage within map areas can be identified, the production must be apportioned to the respective acreage (by P/T/V) using the Commingled Production Worksheet (see Exhibit 9 Par. A[6]) and the applicable "T" Yields.
 - (b) If for APH crop year(s) previous to the most recent APH crop year, production is commingled between multiple "T" Yield map areas and the acreage for the respective "T" Yield Map areas (by P/T/V) cannot be identified, all production and acreage shall be attributed to the highest yielding map area (by P/T/V).
 - (c) Master Yield summary(ies) are compiled using the above acreage and production history (see Par. 3D this Exhibit).
- C(3) Master Yields are established by using production history certified by APH crop year, by the insured (normal Category B procedure). Additional years of yield history that is available from processors,

marketing outlets, etc., are not used unless certified by the insured.

D AGENT RESPONSIBILITIES

D(1) Master Yield Summaries. Agents must complete an APH form(s) that summarizes for each APH crop year; planted acres and production for each P/T/V (when indicated on the actuarial table) and by location when "T" Yield Map areas are involved. If an initial Master Yield request, agents must quote Preliminary Master Yields from the Master Yield summary form(s). Agents must also quote a preliminary APH yield using standard APH procedures for comparison purposes.

(a) Initial Master Yield requests. Agents must review the preliminary APH yield calculated using standard APH procedures and the preliminary Master Yield with the insured. The insured must select the method (either APH or the Master Yield) to be used to calculate the approved yield.

(b) The agent must obtain the insured's signature on the Master Yield Summary in the Insured's Signature Block. The summary must indicate either acceptance of the preliminary Master Yield or avoidance of the request. If the insured wishes to void the request a statement must be added that indicates "The Master Yield is declined and the APH yield will be based on Standard APH."

D(2) The agent forwards Master Yield Summary APH form(s), all individual unit APH forms and supporting documentation to the Insurance Provider.

E VERIFIER RESPONSIBILITIES

The verifier, for all Master Yields, reviews the data submitted and completes or corrects the APH forms if necessary, using the following guidelines. For crops which Insurance Providers are not authorized to approve initial Master Yields and for crops the Insurance Providers elect not to approve initial Master Yields (for crops listed in 1 A[1] of this Sec.), all individual unit APH forms, Master Yield Summary(ies) (requests for Master Yield[s]), and supporting documentation must be forwarded to the FCIC RSO for approval of the initial Master Yield(s).

E(1) Individual Determined Yields (IDY). At least four APH crop years of records are required to qualify for a Master Yield on the crop; however, four years of records are not required to establish a Master Yield for each unit, P/T/V, or "T" Yield map area. If a P/T/V or "T" Yield map area requiring separate APH yields has less than four years of actual/assigned yields available, an IDY will be used to complete the database. For such acreage, if not classified under NCS (rate or yield), the IDY is calculated and identified as follows:

(a) If more than one Master Yield, determine the reference Master Yield. The reference Master Yield is the Master Yield with the "most" years of actual and/or assigned yields in the Master Yield

database. Calculate the approved yield for the reference Master Yield. If IDY's are required for the reference Master Yield determine them as indicated in 1a, b, or c below. If more than one reference Master Yield (same number of years of actual and/or assigned yields) also refer to (b) below.

1 If the approved yield for the reference Master Yield is less than 100 percent of the "T" Yield, establish the IDY (for the non-reference Master Yield[s]) based on the following percentage of the applicable "T" Yield:

a 100%, if the reference Master Yield database contains three or more years of actual and/or assigned yields.

b 90%, if the reference Master Yield database contains two Years of actual and/or assigned yields.

c 80%, if the reference Master Yield database contains one actual or assigned yield.

Note: IDY's calculated from reference Master Yield databases are preceded by the yield descriptor "C" in the non-reference Master Yield databases.

2 If the reference Master Yield is equal to or greater than the respective 100% "T" Yield, the IDY is 100 % of the applicable "T" Yield.

(b) If more than one Reference Master Yield database (more than one Master Yield Database contains the same number of actual and/or assigned yields and that number is the "most" years), calculate approved Master Yields for each Reference Master Yield.

1 If ALL reference Master Yields are less than 100% of its respective "T" Yield, determine the IDY as indicated in (a) 1 above.

2 If ALL reference Master Yields are equal to or greater than 100% of its respective "T" Yield, the IDY is 100% of the applicable "T" Yield.

3 If all reference Master Yields are Not less than 100% of each respective "T" Yield OR all Master Yields are not equal to or greater than 100% of each respective "T" Yield:

a Determine the IDY based on the number of years of actual and/or assigned yields in the non-reference database (3-years = 100%, 2-years = 90%, 0 or 1-year = 80% of the respective "T" Yield), or

- b Refer the Master Yield to the FCIC RSO for a determination.
- E(2) IDY's for insureds/land classified under NCS are determined as follows:
- (a) For NCS classifications that affect the RATE ONLY, the IDY is the percentage of the applicable "T" Yield determined by the years of actual/assigned yields provided for that Master Yield (not a reference Master Yield). 0-Years 65%, 1-Year 80%, 2-years 90%, and 3-years 100%.
 - (b) If the NCS classification provides for a yield adjustment (yield or yield factor), the IDY is the applicable NCS Yield.
- E(3) Previous crop year IDY's (e.g., previous Master Yields, or individual determined yields) used to create the minimum four-year database are not "set" in the Master Yield database. They must be removed in subsequent crop years as actual yields are reported or assigned yields are applicable. Once four years of actual or assigned yields are applicable for the Master Yield nonactual yields MUST NOT remain in that database.
- E(4) Verification of actual yields. All actual yields certified must be examined on a unit basis by P/T/V to determine if they are reasonable. Actual yields exceeding the applicable "T" Yield published in the actuarial document multiplied by the factor indicated below (unless different actual yield verification factors are published by the FCIC RSO) are considered questionable. Yield flags will be used to identify high yields on which desk audits and/or APH record reviews are required.
- (a) Irrigated practice: 140% of the applicable "T" Yields
 - (b) Non-Irrigated practice: 150% of the applicable "T" Yields
 - (c) Irrigated and Non-Irrigated "T" Yields not identified separately on the Actuarial document: 150% of the applicable "T" Yield.
 - (d) Actual yield verification factors published by the FCIC RSO. For example, the FCIC RSO may publish different factors if "T" Yields are based on less than 100 percent of the county average yield or exceptionally high actual yields have been produced for a given crop year(s).
- E(5) Review of questionable actual yields. All questionable crop year actual yields must be reviewed by the Insurance Provider.
- (a) If an error can be identified and resolved, the actual yield is corrected by the verifier (i.e., transposed numbers, data entry errors, incorrect decimal placement, etc., may often be identified without a review of supporting records.)

- (b) If an error is not identified or the actual yield after correction still exceeds the guidelines, verification of the actual yield as compared to supporting records is required (APH Record Review).
 - (c) Review of supporting records to verify their acceptability and the accuracy of actual yields. If the supporting records are acceptable:
 - 1 And the actual yield(s) in question are correct, Insurance Providers must forward the Master Yield(s) and supporting records to the FCIC RSO.
 - 2 And error(s) are found, they are corrected by the Insurance Provider verifier to agree with the supporting records. If after correction, the actual yield still exceeds the applicable guidelines, Insurance Provider verifiers must forward the Master Yield request and supporting documentation to the FCIC RSO.
 - 3 FCIC RSO's may waive or modify the requirement to send all Master Yields to the FCIC RSO for situations 1 and 2 above for certain crops in certain areas.
 - (d) The FCIC RSO reviews the questionable actual yields submitted and approves, adjusts, or rejects them.
 - (e) Once a questionable actual yield has been audited and approved by the FCIC RSO or Insurance Provider it is not subject to further desk audits (APH record reviews) unless the data is revised in subsequent crop years.
- E(6) Verification of preliminary Master Yields. All preliminary Master Yields must also be examined to determine if they are reasonable as compared to the applicable "T" Yield. Master yields exceeding the applicable "T" Yield published in the actuarial document multiplied by the factor indicated below are considered questionable. Yield flags will be used to identify high Preliminary Master yields on which desk audits are required.
- (a) Irrigated practice: 120% of the "T" Yield.
 - (b) Non-Irrigated practice: 130% of the "T" Yield.
 - (c) Irrigated and Non-Irrigated practices not identified separately on the actuarial document: 130% of the "T" Yield.
 - (d) If error(s) can be identified and resolved, the preliminary Master Yield is recalculated by the verifier (i.e., transposed numbers, data entry errors, incorrect decimal placement, incorrect calculations, etc., may often be identified without a review of supporting records.)

- (e) If an error is not identified or the preliminary Master Yield, after correction, still exceeds the applicable guideline, verification of all actual yields reported as compared to supporting records is required.
- (f) Review of supporting records to verify reported actual yields. If the supporting records are acceptable:
 - 1 And the actual yield(s) in question are correct, Insurance Providers must forward the Master Yield(s) and supporting records to the FCIC RSO.
 - 2 If error(s) are found, they are corrected by the Insurance provider verifier to agree with the supporting records. If after correction, the preliminary Master Yield still exceeds the applicable guidelines, Insurance Provider verifiers must forward the Master Yield request and supporting records to the FCIC RSO.
 - 3 FCIC RSO's may waive or modify the requirement to send all preliminary Master Yields to the FCIC RSO for situations 1 and 2 above for certain crops in certain areas.
- (g) Once a questionable preliminary Master Yield has been reviewed, actual yields verified correct and the Master Yield approved, it is not subject to further desk audits in subsequent crop years unless the data is revised.

F MASTER YIELD APPLICATION

The approved Master Yield (by P/T/V) applies to all individual units within the Master Yield area. Units with four or more years of records also use the Master Yield (by P/T/V) as the approved APH yield.

G UPDATING ESTABLISHED MASTER YIELD(S)

- G(1) Once initial Master Yields are approved by the FCIC RSO or Insurance Provider (for crops listed in 1 A(1)), the Insurance Provider verifier updates, calculates, and approves Master Yield(s) for subsequent crop years.
- G(2) Individual unit and Master Yield APH forms must be updated each succeeding crop year.
- G(3) If the crop was not grown the previous calendar year, update all Master Yield APH forms with zero acres (if sufficient space exists in the database).
- G(4) The FCIC RSO/Insurance Provider underwriter reviews the data submitted, completes or corrects the updated Master Yield APH form(s) when applicable, and issues the approved updated Master Yield APH form by completing the Approved APH Yield block (item 21 FCI-19-A). Actual Yields reported for each subsequent APH crop year are reviewed for reasonableness as previously indicated in Par. E(4) and (5) of this exhibit.

- (a) For an added P/T/V or added land (outside of an initial Master Yield "T" Yield map area) for which an approved Master Yield has not been previously established, insureds must request another initial Master Yield. Such requests must be received in the applicable verifier's office no later than 20 calendar days after the production reporting date.
- 1 Refer to Paragraph E for yield calculation instructions.
 - 2 If the insured is not classified by the NCS and does not request another Master Yield or the request is not timely, the added P/T/V will receive 80 percent of the applicable "T" yield. For insureds/land classified by the NCS, determine the yield as indicated for IDY's in Par. 1E(2) of this exhibit. The added land, P/T/V must have a Master Yield established the subsequent crop year.
- (b) Landlord and tenant arrangements and how Master Yields are established.
- 1 For Master Yields established on an operator/tenant basis, the operator/tenant is responsible for providing annual production reports to update the Master Yield on all land he or she operates. The verifier must provide a copy of the approved Master Yield to each insured to whom it applies.
 - 2 For previously established Master Yields NOT established/converted to an operator/tenant entity basis, each insured is responsible for providing annual production reports to update the Master yield.

H DEADLINES.

Requests for Master Yields, production reports, and any supporting documentation must be received by the Insurance Provider verifier no later than 20 calendar days after the production reporting date. Any Master Yield request requiring FCIC RSO approval received in the FCIC RSO later than 30 calendar days after the PRD will be returned to the Insurance Provider without an FCIC approved Master Yield. The Insurance Provider is then responsible for rejecting the request and determining the approved yield using standard APH procedures. The FCIC RSO will document such policies for possible compliance reviews to assure that appropriate approved yields were issued.

Note: If FCIC RSO approval of the Master Yield is NOT required, and the insured fails to carry out any requirement necessary to qualify for the Master Yield, the Master Yield must be rejected and the approved yield calculated using standard APH procedures.

I YIELD LIMITATION PROVISIONS.

If the previous Approved APH yield for the P/T/V, or "T" Yield map area was:

I(1) Determined under the same conditions (Master Yield the previous crop year and Master Yield the current crop year), the Approved APH yield will not increase or decrease by more than the applicable yield limitation.

I(2) Not determined under the same conditions (standard APH last year, Master Yield the current crop year, or individual Master Yield which was converted to an operator/tenant entity), there is no limit to the amount of change in the yield.

J ACCEPTANCE AND CANCELLATION.

J(1) For initial Master Yields:

- (a) If the approved Master Yield is at least 95 percent of the preliminary Master Yield, the Master Yield is binding.
- (b) If the approved Master Yield is less than 95 percent of the preliminary Master Yield, mutual consent cancellation or reconsideration provisions are applicable (See Sec. 8).
- (c) If a preliminary Master Yield was not quoted by the agent or if the insured's intentions are not clearly documented as indicated in D(1)(b) the RSO/Insurance Provider will return the Master Yield request unapproved. APH Yields calculated under standard APH procedures will then apply.

J(2) Once Master Yields are approved insureds may not switch to standard APH unless, the insured cancels the Master Yield in writing on or before the cancellation date for the insured crop and requests an approved yield using standard APH procedures. When switching to regular APH, ONLY the production history (contained in the Master Yield) that can be attributed to the insured

entity's farming operation under standard APH procedures may be used (A landlord may have to recertify actual yields for his or her own farming operation if the Master Yield was established on an Operator/tenant basis).

NOTE: Previously approved Master Yields are retained if the policy is transferred and a break in continuity of insurance does not occur, the operator/tenant entity remains the same, and the Master Yield is not canceled.

2 MASTER YIELD LIST BY STATE, PRACTICE, CROP

States	Practice (Pr.)	Crops
California	Irrigated	Potatoes, Sugar Beets, Tomatoes (C & P) and (FM)
Colorado	Check FCI-35	Potatoes, Onions, and Sugar Beets
Florida	Irrigated	Tomatoes (FM - PP)
Georgia	Irrigated	Tomatoes (FM - PP)
Idaho	Check FCI-35	Dry Beans (Dry Edible & Bush)*, C&P Beans*, Dry Peas*, Green Peas*, Potatoes*, Sugar Beets*, Sweet Corn*
Indiana	No Pr. Specified	Tomatoes (C & P)*
Missouri	Check FCI-35	Potatoes
Michigan	No Pr. Specified	Tomatoes (C & P)*
Minnesota	Irrigated & Non-Irrigated	Potatoes: in Clay, East Polk, Kittson, Mahnomon, Marshall, Norman, Pennington, Red Lake, West Polk and Wilkin Counties*
	No Pr. Specified	Sugar beets
Montana	Irrigated	Sugar Beets
Nebraska	Check FCI-35	Potatoes, Sugar Beets
North Dakota	No Pr. Specified	Dry Peas
	Irrigated & Non-Irrigated	Potatoes*, Sugar Beets
Nevada	Irrigated	Potatoes
Ohio	No Pr. Specified	Tomatoes (C & P)*
Oregon	Irrigated	Dry Beans (Dry Edible & Bush), C&P Beans, Dry Peas, Green Peas, Potatoes, Sugar Beets, and Sweet Corn
South Carolina	Irrigated	Tomatoes (FM - PP)
South Dakota	Check FCI-35	Potatoes
Texas	Irrigated	Potatoes: Bexar, Frio, Hidalgo, La Salle, and Medina Counties
Utah	Irrigated	Potatoes
Washington	Irrigated	Dry Beans (Dry Edible & Bush), C&P Beans, Dry Peas, Green Peas, Potatoes, Sugar Beets, and Sweet Corn
Wyoming	Irrigated	Sugar Beets

* May also require the use of a map.

3 EXAMPLE OF MASTER YIELD CONCEPT

This example illustrates the Master Yield concept. The crop has been grown in two "T" Yield classification areas (Map Area). One P/T/V has been grown in each Map Area. Figures 1-3 are located in Map Area 1.

A Figure 1, production reports for farm A indicate two actual yields (one basic unit located in section 11).

Figure 1: Unit 0100, Sec. 11, Map Area 1

15.CY.	16.TP.	17.ACRES	18.YIELD
19XX	42,200	100.0	A422
19XX		0.0	Z
19XX	43,000	100.0	A430
19XX		0.0	Z
			19.
20.Prior Y.		21.Approved APH	

B Figures 2 and 3, production reports for farm B indicate two actual yields for unit 0201 (section 12) and no actual yields for unit 0202 (section 13).

Figure 2: Unit 0201, Sec. 12, Map Area 1

15.CY.	16.TP.	17.ACRES	18.YIELD
19XX		0.0	Z
19XX	40,000	100.0	A400
19XX		0.0	Z
19XX	35,200	80.0	A440
			19.
20.Prior Y.		21.Approved APH	

Figure 3: Unit 0202, Sec. 13, Map Area 1

15.CY.	16.TP.	17.ACRES	18.YIELD
19XX		0.0	Z
19XX		0.0	Z
19XX		0.0	Z
19XX		0.0	Z
			19.
20.Prior Y.		21.Approved APH	

C Figures 4, 5 and 6 are production reports for farm C which indicate three optional units located in sections 27, 28, and 36 all within Map Area 2. Unit 0301 does not have any actual yields. Unit 0302 has two actual yields. Unit 0303 has one actual yield.

Figure 4: Unit 0301, Sec. 27, Map Area 2

15.CY.	16.TP.	17.ACRES	18.YIELD
19XX		0.0	Z
19XX		0.0	Z
19XX		0.0	Z
19XX		0.0	Z
			19.
20.Prior Y.		21.Approved APH	

Figure 5: Unit 0302, Sec. 28, Map Area 2

15.CY.	16.TP.	17.ACRES	18.YIELD
19XX	20,250	50.0	A405
19XX		0.0	Z
19XX		0.0	Z
19XX	40,000	100.0	A400
			19.
20.Prior Y.		21.Approved APH	

Figure 6: Unit 0303, Sec. 32, Map Area 2

15.CY.	16.TP.	17.ACRES	18.YIELD
19XX		0.0	Z
19XX		0.0	Z
19XX		0.0	Z
19XX	8,200	20.0	A410
			19.
20.Prior Y.		21.Approved APH	

Each actual yield must be compared to the applicable "T" Yield for the Map Area multiplied by the actual yield verification factor for the applicable practice (Map Area 1 [400 x 1.40 = 560] Map Area 2 [350 x 1.40 = 490]). None of the actual yields exceed the factored "T" Yields; therefore, they are considered reasonable.

D Figures 7 and 8 are Master Yield APH Summary Forms, one for each Map Area. These forms are completed the same as the instructions outlined in Sec. 6, except they contain the total acreage and production of the crop for each Map Area for the operator/tenant entity requesting the Master Yield.

The insured has filed production reports for each optional unit for at least the most recent policy crop year (on planted units) in the base period and therefore qualifies for optional units.

Figure 7: Master Yield Summary, Area 1
Applicable to Units 0100, 0201, and 0202

15. CY.	16. TP.	17. ACRES	18. YIELD
19XX	42,200	100.0	A422
19XX	40,000	100.0	A400
19XX	43,000	100.0	A430
19XX	35,200	80.0	A440
			19. 1692
20(A) PLEM. Y.	423	21. Approved APH Yield	

Figure 8, Master Yield Summary, Area 2
Applicable to Units 0301-0303

15. CY.	16. TP.	17. ACRES	18. YIELD
19XX			C350
19XX			C350
19XX	20,250	50.0	A405
19XX		0.0	Z
19XX		0.0	Z
19XX	48,200	120.0	A402
			19. 1507
20(A) PLEM. Y.	377	21. Approved APH Yield	

The forms are forwarded to the verifier who approves the initial Master Yield. A separate Master Yield Summary is required for each "T" yield map area for each practice, type, or variety (requiring separate APH yields) requested.

Each preliminary Master Yield must be compared to the applicable "T" Yield for the Map Area multiplied by the applicable Master Yield verification factor (Map Area 1 [400 x 1.20 = 480] Map Area 2 [350 x 1.20 = 420]). Neither of the preliminary Master Yields exceed the factored "T" Yields; therefore, they are considered reasonable and approved.

ROUNDING RULES

<u>ITEM</u>	<u>FORM</u>	<u>GUIDELINES</u>		
Acres	APH Form Acreage Report Notice, Loss Pmt.	Tobacco Round to (0.01) Other Crops Round to (0.10)		
		<u>Unit of Measure</u>		
		Bushels, Boxes, Cartons, Lugs, Hundredweight	Barrels, Tons	Dollars, Pounds
APH Yields	APH Form Acreage Report Notice, Loss Pmt.	Round To: (1.00)	(0.10)	(1.00)
Guarantee Per Acre	Acreage Report Notice, Loss Pmt.	Round To: (0.10)	(0.10)	(1.00)
*Adjusted Guarantee Per Acre	Acreage Report Notice, Loss Pmt.	Round To: (0.10)	(0.10)	(1.00)
Guarantee Per Unit	Acreage Report Notice, Loss Pmt.	Round To: (1.00)	(0.10)	(1.00)
Premiums & Losses	Acreage Report Notice, Loss Pmt.	Round To: (1.00) for all crops.		
Interest (Share)	Acreage Report Notice, Loss Pmt.	Round To: (0.001) for all crops.		
Production to Count	All Loss Forms	Round To: (0.10)	(0.10)	(1.00)

*Adjusted Guarantee Per Acre (GPA) applicable to Late and Prevented Planting and is the result of multiplying the GPA times the applicable factor.

NOTE:

- "Round to (1.00)" Indicates rounding to whole numbers in a 2 position decimal field.
- "Round to (0.10)" Indicates rounding to tenths in a 2 position decimal field.
- "Round to (0.01)" Indicates rounding to hundredths in a 2 position decimal field.
- "Round to (0.001)" Indicates rounding to thousandths in a 3 position decimal field.

NOTE: Raisins are not covered by this chart. See the Raisin Crop Handbook for rounding rules.

1 COMPLETION OF THE APH FORM

A EXAMPLE 1

In this example a carryover insured who had planted acres failed to provide the prior year's production reports. An assigned yield (.75 x 103) is used for the previous crop year.

1 PRODUCERS NAME AND ADDRESS I. M. INSURED R.R. 1 ANY ADDRESS PHONE NO: XXX-XXX-XXXX SSN/TAX NO: XXX-XX-XXXX		2 REQUIRED FIELD REVIEW REQUIRED INSPECTION 3 STATE: YOUR STATE COUNTY: YOUR COUNTY POLICY NO: XX-XXX-XXXX		4 AGENT NAME/ADDRESS I.M. AGENT R.R. 1 ANY ADDRESS PHONE NO: XXX-XXX-XXXX AGENT CODE:XXXXXX			
		5 COMPANY NAME/ ADDRESS ANY COMPANY ANY ADDRESS					
6 CROP 043 (CORN) PRACTICE 003 (NI) TYPE 029 (GR) UNIT NO. XXXX	7 SECTION X TOWNSHIP X RANGE X LAND OTHER COUNTY YES NOX		15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD	
			19XX				
			19XX				
8 OTHER ENTITY (IES) NONE		12 FSA FARM NO. XXXX		19XX			
9 RECORD TYPE: CROP YEAR: 19XX PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES		13 FSA YIELD: 109		19XX			
				19XX	11,500.0	100.0	A115
				19XX	13,200.0	120.0	A110
				19XX		105.5	P82
				19XX		111.0	P82
				19XX		100.0	P77
						19 TOTAL	466
10 PROCESSOR NUMBER/NAME		11 OTHER		14 TRANSITIONAL YIELD: 80		20 (A) PRELIMINARY YIELD 93 20 (B) PRIOR YIELD 103	
						21 APPROVED APH YIELD 93 (For Verifier use only)	

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S), AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

INSURED'S SIGNATURE _____

DATE _____

B EXAMPLE 2

In this example the producer, a carryover insured, has previously established a yield history. A production report showing no acreage was planted the prior crop year is provided.

1 PRODUCERS NAME AND ADDRESS I. M. INSURED R.R. 1 ANY ADDRESS PHONE NO: XXX-XXX-XXXX SSN/TAX NO: XXX-XX-XXXX		2 REQUIRED FIELD REVIEW REQUIRED INSPECTION 3 STATE: YOUR STATE COUNTY: YOUR COUNTY POLICY NO: XX-XXX-XXXX		4 AGENT NAME/ADDRESS I.M. AGENT R.R. 1 ANY ADDRESS PHONE NO: XXX-XXX-XXXX AGENT CODE:XXXXXX			
6 CROP 043 (CORN) PRACTICE 003 (NI) TYPE 029 (GR) UNIT NO. XXXX		7 SECTION X TWNSHP X RANGE X LAND OTHER COUNTY YES NOX		15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD
8 OTHER ENTITY (IES) NONE		12 FSA FARM NO. XXXX		19XX			
9 RECORD TYPE: CROP YEAR: 19XX PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES		13 FSA YIELD: 109		19XX	14,400.0	120.0	A120
				19XX	24,300.0	180.0	A135
				19XX	22,500.0	150.0	A150
				19XX		0.0	Z
				19XX	18,850.0	130.0	A145
				19XX		0.0	Z
							19 TOTAL 550
10 PROCESSOR NUMBER/NAME		11 OTHER		14 TRANSITIONAL YLD: 80		20 (A) PRELIMINARY YIELD 138 20 (B) PRIOR YIELD 138	
						21 APPROVED APH YIELD 138 (For Verifier use only)	

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S), AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

INSURED'S SIGNATURE _____

DATE _____

C EXAMPLE 3

- C(1) In this example the producer, a carryover insured, had a previously established database. The information on file was printed by the verifier onto the APH form and was provided (through the agent/representative) to the insured.
- C(2) The insured then filled in the prior year's production and record type (item 9.).
- C(3) The agent/representative then calculated a preliminary yield and forwarded the APH form to the verifier.
- C(4) The verifier reviews the information certified by the insured and approves the APH yield.

C EXAMPLE 3 cont.

1 PRODUCERS NAME AND ADDRESS I. M. INSURED R.R. 1 ANY ADDRESS PHONE NO: XXX-XXX-XXXX		2 REQUIRED FIELD REVIEW REQUIRED INSPECTION 3. STATE: YOUR STATE COUNTY: YOUR COUNTY POLICY NO: XX-XXX-XXXX		4 AGENT NAME/ADDRESS I.M. AGENT R.R. 1 ANY ADDRESS PHONE NO: XXX-XXX-XXXX AGENT CODE:XXXXXX	
5.COMPANY NAME/ADDRESS ANY COMPANY ANY ADDRESS		6 CROP 011 (WHEAT) PRACTICE 003 (NI) TYPE UNIT NO. XXXX		7 SECTION X TWNShp X RANGE X LAND OTHER COUNTY YES NOX	
8 OTHER ENTITY (IES) NONE		12 FSA FARM NO. XXXX		15 CROP YEAR	16 TOTAL PRODUCTION
9 RECORD TYPE: CROP YEAR: 19XX PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES		13 FSA YIELD: 43		17 ACRES	18 YIELD
10 PROCESSOR NUMBER/NAME		11 OTHER		20 (A) PRELIMINARY YIELD 34 20 (B) PRIOR YIELD 33	
				21 APPROVED APH YIELD 34 (For Verifier use only)	
				19 TOTAL 205	

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S), AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

INSURED'S SIGNATURE _____

DATE _____

D EXAMPLE 4

In this example the producer is a new insured and has acreage and production evidence only for the prior crop year. The insured and the agent/representative complete the APH form as follows:

- D(1) The insured completes the production report as outlined in Sec. 6. The agent/representative assists as necessary.
- D(2) The agent/representative computes the preliminary yield and forwards the APH form to the verifier. (If in completing the unit section, the unit includes more than one FSA FSN, the weighted average of the FSA program yields must be used (See Sec. 5, D(14)[a]).
- D(3) The verifier, after approving the APH yield, returns the yield report to the insured (through the agent/representative). The yield report will probably be computer generated and it must contain the approved APH yield (item 21).

D EXAMPLE 4 cont.

1 PRODUCERS NAME AND ADDRESS I. M. INSURED R.R. 1 ANY ADDRESS PHONE NO: XXX-XXX-XXXX SSN/TAX NO: XXX-XX-XXXX		2 REQUIRED FIELD REVIEW REQUIRED INSPECTION 3. STATE: YOUR STATE COUNTY: YOUR COUNTY POLICY NO: XX-XXX-XXXX		4 AGENT NAME/ADDRESS I.M. AGENT R.R. 1 ANY ADDRESS PHONE NO: XXX-XXX-XXXX AGENT CODE:XXXXXX			
		5. COMPANY NAME/ADDRESS ANY COMPANY ANY ADDRESS					
6 CROP 081 (SOYBEANS) PRACTICE 003 (NI) TYPE UNIT NO. XXXX	7 SECTION X TWNShp X RANGE X LAND OTHER COUNTY YES NOX			15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD
				19XX			
				19XX			
8 OTHER ENTITY (IES) NONE			12 FSA FARM NO. XXXX	19XX			
9 RECORD TYPE: CROP YEAR: 19XX				19XX			
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES			13 FSA YIELD: 109	19XX			E17
				19XX			E17
				19XX	2,976.0	95.0	A31
							19 TOTAL 82
10 PROCESSOR NUMBER/NAME	11 OTHER		14 TRANSITIONAL YIELD: 21	20 (A) PRELIMINARY YIELD 21 20 (B) PRIOR YIELD N/A		21 APPROVED APH YIELD 21 (For Verifier use only)	

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S), AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

INSURED'S SIGNATURE _____

DATE _____

E EXAMPLE 5

FCI-19A(APH) GC
(PERENNIAL CROPS)

19XX ALMONDS (028)
PRODUCTION AND YIELD REPORT

NAME : I AM INSURED		ANY TOWN 99	
ADDRESS : R.R. 1		ANY STATE 999	
PHONE : (XXX) XXX-XXXX		CONTRACT NO: XX-XXX-XXXX	
		SSN/TAX NO.: XXXXXXXXXXXX	
SERVICE OFFICE : C. I. AGENT		AGENT CODE: XXXXXXXX	
ADDRESS : 101 N. MAIN ST.			
COMPANY : YOUR AGENCY, INC		COMPANY CODE: XXXXX	
UNIT NO. 0100		FSA FSN: XXXXX	
LEGAL DESCRIPTION : 10 T4N R6E			
OTHER ENTITY : NONE			
PROCESSOR NUMBER/NAME : ALMONDS			
PRACTICE : IRRIGATED			
TYPE : BEARING TREES/VINES : 0			
VARIETY : YEAR PLANTED : 1980			
CROP YR.	TOTAL PROD.	PLANTED ACRES	AVERAGE YIELD PER ACRE
19XX			
19XX			
19XX			
19XX	92,500	50.5	A1832
19XX	95,000	50.5	A1881
19XX	97,500	50.5	A1931
19XX	100,000	50.5	A1980
19XX	103,125	60.0	A1719
19XX	97,900	60.0	A1632
SUB TOT.			10975
19XX	86,250	60.0	A1438
AREA: TOTAL OF AVE.		12413	
YIELD			
TRANSITIONAL YIELD:0		PRIOR YIELD.	
1830			
AVE. YIELD = TOTAL OF AVG.YLDS ÷ # OF YRS		APPROVED APH YIELD	
PRELIMINARY YIELD: 1773		1773	
		(For Verifier use only)	

In this example, I Am Insured had a previous almond database and has certified the prior crop year's production. The verifier updated I Am Insured's database and the average yield of 1773 for the current crop ye

F EXAMPLE 6

FCI-19A(APH) HC
(GREEN PEA)

19XX GREEN PEAS (064)
PRODUCTION AND YIELD REPORT

NAME : I AM INSURED		ANY AGENT 99				
ADDRESS : RR # 1		ANY COMPANY 999				
PHONE : (XXX)-XXX-XXXX		CONTRACT : XX-XXX-XXXX				
		SSN/TAX NO. : XXX-XX-XXXX				
SERVICE OFFICE : C. I. AGENT		AGENT CODE :XXXXXXXX				
ADDRESS : 101 N. MAIN ST.						
COMPANY : YOUR AGENCY INC.		COMPANY CODE: XXXXX				
UNIT NO. - 0100		FSA FSN :				
LEGAL DESCRIPTION : 01 T105N R2W						
OTHER ENTITY : NONE						
PROCESSOR NUMBER/NAME : GREEN PEA						
PRACTICE : 002						
TYPE :						
CROP YEAR	DOLLARS RCD. FOR CROP	CONTRACT PRICE	ADJUSTED PROD.	DRY PEAS ÷ .6	PLANTED ACRES	AVG LBS PER ACRE
19XX	4,783.80	.05950	80,400		30.0	A2680
19XX	2,565.00	.06000	42,750		15.0	A2850
19XX	4,559.75	.06100	74,750		25.0	A2990
19XX	4,875.00	.06250	78,000		30.0	A2600
19XX	2,929.50	.06300	46,500		15.0	A3100
19XX	7,010.29	.07105	98,667	17,133	40.5	A2859
19XX	5,859.97	.07145	82,001		25.2	A3254
19XX	7,686.00	.07000	109,800		30.0	A3660
19XX	4,623.00	.06900	67,000		20.0	A3350
19XX	2,930.00	.05860	50,000		20.0	A2500
SUBTOT						29,843
AREA: TOTAL OF AVERAGE						29,843
YIELDS						
TRANSITIONAL YIELD: 0						PRIOR YIELD:
AVERAGE YIELD = TOTAL OF AVERAGE YIELDS ÷ NO. OF YEARS						2984
PRELIMINARY YIELD: 2984						

In this example, I Am Insured certified 10 years of records which included the contract price. The total production was determined by dividing the dollars received by the contract price for the TR or Sieve number shown on the actuarial table for the type of green peas on the unit. For the Dry Peas column, Dry pea production harvested from green pea acreage was added to the green pea production.

G EXAMPLE 7

FCI-19A(APH) (POTATO)

19XX POTATOES (084)
PRODUCTION AND YIELD REPORT

NAME : I AM INSURED				ANY AGENT 99			
ADDRESS : RR # 1				ANY COMPANY 999			
TOWN, ST. ZIP				CONTRACT : XX-XXX-XXXXX			
PHONE : (XXX)-XXX-XXXX				SSN/TAX NO. : XXX-XX-XXXX			
SERVICE OFFICE : C. I. AGENT				AGENT CODE : XXXXXXXX			
ADDRESS : 101 N. MAIN ST.							
TOWN, ST. ZIP							
COMPANY : YOUR COMPANY INC.				COMPANY CODE : XXXXX			
UNIT NO. - 0100				FSA FSN :			
LEGAL DESCRIPTION : 08 T3N R35E							
OTHER ENTITY : NONE							
PROCESSOR NUMBER/NAME : PEELS							
PRACTICE : IRRIGATED (002)							
TYPE : GROUP A (161)							
CROP YEAR	TOTAL PROD	PLANTED ACRE	AVERAGE CWT	FRESH 1'S	FRESH 1&2'S	PROCESS 1'S	PROCESS 1&2'S
19XX							
19XX	3890	10.0	A389				
19XX	8120	20.0	A406				
19XX	8340	20.0	A417				
19XX	7260	20.0	A363				
19XX	7360	20.0	A368				
19XX	5187	18.0	A288	DP-50	DP-60	DP-50	DP-85
19XX	5390	18.0	A299	DP-50	DP-60	DP-50	DP-85
19XX	6306	20.0	A315	DP-50	DP-60	DP-50	DP-85
SUBTOT			2845	0	0	0	0
19XX	4761	20	A238	DP-50	DP-60	DP-50	AP-92
TOTAL AVG. YLDS		3083	TOT%				
AVG. YLD.			AVG%				
PR. YLD.		356	PR. %	50	60	50	AP-87

PRELIMINARY YIELD 343, APPROVED YIELD 343, TRANSITIONAL YIELD 320, AREA: 1

In this example, I Am Insured certified the prior year's production. He had 20.0 acres of potatoes that made 4761 CWT 238 CWT per acre. The verifier updated I Am Insured's database. I Am Insured has an approved yield of 342 CWT at the applicable percentage factor for the current crop year.

DP = Default Percentage from Actuarial Document. Not applicable to CAT.

H EXAMPLE 8

FCI-19A(APH) FC
ANNUAL CROPS)

19XX SWEET CORN (042)
PRODUCTION AND YIELD REPORT

NAME : I Am Insured		ANY AGENT 99	
ADDRESS : RR # 1		ANY COMPANY 999	
TOWN, ST.		CONTRACT : XX-XXX-XXXX	
ZIP		SSN/TAX NO. : XXX-XX-XXXX	
PHONE : (XXX)-XXX-XXXX			
SERVICE OFFICE : C. I. AGENT		AGENT CODE :XXXXXXX	
ADDRESS : 101 N. MAIN ST.			
TOWN, ST. ZIP			
COMPANY : Your AGENCY INC.		COMPANY CODE: XXXXX	
UNIT NO. - 0100		FSA FSN :	
LEGAL DESCRIPTION : 08 T4N R7W			
OTHER ENTITY : NONE			
PROCESSOR NUMBER/NAME : GIANT			
PRACTICE : NON-IRRIGATED (003)			
TYPE : OTHER, GOLDEN (082)			
CROP YEAR	TOTAL PRODUCTION	PLANTED ACRES	AVERAGE YIELD PER ACRE
19XX	336.0	50.5	A6.7
19XX	122.5	60.5	A2.0
19XX	219.0	35.1	A6.2
19XX	232.6	40.1	A5.8
19XX	172.5	26.7	A6.5
19XX	255.0	36.0	A7.1
19XX	179.6	40.6	A4.4
19XX	200.7	51.5	A3.9
19XX	250.6	48.6	A5.2
SUB TOTAL			47.8
19XX	200.0	25.0	A8.0
AREA:	TOTAL OF AVERAGE YIELDS		55.8
TRANSITIONAL YIELD: 0	APPROVED YIELD:		5.6

PRELIMINARY YIELD 5.6
 PRIOR YIELD 5.3
 AVERAGE YIELD=TOTAL OF AVERAGE YIELDS ÷ NO. OF YEARS

In this example, I Am Insured had a prior average yield of 5.6 tons per acre. I Am Insured certified the prior year's production and the verifier updated the database showing an approved yield of 5.6 tons per acre for the current crop year.

I EXAMPLE 9

FCI-19A(APH) FC
(ANNUAL CROPS)

19XX SUGAR BEETS (039)
PRODUCTION AND YIELD REPORT

NAME : I AM INSURED		ANY AGENT 99	
ADDRESS : RR # 1		ANY COMPANY 999	
TOWN, ST.			
ZIP		CONTRACT : XX-XXX-XXXXX	
PHONE : (XXX)-XXX-XXXX		SSN/TAX NO. : XXX-XX-XXXX	
SERVICE OFFICE : C. I. AGENT		AGENT CODE :XXXXXXXX	
ADDRESS : 101 N. MAIN ST.			
TOWN, ST. ZIP			
COMPANY : YOUR COMPANY		COMPANY CODE: XXXXX	
UNIT NO. - 0100		FSA FSN:	
LEGAL DESCRIPTION :			
OTHER ENTITY : NONE			
PROCESSOR NUMBER/NAME : WHITE SUGAR			
PRACTICE : IRRIGATED (002)			
TYPE :			
CROP YEAR	TOTAL PRODUCTION	PLANTED ACRES	AVERAGE YIELD PER ACRE
19XX	----	----	----
19XX	----	----	----
19XX	----	----	----
19XX	13,409.5	432.5	A31.0
19XX	15,022.8	508.9	A29.5
19XX	5,808.5	219.6	A26.5
19XX	8,840.9	409.9	A21.6
19XX	17,500.1	645.2	A27.1
19XX	19,974.7	816.2	A24.5
SUB TOTAL			160.2
19XX	17,654.0	630.5	A28.0
AREA: TOTAL OF AVERAGE YIELDS			188.2
TRANSITIONAL YIELD: 0 APPROVED YIELD:			26.9

PRELIMINARY YIELD 26.9
 PRIOR YIELD 26.7
 AVERAGE YIELD=TOTAL OF AVERAGE YIELDS ÷ NO. OF YEARS

In this example I Am Insured had a prior average yield of 26.7 ton per acre. I Am Insured certified the most recent crop year's production and the verifier updated the database showing an approved yield of 26.9 tons per acre.

1 MULTIPURPOSE PRODUCTION AND YIELD REPORT WORKSHEET

This worksheet may be used to arrive at the factored production to be entered on the APH form in the total production column.

Crop Year	1	2	3	4	5	6
19						
19						
19						
19						
19						
19						
19						

A SUGGESTED COLUMN HEADINGS

A(1) For Cotton (conversion to solid plant):

- (a) Col. 1- Total Production
- (b) Col. 2- Yield Factor
- (c) Col. 3- Total Production (factored, Col. 1 ÷ Col. 2) enter Col. 16
- (d) Col. 4- Gross Acres X percent plant
- (e) Col. 5- Acres enter Col. 17
- (f) Col. 6- Yield (solid planted) enter Col. 18

A(2) For Green Peas:

- (a) Col. 1- Dollars Received for Crop
- (b) Col. 2- Contract price for the TR Sieve number shown on the actuarial table.
- (c) Col. 3- Adjusted Production [Col. 1 ÷ Col.2]
- (d) Col. 4- Lbs. Dry Peas ÷ .60 [converts to green pea equivalent]
- (e) Col. 5- Total Production [Col. 3 + Col. 4]

A(3) For Contract Seed Beans (Bush Varieties for Garden Seed) and Wrinkled Seed Peas:

- (a) Col. 1- Reference Year Adjustment Factor (RYAF)
- (b) Col. 2- Total Dollars (\$) Received (or value of)
- (c) Col. 3- RYAF X Total \$ (rounded to whole \$)
Transfer factored \$ to column 16 of the APH form.

A(4) For Sugar Beets and Sugarcane:

- (a) Col. 1- % Sugar (records)*
- (b) Col. 2- % Sugar (actuarial table)*
- (c) Col. 3- Sugar Factor* (Col 1 ÷ Col 2)
- (d) Col. 4- Actual Production
- (e) Col. 5- Adjusted Production [Col. 3 x Col.4]

*values rounded to three significant digits

A(5) For Potatoes:

- (a) Col. 1- Fresh % No. 1
- (b) Col. 2- Fresh % No. 2 or better
- (c) Col. 3- Processing % No. 1
- (d) Col. 4- Processing % No. 2 or better

A(6) For Commingled Production:

- (a) Col. 1- Practice
- (b) Col. 2- Planted Acres (for skip-row Cotton, acres considered planted to Cotton).
- (c) Col. 3- Transitional Yield ("T" Yield)
- (d) Col. 4- Yield Extension (Col. 2 X Col. 3)
- (e) Col. 5- Factor (total commingled production ÷ total yield extension)
- (f) Col. 6- Yield (Col. 3 X Col. 5)

A(7) For Skip-Row Cotton Yield Factor:

- (a) Col. 1- Non-Irrigated Skip-Row Pattern
- (b) Col. 2- Planted Acres (acres considered planted to Cotton for each pattern)
- (c) Col. 3- Yield Factor (for each different pattern)
- (d) Col. 4- Yield Extension
- (e) Col. 5- Yield Factor (divide total yield extension (Col.4) by total acres (Col. 2))
- (f) Col. 6- Solid Planted Yield
(skip-row yield ÷ yield factor)

WRITTEN AGREEMENT DEADLINES AND DOCUMENTATION					
TYPE OF AGREEMENT	REQUESTED AND SIGNED BY INSURED	RECEIVED IN RSO/INSURANCE COMPANY	AUTHORIZED BY	SUBSEQUENT YEAR'S DEADLINE (REISSUED AGREEMENTS)	MINIMUM SUPPORTING DOCUMENTATION ²
South Florida Pepper Policy minimum price election	Sales Closing	Within 20 calendar days after Sales Closing	Insurance Provider	Sales Closing and Received by the Insurance Provider within 20 calendar days	Completed request for Actuarial Change Form/Written Agreement.
Class (type) of Dry Beans not on Actuarial Table	Sales Closing	Within 20 calendar days after Sales Closing	FCIC RSO	Sales Closing and Received by the Insurance Provider within 20 calendar days	Report prices received for the specific class (type) and either (1) two years of university test plot data and its recommendations, or (2) two years of seed company data supplemented by university data. If items (1) or (2) are not available, then two years of production data for the requested class and prices received. Current year's APH form certifying all dry bean records. ³
Crops with No Actuarial Table	Cancellation date (for the area) specified in the crop endorsement for which coverage is requested.	Within 20 calendar days after the cancellation date specified for the area as indicated in the crop endorsement.	FCIC RSO	Cancellation date specified in the crop endorsement and Received in FCIC RSO within 20 calendar days	Completed Request for Actuarial Change Form/Written Agreement FSA Aerial Photos and FSA 423 form(s). Evidence of adaptability and/or producer's production history. ⁴
Special Purpose Corn if coverage not provided by the Special Provisions	Sales Closing	Within 20 calendar days after Sales Closing	FCIC RSO	Sales Closing and Received in FCIC RSO within 20 calendar days	Completed Request for Actuarial Change Form/Written Agreement and FSA 423 form(s). Evidence of adaptability and/or producer's production history.
Non-Irrigated Corn Grain where Irrigated Corn (Grain and Silage) listed on Actuarial Table only	Sales Closing	Within 20 calendar days after Sales Closing	FCIC RSO (Insurance Provider If specific underwriting guidelines for Insurance Providers have been issued by FCIC RSO)	Sales Closing and Received by Insurance Provider within 20 calendar days	Completed request and current Year's APH Form. ³ Insurance Provider RSO may require additional documentation.

WRITTEN AGREEMENT DEADLINES AND DOCUMENTATION					
TYPE OF AGREEMENT	REQUESTED AND SIGNED BY INSURED	RECEIVED IN RSO/INSURANCE COMPANY	AUTHORIZED BY	SUBSEQUENT YEAR'S DEADLINE (REISSUED AGREEMENTS)	MINIMUM SUPPORTING DOCUMENTATION ²
Overage FP Stands Carryovers	By October 31	October 31	Insurance Provider	October 31	FSA Aerial photos. Pre-acceptance Inspection Report (each unit). Current Year's APH. ³
Overage FP Stands NEW INSUREDS	By November 30	December 15	Insurance Provider	N/A	FSA Aerial photos. Pre-acceptance Inspection Report (each unit). Current Year's APH. ³
Practice (NIBR) of Sunflowers not on Actuarial Table	Sales Closing	Within 20 calendar days after Sales Closing	FCIC RSO (Insurance Provider If specific underwriting guidelines for Insurance Providers have been issued by FCIC RSO)	Sales Closing and Received by Insurance Provider within 20 calendar days	Refer to Special Provisions for evidence of adaptability and/or producer's production history requirements.
Small Grains: (i) interplanted with another crop (ii) planted into an established grass or legume; or (iii) planted as a nurse crop	15 calendar days after the Acreage Reporting date ¹	Within 20 calendar days after the Acreage Reporting date.	FCIC RSO	Acreage Reporting and Received in FCIC RSO within 20 calendar days	Completed request for Actuarial Change Form/Written Agreement. Completed Crop Inspection report. ¹
Listing Reconsiderations for Peanuts and Tobacco	Acreage Reporting ¹	Within 20 calendar days after Acreage Reporting	FCIC RSO	Sales Closing and Received in FCIC RSO within 20 calendar days	Insured's classification for other practices or types or in other counties. Production information for the insured and other entities in which the insured has participated. Legal description of land or FSN, FSA Aerial Photos or legible maps delineating field boundaries of planted or intended planted acreage of the crop.
High Rate Areas	Acreage Reporting	Within 20 calendar days after Acreage Reporting	FCIC RSO	Sales Closing and Received in FCIC RSO within 20 calendar days	Completed Request for Actuarial Change form. FSA Aerial Photos, FSA 423 form(s), and APH.

WRITTEN AGREEMENT DEADLINES AND DOCUMENTATION					
TYPE OF AGREEMENT	REQUESTED AND SIGNED BY INSURED	RECEIVED IN RSO/INSURANCE COMPANY	AUTHORIZED BY	SUBSEQUENT YEAR'S DEADLINE (REISSUED AGREEMENTS)	MINIMUM SUPPORTING DOCUMENTATION ²
Land in Adjoining Counties/State Crossing County/State Line	Acreage Reporting	Within 20 calendar days after Acreage Reporting	Insurance Provider	Sales Closing and Received by the Insurance Provider within 20 calendar days	Completed Request for Actuarial Change Form/ Written Agreement, FSA Aerial Photos. Completed Crop Inspection report.
Unrated Land or P/T/V	Acreage Reporting ¹	Within 20 calendar days after Acreage Reporting	FCIC RSO	Sales Closing and Received in FCIC RSO within 20 calendar days	Completed Request for Actuarial Change Form. FSA Aerial Photo's, FSA 423 form(s). Completed Crop Inspection report. ¹ Evidence and adaptability of the practice or type for the area. ³ APH for the P/T.
Written Unit Agreement	Acreage Reporting	Within 20 calendar days after Acreage Reporting	FCIC RSO (Initial Request)	Written Unit Agreements are continuous in subsequent years provided no changes occur. If changes occur, handle as an initial request.	See Exhibit 30 for the required documentation. FCIC RSO may have additional guidelines.

- ¹ Initial Written Agreements requested to establish insurability after the Sales Closing Date require an inspection at the time the written agreement terms are presented to the insured, if the crop has been planted.
- ² Additional documentation may be required on individual requests.
- ³ Completed Request for Actuarial Change Form/Written Agreement.
- ⁴ (a) Completed APH form and acceptable records (inspection as required by Category B or C crop procedures) of actual yields for at least the most recent three consecutive crop years during the base period (If the producer expands the farming operation across a county or state line into a local producing area, FCIC may consider existing production reports from the current crop production sufficient);
 (b) The dates the applicant and other growers in the area normally plant and harvest the crop;
 (c) The name and location of, and approximate distance to, the location at which the crop will be sold or used by the applicant;
 (d) A copy of the FSA-423 form(s) providing cropland acreage, and program yields, for the acreage on which insurance is requested , if applicable; and
 (e) The legal description of the land and FSA aerial photographs or, legible maps delineating field boundaries where the applicant intends to plant the crop for which insurance is requested.

Written Agreements may be available for other situations not listed here, as authorized in the policy provisions. Contact the FCIC RSO for details.

FCI-5 (Reverse Side)
(Rev. 5-92)

10. Use the grid map below to plot the location of all land in the county farmed by the producer (specify to the nearest quarter section).

ASCS or comparable aerial photos should be submitted if field boundaries can not be drawn on grid map with reasonable accuracy.

Range _____ Range _____

Twp.		8	5	4	3	2	1		6	5	4	3	2	1	Twp.
		7	8	9	10	11	12		7	8	9	10	11	12	
		18	17	16	15	14	13		18	17	16	15	14	13	
		9	20	21	22	23	24		9	20	21	22	23	24	
		30	29	28	27	26	25		30	29	28	27	26	25	
		31	32	33	34	35	36		31	32	33	34	35	36	
		6	5	4	3	2	1		6	5	4	3	2	1	
		7	8	9	10	11	12		7	8	9	10	11	12	
		18	17	16	15	14	13		18	17	16	15	14	13	
		19	20	21	22	23	24		19	20	21	22	23	24	
		30	29	28	27	26	25		30	29	28	27	26	25	
		31	32	33	34	35	36		31	32	33	34	35	36	

Range _____ Range _____

I hereby certify that to the best of my knowledge and belief the information contained herein for the designated crop(s) or the above identified farm(s) is accurate and correct.	I have reviewed the above information and to the best of my knowledge and belief it represents accurate information.	I recommend that the requested actuarial change be approved.
Signature of Producer _____ Date _____	Signature of Agent _____ Date _____	Signature of Company Representative _____ Date _____

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT)

To the extent that the information requested herein relates to the information supplier's individual capacity as opposed to the supplier's entrepreneurial (business) capacity, the following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a). The authority for requesting information to be furnished on this form is the Federal Crop Insurance Act, as amended, (7 U.S.C. 1601 et seq.) and the Federal Crop Insurance Regulations contained in 7 CFR Chapter IV.

Collection of the Social Security Account Number (SSN) or the Employer Identification Number (EIN) is authorized by section 606 of the Federal Crop Insurance Act (7 U.S.C. 1506) as amended by the Food, Agriculture, Conservation, and Trade Act of 1980 (1980 Farm Act) (Pub. L. 101-624, 104 Stat. 3386), and is required as a condition of eligibility for participation in the Federal Crop Insurance program. The primary use of the SSN or EIN is to correctly identify you, and any other persons with an interest in your operation in excess of 5%, as a policyholder within the systems maintained by FCIC. Furnishing the SSN/EIN is voluntary; however, failure to furnish that number will result in you being denied program participation and benefits.

The balance of the information requested is necessary for the insurance company and FCIC to process this form to provide insurance, provide reinsurance, determine eligibility, determine the correct parties to the agreement, determine and collect premiums, and pay benefits. The information furnished on this form will be used by federal agencies, FIC employees, insurance companies, and contractors who require such information in the performance of their duties. The information may be furnished to: FCIC contract agencies; employees and loss adjusters; reinsured companies; other agencies within the United States Department of Agriculture; the Internal Revenue Service; the Department of Justice, or other federal or state law enforcement agencies; credit reporting agencies and collection agencies; other federal agencies as requested in computer matching programs; and in response to judicial orders in the course of litigation. Furnishing the information required by this form is voluntary; however, failure to report the correct, complete information requested may result in rejection of the form, rejection of any claim for indemnity, ineligibility for insurance, and a unilateral determination of the amount of premium due.

PAPERWORK REDUCTION ACT

In accordance with the Paperwork Reduction Act, public reporting burden for the collection of information is estimated to average 80 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate, or any other aspect of this collection information, including suggestions for reducing this burden, to the United States Department of Agriculture, Clearance Officer, OIRM, Room 404-W, Washington, D.C. 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0583-0042), Washington, D.C. 20503.

REGIONAL SERVICE OFFICES

MAILING ADDRESS OF RSO	STATES SERVED														
Robert Prchal, Director Suite 106 2110 Overland Avenue Billings, Montana 59102-6440 (406) 657-6447 (7:30 - 4:00M) FAX: (406) 657-6573	Montana North Dakota South Dakota Wyoming														
William Murphy, Director 1303 "J" Street, Suite 450 Sacramento, California 95814 (916) 498-5315 (7:30 - 4:00P) FAX: (916) 498-5280	Arizona California Hawaii Nevada Utah														
Larry Atkinson, Director Suite 160 4407 Bland Road Raleigh, North Carolina 27609 (919) 790-2749 (8:00 - 4:30E) FAX: (919) 790-2999	<table border="0"> <tr> <td>Connecticut</td> <td>New Jersey</td> </tr> <tr> <td>Delaware</td> <td>New York</td> </tr> <tr> <td>Maine</td> <td>Maryland</td> </tr> <tr> <td>Massachusetts</td> <td>New Hampshire</td> </tr> <tr> <td>North Carolina</td> <td>Pennsylvania</td> </tr> <tr> <td>Rhode Island</td> <td>Vermont</td> </tr> <tr> <td>West Virginia</td> <td>Virginia</td> </tr> </table>	Connecticut	New Jersey	Delaware	New York	Maine	Maryland	Massachusetts	New Hampshire	North Carolina	Pennsylvania	Rhode Island	Vermont	West Virginia	Virginia
Connecticut	New Jersey														
Delaware	New York														
Maine	Maryland														
Massachusetts	New Hampshire														
North Carolina	Pennsylvania														
Rhode Island	Vermont														
West Virginia	Virginia														
Larry Whitford, Director 8 Riverbend Place Jackson, Mississippi 39208 (601) 965-4771 (7:30 - 4:00C) FAX: (601) 965-4517	Arkansas Kentucky Louisiana Mississippi Tennessee														
Ronald Berryhill, Director Suite 170 205 NW 63rd. Street Oklahoma City, Oklahoma 73116-8209 (405) 879-2700 (7:30 - 4:00C) FAX: (405) 879-2741	New Mexico Oklahoma Texas														
William Archer, Director 30 E. 7th St. Suite 910 Minn. World Trade Center St. Paul, Minnesota 55101 (612) 290-3304 (7:30 - 4:00C) FAX: (612) 290-4139	Iowa Minnesota Wisconsin														

REGIONAL SERVICE OFFICES

MAILING ADDRESS OF RSO	STATES SERVED
Catherine Malayer, Director 2305 West Monroe Street Suite 3 Springfield, Illinois 62704 (217) 492-4186 (7:30 - 4:00C) FAX: (217) 492-4075	Illinois Indiana Michigan Ohio
Dave Paul, Director North 112 University Road P.O. Box 14666 Spokane, Washington 99214-0666 (509) 353-2147 (7:00 - 4:00P) FAX: (509) 353-3149	Alaska Idaho Oregon Washington
Clarence Manning, Director 3401 SW Van Buren Topeka, Kansas 66611-2227 (913) 266-0248 (7:30 - 4:00C) FAX: (913) 266-2487	Colorado Kansas Missouri Nebraska
Robert Vollmert, Director Room M-113, Federal Building 106 South Patterson Street Suite 250 Valdosta, Georgia 31601 (912) 242-3044 (8:00 - 4:30E) FAX: (912) 244-6103	Alabama Florida Georgia Puerto Rico South Carolina

**RISK COMPLIANCE FIELD OFFICES
ACTING FIELD DIRECTORS**

<u>MAILING ADDRESS OF COMPLIANCE OFFICES</u>	<u>STATES SERVED</u>
Billy Pryor, Director 1111 W. Mockingbird Lane Suite 280 Dallas, Texas 75247 (214) 767-7700 (7:30 - 4:30C) FAX: (214) 767-7721	Arkansas New Mexico Oklahoma Texas Louisiana Mississippi
Johnnie Perdue, Director 4407 Bland Road Suite 280 Raleigh, North Carolina 27609 (919) 790-2916 (7:30 - 4:30E) FAX: (919) 790-2853	Alabama Florida Georgia Kentucky North Carolina Puerto Rico South Carolina Tennessee Virginia West Virginia
Billy Pryor, Acting Director 1303 J Street Suite 460 Sacramento, California 95814 (916) 498-5288 (7:30 - 4:00P) FAX: (916) 498-5296	Alaska Arizona California Hawaii Idaho Nevada Oregon Utah Washington

RISK COMPLIANCE FIELD OFFICES
ACTING FIELD DIRECTORS

<u>MAILING ADDRESS OF COMPLIANCE OFFICES</u>	<u>STATES SERVED</u>
Joan Sutter, Director 3440 Federal Drive Suite 200 Eagan, Minnesota 55122-1301 (612) 725-3730 (7:30 - 4:00C) FAX: (612) 725-3735	Minnesota Montana North Dakota South Dakota Wyoming
Alvin Gilmore, Director 9435 Holmes Road Kansas City, Missouri 64131 (816) 926-7963 (7:30 - 4:00C) FAX: (816) 926-5186	Colorado Iowa Kansas Missouri Nebraska
Gene Prochaska, Director Corporate Center North 6905 Corporate Circle Indianapolis, Indiana 46278 (317) 290-3050 (7:30 - 4:00E) FAX: (317) 290-3065	Connecticut Illinois Maine Massachusetts New Hampshire New Jersey Pennsylvania Vermont Delaware Indiana Maryland Michigan New York Ohio Rhode Island Wisconsin

NATIONAL APPEALS DIVISION (NAD)
 3101 PARK CENTER DR. ROOM 1020
 ALEXANDRIA, VIRGINIA 22302
 (703) 305-2538
 FAX: (703) 305-2108

MAILING ADDRESS OF NAD OFFICES	STATES SERVED
Western Regional Office 730 Simms, Suite 386 Golden, Colorado 80401-4798 (303) 236-2862 FAX: (303) 236-2857	Alaska California Kansas Idaho Nebraska New Mexico Oklahoma South Dakota Utah Wyoming Arizona Colorado Hawaii Montana Nevada North Dakota Oregon Texas Washington
Southern Regional Office 7777 Walnut Grove Road Suite OM-36 Memphis, Tennessee 38120 (901) 766-7655 FAX: (901) 766-7660	Alabama Florida Louisiana North Carolina Puerto Rico South Carolina Tennessee Virginia Arkansas Georgia Mississippi
Eastern Regional Office 3500 Depaw Boulevard Suite 2052 Indianapolis, Indiana (317) 875-9648 FAX: (317) 875-9674	Connecticut Illinois Iowa Maine Massachusetts Michigan Missouri New Hampshire New York Ohio Rhode Island Virgin Islands Virginia West Virginia Wisconsin Delaware Indiana Kentucky Maryland Minnesota New Jersey Pennsylvania Vermont

EXAMPLE 1

FCI-35 05/20/XX COUNTY COVERAGE AND RATE TABLE

ST: NEBRASKA (31) CO: Adams (001) CROP: Wheat

TRANSITIONAL YIELD FACTOR

{5} TYPE	{4} PRACTICE	{6} "T" YIELD FACTOR	{7} MAXIMUM "T" YIELD
	(002) Irrigated	1.00	90.0
	(004) Continuous Cropping	.73	59.0
	(005) Summerfallow	.94	76.0

APPROVED:

Transitional Yield Factors {6} are part of the FCI-35 County Coverage and Rate Table and are by Crop {1}, State {2}, County {3}, Practice {4}, and Type {5}. {7} indicates the Maximum Transitional Yield. All crops' "T" Yields that are determined by using Transitional Yield Factors are limited to the Maximum Transitional Yield indicated in the county coverage and rate table.

Example: A Nebraska Wheat insured in Adams County, using practice 005, has an FSA Program Yield of 96 bushels.

96 X 0.94 = 90 bu., the 100% "T" yield is capped at 76 bu.
 90% (Two years actual records) "T" yield = 76 x .90 = 68 bu.

In this example the 100 percent "T" Yield is limited to 76 bu.

EXAMPLE 2

FCI-35 COUNTY COVERAGE AND RATE TABLE Page 1
 04/13/XX 19XX CROP YEAR

ST: NEBRASKA (31) CO: Antelope (003) CROP: RYE {1} (094)

TRANSITIONAL YIELD FACTOR

REFERENCE CROP: WHEAT {2}

TYPE	PRACTICE	TRANSITIONAL YIELD FACTOR	MAXIMUM TRANSITIONAL YIELD
----	-----	-----	-----
	(002) Irrigated	.48	34.0
	(003) Non-Irrigated	.48	34.0

APPROVED:

This is an example of a Transitional Yield Factor for RYE {1} with a reference crop of Wheat {2}. The rye Transitional Yield Factor (.48) is multiplied time the Wheat program yield

**PREPARATION OF FORM FCI-74, FIELD INSPECTION AND
CLAIM FOR INDEMNITY, FOR DETERMINATION OF
ACREAGE AND PRODUCTION FOR APH**

When an insured qualifies for an appraisal as outlined in Sec. 7 Par. D, an FCI-74 will be completed by a loss adjustment contractor to determine acreage and production if a Claim for Indemnity is NOT or WILL NOT be filed. Insurance Providers may use a production worksheet and applicable instructions.

MAKE THE FOLLOWING ENTRIES:

ITEM NO.

- 1 Print or type name of insured EXACTLY as shown on the most recent policy confirmation.
- 2 Contract number from the most recent policy confirmation, or enter "applicant" if new insured.
- 3 Unit number from Acreage Report after verified to be correct.
- 4 Name of crop.
- 5 Crop year for which the acreage and production is being determined.
- 6 "X" if insured is Corporation employee, representative, or affiliate.
- 7 Name of Indian landlord when Indian Lessor Agreement is in effect.
- 8-9 Make no entry.
- 10 Legal description or location where insured or representative can be reached.
- 11 Telephone number and area code of insured or representative.
- 12 Other contract number(s), if insured. Otherwise, enter "NONE". Prepare FCI-74 for other contract(s).
- 13-14 Make no entry.
- 15 The field person will enter all other UNITS for the CROP. Inspect and complete an FCI-74 for all units needing immediate inspection. See Sec. 5, C(5).

PART II - ACREAGE APPRAISED, APPRAISED PRODUCTION AND ADJUSTMENTS

- 16-17 Make no entry.
- 18 If location is different than shown on Acreage Report, enter correct legal description (Township, Range, FSA farm serial number, etc.).
- 19 Make no entry.
- 20 If damaged, enter cause(s) of damage. Otherwise, enter "NONE".
- 21-23 Make no entry.
- 24 Enter APH record.
- 25 Make no entry.

DETERMINE ACTUAL PLANTED INSURABLE ACREAGE BY ACTUAL MEASUREMENTS.**PREVIOUS MEASUREMENTS FROM FCIC, FSA OR MPC I.**

- 26 Field identification symbol.
- 27 If less than all the acreage in the unit and production will NOT be determinable at a later date, estimate acreage.
- 28 Determined acres to tenths. ACCOUNT FOR ALL ACREAGE IN THE UNIT.
- 29 Make no entry.
- 30 Insured's share in THREE decimal places as determined at the time of inspection.
- 31 Practice (ABBREVIATED EXACTLY AS SHOWN ON ACTUARIAL TABLE) as carried out by the insured. Otherwise, make no entry.
- 32-33 Make no entry.
- 34 Intended use of appraised acreage.
- 35 Appraised potential production. In counties that have a grain and silage guarantee, an appraisal is required for each. In these cases, draw a horizontal line through the center of box 35 and enter the grain appraisal on top of the line and the silage appraisal below the line.
- 36-37 Make no entry.
- 38 For Corn: If a weight method appraisal is made in bushels, enter the shelling percentage (if other than 100) rounded to whole percent. Otherwise, make no entry.

- 39 Percent of moisture to tenths.
40 Make no entry.
43 Total acres to tenths for the unit.

PART III - HARVESTED PRODUCTION

- 44-59 Make no entry.
60 Enter the appraised yield per acre and ANY information pertinent to APH.
61-67 Make no entry.
68 Delete "4th or" before insured signs and dates.
69 Delete "4th or" and field person enters code number, signs, and dates.
70 Page numbers (Example: Page 2 of 2 pages).
71 Make no entry.

DISTRIBUTION: Original - Insured's File
1st copy - Insured
Destroy remaining copies

EXAMPLE OF AN FCI-74 COMPLETED BY A LOSS CONTRACTOR FOR AN APPRAISAL

FORM APPROVED OFFICE OF MANAGEMENT & BUDGET NO. R-3235				PART I - NOTICE OF DAMAGE				OMB No. 0563-0007			
FORM FCI-74 UNITED STATES DEPARTMENT OF AGRICULTURE (Rev. 10-91) Federal Crop Insurance Corporation				1 NAME OF INSURED OR CLAIMANT APH PRODUCER				2 CONTRACT NUMBER XX-XXX-XXXXXX			
FIELD INSPECTION AND CLAIM FOR INDEMNITY (See Reverse Side of Form for Statement Required by the Privacy Act of 1974)				3 UNIT 0100		4 CROP CORN		5 CROP YR. 19YY		6 FCIC EMPLOYEE	
				7 NAME OF INDIAN LANDLORD				8 ASSIGNMENT OF INDEMNITY X		9 TRANSFER OF INDEMNITY	

PART II-ACREAGE APPRAISED, APPRAISED PRODUCTION AND ADJUSTMENT																	
16 PRIMARY CAUSE OF DAMAGE			%	17 SECONDARY CAUSE			18 CORRECTED LEGAL			10 CONTRACT INSURED AT 24-30-29			11 TELEPHONE NO. (XXX)XXX-XXXX				
19 PRACTICE		%	PRACTICE		%	PRACTICE		%	12 OTHER CONTRACT NUMBER(S) NONE		13 ESTIMATED PRODUCTION						
20 CAUSE(S) OF DAMAGE		1ST		2ND		3RD		4TH NONE		14 DATE(S) OF NOTICE		1ST	2ND	3RD	FINAL		
21 DATE OF DAMAGE										15 FOLLOW UP ON UNITS							
22 DATE HARVEST COMPLETED				23 LAPSE OF TIME				24 APH Record		25 ESTIMATED YIELD PER ACRE							

Field	Acres Appraised For other Use	Final Acres		Area No.	Share	Practice	Type Class Variety	Stage and Intended or Final Use		Appraisal Per Acre			Adjustment to Appraised Production				
		Whole	10 ths					Stage	Intended or Final Use	Potential	% Hail Damage	Uninsured Causes	% Shell	\$ Mois.	Test Wt.	Factor or Contract Price	
26	27	28		29	30	31	32	33	34	35	36	37	38	39	40	41	42
1	45 0	77 6			1.000				Green Chop	67.4				19.0			
43 TOTAL ACRES																	

PART III - HARVESTED PRODUCTION - INCLUDE ALL PRODUCTION FOR ALL ENTITIES SHARING IN CROP-FARM STORED ON OTHER																
Length or Dia.	Width	Depth	Deduction	Type Class or Variety	Shelled Ear Ground Silage	Share	Bu. Lbs. Cwt. or Tons	Adjustments to harvested Production							Pro. Not to Count	
								% Shell or Sugar	% Mois.	Test Wt.	% Dock	Value	Mkt. Cont. Price	Factor		
44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	

60 NARRATIVE
 Field is located in FSN XXXX S 1/2 24-39-29 Appraisal is 67.4 Bu. Acre
 See attached aerial photocopy for field ID.
 45 Acres will be green chopped and fed as harvested

**COMBINING
AND DIVIDING BASIC AND OPTIONAL UNITS**

This exhibit addresses establishment of the APH databases for carryover insureds with valid APH yield history (APH databases containing actual and/or assigned yields) on file when: 1) the basic unit definition for a crop has changed, 2) optional units are combined into basic units or 3) basic units are divided into optional units. Valid yield history on file includes ANY MPCIC Company APH databases.

This procedure is effective for carryover insureds for Category B and C APH crops. It applies by unit and by P/T/V requiring separate APH yields within a unit. Separate databases are also required for each "T" Yield Map Area except for Category C APH crops when weighted average APH yields are calculated for a unit which contains more than one "T" Yield Map Area. Yield limitation provisions, do not apply when units are combined or divided. Agents/representatives may combine or divide the previous APH yield history, but the verifier must issue the approved APH yield.

1 COMBINING APH YIELD HISTORY

A SITUATIONS REQUIRING APH Yield History (APH Databases) TO BE COMBINED

- A(1) Two or more basic units are combined into one basic unit due to a change in unit definition or change in basic unit arrangement.
- A(2) The APH yield history is on an optional unit basis and the insured does not wish to continue to maintain records on an optional unit basis and files production report(s) with optional units combined on a basic unit basis.

B SOME SITUATIONS MAY REQUIRE COMBINING OPTIONAL UNITS BUT NOT THE YIELD HISTORY

- B(1) Production is commingled between optional units at the time of loss. APH Databases must be combined the (policy) crop year following the loss.
- B(2) The insured continues to provide production reports on an optional unit basis but wishes to insure on a basic unit basis.
- B(3) Failure to provide production reports for the most recent APH crop year in the base period.

Situation (2) above, allows for multiple APH yields within a basic unit if separate yields are maintained. Separate line entries are required on the acreage report for each APH yield.

C PROCEDURE FOR COMBINING APH DATABASES

Yield history from all units (separated by P/T/V) being combined which contain actual and/or assigned yields, will be entered in the current (policy) crop year database according to the following procedure. If the producer combines units after the production reporting date it is not required to combine the production history. Multiple line entries may be maintained within the unit. See Example 1 and Example 2.

- Step 1** Complete the most recent year (1996 for most crops) in the database by using the current production report(s) filed for the previous (policy) crop year. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) crop year, and insurable acreage was planted use the assigned yield for units (by P/T/V) that were planted. If insurable acreage was planted on more than one unit/P/T/V) use a simple average of the prior approved APH yields for the applicable units (by P/T/V), times .75. For units (by P/T/V) that were not planted, use zero planted procedures.
- Step 2** Combine the total production (Col. 16 [APH Form]) and actual acres (Col. 17[APH Form]) for each APH crop year. For APH crop years with assigned yields, multiply the insurable planted acres times the assigned yield to establish the amount of production and calculate in the same manner as a year with actual yields. Divide the combined production by the combined acres for each APH crop year. Next, enter the combined total production, acres and average yields in the current (policy) crop year's database.
- Step 3** For (policy) crop years in which no acres have been planted on ANY of the units (by P/T/V) being combined, an entry of Z is required if the database contains sufficient space. A production report containing zero acres maintains continuity for production reporting purposes.
- Step 4** Calculate the approved APH yield using the applicable Category B or C current procedure.

2 DIVIDING APH YIELD HISTORY**A SITUATIONS REQUIRING THE APH YIELD HISTORY (DATABASES) TO BE DIVIDED**

- A(1) The basic unit is by FSA FSN and the FSA FSN is divided (reconstituted) into two or more FSA FSNs by the production reporting date.
- A(2) The APH yield history is on a basic unit basis and the insured files acceptable production reports for the most recent APH crop year on an optional unit basis.
- A(3) The APH yield history is on a basic unit basis, the operation changes and additional basic units are required (i.e., a portion of the land which was previously cash rented is rented for a share of the crop for the current crop year).

B DIVIDING BASIC UNIT INTO OPTIONAL UNITS

- B(1) To calculate APH's for optional units, for the current (policy) crop year (1997), the insured MUST submit acceptable production reports by optional units for the most recent APH crop year in the base period to be eligible for optional units. See Example 3.
- B(2) The insured may submit (recertify) production reports for optional units for prior APH crop years which were previously reported as one unit. When recertifying, production reports must begin with the most recent APH crop year in the base period and work backward (96, 95, etc.) to maintain continuity. Only continuous recertified production reports will be used to complete the new database and compute the APH yields. See Example 4.

Step 1 Complete the most recent year (for most crops 1996) in each unit's database using the current production reports filed for the previous (policy) crop year. If additional APH crop years are recertified, update prior APH crop years using the actual production history from each unit (by P/T/V).

Step 2 For APH crop years not recertified, enter the total production, acres, actual and/or assigned yields from the previous APH crop year's database in the appropriate APH crop years for each unit. Also enter the insurable planted acres for each APH crop year. Acres may be apportioned by the insured for each unit (by P/T/V). If acres are not apportioned by unit enter the total acres in each unit.

Step 3 If less than 4-years of actual and/or assigned yields are available, enter the applicable variable "T" yield(s) to complete each 4-year database. If different variable "T" Yields are applicable to divided units, enter the appropriate variable "T" Yield for each unit.

Step 4 Calculate the approved APH yield.

C DIVIDING UNITS DUE TO A CHANGE IN BASIC UNIT DEFINITION

- C(1) The insured may submit production report(s) according to the unit definition for the current (policy) crop year (1997 for most crops) or as units were defined the previous (policy) crop year. This procedure applies only the initial (policy) crop year that the basic unit definition was changed. For subsequent crop years, to be acceptable, production history must be submitted according to the applicable unit definition.
- C(2) Insureds may also recertify production reports for prior APH crop years according to the current unit definitions. When recertifying, production reports must be for continuous APH crop years.
- C(3) If production reports are recertified and/or the current crop year is reported according to the unit definition for the CURRENT (policy) crop year, follow the instructions in Par. 2B, Steps 1-4; however, the assigned yield provisions will not apply if actual acres and production are submitted for years with assigned yields.
- C(4) When production reports for the most recent APH crop year are submitted according to the PREVIOUS unit definition use the following procedure. See Example 5.
- (a) Prorate the yield history (total production, acres, actual/assigned yields) from the previous (policy) crop year's production report(s) to all units that are derived from the prior (policy) crop year's basic unit.
 - (b) Prorate the yield history (total production, acres, actual/assigned yields) from the prior (policy) crop year's database to all units that are derived from the prior (policy) crop year's basic unit. See 2B, Step 3 for crop years requiring "T" Yields.
 - (c) Calculate the approved APH yield according to applicable Category B or C procedure.

C(5) If acceptable production report(s) are not filed for the most recent APH crop year and the crop was planted, enter the assigned yield in all optional unit databases. Follow the procedure in 2, C (4)(b and c) for the remaining crop years in each databases.

3 ADDING LAND TO AN EXISTING UNIT

When land has been added to a unit, see Exhibit 36.

4 DIVIDING AND COMBINING APH YIELD HISTORY WITHIN A UNIT

For a unit composed of cropland from part of a parent farm (unit) and land added from a different farm (unit[s]) use the following procedure.

A DETERMINE THE PRODUCTION HISTORY TO BE RETAINED

When part of a unit's production history is retained, follow the instructions in 2B above and determine the production history to be retained for the land involved.

B LAND WITH YIELD HISTORY ADDED TO THE UNIT

The yield history from the divided unit (determined in A above) and the yield history from the land added to unit is combined using the procedure in 1,C above.

See Examples 1 and 2 (combining) and Examples 3 and 4 (dividing) when splitting and combining databases within the same unit.

5 RETAINING YIELD HISTORY FOR THE SAME LAND

To retain yield history when the basic unit or optional unit is from a valid APH form and the same entity and land is involved:

A UNIT RENUMBERED OR FSA FSN RECONSTITUTED

Verify that the same entity and land is involved. If the same entity and land, the actual/assigned yield history is retained. Yield limitation provisions, if applicable, will apply.

B COMPLETE THE APH FORM FOR THE CURRENT POLICY CROP YEAR

Enter the yield history for all (policy) crop years in the database using the current APH rules.

EXAMPLE 1 COMBINING UNITS

The following example illustrates combining two optional unit databases into a single database when both databases contain actual or assigned yields.

Previous (Policy) Year's Databases (1996)

1996 UNIT 0201 (NI NFAC)				1996 UNIT 0202 (NI NFAC)			
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield
86				86			
87				87			
88				88			
89				89			
90				90			
91			N15	91			
92			N15	92			T17
93	1200	60.0	A20	93	2880	90.0	A32
94		0.0	Z	94	1680	60.0	A28
95	880	40.0	A22	95	1920	80.0	A24

Step 1: The 1995 production report indicates for the 1996 APH crop year: NI NFAC practice with 3000 bu. production, 100.0 actual acres and a 30 bu. average yield.

Step 2: Actual acres and production are combined.

Year	4080	150.0	
93	(1200[Bu] + 2880[Bu]) ÷ (60.0[acres] + 90.0[acres]) =	27	
94	(0[Bu] + 1680[Bu]) ÷ (0.0[acres] + 60.0[acres]) =	28	
95	(880[Bu] + 1920[Bu]) ÷ (40.0[acres] + 80.0[acres]) =	23	

Step 3: Since 4 years of actual records are available "T" Yields are not used in the database.

1997 UNIT 0200 (NI NFAC)

	Year	Prod.	Acres	Yield	
Step 3	87				
Step 3	88				
Step 3	89				
Step 3	90				
Step 3	91				
Step 3	92				
Step 2	93	4080	150.0	A27	
Step 2	94	1680	60.0	A28	
Step 2	95	2800	120.0	A23	
Step 1	96	3000	100.0	A30	Most Recent Crop Year
			TOTAL	108	
Step 4				108/4 =	27

EXAMPLE 2 COMBINING UNITS

The following example illustrates establishing the current (policy) crop year database (1997) when two units have been combined into a single unit. For the prior APH crop year unit 0101 contained actual and assigned yields. Unit 0102 was added land the prior year and contained ONLY "T" Yields of 17 bu.

Previous (Policy) Year's Databases

1996 UNIT 0101 (NI NFAC)				1996 UNIT 0102 (NI NFAC)			
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield
86				86			
87				87			
88				88			
89				89			
90				90			
91	2200	55.0	A40	91			
92		0.0	Z19	92			L-17
93		40.5	P15	93			L-17
94	2520	60.0	A42	94			L-17
95	1210	50.0	A20	95			L-17
				Total 68			
				68/4 = 17			

For the current (policy) crop year (1997), the insured reported 120 acres and 5760 bushels of production (from both locations) on a combined production report for the most recent APH crop year (1996). Acreage and productivity requirements stated in Exhibit 36 have been met which allows the database to be combined.

Current (Policy) Year's Combined Database

1997 UNIT 0100 (NI NFAC)				
Year	Prod.	Acres	Yield	
91	2200	55.0	A40	Step 2
92		0.0	Z	Step 2
93		40.5	P15	Step 2
94	2520	60.0	A42	Step 2
95	1210	50.0	A20	Step 2
96	5760	120.0	A48	Step 1
			Total 165	
			165/5 = 33	Step 4

EXAMPLE 3 DIVIDING UNITS

In this example, a basic unit is divided into two optional units. The insured filed acceptable production reports for the current (policy) crop year (1996 APH crop year) for units 0101 and 0102.

Previous (Policy) Year Basic Unit				Current (Policy) Year Optional Unit (Sec. 1)				
1996 UNIT 0100 (SF)				1997 UNIT 0101 (SF)				
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield	
86				87				Step 3
87				88				Step 3
88				89				Step 3
89				90	8800	200.0	A44	Step 2
90	8800	200.0	A44	91		0.0	Z	Step 2
91		0.0	Z	92		100.0	P37	Step 2
92		100.0	P37	93	10080	210.0	A48	Step 2
93	10080	210.0	A48	94	8000	200.0	A40	Step 2
94	8000	200.0	A40	95	4800	240.0	A20	Step 2
95	4800	240.0	A20	96	4400	80.0	A55	Step 1
						Total	244	
						244/6 =	41	Step 4

Current (Policy) Year
Optional Unit (Sec. 2)

1997 Unit 0102 (SF)				
	Year	Prod.	Acres	Yield
Step 3	87			
Step 3	88			
Step 3	89			
Step 2	90	8800	200.0	A44
Step 2	91		0.0	Z
Step 2	92		100.0	P37
Step 2	93	10080	210.0	A48
Step 2	94	8000	200.0	A40
Step 2	95	4800	240.0	A20
Step 1	96		0.0	Z
			Total	189
Step 4			189/5 =	38

EXAMPLE 4 DIVIDING UNITS

In this example, 1996 APH crop year production reports were submitted for two optional units. The acreage was previously reported as one unit. Acreage previously reported was recertified for two optional units. The FSA Program Yields are different for the two farms, the "T" Yields are 50 and 45 for units 0101 and 0102 respectively.

Previous (Policy) Year
Basic Unit
(Sec. 10 and 11)

Current (Policy) Year
Optional Unit (Sec. 10)

1996 UNIT 0100 (SF)				1997 UNIT 0101 (SF)				
Year	Prod. Acres	Yield		Year	Prod. Acres	Yield		
86				87			Step 3	
87				88			Step 3	
88				89			Step 3	
89				90	4480	80.0	A56 Step 2	
90	10400	200.0	A52	91		0.0	Z Step 2	
91		0.0	Z	92	1200	40.0	A30 Step 2	
92		100.0	P36	93	5500	100.0	A55 Step 2	
93	11340	210.0	A54	94	2880	60.0	A48 Step 2	
94	8000	200.0	A40	95	4200	140.0	A30 Step 2	
95	4800	240.0	A20	96	4400	80.0	A55 Step 1	
		Total 202				Total 274		
		202/5= 40				274/6= 46	Step 4	

Current (Policy) Year
Optional Unit (Sec. 11)

1997 UNIT 0102 (SF)				
Year	Prod. Acres	Yield		
87				Step 3
88				Step 3
89				Step 3
90	5920	120.0	A49	Step 2
91		0.0	Z	Step 2
92	2280	60.0	A38	Step 2
93	5840	110.0	A53	Step 2
94	5120	140.0	A37	Step 2
95	600	100.0	A6	Step 2
96		0.0	Z	Step 1
		Total 183		
		183/5= 37		Step 4

**EXAMPLE 5 DIVIDING UNITS
BASIC UNITS CHANGE**

Previous (Policy) Year Basic Unit				Current (Policy) Year Production Report			
1996 UNIT 0100 (NISP)				1997 UNIT 0100 (NISP)			
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield
92			N270	93			T300
93			N270	94	20000	50.0	A400
94	20000	50.0	A400	95	31875	75.0	A425
95	31875	75.0	<u>A425</u>	96	45400	100.0	<u>A454</u>
		Total	1365			Total	1579
		1425/4 =	341			1579/4 =	395

In this example, the basic unit definition changed and the basic units increased from one unit to two units. The insured filed one policy unit production report. For this example the yield history is simply duplicated for the additional unit.

Current (Policy) Year				Current (Policy) Year			
1997 UNIT 0100 (NISP)				1997 UNIT 0200 (NISP)			
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield
93			T300	93			T300
94	10000	25.0	A400	94	10000	25.0	A400
95	15938	37.5	A425	95	15938	37.5	A425
96	22700	50.0	<u>A454</u>	96	22700	50.0	<u>A454</u>
		Total	1579			Total	1579
		1579/4 =	395			1579/4 =	395

PERENNIAL CROP INSTRUCTIONS**1 PRE-ACCEPTANCE UNDERWRITING FIELD INSPECTIONS**

Pre-acceptance field inspections are underwriting functions primarily designed to establish insurability of the crop and to evaluate the risk to be assumed.

- A Pre-acceptance field inspections involving applications. If the entire crop is damaged prior to application or the date insurance should have attached the application is not accepted and insurance does not attach. If part of the crop is damaged, the application may be accepted but damaged acreage is rejected and insurance does NOT attach on damaged unit(s).

Once the acreage is inspected and the application accepted, subsequent damage from insured cause(s) is covered. When preliminary yields are calculated, insureds may not request mutual consent cancellation unless the approved APH yield is lower than 95 percent of the preliminary yield.

- B For carryover insureds. If insurance is requested on added acreage and is damaged prior to the pre-acceptance field inspection, the acreage to be added is rejected on a unit basis and insurance does not attach.

2 PRE-ACCEPTANCE PERENNIAL CROP INSPECTION REPORT**A FCIC APPROVED PERENNIAL CROP INSPECTION REPORTS.**

Pre-acceptance perennial crop field inspections are mandatory for Blueberries (in the states of Maine, Mississippi, North Carolina, New Jersey and first time insured Blueberries in Michigan,) and Texas Citrus or if for other perennial crops acreage tolerances are exceeded or other conditions exist that require a pre-acceptance inspection [See Sec. 5, Par. E(7) and (8)]. The information required by Items 1-10 must be completed by the agent prior to forwarding the applicant's/insured's file to the Insurance Provider representative responsible for assigning inspections. All items must be completed on the Perennial Crop Inspection Report. Inspectors will complete items 11 through 37 of the report and the applicable crop addendum worksheet. All additional information should be documented by the inspector and attached to the report form. Inspectors will forward all documents to the Insurance Provider verifier through the inspector's supervisor after completing the inspection.

B TIME FRAMES FOR INSPECTIONS

Insurance Providers must assign field inspections to an inspector within five working days of receipt of the request, but no later than 10 calendar days after the PRD. Inspectors must notify the Insurance Provider if they cannot complete field inspections within 10 working days of receiving the inspection request. Inspectors must make arrangements to prevent delaying the yield verification process and to complete the inspection timely. The insured should be present during the inspection to answer any questions and provide authorized access to the unit(s) to be inspected.

The inspector must complete the pre-acceptance field inspection and return all required documentation to the Insurance Provider and/or verifier (Received by the Insurance Provider, FSA, FCIC RSO office) no later than:

- B(1) 20 calendar days after the PRD (Blueberries [in the states of Maine, Mississippi, North Carolina, and New Jersey], and Texas Citrus)
- B(2) 30 calendar days after the PRD Blueberries in Michigan and all other Category C APH crops.

The item numbers and instructions below correspond with the item numbers on the approved sample FCIC 12-P. If the inspectors need additional space to answer any item, they will attach a separate sheet (e.g., a Special Report) and identify each item with the item number of the inspection report. Make the following entries.

Item
No.

General Information (completed by agent/representative)

- (1) Enter the crop, policy crop year for which the field inspection is being completed, unit number, insurable and uninsurable acreage for the unit being inspected.
- (2) Enter the applicant/insured's name and address as shown on the application for insurance.
- (3) Enter the location state/code and county/code.
- (4) Enter the applicant/insured's complete telephone number.
- (5) Obtain and enter the name of the landowner. If the same as the applicant/insured, enter "same".
- (6) Obtain and enter the name of the person making the majority of the management decisions (operator/producer) for the unit. If the same as the applicant/insured, enter "same".
- (7) Enter both the name of the agency and agent/representative who will service the policy. Include agent/representative's code and county code.
- (8) Enter the complete telephone number for the agency/USDA office.

- (9) Enter the legal description to the nearest quarter section and applicable Farm Serial Number(s). If section, township, and range are not used for legal description, use locally accepted description.
- (10) Provide a location description using names and numbers of cross streets, roads, etc. Include mileage from identifiable landmarks e.g., nearest intersection.

Grower Information (completed by inspector/producer)

- (11) Obtain this information from the applicant/insured. It will assist the verifier in reviewing the APH forms for complete records.
- (12) Self-explanatory.
- (13) Review with the operator and explain in detail the cultivation and/or spray program used to control weeds. Include a description of the current orchard/vineyard/bog/plantation floor management, e.g., sterile/sod/cover crop etc.
- (14) Describe in detail the fertilization program being used for the unit. Include producers method of monitoring soil fertility, e.g., soil analysis, foliar analysis or both.
- (15) Describe in detail the insect and disease control measures used by the producer, e.g., integrated pest management, calendar spray program, organic etc. Identify based on the field inspection whether current evidence of disease/insects is rare, moderate or severe.
- (16) Determine if the operator replaces dead or diseased trees/vines. If the operator has a replacement program, identify to what extent, and whether or not, the operator is using a fumigation or crop rotation program.
- (17) Note the primary use of the crop, and/or if different varieties have different uses.
- (18) Determine the usual harvest completion date from the producer.
- (19) Describe in detail the use of bees as pollinators. Include type/quantity and location. (Not applicable for Grapes.)
- (20) Describe in detail the irrigation source(s). Obtain from the grower, water source(s) and irrigation district(s) from which water is allocated, allocation percentage, and irrigation well information. Include any information regarding water obtained through water transfers and any potential curtailment of current and future water supplies.
- (21) Determine and note abnormal flood hazard.
- (22) Discuss with the operator and assess any potential soil limitations e.g., slope, depth, drainage, ph, saline,

or alkaline toxicity etc. Areas of frequent replanting or stunted growth may indicate these conditions exist.

- (23) Describe in detail the pruning practices used; date normally completed and indicate whether pruning is annual or biennial. Indicate if there is excessive pruning or top working which would affect the crop to be insured.
- (24) Describe in detail the varieties used as a pollination source. Include variety, location and quantity. See addendum sheets for additional crop requirements (Not applicable for Grapes.).

Acreage/Inspection Information (completed by inspector)

- (25) Enter the total unit acreage (insurable and uninsurable) and method of measurement. Planimetered, wheeled/taped, or acreage from bog maps (Cranberries) recorded with the marketing organization (e.g., Ocean Spray, Cliff Star, etc.) are the only acceptable acreage measurement methods.
- (26) Review the APH form for prior production and acreage (by variety) as compared to the current acreage and varieties shown on the inspection form. Note any inconsistencies and reconcile tree removals, replacements, grafting. This review will assist the verifier in determining acceptability of prior production records.
- (27) Complete these items by checking appropriate boxes. This requires walking through the unit. For "% bearing trees/vines/bog/plantation, include only the acreage harvested by the grower.
- (28) Evaluate and describe your evaluation of the unit's current potential as: stable, declining or increasing.
- (29) These are subjective questions requiring evaluation of the unit's vigor relative to the calculated average yield. Note: amount of tree/vine/bush growth, limb/cane/bush size, and color, and other factors which indicate the unit's ability to produce the indicated yield. Note overall plant vigor as: good, average or poor.
- (30) If bins are used for harvesting purposes, and complete verifiable first handler or third party records are not provided to substantiate bin size, provide inside bin measurements.
- (31) Complete appropriate crop addendum worksheet(s) for the crop being inspected (see instructions below). Contact applicable FCIC RSO for specific questions on completion.
- (32) Complete appropriate crop addendum worksheet(s) for the crop being inspected (see instructions below). Contact applicable FCIC RSO for specific questions on completion.
- (33) Obtain FSA Aerial Photo(s) with units, FSN's and legal description clearly identified.

- (34) Prepare a sketch map, showing the unit location with identifying roads and landmarks. The diagram map of the orchard serves two purposes to: 1) Identify the location of separate units for the same insured, and 2) Identify the location of blocks within one unit. Sketch blocks, showing the exact location of each block in relation to other blocks in the unit. Label each block with a Block Number or I.D. A general map with the location of all units on one page may also be appropriate. In addition, clearly show State and county roads along with cardinal directions (north arrow) and any permanent land features. Identify the owner/operator's residence if applicable, and/or the operator's name and address on the sketch map.
- (35) Enter additional notes and observations which will assist the verifier in relating unit information to historic yields. Include additional sheets as necessary referencing appropriate items.
- (36) Item 36 A and B are subjective questions, requiring evaluation of management and unit conditions. The verifier consider this information in the overall evaluation of the unit.
- (37) Provide your recommended action and sign, date and return the report to the supervisor. Forward the inspection report with the APH forms and applicable records to the FCIC RSO/Insurance Provider.

FCI 0012P
(Rev) 12-94

OMB NO. 0563-0031

PRE-ACCEPTANCE PERENNIAL CROP
INSPECTION REPORT

1. Crop	Crop Year	Unit	Insurable Acres Uninsurable Acres
2. Name of Applicant/Insured		Address	
3. State and County		4. Applicant/insured's Phone No. Area code ()	
5. Name of Owner		6. Name of Operator	
7. Name of Agent/Agency/FSA		8. Agent/Agency/FSA Phone No. Area Code ()	
9. Legal Description: Section(s)	Township	Range	FSN#
10. Location Description:			

GROWER INFORMATION

11. Number of years grower has operated this unit. ____ Years If less than 3 years, previous owner (if known). Name _____ Address(s) _____
12. Has this unit been insured in prior years? If yes, years insured and prior contract number(s)?
13. Describe weed control measures used for the unit. Include a description of the orchard/vineyard/plantation/bog floor management; e.g., sterile/sod/cover crop:
14. Describe fertilization program used for the unit. Include method of monitoring fertility; e.g., soil analysis/foliar analysis/both.
15. Describe in detail insect control measures used (e.g., integrated pest management/calendar spray program). Evidence of disease/insects Rare _____ Moderate _____ Severe _____
16. Is a tree/vine/bog/ replacement program being carried out? (Explain in detail) If applicable is fumigation used in the replacement program?
17. Crop is grown primarily for: Fresh Market: _____ Processor: _____ Juice Market: _____
18. What date is harvest completed for the unit under normal conditions?
19. Describe in detail the use of bees as pollinators. Include type/quality and location.
20. Describe in detail the irrigation water source. (A) Surface: ____ % of total supply. (B) Irrigation Well(s) ____ % of total supply. (1) Irrigation district name _____ (1) How many well(s)? ____ (2) Allocation last year: ____ % of normal. (2) Total gallons per minute ____ GPM (3) Expected allocation this year ____ % normal. (C) Water obtained through water transfer ____ acre feet per acre.
21. Is the unit subject to above normal flood hazard? If yes, explain in detail.
PAGE 1 OF
22. Are there soil limitations (e.g., slope, depth, drainage, ph, saline/alkali, toxicity)? Explain in detail.
23. Describe in detail the pruning practices used; date normally completed, and indicate whether pruning is annual or biennial.
24. Describe in detail the varieties being used as a pollination source. Include variety/location and quantity.

3 PERENNIAL CROP ADDENDUM WORKSHEETS

Perennial crop addendum worksheets are used to collect field inspection data specific to the crop by providing guidelines and underwriting questions pertinent to the crop being inspected. Separate perennial crop addendum worksheets are provided for the following crops: Apples, Peaches, Pears, Grapes, Cranberries, Blueberries and a combined form for Almonds, Citrus, Figs, Fresh Plums, Prunes, Stonefruit and Walnuts.

For each of the above crops a sample perennial crop addendum worksheet is provided. Complete a separate addendum worksheet for insurable and uninsurable acreage. Check item 31 to identify when the worksheet is completed for insurable acreage. Check item 32 when completed for uninsurable acreage. Use uninsurable acreage addendums to identify acreage uninsurable due to policy minimums or limitations e.g., age, less than a 90% stand for Grapes, required minimum production of Apples has not been met, cranberry bog is being renovated, etc.

The item numbers and instructions below correspond with the item numbers on the Perennial Crop Addendum Worksheets. The instructions apply to both the insurable acreage and uninsurable acreage addendums. If additional space is needed to answer any item, attach a separate sheet (e.g., a Special Report) and identify each item with the item number of the inspection report. Make the following entries on a block basis.

General Instructions (insured and uninsured addendum worksheets)

Enter the applicant/insured's name, applicable policy crop year, unit number and page number(s) as required.

A APPLES

- (1) Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by: type/practice, variety, age, and density, if practical. Contact the respective FCIC RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year trees were set out or the year the block was grafted to the current variety.
- (3) Enter the number of acres to tenths (0.10). The total acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on the FCI-19-A) on the APH form reflect the insured acreage determined in the inspection. Correct the APH form if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (5) Enter the number of trees which make up this block.

- (6) Enter the average tree spacing/pattern observed within the block (Example 18X20).
- (7) Enter the appropriate rootstock designation for each block.
- (8) Enter the appropriate type for each block, e.g., spur vs. non spur.
- (9) Enter the trellis type for each block, e.g., tatura, slender spindle etc.
- (10) Enter the type of frost protection used for each block and the average number of times used. If no frost protection system is in place, enter "None".
- (11) Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as good, fair or poor based on your inspection.
- (12) Enter the average percent slope for each block.
- (13) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 15 "remarks" as needed.
- (14) Describe in detail the budwood/bough vitality and condition. Note differences in individual blocks, if appropriate.
- (15) Note blocks where winter damage has occurred in the past which may affect yields for the current crop year. If damage is noted, explain in detail noting the month/year and type of freeze damage.
- (16) Attach additional sheets as necessary for remarks.

B PEACHES

- (1) Divide the orchard into as many blocks, as needed, to facilitate collection and reporting of information. Separate blocks by type/practice, variety, age, and density if practical. Contact your respective FCIC RSO for additional block considerations. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (3) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage measurement methods. The total acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on the FCI-19-A) on the APH form reflects the insured acreage determined in the inspection. Correct the APH form if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the month/year trees were set out.
- (5) Enter the number of living trees which make up this block.
- (6) Enter the average tree spacing/pattern observed within the block (Example 18X20).
- (7) Enter the average pruning height in feet
- (8) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 28 "remarks" as needed.
- (9) Enter the total number of dead, missing and less than 4 year old trees as the number of skips.
- (10) Enter the average length of the fruiting wood. (<6", 6-12" or 12+").
- (11) Enter the percent of damaged limbs. (<16%, 16-50%, 50%+).
- (12) Describe evidence of disease noted in your review by block and rate as: rare, moderate or severe, as appropriate.
- (13) Enter the average tree trunk diameter in inches.
- (14) Describe the application of pruning practices as: annual, biennial or other.
- (15) Describe the type of pruning practices conducted by block as: hand vs. mechanical.
- (16) Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good, fair or poor based on your inspection.
- (17) Enter the average percent slope for each block.

- (18) Rate the evidence of insect and wildlife pests by block as: light, moderate or severe.
- (19) Rate by block the overall weed control management as: good, fair, poor.
- (20) Enter "yes" or "no" for interplanted with another crop. If the crop interplanted with another crop, enter the crop other than Peaches.
- (21) Rate by block the evidence of nematode infestations as: light, moderate or severe.
- (22) List blocks where major (> 10%) interplanting of new peach trees has occurred within existing blocks.
- (23) If frost protection equipment is available, describe the type and amount.
- (24) Note blocks where winter damage has occurred in the past which may affect yields for the current crop year. If damage is noted, explain in detail noting the month/year of freeze damage.
- (25) Enter soil pH, if known.
- (26) Self explanatory.
- (27) Attach additional sheets as necessary for remarks.

(Item 31) Insurable Acreage ____ (Item 32) Uninsurable Acreage ____

PRE-ACCEPTANCE INSPECTION REPORT - PEACH ADDENDUM WORKSHEET

APPLICANT/INSURED'S NAME						CROP YEAR	UNIT NO.
							TOTALS
1 Block Number							
2 Variety							
3 Acres							
4 Mo./Yr. Set Out							
5 Number of Trees							
6 Plant Spacing/Pattern							
7 Average Pruning Height							
8 Irrigated/Nonirrigated Irrigation Type							
9 Percent Stand/No. of Skips							
10 Fruiting Wood 6", 6-12", or 12+"							
11 % Damaged Limbs: 16%, 16-50%, 50%+							
12 Disease: Rare/Moderate/Severe							
13 Average Trunk Diameter							
14 Pruning: Annual/Biennial/Other							
15 Pruning by Block: Hand/Mechanical							
16 Air Drainage: Good/Fair/Poor							
17 Percent Slope							
18 Insect, Wildlife Pests: Light/Moderate/Severe							
19 Weed Control: Good/Fair/Poor							
20 Interplanted With Another Crop (Crop)							
21 Nematode Prevalence: Light/Moderate/Severe							
22 List blocks interplanted for renovation purposes.							
23 Frost Protection - System/Type/No. Times							
24 Explain any tree damage that has occurred in the past five years.							
25 Was the soil ph above 6.0 on ALL blocks? Yes _____ No _____							
26 List blocks which are terraced.							
27 REMARKS:							

C PEARS

- (1) Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by type/practice, variety, age, and density, if practical. Contact your respective FCIC RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year trees were set out or the year the block was grafted to the current variety.
- (3) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage methods. The total acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on the FCI-19-A) APH form reflects the insured acreage determined in the inspection. Correct the APH form if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (5) Enter the number of trees which make up this block.
- (6) Enter the average tree spacing/pattern observed within the block (Example 10X20).
- (7) Enter the appropriate rootstock designation for each block.
- (8) Enter the trellis type for each block e.g., tatura, slender spindle, lincoln canopy, etc.
- (9) Enter the type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
- (10) Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good, fair or poor based on your inspection.
- (11) Enter the average percent slope for each block.
- (12) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 15 "remarks" as needed.

- (13) Note blocks where winter damage has occurred in the past which may affect yields for the current crop year. If damage is noted, explain in detail noting the month/year of freeze damage.
- (14) Describe fireblight protection methods used for the unit.
- (15) Attach additional sheets as necessary for remarks.

D GRAPES/TABLE GRAPES

- (1) Divide the vineyard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by type/practice, variety, age, and density, if practical. Contact your respective FCIC RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year vines were set out or the year the vineyard was grafted to the current variety. Include season e.g., spring/fall. Complete in accordance with item *2 at the bottom of the addendum sheet.
- (3) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage methods. The totaled acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on the FCI-19-A) on the APH form reflects the insured acreage determined during the inspection. Correct the APH form, if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (5) Enter the number of vines planted and the number of bearing vines which make up this block.
- (6) Enter the average vine spacing observed within the block.
- (7) Enter the appropriate rootstock designation in column 7 and indicate the type of Phylloxera resistant rootstock e.g., susceptible, Axx-1, etc. in item **7.
- (8) Enter the type and condition of the trellis system. Elaborate in item 15 "remarks" as needed.
- (9) Enter the type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
- (10) Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as good, fair or poor based on your inspection.
- (11) Enter the average percent slope for each block.
- (12) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 15 "remarks" as needed.
- (13) For each block, note any past winter damage which may affect yields for the current crop year. If damage is noted elaborate in ***13 below, indicating the month/year of freeze damage, and crop year when production resumed.

- (14) Describe the method of pruning used and note any blocks which have not been pruned in accordance with the method reported for the vineyard.
- (15) Attach additional sheets as necessary for remarks.

E CRANBERRIES

- (1) Divide the bog into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by bog at a minimum. List as a separate block, uninsurable or recently renovated acreage within a bog. Contact your respective FCIC RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year the each bog block was established. Include season, e.g., spring/fall.
- (3) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage methods. Acres indicated on bog maps recorded with the marketing organization (e.g., Ocean Spray, Cliff Star, etc.) The total acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on FCI-19-A) of the APH form reflects the insured acreage determined in the inspection. Correct the APH form, if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (5) Percent stand \geq 90% - enter yes or no.
- (6) Complete the specific management questions in item 6 for all cranberry bogs less than four (4) years of records. Describe in detail any improvements for newly purchased bogs and the prior managers experience.
- (7) Explain the previous loss history for the last four (4) years. If hail has occurred the last two (2) years or was a secondary cause of loss, describe the severity of the damage in item 19, attaching additional sheets as necessary.
- (8) Describe the use of a frost protection warning system for the bog. If frost protection equipment is available, describe the type and amount. If equipment is present but does not appear to be useable, note in item 19. remarks.
- (9-11) Self-explanatory.
- (12) If no frost protection system, enter "None".
- (13-14) Self-explanatory.
- (15) Describe the general condition of bog dikes and banks.
- (16) Evaluate and note pruning and sanding of the Cranberry bog. Determine if the bog is being pruned relative to its management condition.

- (17) For Cranberries, describe last year's and next year's harvesting method, wet and/or dry and the percentage for each method.
- (18) For Cranberries, attach a bog map showing each bog as a separate block. If a bog contains uninsurable acreage or is undergoing partial renovation, list these acres as separate blocks.
- (19) Attach additional sheets as necessary for remarks.

(Item 31) Insurable Acreage (Item 32) Uninsurable Acreage
 PRE-ACCEPTANCE INSPECTION REPORT - CRANBERRY ADDENDUM WORKSHEET

APPLICANT/INSURED'S NAME					CROP YEAR	UNIT NO.				
1 Block Number	2 Year Set Out	3 Acres	4 Variety/Type	5 Percent Stand	6 Complete the following information for Cranberry bogs with less than 4 years of production records: A. Improvements implemented since purchasing the bog. B. Specific management practices utilized each year of operation on this bog.					
					Management Practice	Year	Year	Year	Year	
					Fertilization Program					
					Pruning Program					
					Sanding Program					
					Insect Program					
					Weed Program					
					Bog Oxygen Problems					
					Water Supply					
					Method of Harvest					
TOTALS					C. Bog manager's prediction of expected yield of this bog for next 4 years. Explain basis for expectations.					
7 Previous loss history for the last 4 years.					D. Explain previous bog managers experience.					
Year:	Cause:	Extent of Damage:			14 Describe the insect detection methods used for the bog.					
Year:	Cause:	Extent of Damage:			15 Describe the general condition of bog dikes and banks.					
Year:	Cause:	Extent of Damage:			16 Describe the pruning/sanding practices used: A. Percent of bog pruned last year _____%; Percent of bog pruned in last 5 years _____% B. Percent of bog sanded last year _____%; Percent of bog sanded in last 5 years _____%					
Year:	Cause:	Extent of Damage:			17 Harvesting method: A. Method of harvest last year? Wet _____% or Dry _____% B. Method of harvest next year? Wet _____% or Dry _____%					
8 Describe the use of a frost warning system for the bog.					18 Attach a bog map showing each bog as a separate block. If a bog contains uninsurable acreage or acreage undergoing partial renovation, list such acreage as a separate block.					
9 Describe presence or absence of backup power source for irrigation system and type of system.					19 REMARKS:					
10 Describe backup security systems utilized for irrigation equipment.										
11 Average number of times the frost protection system is used each year.										
12 If no frost protection system is in place, enter none.										
13 By block: Time need to flood the bog.____ Time needed to remove the water from the bog.____										

F BLUEBERRIES

- (1) Divide the plantation into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by type/practice, variety, and age, if practical. Contact your respective FCIC RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year bushes were originally set out. If bushes have frozen out and have been mowed or cut off for regrowth, explain in detail in item 18. "remarks," using additional sheets as necessary.
- (3) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (4) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage methods. Total acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on the FCI-19-A) on the APH form reflects the insured acreage determined in the inspection. Correct the APH form if necessary. Review the APH form for possible prior acreage changes.
- (5) Enter the average bush spacing observed within each block. Measure the distance between bushes (center to center) in the row and the distance between rows.
- (6) Enter the number of bushes which make up this block.
- (7) Percent stand - based upon a random row count of missing bushes. See current loss adjustment procedures for minimum sampling methods.
- (8) Enter the type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
- (9) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 16 "remarks" as needed.
- (10) Have the operator provide pH values for each block listed.
- (11) Self-explanatory.
- (12) Describe wildlife control measures used.
- (13) Note blocks where past winter damage has occurred in the past three (3) years which may affect yields for the current crop year. If damage is noted, explain in detail noting the month/year of freeze damage.
- (14) Report the percent harvested by each method listed.
- (15) Describe the record keeping system utilized as: roadside, U-Pick, fresh market, processing, etc.

- (16) Identify how the Blueberries are marketed, such as through: associations, cooperatives, wholesale, roadside, U-Pick, fresh market, processing, etc.
- (17) Does the applicant own a blueberry harvester?
- (18) Attach additional sheets as necessary for remarks.

G ALMONDS/CITRUS/FIGS/FRESH PLUMS/PRUNES/STONEFRUIT/WALNUTS

- (1) Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by type/practice, variety, age, and density, if practical. Contact your respective FCIC RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year trees were set out or the year the block was grafted to the current variety.
- (3) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage methods. When totaled, acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col 17 on the FCI-19-A) on the APH form reflect the insured acreage determined in the inspection. Correct the APH form, if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (5) Enter the number of trees which make up this block.
- (6) Enter the average tree spacing/pattern observed within the block (Example 18X20).
- (7) Enter the appropriate rootstock designation for each block.
- (8) Enter the appropriate trellis type for each block e.g., tatura, slender spindle etc.
- (9) Enter the type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
- (10) Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good, fair or poor based on your inspection.
- (11) Enter the average percent slope for each block.
- (12) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 16 "remarks" as needed.
- (13) For Almonds, determine and enter row-by-row planting pattern by variety within the orchard (first repetition). For example, Carmel/Non-pareil, Non-pareil/Mission, Non-pareil/Non-pareil etc. If there is a mixture of pattern because of multiple blocks, enter additional information on another sheet and attach to the inspection.
- (14) For Citrus, determine if the frost protection system is adequate for the Citrus (WPF) with frost protection rate.

- (15) Note blocks where past winter damage has occurred which may affect yields for the current crop year. If damage is noted, explain in detail noting the month/year of freeze damage.
- (16) Attach additional sheets as necessary for remarks.

(Item 31) Insurable Acreage _____ (Item 32) Uninsurable Acreage _____

PRE-ACCEPTANCE INSPECTION REPORT

ALMONDS, CITRUS, FIGS, FRESH PLUMS, PRUNES, STONEFRUIT, WALNUTS ADDENDUM WORKSHEET

APPLICANT/INSURED'S NAME							CROP YEAR		UNIT NO.		
1 Block Number	2 Year Set Out/ Grafted	3 Acres	4 Variety/ Type	5 Number of Trees	6 Plant Spacing/ Pattern	7 Rootstock	8 Trellis Type Specify	9 Frost Protection System/Type No. Times	10 Air Drainage Good/Fair/Poor	11 Percent Slope	12 IRR/NI Type

Totals:

<p>13 Describe the varietal planting pattern (Almonds ONLY).</p>	<p>16 REMARKS:</p>
<p>14 Is frost protection adequate for Citrus (WPF) with frost protection rate?</p>	
<p>15 Has winter damage or damage the previous year occurred which may affect this years potential production on any block? If yes, list blocks and explain in detail.</p>	

July 1996

EXHIBIT 16

FCIC 18010

4 RESERVED - SUGAR BEETS PRE-ACCEPTANCE ANNUAL CROP INSPECTION
MOVED TO EXHIBIT 28

ADDITIONAL CATEGORY C CROP PROCEDURES

5 INSPECTION FORMS (SELF-CERTIFIED)

Include the following items on the self-certified inspection forms. (See attached forms which include items for all crops).

A PRODUCER'S PRE-ACCEPTANCE WORKSHEET INSTRUCTIONS

- (1) Enter the applicant/insured's full name.
- (2) Enter the applicant/insured's Policy number.
- (3) Enter the Unit number.
- (4) Enter the name of the insured crop.
- (5) Enter the name of the State in which the acreage is located.
- (6) Enter the legal description of the land, if applicable.
- (7) Enter the policy crop year for which the Pre-acceptance Worksheet is being completed for.
- (8) Enter the name of the county in which the acreage is located.
- (9) Enter the FSA Farm Serial Number.
- (10) Divide the orchard, vineyard, bog etc. into as many blocks as needed to facilitate collection and reporting information. See individual Crop Block Requirements for block worksheet instructions. Separate blocks by type/practice, variety, age, and density if practical. Prepare a sketch map showing the location of each block designated by a unique number. Enter these numbers in column #10. Complete the items applicable to the crop (10-21) for each block. Calculate an APH yield for each block. See Block Production Worksheet.
- (11) Enter the year trees, vines, bushes etc. were set out or the year the block was grafted to the current variety.
- (12) Enter the number of acres to tenths (0.10) determined using only planimetered, wheeled/taped measurement methods. For cranberries, use acres from bog maps recorded with the marketing organization (e.g., Ocean Spray, Cliff Star, etc.).

- (13) Enter the name(s) of the variety(ies)/type contained in this block.
- (14) Enter the number of bearing plants (trees, vines, bushes etc.) which make up this block.
- (15) Enter the average tree spacing/pattern observed within this block (example 18.5 X 20) (N.A. cranberries).
- (16) Enter the average pruning height (Peaches only).
- (17) Calculate the percent stand by dividing the number of bearing trees/vines/bushes in item 14 by the product of density in item 18 multiplied by Acres in item 12.
(Item 14 ÷ [Item 18 X Item 12]).
- (18) Calculate the plant density (number of trees/vines etc. per acre) as follows: Number of square feet per acre/Number of square feet per tree (based on the current planting pattern). For example based on a tree spacing of 20 X 20 = 400 square ft. the number of trees per acre is calculated as 43,560 square ft./acre/400 square ft./tree = 109 trees per acre. Or, if trees are being interplanted as a part of a tree replacement program and the spacing changes to 10 X 20 = 200 sq. ft., per tree, the correct density becomes 43,560 sq. ft. per acre/200 sq. ft. = 218 trees per acre.
- (19) Designate if the block is irrigated by entering IRR or non-irrigated by entering NI.
- (20) Designate if this block has met policy minimums for insurability if applicable, e.g., 150 bushels/250 boxes for Apples, fourth leaf on Peaches etc.
- (21) Designate by block whether the varieties are spur type or nonspur type (Apples only).
- (22) IMPORTANT: Prior to answering this question the average yield from the preliminary APH based on certified data must be calculated. If the applicant/insured answers "YES" to this question, a field inspection and hard copy records of acreage and production are required. If the crop is Apples or Peaches the completed field inspection, APH form(s), and Producer's Pre-acceptance Worksheet must be forwarded to the applicable FCIC Regional Service Office (RSO) for yield determination.

- (23) If the producer is using Organic Farming Practices or another non-conventional practice and answers "YES" to this question, a field inspection and hard copy records of acreage and production are required. If the crop is Apples or Peaches, the completed field inspection, APH form(s), and Producer's Pre-acceptance Worksheet must be forwarded to the applicable Regional Service Office (RSO) for yield determination.
- (24) If the producer does not have an adequate water supply and answers NO to this question, a field inspection and hard copy records of acreage and production are required. If the crop is Apples or Peaches, the completed field inspection, APH form(s), and Producer's Pre-acceptance Worksheet must be forwarded to the applicable Regional Service Office (RSO) for yield determination.
- (25) The applicant/insured must review certified data and accompanying certification statement and sign and date the form.

B VERIFICATION OF PRODUCER'S PRE-ACCEPTANCE WORKSHEET

- (1) If the applicant/insured either does not complete or does not complete in an acceptable manner, the Pre-Acceptance Worksheet, the Insurance Provider must obtain the required information, make an inspection to determine the required information, or deny coverage for the crop year.
- (2) Insurance Providers must monitor Producer's Pre-Acceptance Worksheets to assure they are completed in an acceptable manner. In order to verify accurate completion, the Insurance Provider must perform field reviews on at least 5 percent of Producer's Pre-Acceptance Worksheets. Reviews of Producer's Pre-Acceptance Worksheets completed when pre-acceptance field inspections are performed (acreage tolerance, high actual yield variability, etc.) may be used to meet this requirement when accurately documented.

C PRODUCER'S PRE-ACCEPTANCE WORKSHEET (SEE FOLLOWING PAGE)

6 BLOCK PRODUCTION REQUIREMENTS

A APPLES/ALMONDS/FIGS/PEARS/PRUNES/WALNUTS/CALIFORNIA CITRUS

A(1) The approved APH yield is calculated based upon a simple average of total production and total acreage (**insurable and uninsurable**) within the unit for the years certified. If less than 4 years are certified for the unit, and data from more than one block, based on age and density, is certified on the producer's preacceptance worksheet, a weighted average "T" Yield must be calculated. The "T" Yield will be factored using standard APH procedures, e.g., 80%, 90% or 100% "T" Yields.

A(2) If the unit contains trees less than 15 years of age and the producer certifies separate production and acreage by block **for all years certified** (block is defined as trees of a single age and density), the producer will receive an approved APH yield based upon a combination of actual yields and "T" Yields based on the current age and density of each block. Each block contributing to the unit will be weighted based on acreage and used to calculate the final approved APH yield for the unit. See attached Block Production Worksheet and Unit Summary Worksheet and respective worksheet instructions for all crops.

A(3) If the unit contains trees less than 15 years of age and the producer certifies separate production and acreage by block **for at least the most recent year** (block is defined as trees of a single age and density), the producer will receive an approved APH yield based upon a combination of actual yields and "T" Yields based on the current age and density of each block as described above; however, total commingled production and acreage (insurable and uninsurable) from previous crop years will be attributed only to block(s) 15 years of age and older. Each block contributing to the unit will be weighted based on acreage and used to calculate the final approved APH yield for the unit. See attached Block Production Worksheet and Unit Summary Worksheet and respective worksheet instructions for all crops.

If less than four years are certified for the unit and block data is NOT certified on the Producer's Pre-acceptance Worksheet by age and density, "T" Yields will be calculated based on average age and density. (It will not be necessary to use the Block Production Worksheet or Unit Summary Worksheet for such units as the information can be transferred directly to the APH form.)

The applicable "T" Yield will be factored using standard APH rules, e.g., 80%, 90% or 100% "T" values.

A(4) Producer's Pre-Acceptance Worksheet (Self-Certified)

The following crop data (items) must be completed:

- 10 Block Number (Block based on age and density)
- 11 Age (Month/Year Set Out/Grafted)
- 12 Acres
- 13 Variety

- 14 Number of trees
- 15 Plant Spacing
- 18 Density (Trees/Acre)
- 19 Practice IRR/NI
- 20 Insurable/Non-insurable (Not meeting policy minimums)
- 21 Spur/Non-spur (Apples only)
- 22 Has damage (i.e., disease, hail, freeze) occurred to trees/vines/bushes/bog or have cultural practices been performed that will reduce the insured crop's production from previous levels?

Attach FSA aerial photo and Sketch Map (identifying block #'s)

B PEACHES/STONEFRUIT/PLUMS

- B(1) The approved APH yield is calculated based upon a simple average of total production and total acreage (**insurable and uninsurable**) within the unit for the years certified. If less than 4 years are certified for the unit, and data from more than one block, based on age and density, is certified on the producers preacceptance worksheet, a weighted average "T" Yield must be calculated. The "T" Yield will be factored using standard APH procedures e.g. 80%, 90% or 100% "T" Yields.
- B(2) If the unit contains trees less than 8 years of age and the producer certifies separate production and acreage by block **for all years certified** (block is defined as trees of a single age and density) the producer will receive an approved APH yield based upon a combination of actual yields and "T" Yields based on the current age and density of each block. Each block contributing to the unit will be weighted based on acreage and used to calculate the final approved APH yield for the unit. See attached Block Production Worksheet and Unit Summary Worksheet and respective worksheet instructions for all crops.
- B(3) If the unit contains trees less than 8 years of age and the producer certifies separate production and acreage by block for at least the most recent year (block is defined as trees of a single age and density), the producer will receive an approved APH yield based upon a combination of actual yields and "T" Yields based on the current age and density of each block as described above; however, total commingled production and acreage (insurable and uninsurable) from previous crop years will be attributed only to block(s) 15 years of age and older. Each block contributing to the unit will be weighted based on acreage and used to calculate the final approved APH yield for the unit. See attached Block Production Worksheet and Unit Summary Worksheet and respective worksheet instructions for all crops.

If less than four years are certified for the unit and block data is NOT certified on the Producer's Pre-acceptance Worksheet by age and density, "T" Yields will be calculated based on average age and density. (It will not be necessary to use the Block Production Worksheet or Unit Summary

Worksheet for such units as the information can be transferred directly to the APH form.)

The applicable "T" Yield will be factored using standard APH rules e.g. 80%, 90% or 100% "T" values.

B(4) Producer's Pre-Acceptance Inspection Form (Self-Certified)
The following crop data (items) must be completed:

- 10 Block Number (Block based on age and density)
- 11 Age (Month/Year Set Out)
- 12 Acres
- 13 Variety
- 14 Number of trees
- 15 Plant Spacing
- 16 Pruning Height
- 17 Percent stand (>90% no adjustment)
- 18 Density (Trees/Acre)
- 19 Practice IRR/NI
- 20 Insurable/Non-insurable (Not meeting policy minimums)
- 22 Has damage (i.e., disease, hail, freeze) occurred to Trees/Vines/Bushes/Boq or have cultural practices been performed that will reduce the insured crop's production for previous levels?

Attach FSA aerial photo and Sketch Map (identifying block #'s)

C GRAPES/TABLE GRAPES/CRANBERRIES/BLUEBERRIES (IN MICHIGAN ONLY)

- C(1) The approved APH yield is calculated based upon a simple average of total production and total acreage (**insurable and uninsurable**) within the unit for the years certified. If less than 4 years are certified for the unit, and data from more than one block, based on age and density, is certified on the producers preacceptance worksheet, a weighted average "T" Yield must be calculated. The "T" Yield will be factored using standard APH procedures e.g. 80%, 90% or 100% "T" Yields.
- C(2) If the unit contains vines/bushes/bog less than 8 years of age (5 years for Blueberries in MICHIGAN ONLY) and the producer certifies separate production and acreage by block **for all years certified** (block is defined as vines/bushes/bog of a single age and density) the producer will receive an approved APH yield based upon a combination of actual yields and "T" Yields based on the current age and density of each block. Each block contributing to the unit will be weighted based on acreage and used to calculate the final approved APH yield for the unit. See attached Block Production Worksheet and Unit Summary Worksheet and respective worksheet instructions for all crops.
- C(3) If the unit contains vines/bushes/bog less than 8 years of age (5 years for Blueberries in MICHIGAN ONLY) and the producer certifies separate production and acreage by block for at least the most recent year (block is defined as vines/bushes/bogs of a single age and density), the producer will receive an approved APH yield based upon a combination of actual yields and "T" Yields based on the current age and density of each block as described above; however, total commingled production and acreage (insurable and uninsurable) from previous crop years will be attributed only to block(s) 15 years of age and older. Each block contributing to the unit will be weighted based on acreage and used to calculate the final approved APH yield for the unit. See attached Block Production Worksheet and Unit Summary Worksheet and respective worksheet instructions for all crops.

If less than four years are certified for the unit and block data is NOT certified on the Producer's Pre-acceptance Worksheet by age and density, "T" Yields will be calculated based on average age and density. (It will not be necessary to use the Block Production Worksheet or Unit Summary Worksheet for such units as the information can be transferred directly to the APH form.)

The applicable "T" Yield will be factored using standard APH rules e.g. 80%, 90% or 100% "T" values.

C(4) Producer's Pre-Acceptance Worksheet (Self Certified)

The following crop data (items) must be completed:

- 10 Block Number (Block based on age and density)
- 11 Age (Month/Year Set Out/Grafted)
- 12 Acres
- 13 Variety

- 14 For Blueberries, Grapes and Table Grapes (only) the number of bushes/vines
- 15 For Blueberries, Grapes and Table Grapes (only) the bush/vine spacing
- 16 Percent of stand
- 19 Practice IRR/NI
- 20 Insurable/Non-insurable (Not meeting policy minimums)
- 22 Has damage (i.e., disease, hail, freeze) occurred to trees/vines/bushes/bog or have cultural practices been performed that will reduce the insured crop's production from previous levels?

Attach FSA aerial photo and Sketch Map (identifying block #'s)

7 BLOCK PRODUCTION WORKSHEET**A BLOCK PRODUCTION WORKSHEET INSTRUCTIONS**

This worksheet is used to allow the producer to report separate production and acreage by block as defined in this Exhibit, Par. 6 A, B, or C. Reporting production by block reduces the impact of younger age blocks on the final approved APH yield. The blocks on the production worksheet must correspond to the blocks on the producer's Pre-Acceptance Worksheet.

- (1) Enter the applicant/insured's full name.
- (2) Enter the applicant/insured's Policy number.
- (3) Enter the Unit number.
- (4) Enter the name of the insured crop.
- (5) Enter the name of the state in which the acreage is located.
- (6) Enter the legal description of the land if applicable.
- (7) Enter the policy crop year for which the APH is being calculated.
- (8) Enter the name of the county in which the acreage is located.
- (9) Enter the Farm Serial Number.
- (10) Enter the appropriate crop year(s) for the base period.
- (11) Enter the appropriate block number from the Producer's Pre-acceptance Worksheet.
- (12) Enter the leaf age of the block for the leaf year (policy crop year) which is calculated as follows:

Spring Planted Coming leaf year - 1st full leaf year following setting or grafting and add one year. For example if 1997 is the coming leaf year and the trees were set in February of 1990 (2/90) the correct leaf age is $97 - 89 = 8$ th leaf year.

Fall Planted Coming leaf year - 1st full year following setting or grafting. For example if 1997 is the coming leaf year and the trees were set in November of 1990 (11/90) the correct leaf age is $97 - 90 = 7$ th leaf year (age).

- (13) Enter the density from the Producer's Pre-acceptance Worksheet.

- (14) Enter total production for the block as adjusted for production reporting purposes when actual yields are reported.
- (15) Enter planted acreage for the block in acres to tenths for each year an actual yield is reported.
- (16) Enter the appropriate yield and yield type descriptor for each crop year.
- (17) Transitional yields are adjusted for the following situations:
- o Less than three years of actual production records.
 - o Published "T" Yield Factors.
 - o Percent stand (Apples, Michigan Blueberries, Peaches, Stonefruit and Plums)
- Apply applicable "T" Yield Factor(s) to the transitional yield obtained from the appropriate transitional yield table for the crop (e.g., [Apples, Peaches and Stonefruit] "T" Yield 270 boxes per acre multiplied by a "T" Yield Factor of .80 = final "T" Yield of 216 boxes per acre).
- (18) Determine the average yield for the block by totaling the yields in column 16 and dividing by the number of years actual records and/or assigned yields plus "T" Yields used.
- (19) Producer reviews certified data and accompanying certification statement and signs and dates the form.

B BLOCK PRODUCTION WORKSHEET (SEE FOLLOWING PAGE)

BLOCK PRODUCTION WORKSHEET - NOTE: REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM. INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

1 Name: _____
2 Policy #: _____
3 Unit #: _____

4 Crop: _____
5 State: _____
6 Legal Description: _____

7 Crop Year: _____
8 County: _____
9 Farm #: _____

10 Year
11 BLOCK #: _____
12 Age: _____ 13 Density: _____
14 Prod. 15 Acres 16 Yield

Total _____

17. T-Yield Adj. _____

18. AVERAGE YIELD _____

11 BLOCK #: _____
12 Age: _____ 13 Density: _____
14 Prod. 15 Acres 16 Yield

Total _____

17. T-Yield Adj. _____

18. AVERAGE YIELD _____

11 BLOCK #: _____
12 Age: _____ 13 Density: _____
14 Prod. 15 Acres 16 Yield

Total _____

17. T-Yield Adj. _____

18. AVERAGE YIELD _____

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S) AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 AND 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 AND 3730).

19 _____
INSURED'S SIGNATURE

DATE

8 UNIT SUMMARY PRODUCTION WORKSHEET**A UNIT SUMMARY WORKSHEET INSTRUCTIONS**

This worksheet is used to calculate weighted average Transitional Yields ("T" Yields) or weighted average unit APH yields when required.

Weighted average "T" Yields are calculated when the producer does not provide records by block and less than four years of records are certified. Complete items 1 through 16.

A weighted average unit APH yield is calculated when separate production and acreage records are certified to for more than one block within the unit and a Block Summary Worksheet has been completed. Complete items 1 through 9 and 17 through 23.

- (1) Enter the applicant/insured's full name.
- (2) Enter the applicant/insured's Policy number.
- (3) Enter the Unit number.
- (4) Enter the name of the insured crop.
- (5) Enter the name of the state in which the acreage is located.
- (6) Enter the legal description of the land if applicable.
- (7) Enter the policy crop year for which the APH is being calculated.
- (8) Enter the name of the county in which the acreage is located.
- (9) Enter the FSA Farm Serial Number.
- (10) Enter the appropriate unit number.
- (11) Enter the appropriate block number from the Producer's Pre-acceptance Worksheet.
- (12) Enter the appropriate transitional yield for each block as adjusted for the following situations:
 - o Less than three years of actual production records.
 - o Published "T" Yield Factors.
 - o Percent stand (Apples, Blueberries, Peaches, Stonefruit and Plums)

Apply applicable "T" Yield Factor(s) to the transitional yield obtained from the appropriate transitional yield table for the crop (e.g., "T" Yield 270 boxes per acre multiplied by a "T" Yield Factor of .80 = final "T" Yield of 216 boxes per acre).

- (13) Enter planted acreage for each block as certified in item 12. on the Producer's Pre-acceptance Worksheet.
- (14) Enter the result of multiplying column 12 by column 13 as Extensions.
- (15) Enter total acres (sum of column 13.) and total extensions (sum of column 14.).
- (16) Calculate the weighted average transitional yield by dividing total extensions by total acres in 16. The weighted average transitional yield is then transferred to the APH for missing years.
- (17) Enter the appropriate unit number.
- (18) Enter the appropriate block number from the Block Production Worksheet.
- (19) Enter the appropriate average yield from item 18. of the Block Production Worksheet.
- (20) Enter planted acreage for each block as certified in item 12. on the Producer's Pre-acceptance Worksheet.
- (21) Enter the result of multiplying column 19 by column 20 as Extensions.
- (22) Enter total acres (sum of column 20.) and total extensions (sum of column 21.).
- (23) Calculate the weighted average yield for the unit by dividing total extensions by total acres in 22. The weighted average yield is then transferred to preliminary yield block of the APH form. The verifier approves the APH yield.

B UNIT SUMMARY WORKSHEET (SEE FOLLOWING PAGE)

9 **EXAMPLES****A** **APPLES**

Use the following forms for the following Apple examples:

- (1) Producer's Preacceptance Worksheet
- (2) "T" Yield Table
- (3) "T" Factor Table

The producer has certified information for 7 blocks based on age, variety, and density. ("T" Yield Table and "T" Factor Table to derive "T" Yields.)

EXAMPLE - PRODUCER'S APPLE PRE-ACCEPTANCE WORKSHEET

10 Block#	11 Mo/Year Set Out/ Grafted	12 Acres	13 Variety/Type	14 Number of Plants	15 Plant Spacing	16 Pruning Height	17 Percent Stand	18 Density	19 Practice IRR/NI	20 Insurable or Uninsurable	21 Spur or Nonspur
1	4/1968	2.2	GOLDENS	475	10X20	N/A	99	218	IRR	INS	N/A
2	4/1968	3.2	RED DEL	690	10X20	N/A	99	218	IRR	INS	N/A
3	4/1978	1.7	GOLDENS	371	10X20	N/A	100	218	IRR	INS	N/A
4	4/1978	0.7	RED DEL	153	10X20	N/A	100	218	IRR	INS	N/A
5	4/1988	1.4	GOLDENS	305	10X20	N/A	100	218	IRR	INS	N/A
6	4/1988	3.8	RED DEL	692	12X20	N/A	100	182	IRR	INS	N/A
7	4/1991	5.3	GALA	1802	8X16	N/A	100	340	IRR	INS	N/A

22. Has damage (i.e., disease, hail, freeze) occurred to Trees/Vines/Bushes/Bog or have cultural practices been performed that will reduce the insured crop's production from previous levels? Yes__ No X

23. Is the producer using organic farming practices, or other non-conventional practices? Yes__ No X

24. Is the current water supply (surface allotment/well) adequate to produce a normal crop for the crop year being certified above? Yes X No__

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S) AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 AND 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 AND 3730).

25. I M INSURED
INSURED'S SIGNATURE

12/18/96
DATE

APPLE - EXAMPLE ONLY - "T" YIELD TABLE

WASHINGTON [53]
 APPLES (0054)

TYPE PRACTICE*
 89F 002

*Except:

063 Spokane County: Practice 002 and 003.
 065 Stevens County: Practice 002 and 003.

CODE	COUNTY NAME	LEGAL DESCRIPTION	TRANSITIONAL YIELD FACTOR #
001	Adams	ALL	1.05
005	Benton	ALL	1.10
007	Chelan	T22N R21E	1.00
		T25N R20E-R21E	0.90
		T26N R20E-R22E	0.90
		T27N R21E-R23E	0.90
		T28N R21E-R23E	0.90
		ALL OTHER TWN SHPS	0.90
017	Douglas	T20N R22E	1.00
		T21N R22E	1.00
		T22N R21E-R22E	1.00
		T23N R20E	0.80
		T30N R24E-R26E	0.70
		ALL OTHER TWN SHPS	0.90
021	Franklin	ALL	1.05
025	Grant	ALL	1.05

Apply the transitional yield factor to the appropriate yield on the following table to determine the transitional yield.

APPLE - EXAMPLE ONLY - "T" YIELD TABLE

WASHINGTON (53)
 APPLES (0054)

YEAR PLANTED	LEAF YEAR	DENSITY-TREES PER ACRE		
		0-299	300-599	600+
		TRANSITIONAL YIELD (boxes)		
1996	1	0	0	0
1995	2	0	0	0
1994	3	85	135	185
1993	4	165	285	350
1992	5	290	435	505
1991	6	395	600	660
1990	7	510	760	810
1989	8	630	905	960
1988	9	740	1000	1055
1987	10	850	1055	1100
1986	11	950	1085	1100
1985	12	1005	1100	1100
1984	13	1050	1100	1100
1983	14	1075	1100	1100
1982	15	1090	1100	1100
1981	16	1100	1100	1100
1980	17	1100	1100	1100
1979	18	1100	1100	1100
1978	19	1100	1100	1100
1977	20	1100	1100	1100
1976	21	1100	1100	1100
1975	22	1100	1100	1100
1974	23	1100	1100	1100
1973 & earlier	24+	1100	1100	1100

"The following examples and procedure are applicable for perennial crops and are not limited to Apples or Peaches."

APPLES

EXAMPLE 1

The producer certified total production and total acreage as shown on the APH form. Approved APH yield is based on a simple 5-year average.

6 CROP APPLES (054) PRACTICE IRR. (002) TYPE 89F UNIT NO. 0100	7 SECTION 36	15 CROP YEAR 16 TOTAL PRODUCTION 17 ACRES 18 YIELD	1992 11,346 18.3 A620 1993 12,050 18.3 A658 13 FSA YIELD: 1994 11,975 18.3 A654 1995 9,100 18.3 A497 1996 19,250 18.3 A1052 19 TOTAL 3481	20 (A) PRELIMINARY YIELD 696 20 (B) PRIOR YIELD	21 APPROVED APH YIELD 696 bx./Acre for 18.3 Acres (For Verifier use only)
	TWNSHP 10S				
	RANGE 10W				
	LAND OTHER COUNTY YES NO				
8 OTHER ENTITY (IES) NONE		12 FSA FARM NO. 8912			
9 RECORD TYPE: CROP YEAR: PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,495					
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (AVERAGE) 696	14 TRANSITIONAL YIELD:			

APPLES

EXAMPLE 2

The producer has certified production for blocks 1-6 (mature over 15 years of age) and separate production for block 7 (less than 15 years of age) on the block production worksheet. The "T" Yield shown is adjusted by the "T" Factor (if applicable) and is factored using the number of years records for the unit. The weighted average APH yield is used to determine the approved APH yield.

6 CROP APPLES (054) PRACTICE IRR. (002) TYPE 89F UNIT NO. 0100	7 SECTION 36	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD		
	TWNSHP 10S						
	RANGE 10W						
	LAND OTHER COUNTY YES NO						
8 OTHER ENTITY (IES) NONE		12 FSA FARM NO. 8912					
9 RECORD TYPE: CROP YEAR: PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,495		1992	11,346	18.3	A620		
		1993	12,050	18.3	A658		
		13 FSA YIELD:		1994	11,975	18.3	A654
		1995	9,100	18.3	A497		
		1996	19,250	18.3	A1052		
						19 TOTAL 3481	
		10 PROCESSOR NUMBER/NAME Any Processor		11 OTHER (Average) 696	14 TRANSITIONAL YIELD:		20 (A) PRELIMINARY YIELD 829 20 (B) PRIOR YIELD
21 APPROVED APH YIELD 829 bx./Acre for 18.3 Acres (For Verifier use only)							

APPLES - EXAMPLE 2

BLOCK PRODUCTION WORKSHEET - NOTE: REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM. INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

1 Name: I.M. INSURED
2 Policy #: XX-XXX-XXXXX
3 Unit #: 0100

4 Crop: APPLES
5 State: WA
6 Legal Description: Sec.4 TY RZZ

7 Crop Year: 1997
8 County: Grant
9 Farm #: 8912

10 Year
11 BLOCK #1-6 REDS/GOLDS BLKS
12 Age: 13 Density:
14 Prod. 15 Acres 16 Yield

Table with 4 columns: Year, Prod., Acres, Yield. Rows for years 1992-1996.

17. T-Yield Adj. Total 4579 N/A

18. AVERAGE YIELD 916

11 BLOCK #7 GALA BLK
12 Age: 6 13 Density: 340
14 Prod. 15 Acres 16 Yield

Table with 4 columns: Year, Prod., Acres, Yield. Rows for years 1992-1996.

17. T-Yield Adj. Total 2456 600 x 1.05 x 100% = 630

18. AVERAGE YIELD 614

11 BLOCK #:
12 Age: 13 Density:
14 Prod. 15 Acres 16 Yield

Table with 4 columns: Year, Prod., Acres, Yield. Rows for years 1992-1996.

17. T-Yield Adj. Total

18. AVERAGE YIELD

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S) AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 AND 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 AND 3730).

19 I.M. INSURED
INSURED'S SIGNATURE

12/18/96
DATE

APPLES

EXAMPLE 3

The producer has certified separate production blocks 1-6 (mature over 15 years of age) and separate production for block 7 (less than 15 years of age) for only the most recent crop year on the block production worksheet. The "T" Yield shown is adjusted by the "T" factor (if applicable) and is factored using the number of years records for the unit. The weighted average APH yield is used to determine the approved APH yield.

6 CROP APPLES (054) PRACTICE IRR. (002) TYPE 89F UNIT NO. 0100	7 SECTION 36	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD		
	TWNSHP 10S						
	RANGE 10W						
	LAND OTHER COUNTY YES NO						
8 OTHER ENTITY (IES) NONE		12 FSA FARM NO. 8912					
9 RECORD TYPE: CROP YEAR: PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,495		1992	11,346	18.3	A620		
		1993	12,050	18.3	A658		
		13 FSA YIELD:		1994	11,975	18.3	A654
		1995	9,100	18.3	A497		
		1996	19,250	18.3	A1052		
						19 TOTAL 3481	
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average) 696	14 TRANSITIONAL YIELD:	20 (A) PRELIMINARY YIELD 701 20 (B) PRIOR YIELD	21 APPROVED APH YIELD 701 bx./Acre for 18.3 Acres (For Verifier use only)			

APPLES - EXAMPLE 3,

BLOCK PRODUCTION WORKSHEET - NOTE: REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM. INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

1 Name: I.M. INSURED
 2 Policy #: XX-XXX-XXXXX
 3 Unit #: 0100

4 Crop: APPLES
 5 State: WA
 6 Legal Description: Sec.4 TY RZZ

7 Crop Year: 1997
 8 County: Grant
 9 Farm #: 8912

10 Year
 11 BLOCK #1-6: REDS/GOLDEN
 12 Age: _____ 13 Density: _____
 14 Prod. 15 Acres 16 Yield

1992	11,346	18.3	620
1993	12,050	18.3	658
1994	11,975	18.3	654
1995	9,100	18.3	497
1996	16,250	13.0	1,250

Total 3679

17. T-Yield Adj. N/A

18. AVERAGE YIELD 736

11 BLOCK #7: GALA BLK
 12 Age: 6 13 Density: 340
 14 Prod. 15 Acres 16 Yield

		T630
		T630
		T630
3,000	5.3	566

Total 2456

17. T-Yield Adj. $\frac{600 \times 1.05 \times 100\%}{630} = 630$

18. AVERAGE YIELD 614

11 BLOCK #: _____
 12 Age: _____ 13 Density: _____
 14 Prod. 15 Acres 16 Yield

Total _____

17. T-Yield Adj. _____

18. AVERAGE YIELD _____

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S) AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 AND 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 AND 3730).

19 I.M. INSURED

 INSURED'S SIGNATURE

12/18/96

 DATE

APPLES

EXAMPLE 4

The producer has certified 3 years of production and acreage as shown on the APH form. A weighted average "T" Yield based on age and density is calculated as shown on the unit summary worksheet. The "T" Yield is adjusted for the number of years records and shown on the APH.

6 CROP APPLES (054) PRACTICE IRR. (002) TYPE 89F UNIT NO. 0100	7 SECTION 36	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD
	TWNSHP 10S				
	RANGE 10W				
	LAND OTHER COUNTY YES NO				
8 OTHER ENTITY (IES) NONE		12 FSA FARM NO. 123			
9 RECORD TYPE: CROP YEAR:					T1,003
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,495		13 FSA YIELD:			
		1994	11,975	18.3	A654
		1995	9,100	18.3	A497
		1996	19,250	18.3	A1052
				19 TOTAL 3206	
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average) 802	14 TRANSITIONAL YIELD:		20 (A) PRELIMINARY YIELD 802 20 (B) PRIOR YIELD	
				21 APPROVED APH YIELD 802 bx./Acre for 18.3 Acres (For Verifier use only)	

APPLES

EXAMPLE 5

The producer has certified 3 years of production and acreage as shown on the APH form. Separate production records were provided for block 7 (less than 15 years of age). The weighted average APH yield is used to determine the approved APH yield.

6 CROP APPLES (054) PRACTICE IRR. (002) TYPE 89F UNIT NO. 0100	7 SECTION 36		15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD	
	TWNSHP 10S						
	RANGE 10W						
	LAND OTHER COUNTY YES NO						
8 OTHER ENTITY (IES) NONE		12 FSA FARM NO. 123					
9 RECORD TYPE: CROP YEAR:						T1,003	
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,495		13 FSA YIELD:		1994	11,975	18.3	A654
				1995	9,100	18.3	A497
				1996	19,250	18.3	A1052
							19 TOTAL 3206
10 PROCESSOR NUMBER/NAME Any Processor		11 OTHER (Average) 802	14 TRANSITIONAL YIELD:		20 (A) PRELIMINARY YIELD 877 20 (B) PRIOR YIELD		21 APPROVED APH YIELD 877 bx./Acre for 18.3 Acres (For Verifier use only)

APPLES

EXAMPLE 6

The producer has certified 3 years of production and acreage as shown on the APH form. Separate production records were provided for block 7 (less than 15 years of age). The weighted average APH yield is used to determine the approved APH yield.

6 CROP APPLES (054)		7 SECTION 36		15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD	
PRACTICE IRR. (002)		TWNShP 10S						
TYPE 89F		RANGE 10W						
UNIT NO. 0100		LAND OTHER COUNTY YES NO						
8 OTHER ENTITY (IES) NONE			12 FSA FARM NO. 123					
9 RECORD TYPE: CROP YEAR:					1993		T1003	
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF <u>TREES</u> OR VINES 4,495			13 FSA YIELD:		1994	11,975	18.3	A654
					1995	9,100	18.3	A497
					1996	17,550	18.3	A959
10 PROCESSOR NUMBER/NAME Any Processor		11 OTHER (Average) 778		14 TRANSITIONAL YIELD:		20 (A) PRELIMINARY YIELD 984 20 (B) PRIOR YIELD		21 APPROVED APH YIELD 984./Acre for 13.0 Acres 5.3 Acres Non-Insured (For Verifier use only)

APPLES - EXAMPLE 6

BLOCK PRODUCTION WORKSHEET - NOTE: REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM. INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

1 Name: I.M. INSURED
2 Policy #: XX-XXX-XXXXX
3 Unit #: 0100

4 Crop: APPLES
5 State: WA
6 Legal Description: Sec.4 TY RZZ

7 Crop Year: 1997
8 County: Grant
9 Farm #: 8912

11 BLOCK #1-6: REDS/GOLDEN
12 Age: 13 Density:
14 Prod. 15 Acres 16 Yield

11 BLOCK #7: GALA BLK
12 Age: 6 13 Density: 340
14 Prod. 15 Acres 16 Yield

11 BLOCK #:
12 Age: 13 Density:
14 Prod. 15 Acres 16 Yield

Table with 10 rows and 1 column. Row 9 contains '1993', row 10 contains '1994', row 11 contains '1995', row 12 contains '1996'.

Table with 10 rows and 3 columns. Data for 1994: 11,800, 13.0, 908. Data for 1995: 8,075, 13.0, 621. Data for 1996: 16,250, 13.0, 1250. Total: 3934.

Table with 10 rows and 3 columns. Data for 1994: 175, 5.3, 33. Data for 1995: 1,025, 5.3, 193. Data for 1996: 1,300, 5.3, 245. Total: N/A.

Table with 10 rows and 3 columns. All cells are empty. Total: _____.

17. T-Yield Adj. 1100 x 1.05 x 100% = 1155
18. AVERAGE YIELD 984

17. T-Yield Adj. N/A
18. AVERAGE YIELD N/A

17. T-Yield Adj.
18. AVERAGE YIELD

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S) AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 AND 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 AND 3730).

19 I.M. INSURED
INSURED'S SIGNATURE

12/18/96
DATE

B PEACHES

Use the following forms for the following Peach examples:

(1) Producer's Preacceptance Worksheet

(2) "T" Yield Table

EXAMPLE - PRODUCER'S PEACH PRE-ACCEPTANCE WORKSHEET UNIT 0100

10 Block#	11 Mo/Year Set Out/ Grafted	12 Acres	13 Variety/Type	14 Number of Plants	15 Plant Spacing	16 Pruning Height	17 Percent Stand	18 Density	19 Practice IRR/NI	20 Insurable or Uninsurable	21 Spur or Nonspur
1	1/1992	10.0	RED GLOBE (LATE)	1090	20X20	8	100%	109	IRR	INS	N/A
2	1/1989	20.0	HARVESTER (MID)	2299	18X20	7	95%	121	NI	INS	N/A
3	1/1990	15.0	EMPRESS (EARLY)	1308	20X20	7	80%	109	NI	INS	N/A

22. Has damage (i.e., disease, hail, freeze) occurred to Trees/Vines/Bushes/Bog or have cultural practices been performed that will reduce the insured crop's production from previous levels? Yes__ No X

23. Is the producer using organic farming practices, or other non-conventional practices? Yes__ No X

24. Is the current water supply (surface allotment/well) adequate to produce a normal crop for the crop year being certified above? Yes X No__

PEACH "T" YIELD TABLE (EXAMPLE ONLY)

Height	Maturity Date	Yield/Acre									
10'	Early	130	155	161	164	165	163	160	150	144	130
	Mid	170	202	218	221	222	220	217	210	202	188
	Late	180	225	232	237	238	235	233	227	218	208
9'	Early	110	140	146	149	150	148	143	133	125	120
	Mid	150	190	201	204	205	203	200	191	180	165
	Late	165	214	220	228	229	221	218	211	200	185
8'	Early	90	125	131	134	135	133	125	115	105	88
	Mid	130	178	184	187	188	186	182	172	158	142
	Late	150	203	207	210	211	207	204	195	180	162
7'	Early	75	98	103	107	108	105	97	89	78	68
	Mid	115	156	164	168	169	167	162	154	142	130
	Late	140	179	187	190	191	188	183	175	162	146
6'	Early	55	70	75	80	81	80	68	63	50	40
	Mid	100	133	143	148	149	147	141	136	126	115
	Late	130	155	167	172	173	169	162	154	143	130
5'	Early	45	50	55	60	61	59	50	45	40	35
	Mid	75	100	125	130	131	129	123	120	112	102
	Late	90	134	149	155	156	152	143	136	126	116
	Age	4	5	6	7	8	9	10	11	12	13

BASED UPON 110 TREES/ACRE

EXAMPLE 1

A Peach producer has certified peach production and acreage (**insurable and uninsurable**) by block on three blocks. Block number 1 has met policy minimums for two years, Block number 2 four years of data have been certified, Block number 3 recently acquired and only two years of data are available. Yield potential chart was used to reflect the yield of the younger blocks. (Note: "T" Yield for Block number 3 adjusted to reflect 80 percent stand).

6 CROP PEACHES (034) PRACTICE NI. (003) TYPE UNIT NO. 0100	7 SECTION 36		15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD
	TWNSHP	10S				
	RANGE	10W				
	LAND OTHER COUNTY	YES				
8 OTHER ENTITY (IES) NONE		12 FSA FARM NO. 456				
9 RECORD TYPE: CROP YEAR:						
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,697		13 FSA YIELD:	1993	3,380	30.0	A113
			1994	3,560	30.0	A119
			1995	6,730	45.0	A150
			1996	7,335	45.0	A163
					19 TOTAL 545	
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average) 136	14 TRANSITIONAL YIELD:	20 (A) PRELIMINARY YIELD 154 20 (B) PRIOR YIELD		21 APPROVED APH YIELD 154 bu./Acre for 45.0 Acres (For Verifier use only)	

PEACHES - EXAMPLE 1

UNIT 0100

BLOCK PRODUCTION WORKSHEET - NOTE: REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM.

INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

10 Year

1993	∅	10.0	T207
1994	∅	10.0	T207
1995	1,600	10.0	A160
1996	2,000	10.0	A200

Total 774

17. T-Yield Adj. *207 NO STAND ADJUSTMENT

18. AVERAGE YIELD 774 ÷ 4 = 194

11 BLOCK #: 2
12 Age: 9 13 Density: 121
14 Prod. 15 Acres 16 Yield

3,380	20.0	A169
3,560	20.0	A178
3,600	20.0	A180
3,700	20.0	A185

Total 712

17. T-Yield Adj. N/A

18. AVERAGE YIELD 712 ÷ 4 = 178

11 BLOCK #: 3
12 Age: 8 13 Density: 109
14 Prod. 15 Acres 16 Yield

		*C86
		*C86
1530	15.0	102
1635	15.0	109

Total 383

17. T-Yield Adj. *108 X .80
(% STAND) = 86

18. AVERAGE YIELD 383 ÷ 4 = 96

* 100 percent "T" yield used because four years of records are available on the unit.

PEACHES

EXAMPLE 2

Peach producer has certified production and acreage (**insurable and uninsurable**) for two years on the APH. A weighted average "T" Yield was calculated based on age, density, percent stand for each block of acreage certified on the Producer's Pre-acceptance Worksheet (Block 3 was adjusted for 80 percent stand). 90 percent of the average "T" Yield was applied in calculating the APH because the insured provided two years records.

6 CROP PEACHES (034) PRACTICE NI. (003) TYPE UNIT NO. 0100	7 SECTION 36	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD
	TWNSHP 10S				
	RANGE 10W				
	LAND OTHER COUNTY YES NO				
8 OTHER ENTITY (IES) NONE		12 FSA FARM NO. 456			
9 RECORD TYPE: CROP YEAR:					
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF <u>TREES</u> OR VINES 4,697		13 FSA YIELD:			
		1993			N134
		1994			N134
		1995	6,730	45.0	A150
		1996	7,335	45.0	A163
					19 TOTAL 581
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average) 145	14 TRANSITIONAL YIELD:	20 (A) PRELIMINARY YIELD 145 20 (B) PRIOR YIELD		21 APPROVED APH YIELD 145 bu./Acre for 45.0 Acres (For Verifier use only)

FSA RULES FOR SKIP-ROW PLANTING PATTERNS

1 GENERAL INFORMATION

From the Definitions section of the Cotton Crop Provisions, "Skip-row" means a planting pattern that:

- A Consists of alternating rows of Cotton and fallow land or land planted to another crop the previous fall; and
- B Qualifies as a skip-row planting pattern as defined by the FSA or successor agency.

2 FSA RULES

The rules, from FSA Acreage Compliance Determinations Handbook, for determining the area devoted to the crop for skip-row planting are as follows:

IF the planting pattern is...	AND the distance from plant to plant in the strip is...	THEN...
single rows alternating with idle land (single-wide rows)	less than 64 inches	consider the entire area devoted to the crop.
	64 inches or more	consider 64 inches devoted to the crop.
strips of 2 or more rows alternating with idle land Note: See exceptions below for Cotton.	less than 64 inches	consider the entire area devoted to the crop.
	64 inches or more	consider half a row width, but no less than 15 inches beyond the strips of crop, devoted to the crop.
for Cotton, strips of 2 or more 30-inch rows alternating with idle land	less than 60 inches	consider the entire area devoted to Cotton.
	60 inches or more	consider half a row width, but no less than 15 inches beyond the strips of crop, devoted to Cotton.
for Cotton, strips of 2 or more 32-inch or wider rows alternating with idle land, where the producer has a history of 32-inch or wider rows (as determined by FSA)	at least 60 but less than 64 inches	the producer has the option to consider: <ul style="list-style-type: none"> • the entire area devoted to Cotton • half a row width, but no less than 15 inches beyond the strips, devoted to Cotton.

B ACRES CONSIDERED PLANTED

B(1) The acreage determinations and qualifying skip-row planting patterns must agree with the FSA rules in Par. 2. For MPCCI acreage report purposes, the planting pattern established on the final planting date is used for determining acreage and APH yield for subsequent crop years.

B(2) See the last page of this exhibit Table 4 for Percent Planted Factors for 40-inch and 36-inch row planting patterns.

3 ACREAGE REPORT YIELD

To compute the acreage report yield for the planting pattern carried out, multiply the approved solid planted yield from the APH form times the yield conversion factor for qualifying skip-row planting pattern. Use the following tables to convert Non-Irrigated skip-row Cotton yields to a solid planted basis:

- (a) Table 1 factors apply to Arkansas, Louisiana, Missouri, and all states east of these states.
- (b) Table 2 factors apply to New Mexico, the following counties in Texas; Baylor, Concho, Runnels, Schleicher, Shackelford, Sutton, Taylor, Throckmorton, Valverde, Wilbarger, and all counties west of these counties.
- (c) Table 3 factors apply to Kansas, Oklahoma, and all Texas counties for which Table 2 does not apply.

TABLE 1

1 FACTORS

These factors apply to Arkansas, Louisiana, Missouri, and all states east of these states.

<u>Planting Pattern 1/</u>	<u>Yield Conversion Factor</u>
Solid Planted or non-qualifying	
Skip-row patterns	1.00
2 X 1 Skip-row	1.33
2 X 1 Narrow Skip (40-40-24)	1.23
2 X 1 Narrow Skip (38-38-26)	1.25
2 X 2 Skip-row	1.50
2 X pattern with 4 or more fallowed rows (2x4, 2x6, etc.)	1.67 2/
4 X 1 Skip-row	1.20
4 X 2 Skip-row	1.33
4 X 4 Skip-row	1.33 2/
6 X 1 Skip-row	1.14
6 X patterns with 2 or more skip-rows	1.20 2/
All Other	As Computed Below

1/ Row widths are equal unless otherwise indicated.

2/ Factors limited by procedure.

2 PLANTING PATTERNS

For planting patterns of unequal row widths within the pattern or row patterns other than those listed above, compute the yield conversion factor as follows:

A DIVIDE WIDTH IN INCHES

Divide the width in inches of the area skipped in the pattern (as defined by FSA) by the width in inches of the whole pattern, rounded to 2 decimals.

B ADD 1.00 TO THE RESULTS OBTAINED IN ITEM A

EXAMPLE: 3x1 (40" rows) = $40 \div 160 = .25 + 1.00 = 1.25$

In some areas, mixed patterns are planted such as 4x1x2x1. To calculate the factor for these patterns, determine the factor for each part (4x1 and 2x1) and compute a weighted factor based on the number of planted rows.

Example: 4x1x2x1 (40" rows)

$$\begin{aligned}
 4x1 &= 40 \div 200 = .20 + 1.00 = 1.20 \times 4 = 4.80 \\
 2x1 &= 40 \div 120 = .33 + 1.00 = 1.33 \times 2 = \underline{2.66} \\
 &7.46 \div 6 \text{ rows} = \underline{1.24}
 \end{aligned}$$

C THE RESULT OF ITEM B MUST NOT EXCEED

- (1) 1.67 for any pattern or part of a pattern of 1 planted row or 2 consecutive planted rows alternating with idle land.
- (2) 1.45 for any pattern or any part of a pattern of 3 consecutive planted rows alternating with idle land.
- (3) 1.33 for any pattern or part of a pattern of 4 consecutive planted rows alternating with idle land.
- (4) 1.20 for any pattern or part of a pattern of 5 or 6 consecutive planted rows alternating with idle land.
- (5) 1.00 for any pattern or a part of a pattern of 7 or more consecutive planted rows alternating with idle land.

These factors apply to New Mexico, the following counties in Texas; Baylor, Concho, Runnels, Schleicher, Shackelford, Sutton, Taylor, Throckmorton, Valverde, Wilbarger, and all counties west of these counties.

TABLE 2

YIELD CONVERSION FACTOR	PLANTING PATTERN
1.00	Solid planted (solid drilled-62") or nonqualifying skip-row patterns
1.14	1 planted X1 or more skipped 30"-35"
1.28	1 planted X1 or more skipped 36"-62"
1.28	1(38")X1(34")
1.00	1(<30")X1(<30")
1.42	2X1 36"-62"
1.26	2X1 30"-35"
1.00	2(30"-62")X1(<30")
1.26	2(36"-62")X1(30"-35")
1.26	2(30"-35")X1(36"-62")
1.80	2 planted X2 or more skipped 36"-62"
1.60	2 planted X2 or more skipped 30"-35"
1.70	2(30"-35")X2(36"-62")
1.70	2(36"-62")X2(30"-35")
1.35	3X1 36"-62"
1.69	3 planted X2 or more skipped 36"-62"
1.20	3X1 30"-35"
1.50	3 planted X2 or more skipped 30"-35"
1.28	4X1 36"-62"
1.57	4 planted X2 or more skipped 36"-62"
1.14	4X1 30"-35"
1.40	4 planted X2 or more skipped 30"-35"
1.14	5X1 36"-62"
1.43	5 planted X2 or more skipped 36"-62"
1.07	5X1 30"-35"
1.27	5 planted X2 or more skipped 30"-35"
1.00	6x1 30"-62"
1.28	6 planted X2 or more skipped 36"-62"
1.14	6 planted X2 or more skipped 30"-35"
1.00	7X1 30"-62"
1.10	7 planted X2 or more skipped 30"-62"
1.00	8X1 30"-62"
1.06	8 planted X2 or more skipped 30"-62"
1.00	9 planted X1 or more skipped 30"-62"
1.00	10 or more planted X 1 or more skipped 30"-62"

Note, (<)= less than

In some areas, mixed patterns are planted such as 3X2 4X1 2X2. To calculate yield conversion factor for these patterns, determine factor for each pattern (3X2, 4X1 & 2X2) and compute a yield conversion factor based on a simple average.

Example: 3X2 4X1 2X2 planted in 40" rows
 3X2 = 1.69
 4X1 = 1.28
 2X2 = 1.80
 $4.77/3 = 1.59$

These factors apply to Kansas, Oklahoma, and all Texas counties for which Table 2 does not apply.

TABLE 3

YIELD CONVERSION FACTOR

PLANTING PATTERN

1.00	Solid planted (solid drilled-62") or nonqualifying skip-row patterns
1.14	1 planted X1 or more skipped 30"-35"
1.28	1 planted X1 or more skipped 36"-62"
1.28	1(38")X1(34")
1.00	1(<30")X1(<30")
1.33	2X1 36"-62"
1.26	2X1 30"-35"
1.00	2(30"-62")X1(<30")
1.26	2(30"-35")X1(36"-62")
1.50	2 planted X2 or more skipped 36"-62"
1.41	2 planted X2 or more skipped 30"-35"
1.46	2(30"-34")X2(35"-62")
1.46	2(35"-62")X2(30"-34")
1.31	3X1 36"-62"
1.45	3 planted X2 or more skipped 36"-62"
1.20	3X1 30"-35"
1.37	3 planted X2 or more skipped 30"-35"
1.28	4X1 36"-62"
1.40	4 planted X2 or more skipped 36"-62"
1.14	4X1 30"-35"
1.33	4 planted X2 or more skipped 30"-35"
1.14	5X1 36"-62"
1.34	5 planted X2 or more skipped 36"-62"
1.07	5X1 30"-35"
1.27	5 planted X2 or more skipped 30"-35"

Note, (<)= less than

All other skip row patterns having 6 or more planted rows with 1 or more skip (fallow) row(s) will have the same factors as those shown in Table 2.

In some areas, mixed patterns are planted such as 3X2 4X1 2X2. To calculate yield conversion factor for these patterns, determine factor for each pattern (3X2, 4X1 & 2X2) and compute a yield conversion factor based on a simple average.

Example: 3X2 4X1 2X2 planted in 40" rows
 3X2 = 1.45
 4X1 = 1.28
 2X2 = 1.50
 4.23/3 = 1.41

ACRES CONSIDERED PLANTED BY FSA TABLE *

40" ROW/PLANT PATTERN	% PLANTED FACTOR
1 IN 1 OUT 1 IN 4 OUT 1 OUT 2 IN, 1 OUT 2 IN, 1 OUT 2 IN, 1 OUT 2 IN 1 OUT 2 IN 1 OUT, 2 IN 2 OUT 2 IN 1 OUT, 2 IN 4 OUT	.8000 .3200 .6000 .6667 .5714 .4444
2 IN 1 OUT, 2 IN 2 OUT, 2 IN 4 OUT 2 IN 1 OUT, 2 IN 1 OUT, 2 IN 2 OUT 2 IN 1 OUT, 2 IN 1 OUT, 2 IN 4 OUT 2 IN 2 OUT 2 IN 2 OUT, 2 IN 2 OUT, 2 IN 4 OUT 2 IN 2 OUT, 2 IN 3 OUT	.4615 .6000 .5000 .5000 .4286 .4444
2 IN 2 OUT, 2 IN 4 OUT 2 IN 4 OUT 2 IN 8 OUT 3 IN 1 OUT 4 IN 1 OUT 4 IN 2 OUT 4 IN 4 OUT	.4000 .3333 .2000 .7500 .8000 .6667 .5000
6 IN 2 OUT 8 IN 1 OUT 10 IN 2 OUT 12 IN 4 OUT 12 IN 1 OUT 16 IN 1 OUT 16 IN 2 OUT 20 IN 1 OUT	.7500 .8889 .8333 .7500 .9231 .9412 .8889 .9524
1 IN 1 OUT	.8333

*NOTE: For all skip-row Cotton (Irrigated and Non-Irrigated) this must be the planted portion of the field as defined by FSA (See Cotton AUP and ELS contract provisions). Contact the applicable county FSA office for the correct percent planted factor for any row widths and planting patterns or varying row widths and planting patterns not listed in the above table.

5 COMPLETION OF THE COTTON APH FORM

A EXAMPLE 1

This example is a two step process to convert skip-row yields to a solid plant yield. The insured certified for the most recent six crop years, the following total production and acres considered planted to Cotton by FSA.

Next most recent crop year	217,070 lbs. and 620.2 acres
Next most recent crop year	182,250 lbs. and 450.0 acres
Next most recent crop year	128,800 lbs. and 400.0 acres
Next most recent crop year	143,310 lbs. and 510.0 acres
Next most recent crop year	259,000 lbs. and 700.0 acres
Most recent crop year	122,010 lbs. and 400.0 acres

The insured carried out a Non-Irrigated 2 X 1 skip-row practice planted in 40 inch rows all years.

19XX	217,070	620.2	A350
19XX	182,250	450.0	A405
19XX	128,800	400.0	A322
19XX	143,310	510.0	A281
19XX	259,000	700.0	A370
19XX	122,010	400.0	A305
			19.TOTAL
20(A) PLEM.YIELD.		21. APPROVED APH YIELD	
20(B) PRIOR YIELD.			

In order to complete the APH form on a solid planted basis, the average yield for the six crop years were transferred to the Total Production Column (Col. 16 FCI-19-A) in another block of the APH form. The average yields are then divided by the applicable yield conversion factor and the result is entered in the Yield Column (Col. 18 FCI-19-A).

19XX	350	1.42	A246
19XX	405	1.42	A285
19XX	322	1.42	A227
19XX	281	1.42	A198
19XX	370	1.42	A261
19XX	305	1.42	A215
			19.TOTAL
20(A) PLEM.YIELD.		21. APPROVED APH YIELD	
20(B) PRIOR YIELD.			

B EXAMPLE 2

This example illustrates the use of the Multipurpose Production and Yield Report Worksheet (Exhibit 9) to arrive at the solid plant yield for the six years certified. Total

production for each of the six years is divided by the appropriate yield conversion factor (for the planting pattern and row spacing). The factored production for each crop year is entered in the Total Production Column (Col. 16 FCI-19-A) of the APH form. Acres considered planted to Cotton are entered in the Acres Column (Col. 17 FCI-19-A) if gross acres (Col. 4), the appropriate percent factor must be applied. The solid plant yields for the six crop years for the practice carried out (Non-Irrigated) are entered in the Yield Column (Col. 18 FCI-19-A).

MULTIPURPOSE PRODUCTION AND YIELD REPORT WORKSHEET

Crop Year	1	2	3	4	5	6
19XX	217,070	÷ 1.42=	152,866	930.3	620.2	246
19XX	182,250	÷ 1.42=	128,345	675.0	450.0	285
19XX	128,800	÷ 1.42=	90,704	600.0	400.0	227
19XX	143,310	÷ 1.42=	100,923	765.0	510.0	198
19XX	259,000	÷ 1.42=	182,394	1050.0	700.0	261
19XX	122,010	÷ 1.42=	85,923	600.0	400.0	215

APH FORM

19XX	* 152,866	620.2	A246
19XX	* 128,346	450.0	A285
19XX	* 90,704	400.0	A227
19XX	* 100,923	510.0	A198
19XX	* 182,394	700.0	A261
19XX	* 85,923	400.0	A215
			19.TOTAL
20(A) PLEM.YIELD.		21. APPROVED APH YIELD	
20(B) PRIOR YIELD.			

* = Factored production

C EXAMPLE 3

The following APH form is for a carryover insured who has an existing database. For the most recent crop year, the insured reported 94,640 pounds of skip-row production and 124.4 gross skip-row acres. A Non-Irrigated (2X1) 40 inch planting pattern was carried out. The agent assisted the insured in completing the APH form by dividing the production by the skip-row yield conversion factor (1.42) and multiplying the percent planted factor (.6667) times the acreage planted (for the most recent crop year) and entering this information on the insureds APH form. The Approved APH yield is calculated using Category B APH procedure.

19XX			
19XX			
19XX			
19XX			
19XX	49,510	90.0	A550
19XX	39,900	92.2	A433
19XX	60,030	88.5	A678
19XX	* 20,160	80.0	A252
19XX	* 28,420	81.2	A350
19XX	* 66,648	83.0	A803
			19. TOTAL 3066
20(A) PLEM. YIELD. 511		21. APPROVED APH YIELD 511	
20(B) PRIOR YIELD. 572			

* = Factored Yield

D EXAMPLE 4

In this example a new insured reported the four most recent crop year's production. Unit 0101's production for the next most recent crop year was commingled between Irrigated and Non-Irrigated skip-row practices (see the example on the following page).

UNIT 0101 - Irrigated practice

19XX			
19XX			
19XX	29,824	64.0	A466
19XX	48,400	55.0	A880
19XX	* 15,400	50.0	A308
19XX	* 36,600	52.0	A704
			19.TOTAL 2358
20(A) PLEM.YIELD. 590		21. APPROVED APH YIELD	
20(B) PRIOR YIELD. N/A		590	

* = Production Commingled
 "T" Yield = 460

UNIT 0102 - Non-Irrigated Practice

19XX			
19XX			
19XX	* 37,200	200.0	A186
19XX	* 28,700	140.0	A205
19XX	* 11.023	151.0	A73
19XX	* 36,660	244.0	A150
			19.TOTAL 614
20(A) PLEM.YIELD. 154		21. APPROVED APH YIELD	
20(B) PRIOR YIELD. N/A		154	

* Production Commingled and Factored
 "T" Yield = 300

E EXAMPLE 5

The yield conversion factors for this example were taken from Table 2 of this Exhibit and determined from the following information.

The insured commingled production between Irrigated Cotton and Non-Irrigated skip-row Cotton. The total production is 32,710 pounds, 50 acres Irrigated; 29.4 acres (considered planted to Cotton) Non-Irrigated skip-row, 2X3, 40 inch rows (yield conversion factor 1.80); 26.6 acres (considered planted to Cotton) Non-Irrigated skip-row 2X4, 40 inch rows (yield conversion factor 1.80); 95.0 acres (considered planted to Cotton) Non-Irrigated skip-row 2X1, 40 inch rows (yield conversion factor 1.42).

Step 1. Determine the Irrigated and Non-Irrigated yield, see the commingled production worksheet (Exhibit 9).

Step 2. Determine the yield factor for the Non-Irrigated skip-row acreage, see skip-row yield determination factor determination.

COMMINGLED COTTON PRODUCTION DETERMINATION

Step 1:

Practice	Planted Acres		100% T Yield	=	Yield Extension	Yield Factor	Factor X "T" Yield
IRR	50.0	X	350	=	17,500	.88	(350 X .88) = 308
NI	151.0	X	130	=	19,630	.88	(130 X .88) = 114

Total Production 32,710 ÷ 37,130 = .88

SKIP-ROW YIELD FACTOR DETERMINATION

Step 2:

NI Skip Row Factor)	Planted Acres		Yield Conversion	=	Factored Acres	Yield Conversion Factor	Solid Planted Yield (NI Yield ÷ Yield
2X3 (40")	29.4	X	1.80	=	52.9	1.56	114÷1.56 = 73
2X4 (40")	26.6	X	1.80	=	47.9	1.56	114÷1.56 = 73
2X1 (40")	95.0	X	1.42	=	134.9	1.56	114÷1.56 = 73
Total	151.0				235.7	÷ 151.0 = 1.56	

July 1996

EXHIBIT 18

FCIC 18010

1 RESERVED

APH YIELD LIMITATIONS

1 EXAMPLE 1

A The following **Corn** example assumes a 100 bu. "T" Yield for a carryover insured with 2 years of low actual yields.

A(1) For 1996, the insured reported an actual yield of 53 bushels per acre for the 1995 crop year. The approved APH yield was calculated by entering the actual yield (53 bu.) and three 80 percent "T" Yields (80 bu.). The sum of those yields was divided by four. $A53 + E80 + E80 + E80 = 293 \div 4 = 73$

A(2) For 1997, the insured reported an actual yield of zero bushels per acre for the previous crop year (1996). (The Corn was flooded out.)

(a) Average APH Yield. The zero actual yield is added to the previous production data and two 90 percent "T" Yields (90 bu.) are used to complete the 4-year database. The sum of those yields was divided by four. $A0 + A53 + N90 + N90 = 233 \div 4 = 58$

(b) The 10 Percent Yield Limitation (CUP). The 10 percent cup is calculated by multiplying the previous year's approved APH yield x .90 ($73 \times .90 = 66$).

(c) Yield Floor. The insured has provided 2 years of records and is eligible for the 75 percent yield floor (100 bu. "T" Yield x .75 = 75 bu).

(d) Approved APH Yield. The cupped yield (66 bu.) and the yield floor (75) are compared. The approved APH yield is the higher yield (75 bu.).

(e) The premium rate is determined by using the 1997 average APH yield (58 bu.).

2 EXAMPLE 2

A The following **Cotton example** (solid planted or Irrigated skip-row Cotton) assumes a 400 lb. "T" Yield, for a carryover insured with 5 years of actual records which reflect three low actual yields.

A(1) For 1996, the insured reported actual yields of 600 lbs. (1992 crop year), 245 lbs. (1993 crop year), 0 lbs. (1994 crop year), and 300 lbs. (1995 crop year) per acre. The approved APH yield was calculated by adding the four actual yields together and dividing the total by four. $A600 + A245 + A0 + A300 = 1145 \div 4 = 286$

A(2) For 1997, the insured reported an actual yield of 50 lbs. per acre for the previous crop year (1996). (The Cotton was damaged by drought.)

(a) 1997 average APH yield. The 50 lb. actual yield was added to the previous data and used to complete the APH Database. $A600 + A245 + A0 + 300 + A50 = 1195 \div 5 = 239$

(b) 10 percent yield limitation (CUP). The 10 percent cup is calculated by multiplying the previous year's approved APH yield x .90 ($286 \times .90 = 257$).

(c) Yield Floor. The insured has provided 5 years of records and is eligible for the 80 percent yield floor (400 lb. "T" Yield x .80 = 320 lb.).

(d) Approved APH Yield. The cupped yield (257) is less than the yield floor (320 lbs.); therefore, the approved APH yield is 320 lbs.

(e) The premium rate is determined by using the average APH yield (239 lbs.)

B For Non-Irrigated Cotton planted to a qualifying skip-row pattern the approved APH yield is calculated on a solid planted basis; however, the applicable yield conversion Factor is applied when determining the yield floor, APH yield for acreage report purposes, and the premium rate.

3 **EXAMPLE 3**

A A new insured did not provide any production records. The insured is eligible for 65% of T-Yield.

FSA Program Yield is 100 T-Yield Factor 1.00 T-Yield
100

1992	S65
1993	S65
1994	S65
1995	<u>S65</u>
$260/4 = 65$	

1996 Approved APH Yield is 65

Yield limitations (Cups & Caps) do not apply until the insured provides an actual record or the assigned yield provision is applied.

B The carryover insured provided 1996 production history. The yield limitation provisions are now applicable due to the actual yield for the most recent crop year being entered in the database.

1993	E80
1994	E80
1995	E80
1996	<u>A95</u>
$335/4 = 84$	

The average yield is 84; however, the 1997 Approved APH Yield is (65 x 120%) LIMITED TO 78.

- C The carryover insured provided production records for the 1995 and 1996 crop year. Yield limitation provisions do not apply because the insured provided MORE than the most recent crop year production records.

1993	N90
1994	N90
1995	A102
1996	<u>A95</u>
$377/4 = 94$	

The 1997 Approved APH Yield is 94.

- D If the carryover insured did not provide ANY production records for the 1996 crop year. Assigned yield provisions apply.

1993	E80
1994	E80
1995	E80
1996	<u>P49</u> (65 x 75%)
$289/4 = 72$	

The 1997 Approved APH yield is 72. Yield limitations do not affect this example as the 1997 APH yield is within 120% of the prior year approved APH yield of 65.

- E The carryover insured provided a production report for the 1997 crop year. The prior years approved APH yield was 97.

1992	A105
1993	A80
1994	A98
1995	A103
1996	<u>A0</u>
$386/5 = 77$	

The average yield is 77; however, the 1997 Approved APH Yield is (97 x 90%) CUPPED AT 87.

SUMMERFALLOW DATABASES
 EXAMPLE 1, CC YIELD HIGHER THAN SF YIELD

*** Step 1**
 1997 SF APH

Year	Yield	
92	C27	(Special "T" Yield reference
93	C27	database contains 2 years)
94	C27	
95	A42	(actual yield)
96	Z	(zero planted)

$\frac{123}{4} = 31$

SF "T" Yield = 30

CC APH = 33
 1997 SF APH = 33

**** Step 2**
 1998 SF APH

Year	Yield
93	C30
94	C30
95	A42
96	Z
97	A45

$\frac{147}{4} = 37$

1998 SF yield = 37

EXAMPLE 2, SF YIELD HIGHER THAN CC YIELD

Step 1
 1997 SF APH

Year	Yield	
91	C30	(Special "T" Yield reference
92	C30	database contains 3 years)
93	Z	(zero planted)
94	A52	(actual yield)
95	Z	(zero planted)
96	A48	(actual yield)

$\frac{160}{4} = 40$

SF "T" Yield = 30

CC Approved APH = 32
 1997 Approved SF APH = 40

***** Step 2**
 1998 SF APH

Year	Yield
92	T30
93	A52
94	Z
95	A48
96	A42

$\frac{172}{4} = 43$

Approved 1998 SF yield = 43

*** New insured** 1997
 Database retained, but the
 CC database is duplicated and
 reported to FCIC for the SF Practice.

**** Database** retained and updated
 in subsequent 1998 Crop Year
*****Database** contains 3-years
 records and is used for APH

SUMMERFALLOW DATABASES

EXAMPLE 1, CC YIELD HIGHER THAN SF YIELD

*** Step 1**
1997 SF APH

Year	Yield
92	C27 (Special "T" Yield reference
93	C27 database contains 2 years)
94	C27
95	A42 (actual yield)
96	Z (zero planted)

123/4 = 31

SF "T" Yield = 30

CC APH = 33
1997 SF APH = 33

**** Step 2**
1998 SF APH

Year	Yield
93	C30
94	C30
95	A42
96	Z
97	A45

147/4 = 37

1998 SF yield = 37

EXAMPLE 2, SF YIELD HIGHER THAN CC YIELD

Step 1
1997 SF APH

Year	Yield
91	C30 (Special "T" Yield reference
92	C30 database contains 3 years)
93	Z (zero planted)
94	A52 (actual yield)
95	Z (zero planted)
96	A48 (actual yield)

160/4 = 40

SF "T" Yield = 30

CC Approved APH = 32
1997 Approved SF APH = 40

***** Step 2**
1998 SF APH

Year	Yield
92	T30
93	A52
94	Z
95	A48
96	A42

172/4 = 43

Approved 1998 SF yield = 43

*** New insured 1997**
Database retained, but the
CC database is duplicated and
reported to FCIC for the SF Practice.

**** Database retained and updated**
in subsequent 1998 Crop Year
***** Database contains 3-years**
records and is used for APH

ADDITIONAL BEAN PROCEDURE FOR UNITS AND YIELDS BY TYPE**1** **DEFINITIONS**

A **BEANS** Dry beans and contract seed beans.

B **DRY BEANS** The crop defined by the United States Standards for Beans excluding contract seed beans.

C **CONTRACT SEED BEANS** Dry beans grown under the terms of a seed bean processor contract for the purpose of producing dry beans or vegetable beans in a future crop year.

D **TYPE** A category of beans identified as a type in the Special Provisions.

2 **UNIT DIVISION FOR DRY AND CONTRACT SEED BEANS**

A **BASIC UNITS** Acreage planted to dry beans and contract seed beans are separate basic units. For dry beans and contract seed beans a basic unit is all insurable acreage of dry beans in the county in which the insured has a:

- (1) 100 percent share; or
- (2) Is owned by one entity and operated by another specific entity on a share basis.

B **OPTIONAL UNITS** Basic units determined in A above may be further divided into optional units by:

- (1) Bean Type Shown on the Special Provisions (Dry Beans ONLY, see Par. 3A).
- (2) Section, Section Equivalent, or FSA FSN (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).
- (3) Irrigated and Non-irrigated Practices (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).
- (4) Written Unit Agreement (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).

Note: Optional units are not available for contract seed beans grown under a seed bean processor contract that specifies ONLY an amount of production.

C DETERMINING AND NUMBERING UNITS

Refer to the following examples and Sec. 4, C(5) for additional unit determination instructions. Sec.4, C(5)(g) provides instructions for numbering basic and optional units.

OPTIONAL UNITS

```

          +)))0101)))SEC. 10 (100% SHARE) PINK/310
          *
+)))0100))3)))0102)))SEC. 12 (100% SHARE) PINK/310
*
*          .)))0103)))SEC. 10 (100% SHARE) PINTO/311
*
*
BASIC UNITS)3)))0200)))SEC. 10 (100 % SHARE) CONTRACT SEED/062
          *
          *
          *
          .)))0300)))))))(JONES 1/3 SHARE) PINTO/311

```

OPTIONAL UNITS

```

          +)0401))SEC. 8 (ADAM 1/3 SHARE) 1/CS/062
          *
+))0400))3)0402))SEC. 2 (ADAM 1/3 SHARE) 1/CS/062
*
*          .)0403))SEC. 1 (ADAM 1/3 SHARE) 1/CS/062
*
*
BASIC UNITS)3))0500))))))SEC. 12 (SMITH 1/3 SHARE) PINTOS/311
          *
          *
          /))0600))))))SEC. 12 (SCOTT 1/3 SHARE) PINTOS/311
          *
          *
          *          +))0701))))))SEC.3 (TUTTLE .400) PINKS/310
          *
          .)0700))1
          *
          .))0702))))))-SEC.3 (TUTTLE .400) PINTOS/310

```

1/ If contract specifies the number of acres. (If contract specified ONLY an amount of production one basic unit.)

3 BEAN TYPES

A SPECIAL PROVISION DRY BEAN TYPES

The following dry bean types are listed as insurable types on the Actuarial Table (Special Provisions). "Type" is synonymous with "class" as used in the U.S. Standards for Beans; however, there may be more than one variety within a class (type). A separate optional unit may be established for each type as provided in the Dry Bean Crop Provisions. A dry bean policyholder MUST insure ALL insurable dry bean types and contract seed beans in the county. Production reports must be filed timely (by unit) for all types of insurable dry and contract seed beans.

- (1) *Adzuki. Type Code 321.
- (2) Baby Lima. (characteristic of the Small White Lima of the Henderson Bush, Thoroughgreens, and similar types). Type Code 320.
- (3) *Black Turtle Soup. Type Code 303.
- (4) Blackeye (Cowpeas of the Blackeye variety). Type Code 315.
- (5) Cranberry (known also as Speckled Cranberry and Horticultural Pole). Type Code 304.
- (6) Dark Red Kidney. Type Code 305.
- (7) Flat Small White (the type as grown in northern Idaho). Type Code 312.
- (8) *Garbanzo. Type Code 306.
- (9) Great Northern. Type Code 307.
- (10) Large Lima (characteristic of the Large White Pole and Burpee Bush Lima type). Type Code 319.
- (11) Light Red Kidney. Type Code 308.
- (12) Marrow (not including Red Marrow). Type Code 317.
- (13) Mung. Type Code 322.
- (14) Pea (the type grown in the Great Lakes region known also as Navy beans or Medium White beans). Type Code 309.
- (15) Pink (including California Pink). Type Code 310.

- (16) Pinto (including the Mexican Pinto type but not the type known as Spotted Red Mexican). Type Code 311.
- (17) Small Red (known also as Red Mexican, California Red, and Idaho Red). Type Code 313.
- (18) Small White (the type as grown on the Pacific coast, not including Tepary). Type Code 314.
- (19) White Kidney. Type Code 318.
- (20) Yelloweye. Type Code 316.

* Types of dry beans recognized as insurable but not defined as a "Class" of beans by the United States Standards for Beans.

B OTHER INSURABLE BEAN TYPES:

Contract Seed. Type code 062.

4 **LEVEL OF COVERAGE AND PRICE ELECTIONS**

A LEVELS OF COVERAGE

One level of coverage (50%, 60%, 65%, 70% or 75%) applies to all types of dry beans and contract seed beans on a policy/county.

B PRICE ELECTIONS

Price elections for dry beans may vary by type when the Special Provisions provide different price elections by type. For contract seed beans, the insured may select ONE price election ranging from 60 percent through 100 percent of the contract price.

C APH YIELD CALCULATION

For additional instructions for APH procedure not covered in this Exhibit see Sec. 5, (D).

- (1) Separate yields are required to establish or update an approved APH yield for the following:
 - (a) Insurable dry bean types indicated on the applicable actuarial document for the current crop year.
 - (b) Units (Basic and Optional).
 - (c) Irrigated and Non-Irrigated insurable practices.

- (2) All insureds are required to file production reports separately for each insurable type that was grown (by unit).

NOTE: It is not necessary to create an APH form and calculate an approved APH yield for ALL possible insurable types. However, if a new insurable type is grown on which an approved APH yield has not been calculated then the applicable Special "T" yield(s) for an added type will apply.

- (3) Different "T" yield areas (T-map areas) within a unit. Refer to Sec. 5(D)(15) for instructions.
- (4) Yield limitation provisions (See Sec. 5, Par. D[11]).

C APH INSTRUCTIONS FOR FEED BARLEY DATABASES

Under Option A or B approved APH yield(s) MUST be calculated for Feed Barley. Acreage and production records must meet acceptability requirements outlined in this handbook for APH purposes. All Feed Barley approved APH yields must be calculated in accordance with the Small Grains Crop Provisions and APH procedures. For instructions concerning Malting Barley Databases when Option A is elected refer to Par. E of this Exhibit.

C(1) Feed Barley APH database(s) MUST be established and updated by attributing ALL Barley acres and production (non-Malting varieties, approved Malting varieties, and non-approved Malting varieties) from acceptable records to the applicable Feed Barley database. A separate database must be established for each applicable practice and spring and winter types indicated on the county actuarial table.

(a) For carryover insureds, separate Malting Barley and basic Barley databases established under the 95-91A Endorsement containing actual or assigned yields MUST be restructured (production history combined). Restructuring must occur by unit and according to any applicable practices. Yield limitations (caps or cups) will not apply. Yield floors will apply.

(b) For carryover insureds who have established APH databases for one type ONLY (Basic or Malting Barley):

- 1 Basic Barley databases become Feed Barley databases regardless of whether or not the 95-91A Malting Barley Endorsement was elected.
- 2 Malt Barley databases established under the 95-91A Endorsement become Feed Barley databases.

Note: Caps, cups, or yield floors will apply. All databases must be updated with the 1996 production history for the 1997 crop year using APH procedures for Feed Barley.

D APPLICABLE GRADE STANDARDS

The quality standards for approved Malting Barley varieties insured under Option A or Option B are defined in the Malting Barley Price and Quality Endorsement. These standards are used in determining Malting Barley production to count for APH and claims. Failure to meet any of these standards MUST result from INSURABLE CAUSES if such loss in quality is to be recognized in indemnity calculations.

E OPTION A

E(1) To Qualify for Option A, each NEW or CARRYOVER insured must provide, no later than the PRD, acceptable Malting Barley production reports by practice, for at least the four most recent APH crop years prior to the crop year immediately preceding the current crop year (e.g., at

least the 95, 94, 93, 92, are required). Each Malting Barley APH crop year reported must be accompanied by acceptable records by practice of the SALES of Malting Barley production and the ACRES PLANTED TO MALTING VARIETIES. For the purposes of Option A, "sales of Malting Barley" means the production sold as MALT. In order to qualify for Option A, a carryover insured switching from the 95-91A Endorsement must recertify the Malting Barley production reports or Insurance Providers MUST RESTRUCTURE by practice, existing Malting Barley databases to reflect sold Malting Barley production and acres planted to Malting Barley varieties. Acceptable supporting records by practice of the sales of Malting Barley production and acres planted to Malting Barley varieties MUST be provided by the insured by the PRD to accurately restructure the database.

Note: Failure to separate sold Malting Barley production in an acceptable manner for each practice carried out for a crop year, will cause that crop year's production report(s) to be unacceptable for option A purposes.

- E(2) Insurable Acreage. All insurable Barley acreage in the county planted to an approved Malting Barley variety in which the insured has a share will be insured. However, the Malting Barley production guarantee per acre will be limited as indicated in (4) below.
- E(3) Feed Barley APH Databases. When Option A is elected separate databases must be established for both Feed Barley and Malting Barley. Calculate the approved APH yield for Feed Barley and structure Feed Barley databases according to Par. 2C of this exhibit.

- E(4) Option A APH Databases. An average APH yield is determined by calculating a simple average of the insured's total Malt Barley yields for each practice determined from sales records divided by the number of years of sales records provided.
- (a) A separate Malt Barley APH database must be established for each practice. Coverage under Option A, will not attach to any practice with less than four years of acceptable Malting Barley records.
 - (b) "T" Yields are not applicable to Option A Malting Barley databases. Yield limitations (Caps or Cups) or yield floors will not apply.
 - (c) For each subsequent crop year, the insured must provide acceptable production reports (accompanied by acceptable records of sales of Malting Barley and acres planted to malting varieties by practice) by the PRD for the APH crop year immediately preceding the current crop year. If the insured fails to do so, insurance will not attach under Option A (assigned yields are not used).
- E(5) The approved APH yield used to determine the production guarantee for Option A, will be the lesser of:
- (a) The applicable approved APH yield calculated for Feed Barley by unit and practice; or
 - (b) The average APH yield calculated by practice in Par. (4) above using acceptable Malting Barley production reports/records.
- F Option B Only contracted production is insured under this option.
- F(1) To qualify for Option B, the insured must submit a copy of the Malting Barley contract for the current crop on or before the acreage reporting date. The Insurance Provider must retain the copy for verification purposes. The contract must:
- (a) Be an agreement in writing between the producer and a brewery or business enterprise that produces or sells **MALT** or processed mash to a brewery, or business enterprise owned by such brewery or business; and
 - (b) Contain the amount of contracted production, the purchase price, or method to determine the purchase price, and other such terms that establish the obligations of each party to the agreement.
- If the insured fails to provide the contract timely, or any terms are omitted, the insurance provider may determine the information necessary to provide insurance under Option B or deny the liability provided by Option B.

- F(2) Insurable acreage. All insurable Barley acreage in the county planted to an approved Malting Barley variety (see Par. 2A) in which the insured has a share will be insured.
- F(3) Feed Barley APH/Databases. When Option B is elected, calculate the approved APH yield and structure the Feed Barley databases according to Par. 2C of this exhibit.
- F(4) Option B Yield. For processing purposes, the yield used to calculate the production guarantee for Option B, will be the result of multiplying the Feed Barley approved APH yield (by unit/location/practice) by a contracted Malting Barley APH/bushel factor (.xxx) not to exceed 1.000.
- (a) The factor is calculated by dividing the number of Malting Barley bushels contracted by the TOTAL weighted bushels of Feed Barley. The weighted Feed Barley bushels are calculated by multiplying the Feed Barley approved APH yield (for the corresponding practice and location) times the acreage planted to an approved variety of Malting Barley (by practice and location corresponding to the Feed Barley approved APH yield). See Par. 2H of this Exhibit for a sample worksheet (Col. 1-7) and completion instructions. See Example 1, following, for a completed example.
 - (b) The calculations used to determine the factor must be documented on a worksheet, signed and dated by agent, and approved by the verifier. It becomes part of the APH file and is subject to verification during the APH review process.
 - (c) The approved Option B yield is not required to be calculated and transmitted to FCIC on an APH form (type 15 record).
 - (d) The Option B Yield must be entered in the approved APH yield column of the acreage report for processing purposes, and the contracted bushels and APH/bushel factor must be entered in the remarks section.

EXAMPLE 1: Option B APH/Bushel Factor.

The insured's acreage report indicates: 120 acres of an approved Malting Barley variety (MB) was planted on acreage corresponding to Feed Barley (FB) unit 0101 and that an irrigated practice will be carried out (see worksheet row 1); 80 acres of an approved MB variety was planted on acreage corresponding to FB unit 0102 and that an irrigated practice will be carried out (see worksheet row 2); 60 acres of an approved MB variety was planted on acreage corresponding to FB unit 0200 and that a summerfallow (SF) practice will be carried out (see worksheet row 3); and 100 acres of an approved MB variety was planted on acreage corresponding to FB unit 0200 and that a Continuous Cropping (CC) practice will be carried out (see worksheet row 4). The FB approved APH yields are listed for the corresponding acreage in Col. 3 of the worksheet. The insured has additional acreage of FB (not planted to an approved MB variety); however, it is not necessary to enter it on the worksheet. The insured has acceptable Malting Barley contracts with two breweries (See Col.6).

COLUMNS 1-7, WORKSHEET FOR DETERMINING OPTION B APH/BUSHEL FACTOR

(1) UNIT (FB)	(2) PRAC- TICE	(3) (FB) APH YIELD	(4) PLANTED ACRES(MB)	(5) COL(3) X (4)	(6) CONTRACTED BU(MB)	(7) COL(6) ÷ (5)
0101	IRR	70	120.0	8,400	<u>1</u> / 10,000	
0102	IRR	62	80.0	4,960	<u>2</u> / 5,000	
0200	SF	48	60.0	2,880		
0200	CC	35	100.0	3,500		
				TOTAL: 19,740	TOTAL: 15,000	FACTOR: .760

1/ Contract # A, guaranteed sale price of \$6.50 per cwt.

2/ Contract # B, guaranteed sale price of \$6.80 per cwt.

F(5) Option B, Additional Value Price Election. The additional value price election per bushel, NOT TO EXCEED \$2.00 PER BUSHEL, for approved Malting Barley varieties insured under Option B is the lesser of, as applicable:

- (a) The guaranteed sale price per bushel established in the Malting Barley contract (without regard to discounts or incentives) minus the maximum price election for Feed Barley; or
- (b) The premium price per bushel (without regard to discounts or incentives) if the sale price is based on a future market price as specified in the Malting Barley contract.
- (c) If more than one contract price (sale prices or premium prices) apply to the policy, a weighted average Malting Barley contract price per bushel must be calculated in order to determine the additional value price election. Refer to Par. 2H of this Exhibit for a sample worksheet (Col. 6, 8-

12) and completion instructions. See Example 2 following, for a completed example.

EXAMPLE 2: Weighted Average MB Contract Price.

Continuing the previous example, the weighted average Malting Barley contract price is calculated as follows:

COLUMNS 6, 8-12 WEIGHTED AVERAGE MB CONTRACT PRICE WORKSHEET

(6) CONTRACTED BU. (MB)	(8) PRICE (CWT)	(9) (CWT) FACTOR	(10) PRICE(BU) OR (8)X(9)	(11) DOLLARS (6)X(10)	(12) PRICE:TOTALS COL(11)÷(6)
<u>1/</u> 10,000	\$6.50	.48	\$3.12	\$31,200	
<u>2/</u> 5,000	\$6.80	.48	\$3.26	\$16,300	
TOTAL: 15,000				TOTAL: \$47,500	AVE MB PRICE \$3.17

The Additional Value Price Election, not to exceed \$2.00 per bu., is determined by subtracting the maximum price election for Feed Barley from the weighted average Malting Barley price (this example \$3.17 - \$2.15 [maximum Feed Barley price election] = \$1.02).

G PREMIUM CALCULATION

The base premium rate for Option A or Option B Malting Barley is the base premium rate for the Feed Barley approved APH yield for the SAME LOCATION and PRACTICE. Formula: (Malt Barley Per-acre Production Guarantee) X (share) X (acres) X (additional value Malt Barley price election) X (base premium rate for Feed Barley) X (1.1 [rate class option factor]) X (.9 [basic unit discount] X (producer premium percentage [for level elected]) = Malt Barley Premium.

H OPTION B WORKSHEET (Refer to the following page for the Option B Worksheet and completion instructions.)

H(1) APH/Bushel Factor. Complete Columns 1-7 to determine the Option B APH/Bushel factor.

H(2) Weighted Average Contract Price. Use Column 6 and complete Columns 8-12 to determine the weighted average Malt Barley contract price when the policy covers more than one contract price and the contract prices are different.

COLUMNS 1-7, WORKSHEET FOR DETERMINING OPTION B APH/BUSHEL FACTOR
 COLUMNS 6, 8-12, WEIGHTED AVERAGE MB CONTRACT PRICE WORKSHEET

(1) UNIT (FB)	(2) PRAC- TICE	(3) (FB) APH YIELD	(4) PLANTED ACRES (MB)	(5) COL (3) X (4)	(6) CONTRACTED BU. (MB)	(7) COL (6) ÷ (5)	(8) PRICE/ CWT (MB)	(9) (CWT) FACTOR	(10) PRICE/BU: OR COL (8) X (9)	(11) DOLLARS COL (6) X (10)	(12) PRICE:TOTALS COL (11) ÷ (6)
				TOTAL:	TOTAL:	FACTOR:				TOTAL:	AVE MB PRICE

COL

- 1 Enter the Feed Barley (FB) unit number. An entry must be made if for the Feed Barley location, acreage is planted to an approved MB variety. A separate line entry must be made for each practice.
- 2 Enter the applicable FB practice.
- 3 Enter the FB approved APH yield, for each unit and practice on which MB is planted.
- 4 Enter the acres planted to an approved MB variety for each practice. This acreage must correspond to the FB APH by unit and practice.
- 5 Multiply the FB APH yield (Col. 3) times the MB acreage (Col.4). Enter the result in Col. 5 and total the line entries.
- 6 Enter the contracted bushels of Malting Barley (MB). If more than one contract, enter the total contracted bushels for each contract on a separate line.
- 7 Divide the total contracted bushels (Col.6) by total bushels (Col. 5) and enter the quotient to three decimal places, not to exceed 1.000. This factor is then multiplied times the FB APH yield (Col. 3) to determine the MB approved yield.

If MORE than one contract price and contract prices are different per bu:

- 8 If the contract price is per cwt. enter the contract price applicable to the contracted bu. (Col. 6). If the contract price is per bushel leave blank.
- 9 Enter .48 if the contract price is per cwt. If the contract price is per bushel leave blank.
- 10 If the contract price is per cwt., multiply the Price CWT. (Col. 8) by .48 (Col. 9) and enter the resulting price per bushel in Col. 10. Round to nearest cent (.XX). If the contract price is per bushel, enter the contract price applicable to the Contracted Bushels (Col.6).
- 11 Multiply the Contracted Bushels for each contract (Col. 6) times the applicable the Price Per Bu. (Col. 10) and enter the result in Col. 11. Total the Dollars for all contracts.
- 12 Divide the Total Dollars (Col. 11) by the Total Contracted Bushels (Col 6) and enter the quotient as the weighted average MB contracted price (Col.12). Round to the nearest cent (.XX). Deduct the maximum Feed Barley price election from the Average MB price (Col. 12). The remainder not to exceed \$2.00 is the additional value Malt Barley price election.

PARTICIPATION - FLOW CHART

1. Sam Good wishes to use Bo Jack's records. He may do so because Bo receives a share in the crop for the current crop year.

CURRENT CROP YEAR	FSA FSN 1000 Section 10 Sam Good 2/3 Bo Jack 1/3
-------------------	---

2. The farm was renumbered in the most recent crop year, but it is the same land. Bo Jack's records meet the acceptability requirements and may be used for the crop year.

MOST RECENT CROP YEAR TO THE CURRENT CROP YEAR	FSA FSN 1000 Section 10 Bo Jack 100%
--	--

3. Bo Jack's records are acceptable so they may be used.

NEXT MOST RECENT CROP YEAR	FSA FSN B-126 Section 10 Bo Jack 100%	(FSA FSN Renumbered)
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4. Bo Jack's records are acceptable so they may be used.

NEXT MOST RECENT CROP YEAR	FSA FSN B-126 Section 10 Bo Jack 100%
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5. Bo Jack's record are acceptable so they may be used.

NEXT MOST RECENT CROP YEAR	FSA FSN B-126 Section 10 Bo Jack 100%	(FSA FSN Reconstituted Change of ownership)
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6. FSA FSN C-20 consists of the same land and Bo Jack's records are acceptable for the crop year so they may be used.

NEXT MOST RECENT CROP YEAR	FSA FSN C-20 Section 10 Bo Jack 2/3 Don Matt 1/3
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7. Bo Jack did not have a share in the crop. A break in continuity occurs. Actual yields are therefore reported for items 1 through 6.

NEXT MOST RECENT CROP YEAR	FSA FSN C-20 Section 10 Don Matt 100
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**EXAMPLE
HIGH-RISK LAND EXCLUSION OPTION**

FCI-549
(8-89)

**UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
HIGH-RISK LAND EXCLUSION OPTION**

This is a continuous Option
See item 5 of this Option

INSURED'S NAME: High-riskland Farmer		CONTRACT NO: XX-XXX-XXXXX	
ADDRESS: R. R. 3 Belair, MO 65276	CROP(S): CORN		CROP YEAR: 19XX
	COUNTY: COOPER (053)		

Upon our approval of this option, we agree to amend your Federal Crop Insurance Policy to exclude from crop insurance coverage all high-risk land for the identified crop(s) in which you have a share, subject to the following terms and conditions:

1. The Option must be submitted to us on or before the final date for accepting applications for the initial crop year in which you wish to exclude high-risk land.
2. In the event of a loss on any insured unit, you must provide separate production records showing planted insurable acreage and harvested production for any acreage which is excluded from crop insurance coverage under this Option.
3. By signing this Option, you are declining crop insurance coverage under the general crop insurance policy and the crop endorsement on your high-risk land.
4. As used in this Option, "high-risk" land is any land to which a high-risk classification and premium adjustment factor applies as shown on the actuarial table when the "R" system is employed to classify the crop.
5. This Option may be canceled by either you or us for any succeeding crop year by giving written notice on or before the cancellation date provided by the policy, preceding such crop year.
6. You must report, on the acreage report for each crop year, the acreage of the crop planted on high-risk land.
7. All other provisions of the policy not in conflict with this Option are applicable.

INSURED'S SIGNATURE _____ DATE _____
INSURED MUST SIGN AND DATE (SEE ITEM 1)

CORPORATION REPRESENTATIVE'S SIGNATURE AND CODE NUMBER _____ DATE _____
AGENT MUST SIGN, ENTER CODE # AND DATE

A false claim made to the Corporation, or a false statement made on a matter within the jurisdiction of the Corporation, may subject the maker to criminal and civil penalties (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

ADDITIONAL FORAGE PRODUCTION PROCEDURE

1 FORAGE PRODUCTION

A "T" YIELD'S

Forage Production insureds with less than four years of actual records must use the 1996 applicable/variable "T" Yield. See Sec. 5 D(2).

Yield limitation provisions if in effect are applicable.

B APPROVED APH YIELDS WHEN TYPES CHANGE

Separate Approved APH yields are required for type (051) Alfalfa and type (052) Alfalfa Grass Mixture when separate "T" Yields are indicated, for the respective types, on the actuarial table. For an added type the Approved APH Yield for the added type is calculated using the added P/T/V procedures. (see Sec. 5, D (13)(f).

Example: Forage Production initially insured as Alfalfa (Type Code 051) changes to Alfalfa Grass Mixture (Type Code 052) when the percent stand falls below 60 percent Alfalfa (see the actuarial documents). If the insured has not produced the Alfalfa Grass Mixture for more than two APH crop years on the unit, added P/T/V provisions apply:

- B(1) Determine the number of years of actual/assigned yields in the database for the previously insured type and identify the applicable "T" yield percentage.
- B(2) Multiply the "T" yield for the new type by the "T" yield percentage.
- B(3) Establish a four-year database for the new type with the resulting Special "T" Yield preceded by the yield type descriptor code "C".
- B(4) Caps and Cups do not apply the first year this procedure is applicable.

C SIMPLE AVERAGE PROGRAM YIELDS

In some states, Forage Production "T" Yields use Corn as the reference crop for "T" Yield determinations. Since units for Forage Production are limited to policy units only, multiple FSA Farm Serial Numbers (FSN) may exist in a unit. If Corn is the reference crop for Forage Production "T" Yields, and the unit included two or more FSA FSN's, and a "T" Yield is necessary, calculate a simple average FSA program yield for Corn. See Sec. 5, D(14). Include all FSA FSN's in the unit.

Example: Simple Average Program Yield

	CROPLAND ACRES	FSA PROGRAM YIELD
FSN 1000	N/A	80 Bu.
FSN 2000	N/A	90 Bu.
	TOTAL	170 Bu.

$170 \div 2 = 85$ Bu. Simple Average FSA Yield.

D FORAGE PRODUCTION UNDERWRITING REPORT

Policy provisions state that insurance will attach on all insured acreage for which there is adequate stand and that we do not insure any acreage with less than 75 percent ground coverage. Therefore, insureds must report acreage with an adequate stand as insurable.

Policy provisions do not require that crop inspections be made before the calendar date for the beginning of the insurance period. However, all insureds must complete the Forage Production Underwriting Report (See Par. F, this Exhibit) for each field of forage production. If a Claim for Indemnity was filed the preceding crop year and a adequate stand was determined, the Claim for Indemnity Report will be used to determine insurability.

The purpose of this report is to identify each field and to certify basic information needed to determine type classification, unit structure, and insurability of the stand (age of stand and adequacy of plant count). This information will be used to update the APH form before requesting an Approved APH Yield for the upcoming crop year, and also to complete the acreage report.

A copy of the Forage Production Underwriting Report must be submitted to the Insurance Provider along with the Production and Yield Report and a copy must be retained in the insured's service office file.

E COVERAGE FOR OVERAGE STANDS

Insureds must submit a request for a written agreement and an inspection report OR other acceptable evidence showing stand productivity to establish coverage on overage stands of forage production. Production records showing fed, sold, and/or stored production from the overage portion(s) of the unit may be used to establish productivity.

The RSO reviews the request and supporting documentation. (Production Evidence or Inspection). If the production evidence or inspection is not acceptable or does not indicate the overage acreage will meet the productivity requirements for insurability, the written agreement will be denied.

E(1) Carryover insureds must request written agreements and submit required documentation (through their agents/Insurance Provider) to the applicable FCIC RSO. The request must be received in the FCIC RSO (i.e., acceptable production evidence or an inspection) by October 31st preceding the applicable crop year.

E(2) New insureds must submit requests for coverage on overage stands to their agents by November 30th. The request and required documentation must be received in the FCIC RSO no later than December 15th preceding the applicable crop year.

Requests for coverage along with required documentation which are not submitted timely will be rejected by the FCIC RSO.

F FORAGE PRODUCTION UNDERWRITING REPORT

Agent's Name _____

Applicant's Name _____

Policy Number _____ Crop Year _____ Field ID. _____

1. Legal Description:

Qtr. Sec. # _____, TWP _____ N/S _____, RNG _____ E/W _____

Check Applicable entry: Owned/Cash Rent _____, Share Rent _____

2. Number of Planted Acres _____

3. Year Established _____

4. Date Seeded MO _____

YR _____ (land completely broken up and reworked)

5. Seeded with Another Crop: Yes ____, No ____, Crop _____

6. Existing Stand :	Percent Ground Cover	Stand Count Per Sq. Ft.
_____	% Alfalfa	_____ Alfalfa
_____	% Grass	_____ Grass
_____	% Other	_____ Other

7. Practice : Irrigated _____, Non-Irrigated _____

Description of irrigation method or system:

8. Previous year's usage : Seed _____ Acres

Grazed _____ Acres

Harvested: Silage _____ Acres

9. Failed _____ Acres

10. Acreage not intended to be harvested as livestock feed: _____

I certify that the information I have furnished on this underwriting report is complete and accurate for the unit and year shown. I Understand that failure to report completely and accurately may result in voidance of my crop insurance policy and may result in criminal or civil false claims actions.

Applicant's Signature _____ Date _____

Distribution: Original to Insurance Provider, 1 copy insured's file.

PREMIUM ADJUSTMENT TABLES

TABLE 1 - Favorable Experience. The insured's premium is subject to a maximum credit of 50 percent for favorable experience based on Table 1 below. Only the years during which premiums were earned shall be considered for premium adjustment purposes.

% Adjustments for Favorable Continuous Insurance Experience																
	Number of Years Continuous Experience Through Previous Year ²															
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15+
Loss Ratio ¹ Through Previous Crop Year	Percentage Adjustment Factor For Current Crop Year															
.00- .20	100	95	95	90	90	85	80	75	70	70	65	65	60	60	55	50
.21- .40	100	100	95	95	90	90	90	85	80	80	75	75	70	70	65	60
.41- .60	100	100	95	95	95	95	95	90	90	90	85	85	80	80	75	70
.61- .80	100	100	95	95	95	95	95	95	90	90	90	90	85	85	85	80
.81 & Over	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

TABLE 2 Unfavorable Experience. The insured's premium is subject to an adjustment for adverse experience based on Table 2 below. No adjustments for unfavorable insurance experience will be made the first year if an insured has a loss.

	Number of Loss Years Through Previous Year ²															
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Loss Ratio ¹ Through Previous Crop Year	Percentage Adjustment Factor For Current Crop Year															
1.10-1.19	100	100	100	102	104	106	108	110	112	114	116	118	120	122	124	126
1.20-1.39	100	100	100	104	108	112	116	120	124	128	132	136	140	144	148	152
1.40-1.69	100	100	100	108	116	124	132	140	148	156	164	172	180	188	196	204
1.70-1.99	100	100	100	112	122	132	142	152	162	172	182	192	202	212	222	232
2.00-2.49	100	100	100	116	128	140	152	164	176	188	200	212	224	235	248	260
2.50-3.24	100	100	100	120	134	148	162	176	190	204	218	232	246	260	274	288
3.25-3.99	100	100	105	124	140	156	172	188	204	220	236	252	268	284	300	300
4.00-4.99	100	100	110	128	146	164	182	200	218	236	254	272	290	300	300	300
5.00-5.99	100	100	115	132	152	172	192	212	232	252	272	292	300	300	300	300
6.00-Up	100	100	120	136	158	180	202	224	246	268	290	300	300	300	300	300

1 Loss Ratio means the ratio of indemnity(ies) paid to premium(s) earned.

2 For premium adjustment purposes, only the years during which premiums were earned will be considered.

**Contract Seed Dry Beans (Bush Varieties for Garden Seed)
and Dry Peas (Wrinkled Seed Peas)**

1 APH Instructions:

A FOR GENERAL APH INSTRUCTIONS AND INSTRUCTIONS NOT COVERED IN THIS EXHIBIT

APH procedure for Category B crops in Sec. 5 of this handbook.

- A(1) The approved APH yield is calculated and expressed as the current crop year's dollar per acre (\$/A) equivalent.
- A(2) Separate approved APH yields are required for contract seed Dry Beans and Dry Peas, units, different determined yield map areas, and different Reference Year Adjustment Factor (RYAF) areas. Separate RYAF are furnished annually by the FCIC RSO. These factors are specific for Contract Seed Dry Beans and Dry Peas by area and crop year.
- A(3) Enter each crop year's respective RYAF in col. 1 of the Multipurpose Production and Yield Report Worksheet (see Exhibit 9). If fewer than four years of production have been certified, enter the appropriate RYAF for factoring Transitional Yields (T-Yields) to complete a four year database.
- A(4) Enter the total dollars (round to nearest whole dollar) received (or value of), for each crop year in Col. 2 of the worksheet (round to the nearest whole dollar). If fewer than four years of production have been certified, use the factored T-yield to complete a four year database. Do not consider a year with zero planted acres a year with actual production.
- A(5) Multiply the RYAF in col. 1 times total dollars or "T" yield, if applicable, in Col. 2, and enter the resulting product in col. 3 (round to nearest whole dollar). Transfer the factored dollar value(s) (col. 3) to Total Production Column (Col. 16 FCI-19-A[APH]) on the APH Form.
- A(6) Enter the planted acres in the Acres Column (Col. 17 FCI-19-A[APH]) on the APH Form for each crop year certified.
- A(7) Divide factored dollars (Col. 16) by planted acres (Col. 17) and enter resulting quotient in the Yield Column (Col. 18 FCI-19-A[APH]). (Round to nearest whole dollar.)
- A(8) Total the factored average dollar values (Col. 18) and enter the total in the Total Block (Block 19 FCI-19-A[APH]) on the APH form.
- A(9) Divide the total (Block 19) by the number of years which have yields, including "T" Yields (Col. 18). The result is entered in the Preliminary Yield Block (Block 20 FCI-19-A[APH]) as the preliminary yield in whole dollars per acre.

- A(10) To express the prior year's approved yield in current dollars per acre equivalent, multiply the previous year's approved APH yield (in dollars per acre) by the most recent year's RYAF.
- A(11) Any yield limitation provisions, if applicable, apply to carryover policies. Multiply the previous year's approved APH yield (in dollars per acre) by the most recent year's RYAF and compare it to the current year's preliminary yield. If necessary, apply the percent yield limitation established by FCIC, if applicable, and enter the approved APH yield.
- A(12) For the computer printed Production and Yield Reports for carryover policies, steps 3 through 7 are handled on one page per unit (see examples following). Actual dollars are entered in the column labeled "total dollars". Final factored average dollar per acre is calculated by dividing "total dollars" by "planted acres" and multiplying times the RYAF. The resulting value is entered in the column labelled "average value". Note: Round to whole dollars per acre after each arithmetic step.
- A(13) It is necessary to convert the approved APH yield from dollars per acre (\$/A) to pounds per acre (#/A) for entry on the acreage report. Divide the approved APH yield by the contract price(s). A separate line entry is required for each contract price.

Examples 1-3 of this exhibit do not have the applicable CURRENT CROP YEAR RYAFs. They are issued for each CURRENT CROP YEAR by the FCIC RSO. CURRENT CROP YEAR RYAFs must be used when calculating Approved APH yields.

2 **EXAMPLES**

A EXAMPLE 1 - MULTIPURPOSE PRODUCTION AND YIELD REPORT WORKSHEET

Use this worksheet to determine the factored production to be entered on the APH form .

CROP YEAR	1	2	3	4	5	6
	RYAF	TOT \$	FAC \$			
1993	1.44	4307	6202			
1994	1.52	6013	9140			
1995	1.49	----	----			
1996	1.12	10667	11947			
Factored "T" Yield	*1.26	T-350	T-441			

6 CROP Dry Beans (047)	7 SECTION 36	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD
PRACTICE IRR. (002)	TWNSHP 10S				
TYPE B.V.G.S. (062)	RANGE 10W				
UNIT NO. 0200	LAND OTHER COUNTY YES NO				
8 OTHER ENTITY (IES) NONE	12 FSA FARM NO. 1001				
9 RECORD TYPE: CROP YEAR:	13 FSA YIELD:	19XX		*88 RYAF	F441
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER DY = NUMBER OF TREES OR VINES 1988 \$/Ac.		19XX	6,202.0	15.0	A414
		19XX	9,140.0	14.0	A653
		19XX	11,947.0	25.8	A463
					19 TOTAL 1970
10 PROCESSOR NUMBER/NAME *Factored \$ Production	11 OTHER Contract Prices .30, .40 (if available)	14 TRANSITIONAL YIELD: DY= 350 (1.26)= F441	20 (A) PRELIMINARY YIELD 493 20 (B) PRIOR YIELD	21 APPROVED APH YIELD (For Verifier use only)	

B EXAMPLE 2 - FCI-19A(APH) DB (DRY BEANS, BVGS)

19XX DRY BEANS (047)
PRODUCTION AND YIELD REPORT

1 PRE-ACCEPTANCE ANNUAL CROP INSPECTION**A AN INSPECTION IS REQUIRED FOR SUGAR BEETS**

When a new application for sugar beets is signed after insurable acreage is planted, an inspection is required. The agent/representative will provide the applicant's/insured's name, address, telephone number, and unit location (including legal description) to the Insurance Provider responsible for assigning inspections. Insurance Provider inspectors will forward all documents to the Insurance Provider verifier after completing the inspection.

B INSPECTIONS

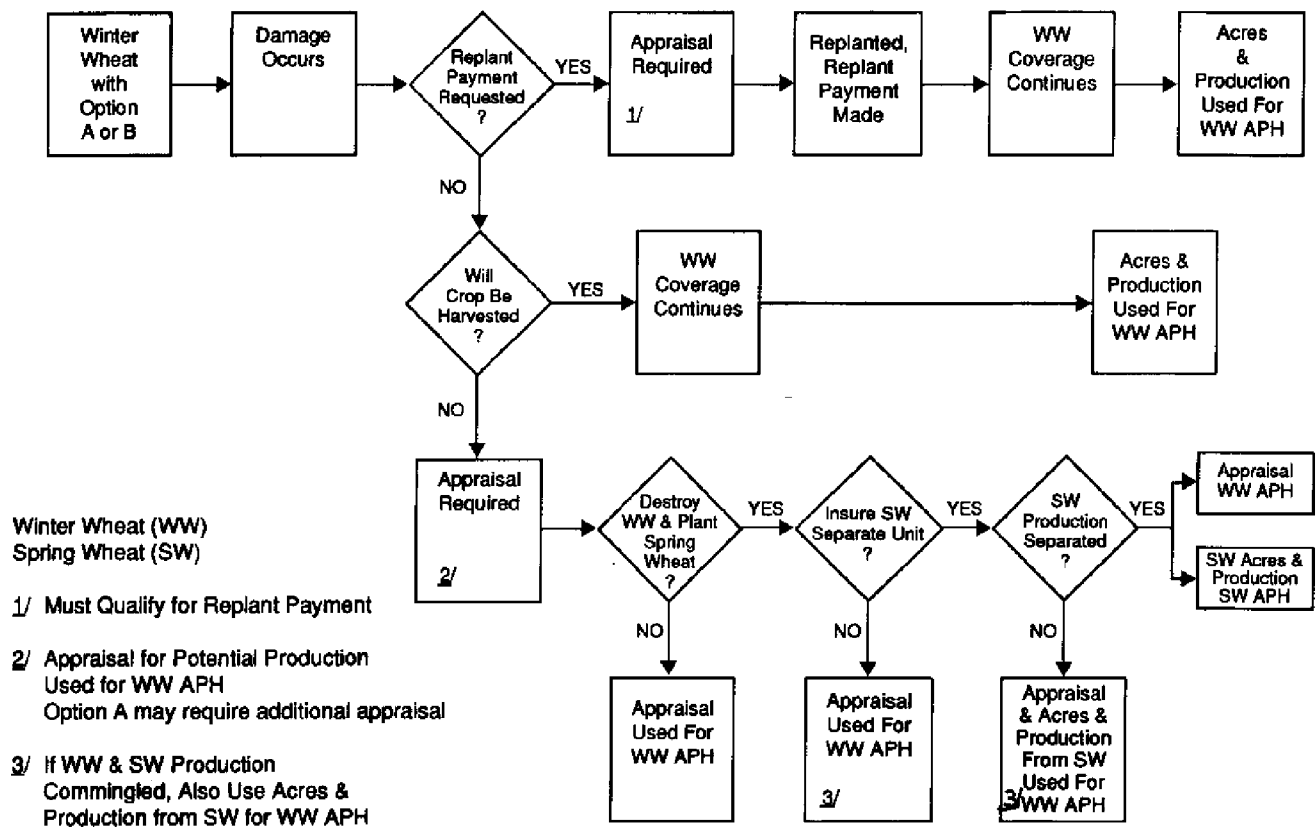
Inspections must be assigned to an inspector within five working days of receipt of the request but no later than 10 calendar days after the sales closing date. Arrangements must be made to prevent delaying the yield verification process. Inspectors should make an appointment with the insured so they can be present to answer any questions and provide authorized access to the unit(s) to be inspected. All production reports, completed inspection reports and supporting documentation must be received by the Insurance Provider verifier no later than 20 calendar days after the PRD. The items shown below are required and must be documented on the inspection report (see par. C), along with any other material circumstances observed by the inspector.

Item No.

- (1) Identification information - name of crop, unit number, crop year, contract number, name and address of insured.
- (2) Acreage and location - planted insurable acreage and location information, including legal description.
- (3) Crop information - overall crop condition.
- (4) Special hazards - note any hazards, flood etc.
- (5) Management practices - document any improper farming practices (poor weed control, etc.) and comment on overall unit condition.
- (6) Recommendation - recommend acceptance, rejection, or acceptance with an FCIC RSO rate and/or coverage review.
- (7) Date of inspection, signature, code number and title of person making inspection.

Distribution: Original - Insurance Provider Verifier
First Copy - Insured's file,
Second Copy - Inspector's option.

1 FLOW CHART - WINTER WHEAT WITH OPTION A OR B



1 WRITTEN UNIT AGREEMENTS**A An insured may qualify for a written unit agreement if all the following criteria are met:**

- A(1) The insured must clearly indicate the geographic features or good farming practices which make it impossible to follow optional unit division resulting in inequity.
- A(2) At least the most recent year's APH records separated by proposed units must be provided with the request.
- A(3) Physical/geographic features must be the basis for unit boundaries such as canyons, lakes, rivers, mountains, or irrigation systems which clearly distinguish different farming operations. These features must present a significant obstacle to farming operations and are not under the insured's control.
- A(4) Acreage planted to an insured crop where the planting pattern continues across section lines may be a separate unit provided all other specific criteria exist. However, an insured may not receive more units than would be allowed had the special circumstances not existed.
- A(5) Persons classified under the nonstandard classification system (NCS) and land located in a high-risk area are not eligible for written unit agreements.

Underwriting Guidelines:

- (a) The Insurance Providers must prepare the written unit agreement, together with supporting materials, and submit the proposed agreement to the applicable FCIC RSO for approval.
- (b) The FCIC RSO's will:
- 1 require evidence to be provided to justify items (1)-(3) above.
 - 2 require a clear, legible, and legally specific map diagram if necessary to accurately identify units.
 - a The map must be specifically referenced in the agreement to be legally valid.
 - b The map must be of a reproducible size and quality (or 4 copies provided) for attachment to each copy of the agreement.

- 3 approve the agreement. Include in the language of all new written unit agreements the following statement:

This written agreement shall be in effect for the _____ and succeeding crop years provided no significant changes occur to the farming operation which invalidate the approved unit structure. If significant changes occur, this written agreement is null and void.

- 4 provide a statement authorizing the Insurance Provider to continue the units for previously approved agreements (which do not contain the statement in 3 above) where:

a the written unit agreement was initially authorized and approved by the RSO, and

b no significant changes have occurred to the farming operation which invalidate the approved unit structure. If changes are requested, the unit structure must be resubmitted to the FCIC RSO for evaluation. (See Sec. 4, C(5)(d)2 for additional reference.)

The Insurance Provider must attach this statement to the original written agreement.

- 5 if the agreement is not approved, notify the company stating the reason why the written agreement is not acceptable.

WRITTEN UNIT AGREEMENT REQUEST

Insured's Name: Policy Number:
 Address: County land location:
 Telephone Number:

Crop: Crop Year: Percent Share:
 Practice: Type: Variety:
 State: Legal Description:
 FSA FSN: FSA Program Yield
 (if program crop):

FSA Aerial Photocopy (field(s) identified):

APH Form(s) (if applicable for all units):

Other Person(s) Sharing In The Crop:

Insurance Experience by Year (when applicable).

Premium:

Indemnity:

Liability:

Cause of loss:

Reason for Request:

Certification Statement: I certify that the information I have furnished on this request is complete and accurate. I understand that failure to furnish complete and accurate information may result in voidance of my crop insurance contract and may result in criminal or civil false claims actions.

Insured's Signature: Date:

Agent's Name and Code:

Company Name and Address: Date:

NOTE: The following statement is required on the Written Unit Agreement. This written agreement shall be in effect for the ____ and succeeding crop years provided no significant changes occur to the farming operation which invalidate the approved unit structure. If significant changes occur, this written agreement is null and void.

SHELLING PERCENTAGE CHART FOR CLEAN UNSHELLED ALMONDS

The varietal shelling percentages applicable to unshelled almonds for APH purposes are as follows:

VARIETY	AVERAGE SHELLING PERCENT
Aldrich	60
Ballico	55
Butte	60
Carmel	65
Carrion	60
Davey	55
Dottie Won	50
Drake	40
Fritz	55
Harvey	65
IXL	50
Jeffries	70
Jordanolo	65
Le Grand	60
Livingston	65
Merced	70
Milow	65
Mission	50
Mono	50
Monterey	55
Ne Plus Ultra	65
Non Pariel	70
Norman	60
Padre	55
Pearl	55
Peerless	45
Price	65
Ripon	45
Rosetta	50
Ruby	55
Sauret I	65
Sauret II	65
Solano	65
Sonora	70
Thompson	70
Tokyo	55
Valenta	55
Woods Colony	65

Example, you have 54,688 pounds of unshelled Norman almonds. Normans have a conversion factor of 60 percent. Multiply 54,688 times .60 and you have 32,813 pounds of shelled Norman almonds.

1 ENTITIES: DEFINITION, DETERMINATION, AND DOCUMENTATION

The following provides the criteria, required documentation, and proper identification numbers required to process each type of entity listed. For data processing instructions and codes see Manual 13, Data Acceptance Handbook.

Policies written as an individual entity require a Social Security Number (SSN) or when applicable an Employer Identification Number (EIN). When an EIN is applicable, the insured must be listed as a person with a Substantial Beneficial Interest (10 percent or greater interest in the policy) and his or her SSN provided. If a spouse's interest is covered by the policy, the spouse must be listed as a Substantial Beneficial Interest (SBI) and his or her SSN provided. All persons with a SBI (joint and survivor interests) must be listed and the SSN/EIN of each SBI provided.

An EIN is required for entities that are insured as partnerships, corporations. For co-owners/joint operations, estates, or revocable trusts an SSN/EIN is required. All persons with a SBI in the entity must be listed and the SSN/EIN of each SBI provided. If any one person does NOT qualify as a SBI, at least one person's name must be listed and his or her SSN/EIN must be provided for data acceptance purposes.

A Individual Entity: Individuals

- A(1) The applicant must be competent, of legal age (18 years of age or older) and capable to enter into a binding contract, and have the authority to fulfill the requirements of the contract. If the applicant is less than 18 years old, see Par. E of this Sec.
- A(2) The applicant incurs debt related to production, stores or markets in his/her name, receives proceeds, and files tax returns.
- A(3) The application covers the individual's share as a co-owner, joint-operator, or as an individual in a partnership, provided the co-owner, joint-operator, or partnership does not have separate contracts.
- A(4) A landlord and tenant must have separate contracts.
- A(5) When more than one member of a family in the same household applies for insurance or the applicant resides in the household of an insured, applicants must provide evidence on a signed statement indicating separate insurable shares. Not applicable in most cases to spouses. See Par. B, following.

B Individual Entity: Spouses

- B(1) Only one contract is required when the insurable share is owned jointly or separately by husband and wife. This includes shares owned in community property states.
- (a) The FSA may recognize a married couple who shares in the same farming operation as "two" persons for the purpose of farm program limitations and require only one CCC-477 (contract to participate in FSA programs) to be signed by the married couple. Such married couples are considered to be an individual entity for insurance purposes.
 - (b) If the FSA recognizes that a spouse operates a SEPARATE farming operation independently of the other spouse, each spouse may be classified as a separate individual entity for insurance purposes. If the FSA considers spouses to be operating separate farming operations separate CCC-477's are signed by each spouse, separate FSNs issued, etc. For separately owned shares also refer to (3) below.
- B(2) Some married persons are sole owners of land and farm as landlords, owner-operators, or as tenants independently of their spouses. For example, if a wife separately owns land which is operated and managed by the husband as head of a family farming enterprise, only one policy is needed for the family operation and share. This is also true if such land is all or part of the land farmed by the husband as owner-operator with the proceeds deposited in either the husband's bank account or a joint bank account. Only one application in the husband's name, wife's name, or both names as co-owners is required and either spouse may sign the insurance documents.
- B(3) If a spouse operates a SEPARATE farming operation independently of the other spouse, each spouse (if they chose) may submit a separate application and insure his or her interest separately. To qualify as a separate farming operation ALL of the following criteria must be met: separate ownership of land, separate capital, separate equipment, separate labor, separate management, and separate records maintained.

C Individual Entity: An Individual Operating as a Company

The guidelines for an individual operating as a company are identical to those of an individual. The application must be signed by the owner or authorized representative of the company. A statement from the company which lists the authorized representative must be maintained in the insured's file folder in the service office.

D Individual Entity: Joint and Survivor Interests

"Joint and Survivor Interests" are applicable in "community property" states in which a husband and wife have joint and survivor interest in insurable acreage and in states where such an interest may be created by deed. In such states the application is completed in the name of the joint and survivor interest (e.g., "John W. Doe, James C. Smith", or whomever).

D(1) Both parties must sign the application. Exceptions: husband and wife or when a statement is prepared and signed by both parties showing the authority of either to act as agent for the other (for crop insurance purposes).

D(2) If either party dies, the contract continues, but a successor-in-interest application must be obtained. See Sec. 4, Par. B(11)(d) for additional instructions concerning the effective crop year for which the successor-in-interest application must be prepared.

E Individual Entity: Minors or Mental Incompetents

E(1) A minor must provide evidence that an insurable share exists, and if incompetent or not capable of entering into a binding contract a court appointed guardian or a parent must co-sign the application.

E(2) A mental incompetent may be insured ONLY if a court appointed guardian signs the documents.

E(3) A written statement describing the farming operation and the insurable share must be provided and maintained in the insured's file folder in the service office.

E(4) When the minor becomes capable of entering into a binding contract or when incompetency is dissolved, a successor-in-interest application is required. See Sec. 4, Par. B(11)(d)1 and 2 for instructions concerning the effective crop year for which the successor-in-interest application must be prepared.

E(5) When a parent or court appointed guardian co-signs the application, it must contain a statement guaranteeing payment of the annual premium.

F Individual Entity: Competent Individuals Represented by Appointees

If the application is signed by someone other than the individual entity, a power of attorney giving that person authority to sign must be maintained in the insured's file folder in the service office. The Power of Attorney must be considered to be legally executed by the state in which it

was executed and it must give the appointee the authority to sign crop insurance documents for the insured. In states that require the power of attorney to be acknowledged (notarized), the signatures of the individual and appointee must be notarized. In states that do not require the power of attorney to be notarized, the signatures of the individual and appointee must be witnessed and the signature of the witness obtained on the document. The FSA Power of Attorney Form is acceptable if it meets these requirements.

G Partnerships:

A partnership is a written or verbal (requires an EIN) contract between two or more persons. The essential element of a partnership which distinguishes it from other forms of joint ventures is that each partner has authority to enter into contracts and bind all other members to such contracts.

G(1) The death, declaration of incompetence, or withdrawal of a partner, terminates the partnership, unless a written partnership agreement provides otherwise.

G(2) Crops to be insured under the partnership are those in which the partnership has a share and require only one application.

G(3) If the entire share of the partnership is not to be insured, an application to cover the share of an individual holding an interest in the partnership may be obtained. This application also covers any other individual interest the applicant may have.

H Corporations:

A corporation is a legal entity created and operating under state laws of incorporation. The corporation may insure its share as landlord, owner-operator, or tenant. An application must be signed by an officer of the corporation authorized to enter into contracts. A statement must be maintained in the insured's file folder in the service office stating where the articles of incorporation are on file. Changing officers or stockholders does not affect continuity of the contract.

I Co-ownership/Joint Operations

An entity composed of two or more parties who engage in a farming operation jointly; pool their resources; contribute land, labor, or machinery; share in expenses; and at the end of the year divide the profits, according to their interests. No individual is authorized to bind any other individual in any business transaction as is possible under a partnership.

I(1) The application must be signed by all parties or by the authorized representative. If an authorized representative signs, an agreement must be executed by co-owners or joint operators giving the representative authority to sign and maintained in the insured's file folder in the service office.

I(2) If the entire share of the entity is not to be insured, an individual application may be obtained to cover the individual share of a co-owner or joint operator and any other individual interest the applicant may have. Such an application will not cover the share of a partnership.

I(3) Death or withdrawal of one of the parties terminates the insurable interest at the end of the crop year.

J Estates:

The application covers the share owned by an estate and must be signed by the authorized court-appointed officer.

J(1) Upon settlement of the estate and the discharge of the court-appointed officer, the contract and a new application is required to maintain insurance protection.

J(2) Removal or discharge of a court-appointed officer and appointment of another does not terminate the contract.

K Trusts:

The application covers the trust's interest (not the beneficiaries interest). The application must be signed by the administrator or trustee appointed to administer the business affairs of the trust.

K(1) Irrevocable trusts are processed using the same guidelines as individual entities.

K(2) Revocable trusts require an EIN and/or SSN.

K(3) Trusts administered by Bureau of Indian Affairs. Native American land is frequently held in trust by the Bureau of Indian Affairs (BIA) or Tribal governing body and leased to operators. Native American land held under trust is processed in the same manner as land held in a irrevocable trust. The name of the trust is the named insured. Often BIA trusts are referred to as allotments identified by an allotment number (i.e., BIA Allotment Number 0006 which is the name of the trust and consequently the named insured). A separate policy is required for each allotment with different individual owners. Linkage for certain USDA farm

program benefits for individual Native Americans who own parcels of an allotment are established by that trust.

If the trust agreement provides that operators of leased land purchase crop insurance, a power of attorney will be executed by the BIA granting the operator the authority to purchase crop insurance on behalf of the trust.

If the BIA trust does not have a EIN, a nine digit number may be established as follows: the first two digits identify the state, the next three the county, and the last four the allotment number.

- L Other Entities: The following entities are generally assigned an EIN for tax purposes; however, if the entity does not have an EIN refer to Manual 13, DAS Handbook for data processing instructions and requirements.
- L(1) Receiver or Liquidator. Receivers or liquidators may insure their share. The application must be signed by the person authorized by the court to administer business of the receivership.
 - L(2) Public Agencies. State, county, or municipal offices may insure their share. The application must be signed by the person having authority to enter into a contract for the entity.
 - L(3) Association, Clubs, or Tax Exempt Organizations. To act as a representative for any principal, an entity (or an individual, etc.) must provide evidence of authority (preferably a power of attorney) or a signed statement indicating where such authority can be verified. If authority is by verbal agreement, a statement is required from the principal for verification. The Signature of the person having authority to enter into a binding contract for the entity is required.

2 ENTITY VERIFICATION**A VERIFICATION**

When taking an application, verify that the entity is correct and documented in accordance with the entity definitions in Par. 1A-L above. Incorrect entities may result in an invalid policy (e.g. separate policies written for a husband and wife who do not qualify as two separate individual entities or a minor who does not qualify as a separate entity from a parent.)

B Questionable Entities

When there is a questionable entity, document the facts and refer it to the next line of supervision or as instructed by the Insurance Provider.

3 ENTITIES AND DOCUMENTATION:

ENTITY	APPLICATION	SIGNATURE(S) REQUIRED	DOCUMENTATION NEEDED	ID NUMBER
INDIVIDUAL	John C. Doe	John C. Doe	None	Individual EIN or SSN <u>1</u>
INDIVIDUAL	Northam Land Company c/o James T. Anderson	Northam Land Company By James T. Anderson, Sole Owner	None	EIN or SSN of The Owner <u>1</u>
INDIVIDUAL (Female)	Anna M. Smith (Not Mrs. John C. Smith)	Anna M. Smith (Not Mrs. John C. Smith)	None	EIN or SSN of Individual <u>1</u>
INDIVIDUAL (Joint & Survivor & Interest)	John W. Doe or Mary C. Doe	(Both must sign) John W. Doe Mary C. Doe	If they are not spouses, statements signed by both parties showing authority of one to act for the other	EIN or SSN of Individual <u>3</u>
INDIVIDUAL (Minor, Natural Guardian)	John Doe, (minor) by Fred Doe, Guardian	Fred Doe, Guardian for John Doe	Statement signed by minor and guardian showing qualifications as separate entity	EIN or SSN of Minor <u>1</u>
INDIVIDUAL (Minor Unable To Enter Into Contracts & Incompetent Court-Appointed Guardian)	Frank W. Doe c/o John H. Doe, Guardian	John H. Doe Guardian for Frank W. Doe,	Statements signed by court-appointed guardian showing where court decree can be verified	EIN or SSN of Minor or Incompetent <u>1</u>
INDIVIDUAL (Authorized Signature)	John C. Doe c/o Richard C. Roe, Authorized Representative	John C. Doe By Richard C. Roe, Under Power of Attorney	Power of Attorney	Individual EIN or SSN of insured <u>1</u>
CO-OWNERS JOINT OPERATORS	James L. Smith and John A. Brown, Co-Owners James L. Smith and John A. Brown, Joint Operators	(All must sign) James L. Smith John A. Brown	None, if all sign, Or Power of Attorney authorizing signature	Joint Interest EIN or SSN's <u>2</u>
CORPORATION	ABC Company, Inc. c/o Richard Roe, (Title) First National Bank of Dallas c/o John H. Doe, (Title)	ABC Company, Inc. By Richard Roe, (Title) First National Bank of Dallas By John H. Doe, (Title)	Statements where articles of incorporation are on file. Application must be signed by authorized officer of the Corporation.	EIN For the Corporation <u>3</u>
ESTATE	Estate of Richard Roe, Deceased, c/o John H. Doe, Executor (or Administrator)	Estate of Richard Roe, Deceased, by John H. Doe Executor (or Administrator)	Statement advising where authority can be found	Estate EIN Or Deceased SSN or EIN

ENTITY	APPLICATION	SIGNATURE(S) REQUIRED	DOCUMENTATION NEEDED	ID NUMBER
TRUST (BIA) (Irrevocable) (Revocable)	John H. Doe Trust, c/o Richard Roe, Trustee or Administrator	John H. Doe, Trust by Richard Roe, Trustee or Administrator	Statement advising where authority can be found	EIN for Trust Or SSN Reported for the Trust <u>4</u>
	Jones, Brown, Smith c/o Richard Roe, Trustee	Jones, Brown, Smith By Richard Roe, Trustee		EIN of Trust or SSN Reported for the Trust <u>4</u>
	(Name of Trust) BIA Trust 0016	BIA Trust 0016 by John Doe Trustee or Power of Attorney		State County BIA# Example: 01 201 0016
	Ralph R. Doe, Trust, c/o Richard Roe, Trustee or Administrator	Ralph R. Doe Trust, c/o Richard Roe, Trustee or Administrator	Statement advising where authority can be found	EIN for Trust or SSN Reported for the Trust <u>4</u>
	John H. Doe, Trust, c/o Richard Roe, Trustee or Administrator	John H. Doe, Trust, c/o Richard Roe, Trustee or Administrator	Statement advising where authority can be found	EIN for Trust or SSN Reported for the Trust <u>4</u>
RECEIVER OR LIQUIDATOR	XYZ Company c/o John H. Doe, Receiver (or Liquidator)	XYZ Company By John H. Doe, Receiver or Liquidator & Court-Appointed	Statement advising where authority can be found	EIN of Named Insured or Correspondent's EIN and/or SSN
PUBLIC AGENCY (a state, a political subdivision of a state (county or parish), or any agency thereof)	Brown County Farms c/o Richard R. Roe Farm Manager	Brown County Farms By Richard R. Roe, Farm Manager (Other Authorized Title Acceptable)	Statement advising where authority can be found	EIN if issued
	State of Ohio, Board of Aeronautics, c/o John H. Doe, Director	State of Ohio, Board of Aeronautics, By John H. Doe, Director (Other Authorized Title Acceptable)		
	Fairtown Farms c/o I.M. Boss, City Mgr.	Fairtown Farms By I.M. Boss, City Mgr. (Other Authorized Title Acceptable)		
ASSOCIATION, CLUB OTHER TAX-EXEMPT ORGANIZATION	Park and Recreation Association c/o John H. Doe, Treasurer	Park and Recreation Association By John H. Doe, Treasurer	Statement advising where authority can be found	EIN for the Organization
PARTNERSHIP (Written or Verbal)	Jones and Smith, A Partnership c/o Sam Jones	Jones and Smith, A Partnership By Sam Jones, A Partner	Statement signed by all partners certifying they are members of the partnership	Partnership EIN <u>3</u>

- 1 If EIN, Individual MUST be listed as SBI and SSN provided
- 2 All ENTITIES/PERSONS Insured must be listed as SBI and EIN or SSN provided
- 3 SSN or EIN of anyone holding a 10% or more interest
- 4 SSN or EIN of ALL BENEFICIARIES

IRRIGATED PRACTICE GUIDELINES**1 IRRIGATED PRACTICE GUIDELINE**

The following guidelines are provided to enable insureds to properly report acreage to be insured under the irrigated practice in order to receive maximum protection under their crop insurance contract. It is very important that these guidelines be utilized to document whether, at the time insurance attaches, there is REASONABLE PROBABILITY of receiving adequate water to carry out a good irrigation practice for the acreage reported under the irrigated practice.

A DEFINITIONS

The following definitions are provided to facilitate a uniform understanding of the standards and guidelines for the irrigated practice.

A(1) Acreage Insurable under the Irrigated Practice - Insurable acreage for which the insured can demonstrate, to the insurer's satisfaction, that adequate facilities and water existed, at the time insurance attached*, to carry out a good irrigation practice for the insured crop.

* The insured is responsible for demonstrating that, at the time insurance attached, there was a REASONABLE PROBABILITY of receiving adequate water to carry out a good irrigation practice on acreage insured under the irrigated practice.

A(2) Reasonable Probability of Receiving Adequate Water to Carry Out a Good Irrigation Practice - A determination that it is fair, proper, and suitable to conclude that there is more evidence for than against receiving adequate water to carry out a good irrigation practice.

A(3) Adequacy of Water - The determination of the adequacy of water will be based upon (1) the water available (at the time insurance attaches) from the irrigation water supply, soil moisture levels, and snowpack storage levels; AND (2) supplementary precipitation which would normally be received, after insurance attaches, during the period that a good irrigation practice is normally carried out. Consideration will also be given to the factors identified in Par. A(6) following, including the legal entitlement or rights to water.

- A(4) Good Irrigation Practice - Application of adequate water in an acceptable manner, at the proper times necessary to allow production of a normal crop (the yield which is multiplied by the coverage level to calculate the per-acre guarantee). Normal crop is often identified as the approved Actual Production History (APH) yield for crops under APH.
- A(5) Irrigation Water Supply - The water source and means for supplying irrigation water, without regard to the equipment or facilities. This includes the water source AND dams, canals, ditches, pipelines, etc., which contain the water for movement from the source to the acreage and (1) are not under the control of the insured or (2) routinely deliver water to acreage in addition to that which is owned or operated by the insured. It DOES NOT INCLUDE any irrigation equipment or facilities.
- A(6) Irrigation Equipment and Facilities - The physical resources, other than water, used to regulate the flow of water from a water source to the acreage. This includes pumps, valves, sprinkler heads, and other control devices. It also includes pipes or pipelines which (1) are under the control of the insured or (2) routinely deliver water only to acreage which is owned or operated by the insured. A center pivot system is considered irrigation equipment and facilities.
- A(7) Adequacy of Irrigation Facilities - Irrigation facilities are considered adequate if it is determined that, at the time insurance attaches, they will be available and usable at the times needed and have the capacity to timely deliver water in sufficient quantities to carry out a good irrigation practice for the acreage insured under the irrigated practice.
- A(8) Water Source - The source from which water is made available. This includes wells, lakes, reservoirs, streams, aquifers, etc.

B REPORTING REQUIREMENTS UNDER IRRIGATED PRACTICE

- B(1) Failure of acreage to qualify for insurance under the irrigated practice will result in such acreage being insured under a practice other than irrigated. If no other appropriate practice is available for the acreage, insurance will not be considered to have attached on the acreage.
- B(2) Failure to carry out a GOOD IRRIGATION PRACTICE on acreage properly insured under the irrigated practice will result in an appraisal for uninsured causes against such acreage, unless the failure was caused by unavoidable failure of the irrigation water supply after insurance attached.
- B(3) Insureds are expected to give irrigation priority to acreage properly insured under the irrigated practice in a manner which will result in the least indemnification of the crops involved, and to advise the insurer of any anticipated diversion of water from acreage insured under the irrigated practice.

- B(4) For loss purposes, insureds are required to keep their production records separate for acreage insured under the irrigated practice, acreage insured under a practice other than irrigated (or with no practice applicable), and uninsured acreage.
- B(5) Insureds are expected to be prepared to provide documentation of the factors which were considered in reporting acreage to be insured under the irrigated practice.
- B(6) Factors to consider in determining acreage to be reported and insured under an irrigated practice include, but are not limited to:
- (a) Water source history, trends, and forecasting reliability
 - (b) Supplemental water supply availability and usage (including return flow)
 - (c) Pumping plant efficiency and capacity
 - (d) Water distribution uniformity; and flexibility of the system or district
 - (e) Water requirements (amount and timing) of all crops to be irrigated
 - (f) Water rights (primary, secondary, urban versus agricultural use, etc.)
 - (g) Contingency plans available to handle water shortages
 - (h) Acres to be irrigated, amount of water to be applied, and expected yield
 - (i) Ownership of water (state or federal versus landowner)
 - (j) Use of meters and other measuring devices or methods
 - (k) Soil types, soil moisture levels, and pre-plant irrigation needs
 - (l) Water conserving methods, devices, and plans utilized
 - (m) Past crop planting history, trends, and recommended local practices
 - (n) Prudent activities and practices utilized by non-insured producers
 - (o) Irrigation water supply (both quantity and quality) and facilities
 - (p) Recommendations from Extension Service, Soil Conservation Service, and other recognized expert sources regarding irrigation and crop production

- (g) Information the insured knew (or should have known), and when the insured knew (or should have known) such information

The insurance provider will use the above, and any other appropriate factors necessary to verify whether acreage was properly reported under the irrigated practice. Insureds who need assistance in determining the proper acreage to report for insurance under an irrigated practice should contact their crop insurance agent or insurance provider representative for information and assistance.

1

RESERVED

1 YIELD DETERMINATIONS FOR COMBINED OR DIVIDED PRACTICES, TYPES, VARIETIES (P/T/V), OR "T" YIELD MAP AREAS (TMA)

This procedure applies to both Category B and C crops when P/T/V or TMA's requiring separate APH yields change. If all requirements for acceptable production reports are met, current crop year production reports are acceptable if filed either according to current or the previous crop year's separate APH yield requirements. For subsequent crop years, insureds must file production reports according to the applicable P/T/V/TMA. The initial year that P/T/V or TMA's are combined or divided, yield limitation provisions do not apply. The procedure must be applied for each P/T/V/TMA by unit. If P/T change on the same crop the same crop year (i.e., Winter and Spring Wheat types; Summerfallow Practice, Continuous Cropping Practice, General Practice, etc.) types should be combined/divided prior to combining/dividing practices.

A COMBINING APH DATABASES

When more than one P/T/V/TMA requiring separate APH yields has been combined into a P/T/V or TMA requiring a separate APH yield, use the following instructions.

A(1) If a single database (one P/T/V or TMA reported) CONTAINS ACTUAL OR ASSIGNED YIELD(S) use the following procedure. Also see Example 1.

Step 1 Complete the most recent year (1996 for most crops) in the database by using the current production report(s) filed for the most recent APH crop year. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, use the assigned yield. If insurable acreage was planted on more than one P/T/V or TMA, use a simple average of the prior approved APH yields for the applicable P/T/V's or TMA times .75. If separate production reports are filed according to the previous (policy) year's requirements (more than one P/T/V or TMA): 1) combine the acres and production into the applicable P/T/V or TMA (see instructions for A.2. Step 2); 2) if zero planted, enter Z in the yield column when sufficient space exists in the database. Zero planted acres are used to indicate that continuity of records are maintained.

Step 2 Retain all actual, and assigned yields and acres.

Step 3 Remove "T" Yields in database and if less than 4-years actual and/or assigned yields enter the applicable variable "T" Yield (by P/T/V/TMA) to establish a 4-year database. If a "T" Yield is not established, an FCIC RSO Determined yield will be necessary.

Step 4 Calculate the approved APH yield using the applicable Category B or C procedure.

A(2) If more than one database (more than one P/T/V or TMA was reported which has been combined into a single APH

yield) CONTAINS ACTUAL AND/OR ASSIGNED YIELDS, use this procedure. Also see Example 2.

- Step 1** Complete the most recent crop year (1996 for most crops) in the database by using the current production reports filed for the previous (policy) year. If separate production reports are filed according to the previous (policy) year's requirements (more than one P/T/V or TMA) combine the acres and production from the separate production reports. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, use the assigned yield. If insurable acreage was planted on more than one P/T/V or TMA, use a simple average of the prior approved APH yields for the applicable P/T/V's or TMA's times .75.
- Step 2** Combine the total production (Col. 16) and actual acres (Col. 17) for each APH crop year (for the yields that are being combined). For APH crop years with assigned yields, multiply the planted acres times the assigned yield to establish a production amount and handle in the same manner as a year with actual yields. Divide the combined production by the combined acres for corresponding crop years. Next, enter the combined total production, acres and average yields in the current crop year's database. For crop years in which no acres have been planted enter Z in the yield column if sufficient space exists in the database. Zero planted acres are used to indicate that continuity of records are maintained for the P/T/V's or TMA's being combined.
- Step 3** If less than 4-years actual and assigned yields, enter the applicable variable "T" Yield (by P/T/V/TMA) in the yield column (Col. 18) to establish a 4-year database. If no "T" Yield established, an FCIC RSO Determined yield is necessary.
- Step 4** Calculate the approved APH yield using the applicable Category B or C current procedure.

B DIVIDING APH DATABASES

If a P/T/V that required a separate APH Yield is divided into more than one P/T/V or TMA requiring separate APH yields, use the following procedure. The insured may recertify all prior production and acreage history according to the new actuarial structure, otherwise steps 1 and 2 apply. (Also see example 3)

B(1) If production cannot be apportioned according to distribution of acres (by crop year) to P/T/V/TMA requiring separate APH yields, the acreage and production is charged to the P/T/V or TMA that normally yields the highest. (i.e., non-irrigated practice divided into summerfallow and continuous cropping....charge to the summerfallow practice.) See Example 3.

(a) For the higher yielding P/T/V or TMA:

Step 1 Complete the most recent year (1996 for most crops) in the database by using the current production reports filed for the previous (policy) year. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, enter the assigned yield. For zero planted, enter Z in the yield column if sufficient space exists in the database. Zero planted acres are used to indicate that continuity of records are maintained.

Step 2 Retain actual, and assigned yields and acres entered in the database.

Step 3 Remove "T" Yields in database and if less than a 4-years actual and assigned yields, replace them with the applicable variable "T" Yield (by P/T/V/TMA variety) to establish a 4-year database. If no "T" Yield has been established, an FCIC RSO Determined yield is necessary.

Step 4 Calculate the approved APH yield normally using applicable Category B or C procedure.

(b) For the lower yielding P/T/V or TMA:

Step 1 If acceptable production report(s) are not filed for the most recent (policy) year (and insurable acreage was planted) for the purpose of establishing the APH yield, enter the assigned yield (for each P/T/V or TMA).

Step 2 Complete the 4-year database with the applicable variable "T" Yield (by P/T/V or TMA).

Step 3 Calculate the approved APH yield following the applicable Category B or C procedure.

B(2) If production can be apportioned according to distribution of acres (by crop year) to P/T/V or TMA requiring separate APH yields, use the following

procedure (See Example 4). The commingled production worksheet may be used to apportion production when acreage is available for the P/T/V/TMA requiring separate yields.

- Step 1** Complete the most recent year (1996 for most crops) in the database by using the current production reports filed for the previous (policy) year. Acceptable production report(s) MUST have been filed according to P/T/V/TMA requiring separate APH yields for the current crop year. All prior crop years having actual or assigned yields must have been apportioned and reported according to applicable P/T/V/TMA's for the current crop year.
- Step 2** Enter the actual and assigned yields and acres entered in the database.
- Step 3** Remove "T" Yields if at least 4-years of acceptable records have been provided, if less than 4-years of acceptable records are available enter the applicable variable "T" Yield to establish a 4-year database. If no "T" Yield has been established, an FCIC RSO Determined Yield is necessary.
- Step 4** Calculate the approved APH yield according to applicable Category B or C procedure.

C NO ACTUAL OR ASSIGNED YIELDS

If there are no actual or assigned yields in the databases being combined or divided:

- Step 1** Complete the most recent year (1996) for most crops) in the database by using the current production reports filed for the previous (policy) year. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, enter the assigned yield. For zero planted, enter Z in the yield column if sufficient space exists in the database. Zero planted acres are used to indicate that continuity of records are maintained. Complete the most recent crop year in the database by using the current crop year's production report following the applicable procedure for combining or dividing P/T/V/TMA's. If acceptable production report(s) are not filed and the insured has previously provided actual and/or assigned yields use the assigned yield procedure in this Exhibit.
- Step 2** Complete the 4-year database with the current "T" Yield (by P/T/V/TMA). If no "T" Yield has been established an FCIC RSO Determined yield will be necessary.
- Step 3** Calculate the approved APH yield using applicable Category B or C procedure.

2 EXAMPLES

Example 1 and 2 illustrate establishing a database when NI Following Another Crop (FAC) and NI Not Following Another Crop (NFAC) have been combined into a non-irrigated (NI) practice. For this example the NIFAC database is converted to the New Practice.

A EXAMPLE 1

For the previous (policy) year, a single database, FAC, contained actual or assigned yields. The current "T" Yield for NI is 17.

1996 NI FAC (UNIT 0100)				1997 NI (UNIT 0100)			
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield
86				87			Step 3
87				88			Step 3
88				89			Step 3
89				90			Step 3
90				91	2200	55.0	A40 Step 2
91	2200	55.0	A40	92		0.0	Z Step 2
92		0.0	Z	93		40.5	P12 Step 2
93		40.5	P12	94	2520	60.0	A42 Step 2
94	2520	60.0	A42	95	1210	50.0	A20 Step 2
95	1210	50.0	A20	96	5760	120.0	A48 Step 1
						Total	162
							Step 4: NI Approved APH Yield 162/5 = 32

B EXAMPLE 2

The following example illustrates combining non-irrigated (NI) Following Another Crop (FAC) and NI Not Following Another Crop (NFAC) databases containing actual yields into a single NI database. The databases below are considered the previous (policy) year's databases.

1996 NI FAC (UNIT 0100)				1996 NI NFAC (UNIT 0100)			
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield
86				86			
87				87			
88				88			
89				89			
90				90			
91			N13	91			
92			N13	92			T17
93	1200	60.0	A20	93	2880	90.0	A32
94		0.0	Z	94	1680	60.0	A28
95	880	40.0	A22	95	1920	80.0	A24

Step 1: The current production report (1997) indicates for the 1996 crop year: NI practice with 3000 bu. production, 100.0 actual acres and a 30 bu. average yield.

Step 2: Actual acres and production are combined.

Year	4080	150.0	
93	(1200[FAC] + 2880[NFAC])	/ (60.0[FAC] + 90.0[NFAC])	= 27
	1680	60.0	
94	(0[FAC] + 1680[NFAC])	/ (0.0[FAC] + 60.0[NFAC])	= 28
	2800	120.0	
95	(880[FAC] + 1920[NFAC])	/ (40.0[FAC] + 80.0[NFAC])	= 23

1997 Non-Irrigated Database (0100)

Year	Total Prod.	Acres	Yield
87			
88			
89			
90			
91			
92			
Step 2 93	4080	150.0	A27
Step 2 94	1680	60.0	A28
Step 2 95	2800	120.0	A23
Step 1 96	3000	100.0	A30
		TOTAL	108

Step 3: NI Approved APH yield **108/4 = 27**

C EXAMPLE 3

In this example, the Non-Irrigated yield has been divided into SF and CC practices. The insured did not recertify production which was previously reported as Non-Irrigated. The commingled production worksheet cannot be used to apportion production because the insured did not have separate records of acres by practice. The current production report was submitted on a Non-Irrigated basis. The actual acres and production are charged to the higher yielding SF practice.

1996 NI (UNIT 0100)				1997 SF (UNIT 0100)			
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield
90	8800	200.0	A44	90	8800	200.0	A44 Step 2
91		0.0	Z	91		0.0	Z Step 2
92		100.0	P32	92		100.0	P32 Step 2
93	10080	210.0	A48	93	10080	210.0	A48 Step 2
94	8000	200.0	A40	94	8000	200.0	A40 Step 2
95	4800	240.0	A20	95	4800	240.0	A20 Step 2
				96	4400	80.0	A55 Step 1
						239/6 = 40	Step 3

P = Assigned Yield Step 3: Approved SF APH Yield **239/6= 40**

EXAMPLE 3 (CC)

The CC (0100) database is established using the variable "T" Yield for the CC practice and the assigned yield for 1992. The variable "T" Yield percentage (100%) is based on the number of years of actual and assigned yields contained in the reference (6) database for the SF Practice. If acceptable records had not been submitted for planted insurable acreage for the 1996 crop year the assigned yield would have been used.

1997 CC (Unit 0100)

Year	Prod.	Acres	Yield
89			C38
90			C38
91			C38
92			P32
93		0.0	Z
94		0.0	Z
95		0.0	Z
96		0.0	Z
		Total	146

CC Approved APH yield 146/4 = 37

E EXAMPLE 4

In this example the Non-Irrigated yield has been divided into SF and CC practices. The insured apportioned production by CC and SF practice which was previously reported as Non-Irrigated. Current crop year production reports were also submitted for CC and SF practices.

1996 NI (UNIT 0100)				1997 SF (UNIT 0100)			
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield
89				90	4160	80.0	A52 Step 2
90	8800	200.0	A44	91		0.0	Z Step 2
91		0.0	Z	92		100.0	P32 Step 2
92		100.0	P32	93	5500	100.0	A55 Step 2
93	10080	210.0	A48	94	2880	60.0	A48 Step 2
94	8000	200.0	A40	95	4200	140.0	A30 Step 2
95	4800	240.0	A20	96	4400	80.0	A55 Step 1
							272/6 = 45 Step 3

P = Assigned Yield

Step 3: SF Approved APH Yield **272/6 = 45**

1997 CC (UNIT 0100)			
Year	Prod.	Acres	Yield
90	4640	120.0	A39 Step 2
91		0.0	Z Step 2
92		0.0	Z Step 2
93	4580	110.0	A42 Step 2
94	5120	140.0	A37 Step 2
95	600	100.0	A6 Step 2
96		0.0	Z Step 1
			124/4= 31 Step 3

Step 3: CC Approved APH Yield 124/4 = 31

**1 ADDED LAND AND ADDED PRACTICE/TYPE/VARIETY (P/T/V)
PROVISIONS FOR CATEGORY B CROPS**

A DEFINITION

A(1) Added Land. Added land is land on which the insured has not actively engaged in farming for a share of the crop's production on a unit for more than two APH crop years.

Units contained in the farming operation on which the crop has been produced more than two APH crop years do not qualify for added land procedures; however, when a P/T/V indicated on the actuarial table has NOT been produced for more than two APH crop years on a unit, the P/T/V qualifies for added P/T/V procedures

A(2) Added P/T/V. An added P/T/V is a P/T/V of the insured crop as identified on the actuarial document that requires a separate APH yield, and for which the insured has NOT been actively engaged in farming for a share of the P/T/V's production on the UNIT for more than two APH crop years.

B DOCUMENTATION AND VERIFICATION

B(1) Documentation. When using procedures for added land/P/T/V the first year, the insured MUST certify in Item 11 of the FCIC-19-A (comparable item on other FCIC approved APH forms), ALL crop years that the crop/P/T/V was produced on the unit to qualify. If land is obtained after the production reporting date and it qualifies as added land or for an added P/T/V, added land procedures may be used to determine the approved APH yield to be entered on the acreage report; however, it is the insured's responsibility to notify the Insurance Provider by the acreage reporting date.

B(2) Agent/Representative Responsibilities. For added land/P/T/V without records that is added as a separate unit or is added to an existing unit and a separate APH yield (database) is required, the agent/representative must complete items 6-14 of the FCIC-19-A (comparable items for other FCIC approved APH forms). APH yields must be calculated using applicable added land/P/T/V procedures and entered in the preliminary yield block. (The verifier enters the approved APH yield in the approved yield block.)

B(3) Verification. Verification by the Insurance Provider that the insured met the "Added Land/P/T/V" APH crop year requirements defined above is required prior to payment of a claim for indemnity or when policies are selected for APH reviews. If such acreage does not meet the requirements, the APH yield must be recalculated and corrected as required by APH review tolerances.

C YIELD DETERMINATION PROCEDURES

C(1) For insureds qualifying for an added Irrigated practice, the approved APH yield for the Irrigated practice ONLY may be determined by using either the Underwriting Guidelines for Determined Irrigated Yields

(Par 3) of this Exhibit or the procedure outlined below for Special "T" Yields.

C(2) Special "T" Yields are determined when less than four years of actual /assigned yield are provided for:

- (a) Added land that is added as a SEPARATE unit or added to an existing unit when a separate APH yield (database) is required unless, the added land/P/T/V is assigned a high-risk "T" Yield or classified by NCS (See Par. 1E for high-risk "T" Yield and NCS instructions) or,
- (b) An added P/T/V when the P/T/V is listed on the actuarial document and it has a published "T" Yield. For the SF practice for Wheat, Barley, Malting Barley, and Oats if a CC practice has been carried out on the same unit, see Sec. 5, Par. D(17)(1)13 for additional instructions.

C(3) Special "T" Yield Calculation. Special "T" Yields are calculated using a percentage of the applicable "T" Yield for the added land/P/T/V based on the number of actual and/or assigned yields (APH crop years of records) in the database of a reference unit/P/T/V.

- (a) The reference database for added P/T/V or land added as a separate unit is the database with the most APH crop years of actual and/or assigned yield(s) regardless of P/T/V.
- (b) The reference database for land added to an existing unit which requires a separate database is the database in the SAME UNIT with the most APH crop years of actual and/or assigned yields regardless of P/T/V.

Note: Special "T" Yield procedures do not apply if the reference unit/P/T/V database contains fewer or an equal number of actual and/or assigned yields than the added land/P/T/V.

- (c) Special "T" Yield type descriptors:
 - "C" indicates added practice.
 - "L" indicates added land.

Special "T" Yields/initial approved APH yields are calculated as indicated in Column 3 of the following chart:

SPECIAL "T" YIELD/APH YIELD CALCULATION

If ADDED LAND/P/T/V HAS:	AND REFERENCE DATABASE HAS:	INITIAL APPROVED APH YIELD <u>1</u>/ IS:
No production reports	1 actual/assigned yield	Average of 4 80% "T" Yields
	2 actual/assigned yields	Average of 4 90% "T" Yields
	3 or more actual/assigned yields	Average of 4 100% "T" Yields
1 actual/assigned yield	1 actual/assigned yield (Special "T" Yield NOT applicable [NA])	Average of 1 actual/assigned yield and 3 80% "T" Yields
	2 actual/assigned yields	Average of 1 actual/assigned yield and 3 90% "T" Yields
	3 or more actual/assigned yields	Average of 1 actual/assigned yield and 3 100% "T" Yields
2 actual/assigned yields	1 or 2 actual assigned/yields (Special "T" Yield NA)	Average of 2 actual/assigned yields and 2 90% "T" Yields
	3 or more actual/assigned yields	Average of 2 actual/assigned yields and 2 100% "T" Yields
3 or more actual/assigned yields	(Special "T" Yield NA)	Average of 3 actual/assigned yields and 1 100% "T" Yield

1/ For subsequent crop years, the same "T" Yield percentage is retained until the added land/P/T/V's database contains an equal or greater number of actual and/or assigned yields. Then the variable "T" Yield and corresponding yield type descriptor for number of actual/assigned yields are used.

DATABASE WITHOUT RECORDS (ADDED LAND)

Initial Year	Year 2	Year 3	Year 4
L90	L90	N90	T100
L90	L90	N90	A110
L90	L90	A110	A120
L90	A110	A120	A50

DATABASE WITH 1 ACTUAL YIELD (ADDED P/T/V)

Initial Year	Year 2	Year 3	Year 4
C90	N90	T100	A105
C90	N90	A105	A110
C90	A105	A110	A120
A105	A110	A120	A50

D ADDED LAND ADDED TO AN EXISTING UNIT

D(1) Added Land WITHOUT Records Added To An Existing Unit. "Existing unit" for acreage comparison purposes, for new insureds (who provide APH yield history) and carryover insureds are established according to the previous year's (1996) farming operation. Cropland acres added to each unit (basic or optional) for the 1997 crop year are compared to ALL cropland acres contained in the same unit for the 1996 crop year.

ADDED LAND WITHOUT RECORDS ADDED TO AN EXISTING UNIT

HIGH-RISK "T" YIELD, DIFFERENT "T" YIELD MAP AREA, OR NCS?	ADDED ACREAGE <u>1</u> / COMPRISES:	FARMED 3 OF LAST 5 YEARS?	"T" YIELD COMPARED TO <u>2</u> / EXISTING UNIT?	INITIAL APH YIELD (BY P/T/V) IS:
YES	NA (not applicable)	NA	NA	Determined from a separate database (See Par. 1E)
NO	<70% of the existing unit's acreage	NA	NA	That of the existing unit. A separate database is NOT required.
	70-250% of the existing unit's acreage	YES	YES. If the "T" Yield is \geq than 80% of the existing unit's "T" Yield then:	A percentage of the applicable "T" Yield (Special "T" Yield) based on the years of actual/ assigned yields contained in a reference database. A separate database is required.
			YES. If "T" Yield is < than 80% of the existing unit's "T" Yield then:	
		NO <u>3</u> /	NA	
> 250 % of the existing unit's acreage.	NA <u>3</u> /	NA	See next chart (Par. 1D[2])	

1/ Cropland acreage (FSA agricultural use acreage devoted to the production of annual and perennial crops including fallow acreage), NOT acreage planted to the crop or program payment acreage.

Acreage Comparison Example: The unit contained FSN #1, #2 and #3 for the 1996 crop year. The FSN's contained 300, 200, and 150 cropland acres respectively (650 acres total). For 1997, the insured loses the lease for farm #3 and adds farm FSN # 4 which contains 300 cropland acres. The comparison is $300 \div 650 = .46$ (a 46 percent increase). See Example 2, Percent Added Land.

2/ "T" Yield Comparison. Compare the "T" Yield(s) of the added land (by P/T/V) to the appropriate "T" Yield (for the same P/T/V) of the existing unit. Establish a percentage by dividing the added land's "T" Yield (by P/T/V) by the existing unit's "T" Yield (for the same P/T/V). If the existing unit has more than one "T" Yield derived from different FSA program yields (for the same P/T/V) calculate a "T" Yield based on the

simple average program yield for the existing unit. Compare the "T" Yield to the "T" Yield(s) of the added land (for the same practice, type or variety). See Sec. 5 Par. D(14)(f) and Example 2 for "T" Yield instructions based on simple average program yields. If the added land has more than one "T" Yield, compare each separately to the "T" Yield of the existing unit.

3/ Databases may be combined with verifier approval. Written authorization may be requested from the Insurance Provider (verifier) to use the existing unit's approved APH yield and combine the APH database for the added land with the existing unit subject to the following conditions:

- (1) The added land must NOT assigned a high-risk "T" Yield, located in a different "T" Yield map area, or classified by NCS.
- (2) If the added acreage comprises 70-250 percent of the existing unit's acreage the added land's T-Yield must be equal to or greater than 80 percent of the existing unit's T-Yield.
- (3) If the added acreage comprises more than 250 percent of the existing unit's acreage it must have been farmed for at least three of the five most recent years and the added land's T-Yield must be equal to or greater than 80 percent of the existing unit's T-Yield.
- (4) Such requests must be received by the verifier no later than 20 calendar days after the production reporting date for the crop.

If approved by the FCIC RSO/Insurance Provider verifier, the authorization is for the initial and succeeding crop years (a written agreement issued by the FCIC RSO is not required).

D(2) Added Land WITH Records Added To An Existing Unit. For added land WITH acceptable records that is added to an existing unit, use the following chart (procedures).

ADDED LAND WITH RECORDS ADDED TO AN EXISTING UNIT

HIGH-RISK "T" YIELD, DIFFERENT "T" YIELD MAP AREA, OR NCS?	ADDED ACREAGE ^{1/} COMPRISES:	FARMED 3 OF LAST 5 YEARS?	"T" YIELD COMPARED TO EXISTING UNIT?	APPROVED APH YIELD (BY P/T/V) IS:
YES	NA (not applicable)	NA	NA	Determined from a separate database (See Par. E)
NO	< 70% of the existing unit's acreage	NA	NA	Combine existing unit's and added land's production histories. A separate database is NOT required.
	≥ 70% of the existing unit's acreage	NA	YES. If "T" Yield is ≥ than 80% of the existing unit's "T" Yield then:	
YES. If "T" Yield is < than 80% of the existing unit's "T" Yield then:				

^{1/} Cropland acreage (FSA agricultural use acreage devoted to the production of annual and perennial crops including fallow acreage), NOT acreage planted to the crop or program payment acreage.

E Added Land/P/T/V With High-Risk "T" Yields, Located in a Different "T" Yield Map Area, or Classified by NCS. For added land/P/T/V assigned a high-risk "T" Yield, located in a different "T" Yield map area, or classified by NCS use the following chart (procedures).

**ADDED LAND WITH: HIGH-RISK "T" YIELDS,
DIFFERENT "T" YIELD MAP AREA, OR NCS CLASSIFICATION**

SITUATION:	IF ADDED LAND HAS:	INITIAL APH YIELD BY P/T/V FOR THE ADDED LAND IS:
Assigned a high-risk "T" Yield	0-3 actual/assigned yields	Calculated using a separate 4-year database. The APH yield is the average of the actual/assigned yield(s) (if any) and the high-risk "T" yield(s). Special "T" Yields are NOT used.
	4 or more actual/assigned yields	Calculated by combining the existing unit's and the added land's production histories. A separate database is not required.
Located in a different "T" Yield map area than the existing unit	0-3 actual/assigned yields	Calculated using a separate 4-year database. The APH yield is the average of the actual/assigned yield(s) (if any) and SPECIAL "T" Yield(s).
	4 or more actual/ assigned yields	The average of the actual/assigned yields. A separate database is required.
Classified by NCS (rate only)	0 actual/assigned yields	Calculated using a separate database. The APH yield is the average of 4 65% "T" Yields.
	1-3 actual/assigned yields	Calculated from a separate 4-year database. APH yield is the average of the actual/assigned yield(s) and VARIABLE "T" Yield(s) based on the years of actual/assigned yields for the added land.
Classified by NCS (adjusted yields)	0 actual/assigned yields	Calculated from a separate database. The APH yield is the average of 4 NCS "T" Yields. <u>1/</u>
	1-3 actual/assigned yields	Calculated from a separate 4-year database. APH yield is the average of the actual/assigned yield(s)* and the NCS "T" Yield(s). <u>1/</u>

* Assigned Yield adjusted for NCS.
1/ The approved APH yield is the lower of the APH yield or the APH yield calculated using NCS procedures.

F COMBINING OR DIVIDING ADDED UNITS/P/T/V

F(1) If units containing added land/P/T/V are combined or divided in subsequent crop years, see Exhibit 15 for instructions.

F(2) If P/T/V's are combined or divided (on the actuarial document) in subsequent (policy) crop years, see Exhibit 35 for instructions.

2 EXAMPLES

Example 1: Acreage Percentage
For Land Added To An Existing Unit

The grower's farming operation, for the prior crop year consisted of three farms that were three separate units.

Farm A -- 300 FSA cropland acres (unit 0100)
Farm B -- 200 FSA cropland acres (unit 0201)
Farm C -- 100 FSA cropland acres (unit 0202)

For current year:

Farm A - Share rents another tract of land (same landlord) that has 200 FSA cropland acres which is a 66% increase. The added land will have the same yield as the existing land. $200 \div 300 = .66$

Farm B - No change.

Farm C - Buys another piece of land that has 250 FSA cropland acres which is a 250% increase. The acreage is not located in a high rate or unrated area and has been farmed all five of the last five (policy) crop years. The "T" Yield for the existing unit is 45 bushels. The "T" Yield for the added land is 40 bushels. The added land's "T" yield is 89 percent of the existing unit's "T" Yield ($40 \div 45$). Therefore, the added land's APH yield is the existing unit's approved APH yield by P/T/V.

EXAMPLE 2: Special "T" Yield
Based on Simple Average Program Yields

	FSA Base Acres/ Cropland Acres	Practice	FSA PY (FSA 423)
FSN A-22	NA	CC	30 bushels
FSN A-23	NA	CC	25 bushels
			55 ÷ 2 = 27.5
28 bu. (simple average program yield)			
28 X .90 ("T" factor) = 25 bu. "T" Yield (100%)			
25 X .90 (Yield if two years' records) = 23 bu. Special "T"			

**EXAMPLE 3 ADDED LAND WITH RECORDS
COMBINED WITH AN EXISTING UNIT**

The following example illustrates combining an existing unit's database and added land with a database into a single unit database. Both databases contain actual and/or assigned yields. The insured share rented another farm (FSA FSN) from the same landlord who was insured the previous (policy) crop year and who has an established database.

Previous (Policy) Crop Year Databases (1995)

ADDED LAND LANDLORD A				EXISTING UNIT LANDLORD A			
1996	UNIT 0100 (NI NFAC)			1996	UNIT 0200 (NI NFAC)		
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield
91			N15	91			
92			N15	92			T19
93	1200	60.0	A20	93	2880	90.0	A32
94		0.0	Z	94	1680	60.0	A28
95	880	40.0	A22	95	1920	80.0	A24

Step 1: The 1997 production report indicates for the 1996 crop year: NI NFAC practice with 3000 bu. production, 100.0 actual acres and a 30 bu. average yield.

Step 2: Actual acres and production are combined.

Year	4080	150.0
93	(1200[Bu] + 2880[Bu]) ÷ (60.0[acres] + 90.0[acres]) =	27
	1680	60.0
94	(0[Bu] + 1680[Bu]) ÷ (0.0[acres] + 60.0[acres]) =	28
	2800	120.0
95	(880[Bu] + 1920[Bu]) ÷ (40.0[acres] + 80.0[acres]) =	23

Step 3: Since four years of actual yields are available "T" Yields are not used in the database.

1997 UNIT 0100 (NI NFAC)			
Year	Prod.	Acres	Yield
Step 3			
Step 2	93	4080	150.0
Step 2	94	1680	60.0
Step 2	95	2800	120.0
Step 1	96	3000	A30
Most Recent		TOTAL	108
Crop Year			
Step 4		108/4 =	27

Step 4: The actual yields are totaled and divided by four to determine the preliminary and approved APH yield.

EXAMPLE 4, SUBSEQUENT CROP YEARS

The following example illustrates establishing a current database for an existing unit which contained added land the previous (policy) crop year. One database contained "T" yields and one database contained actual and assigned yields. The added land exceeded 250 percent (same "T" Yield Map Area) and a request to combine the databases was not made.

Previous (Policy) Crop Year Databases (1996)				EXISTING UNIT				ADDED LAND			
1996 UNIT 0100				1996 UNIT 0100							
Year	Prod.	Acres	Yield	Year	Prod.	Acres	Yield				
91	2200	55.0	A40								
92		0.0	Z	92			L17				
93		40.5	P15	93			L17				
94	2520	60.0	A42	94			L17				
95	1210	50.0	A20	95			L17				
			Total 117				Total 68				
			117/4 = 29				68/4 = 17				

For the current crop year the Insurance Provider authorized a single database and the insured reported 120 acres and 5760 bushels of production from both locations on a combined production report.

Current (Policy) Crop Year Combined Database					
1997 UNIT 0100					
Year	Prod.	Acres	Yield		
91	2200	55.0	A40	Step 2	
92		0.0	Z	Step 2	
93		40.5	P15	Step 2	
94	2520	60.0	A42	Step 2	
95	1210	50.0	A20	Step 2	
96	5760	120.0	A48	Step 1	
			Total 165		
			165/5 = 33	Step 4	

3 UNDERWRITING GUIDELINES FOR DETERMINED IRRIGATED YIELDS

Not applicable to acreage assigned high-risk "T" Yields or NCS classifications (including producer classifications).

A QUALIFYING FOR DETERMINED IRRIGATED (IRR) YIELDS

The FCIC RSO/Insurance Provider may approve an underwriting determined yield for an irrigated practice the **FIRST TIME** the irrigated practice qualifies as an added practice ON A UNIT provided:

- A(1) A Non-Irrigated (NI) practice has been carried out on the crop and acceptable production reports have been provided for the NI practice, and;
- A(2) The NI practice for the same unit (farm/legal description/location if the Irrigated unit is a separate optional unit) has a higher APH yield than the yield available for the IRR practice using special "T" Yield procedures that apply for the added IRR practice when no IRR records are available for the unit.

B REQUEST REQUIREMENTS

- B(1) Request Deadlines. A written request for a determined IRR yield must be received by the verifier within 20 calendar days after the production reporting date.
- B(2) Records Are Required. Copies of the production reports for the most recent crop year must be provided to the verifier. Legal descriptions of the unit(s) for which the determined yield for the IRR practice is being requested must also be provided.
- B(3) Irrigation System Documentation. Documentation must indicate the irrigation facilities and water supply are adequate to meet a good irrigation practice for the acreage of the crop to be insured under the IRR practice.

C UNDERWRITING GUIDELINES FOR ESTABLISHING DETERMINED IRRIGATED YIELDS

- C(1) Determine A "T" Yield Reference Factor. Determine the location where the IRR practice will be carried out. Determine the approved APH yield for the NI practice applicable to the same unit. This is the reference unit. Divide the approved NI APH yield by the applicable NI "T" Yield) and determine a two decimal place reference factor.

If the reference unit contains more than one NI yield, calculate a reference factor for each NI yield and then determine a simple average reference factor. The maximum reference factor allowed is determined by the number of years of actual yields contained in the reference unit's NI database. The maximum reference factor is:

- (a) 1.20 if one or two years,
- (b) 1.30 if three years, and

(c) 1.40 if four or more years.

Example 1: The reference unit's (0100, N1/2 Sec. 15), NI practice approved APH Yield is 350 lbs. The NI 100 percent "T" Yield is 320 lbs. $350/320 = 1.10$

- C(2) Compute The Factored Irrigated "T" Yield. Multiply the "T" Yield reference factor determined in 3C(1) above times the 100 percent "T" Yield for the IRR practice for the reference unit. The factored Irrigated "T" Yield may not exceed the maximum irrigated "T" Yield indicated on the applicable actuarial document.

Example 1 continued: An IRR practice is added to N1/2 Sec. 15 (it becomes part of unit 0102) and the 100 percent "T" Yield is 400 lbs. The factored IRR "T" Yield for the IRR practice is 1.10 (determined in 3C(1) above) x 400 (the 100 percent IRR "T" Yield) = 440 lbs.

- C(3) Select An Existing Irrigated Yield. If I records have been provided, select the approved APH yield for the unit (basic or optional) containing records for the IRR practice that is physically located nearest to the reference unit. If more than one unit with IRR records are located an equal distance from the reference unit, use the IRR unit with the most years of records.

- C(4) Assign The Determined Irrigated Yield. If IRR records have been provided, the determined IRR yield is the higher of the approved APH yield for the NI practice or the factored IRR "T" Yield for the reference unit, not to exceed the IRR yield determined in 3C(3). If NO IRR records have been provided, the determined Irrigated yield is the higher of the approved APH yield for the NI practice on the reference unit or the factored IRR "T" Yield determined in 3C(2).

Example 1 continued: The nearest unit's approved APH yield that has records for the IRR practice is 480 lbs. The Determined IRR Yield is the factored IRR "T" Yield of 440 lbs. as determined in C(2) above (it is higher than the approved APH NI yield of 350 lbs.) Compare the Determined Irrigated Yield (440 lbs.) to the added practice Special "T" Yield (400 lbs. 100% of IRR "T" Yield) calculated according to Par. 3C(3) and use whichever is higher.

Example 2: The NI approved APH yield for the reference unit (0100) is 380 lbs. The factored IRR "T" Yield is 504 lbs. $(380/300 [100\% \text{ NI "T" Yield}] = 1.20 [1.27 \text{ limited to } 1.20 \text{ because two years of actual yields were provided}] \times 420 [100\% \text{ IRR "T" Yield}])$

The factored IRR "T" Yield, 504 lbs., is compared to the approved APH IRR yield (480 lbs.) for the nearest unit (0200) on which irrigated records are available. In this example, the determined IRR Yield is limited to 480 lbs.

Compare the Determined Irrigated Yield (limited to 480 lbs.) to the added practice Special "T" Yield (420

lbs.) calculated according to Par. 1C(3) and use whichever is higher as the approved APH yield.

D DOCUMENTING THE DETERMINED IRRIGATED YIELD

Four determined IRR Yields are entered in the yield column of the APH form preceded by the yield descriptor "C". For subsequent crop years the determined irrigated "T" Yield is used to complete the 4-year database until four years of actual and/or assigned yields are available. The request for the determined irrigated yield, supporting documentation, and determined irrigated yield calculations must be retained and provided if the policy is selected for an Insurance Provider APH field review or FCIC compliance review.

NEW PRODUCERS

1 QUALIFYING AS A NEW PRODUCER

PROVISIONS FOR CATEGORY B CROPS

(See Sec. 5, Par. B (18) for definition.) Actively engaged in farming for a share of an insured crop's production is hereafter referred to as "produced the crop".

Examples: The insured started farming in 1995 and produced the insured crop in 1995 and 1996. In this instance the insured qualifies as a new producer but, must provide production reports for the insured crop for the 1995 and 1996 crop years to use the 100 percent "T" Yield in the APH yield calculation. If the insured had also produced the insured crop prior to the 1995 crop year, the insured would not qualify as a new producer.

Insureds who have produced the insured crop for more than two APH crop years in other county(ies) qualify as a new producer of the insured crop if they have not produced the insured crop in a county for more than two crop years.

A If the new producer has not produced the insured crop in the county, the insured is not required to certify actual yields.

A(1) The applicable 100 percent "T" Yield is the approved APH yield the initial year of insurance (see Par. 4 for an example), or

A(2) If sharing in the insured crop for the current crop year with another person(s), new producers may file acceptable production reports by the PRD that are based on acreage and production records obtained from the other person(s). If so Standard APH procedures apply. See Sec. 7, E.

B New producers who have produced the insured crop for one or two crop years are required to provide production reports (on land contained in the current farming operation) for such crop years.

B(1) When such production reports are filed, verifiers use a combination of actual yields and 100 percent of the applicable "T" Yield to calculate the approved APH yield until four years of actual and/or assigned yields are provided (See Par. 4 this Exhibit for an Example).

B(2) If the required production reports are not filed, establish the approved APH yield using:

(a) 65 percent of the "T" Yield if no production reports are provided. [See Sec. 5, Par. D(2)(a)].

(b) if the most recent crop year is provided and the insured has produced the insured crop two years, one actual yield and three 80 percent "T" Yields. See Sec.5, Par. D(2)(b)1.

C Formation of New Entities. Formation of a new entity (corporation, partnership, trust, etc.) which is comprised of one or more individuals does not automatically qualify the

entity as a new producer. Although the entity may not have records as such, individuals comprising the entity may have produced the insured crop in the county during the base period. If the individuals have produced the insured crop for two crop years or less, the entity qualifies as a new producer. If production reports are filed for the crop year(s) that each individual produced the insured crop on land that is operated by the new entity, the approved APH yield is calculated using the actual yields and 100 percent of the applicable "T" Yield.

- D Dissolution Of Entities. Dissolution of an entity (corporation, partnership, trust, etc.) which was comprised of one or more individuals does not automatically qualify the individual(s) that were previously involved in the entity as new producers. It is necessary to determine how many crop years the previous entity produced the insured crop in the county during the base period. If the previous entity produced the crop for two crop years or less and production reports are filed for the crop years on land that is now operated by the individual, the approved APH yield is calculated using actual yields and 100 percent "T" Yields.

2 SITUATIONS FOR WHICH RSO YIELD DETERMINATIONS MAY BE REQUESTED

- A Insureds (individuals or entities) who have produced the insured crop for more than two crop years in the county do not qualify as new producers. However, if records ARE NOT available for ANY of the land in the insured's current operation, APH procedure may limit the approved APH yield to less than 100 percent of the "T" Yield unless a yield is requested from the FCIC RSO for the following situations.

- A(1) The insured produced the crop on a farming operation for more than two crop years, stopped farming ALL land in that farming operation, and is producing the crop on entirely different land.
- A(2) Change of entity. A new entity has been created and production records are not available on ANY land in the new entity's farming operation; however, individual(s) that comprise the new entity have produced the crop for more than two crop years on other land.
- A(3) An entity has been dissolved and production records are not available on ANY land in the individual's current farming operation; however, the individual as a member of the former entity has produced the crop for more than two crop years on other land.

NOTE: If an insured produced the crop in a county, stopped farming in that county and begins farming in another county that insured qualifies as a new producer. However, if past production history (from the county with records) indicates average yields that are consistently greater than 100 percent of the applicable "T" yield, the insured may request an FCIC RSO yield determination.

- B Request Requirements. To be considered by the FCIC RSO, all requests for approved APH yields must be signed by the production reporting date and received in the FCIC RSO no

later than 20 calendar days after the production reporting date. The request must include the records of acreage and production (with legal descriptions) available from the land on which the insured crop was produced and the legal descriptions of all land the insured currently operates for which approved APH yields are being requested.

- C Yield Guidelines. FCIC RSO approved APH Yields are based on soil productivity of the land in the current operation and the management ability demonstrated by the actual yields submitted. They are generally limited to 65-100 percent of the Applicable "T" Yield. FCIC RSO approved APH yields are issued on APH forms containing four individual determined yields identified by the yield type descriptor "F". APH forms containing FCIC RSO approved APH yields may be updated and approved in subsequent crop years by the Insurance Provider.

3 DOCUMENTATION OF NEW PRODUCER STATUS

New producers must request approved APH yields by completing and signing APH forms and certifying in block 11 "Other" of the APH form, the crop years they have produced the insured crop. Requests for use of New Producer procedures must be made by the PRD. Separate four year databases must be established for each unit (by P/T/V) and/or for each "T" Yield map area). Verification of "New Producer" status is required prior to payment of a claim for indemnity and for policies selected for APH reviews. In some instances the producer's status may be verified by contacting the applicable FSA office or by using FCIC's experience listings.

4 EXAMPLE - NEW PRODUCERS WITHOUT PRODUCTION RECORDS

In this example database, the insured started to farm for the current crop year and records are not available from another producer. In this case the approved APH yield is 100 percent of the applicable "T" Yield.

Current Year	Year 2	Year 3	Year 4
			I100
I100	I100	I100	I100
I100	I100	I100	A110
I100	I100	A110	A120
I100	A110	A120	Z

5 EXAMPLE - NEW PRODUCER WITH PRODUCTION RECORDS

In this example database the insured has been farming for two years and produced the insured crop for two crop years. Production reports were filed containing actual yields for the two crop years.

Current Year	Year 2	Year 3	Year 4
		T100	A40
I100	T100	A40	A140
I100	A40	A140	A110
A40	A140	A110	Z
A140	A110	Z	A138

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