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Federal Crop
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Product
Development
Division

APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK

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2003 and Succeeding Crop Years

UNITED STATES DEPARTMENT OF AGRICULTURE
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THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-APPROVED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2003 AND SUCCEEDING CROP YEARS. IN THE ABSENCE OF INDUSTRY-DEVELOPED, FCIC-APPROVED PROCEDURE FOR THIS CROP FOR 2003 AND SUCCEEDING CROP YEARS, ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.

SUMMARY OF CHANGES/CONTROL CHART

Major Changes: See changes or additions in text which have been **highlighted**. Three stars (***) identify information that has been removed.

Changes: For September 2002 Issuance (FCIC-25030-1):

- A. In subsection 2 B (4) adding a definition for mature apples.
- B. In Section 4 E added instructions for appraising apple production with potential *E. Coli* contamination.

APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

Control Chart For: Apple Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	References	Date	Directive Number
Remove	1-2	1-2	1-2 11-12		11-2000 11-2000	FCIC-25030 FCIC-2530
Insert	1-2	1-2	1-2 11-12.1		09-2002 09-2002	FCIC-25030-1 FCIC-25030-1
Current Index	1-2	1-2	1-2 3-10 11-12.1 13-37	38-49	09-2002 09-2002 11-2000 09-2002 11-2000	FCIC-25030-1 FCIC-25030-1 FCIC-25030 FCIC-25030-1 FCIC-25030

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1. INTRODUCTION

This handbook identifies the crop-specific procedural requirements for adjusting Multiple Peril Crop Insurance (MPCI) losses in a uniform and timely manner. These procedures, which include crop appraisal methods and claims completion instructions, supplement the general (not crop-specific) procedures, forms, and manuals for loss adjustment identified in the Loss Adjustment Manual (LAM).

2. SPECIAL INSTRUCTIONS

This handbook remains in effect until superseded by reissuance of **either** the entire handbook **or** selected portions (through slipsheets or bulletins). If slipsheets have been issued for a handbook, the original handbook as amended by slipsheet pages shall constitute the handbook. A bulletin can supersede either the original handbook or subsequent slipsheets.

A. DISTRIBUTION

The following is the minimum distribution of forms completed by the adjuster for the loss adjustment inspection:

One legible copy to the insured. The original and all remaining copies as instructed by the insurance provider.

NOTE: It is the insurance provider's responsibility to maintain original insurance documents relative to policyholder servicing as designated in their approved plan of operations.

B. TERMS, ABBREVIATIONS, AND DEFINITIONS

- (1) Terms, abbreviations, and definitions **general** (not crop-specific) to loss adjustment are identified in the LAM.
- (2) Terms, abbreviations, and definitions **specific** to apple loss adjustment and this handbook, which are not defined in this section, are defined as they appear in the text.
- (3) Abbreviations:

APA	Apple Production Appraisal Worksheet
AQA	Apple Quality adjustment Appraisal Worksheet
RPAM	Random Path Appraisal Method

(4) Definitions:

Bin	A container that contains a minimum of 875 pounds of apples or some other quantity designated in the Special Provisions.
Box	A container that contains 35 pounds of apples or some other quantity designated in the Special Provisions.
Bushel	In all states except Colorado, 42 pounds of apples. In Colorado, 40 pounds of apples.
Culls	Apples that fail to meet the requirements of U.S. Cider Grade.
Direct Marketing	Sale of the insured (apple) crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper, buyer, or broker. Examples of direct marketing include selling through an on-farm or roadside stand, or a farmer's market, and permitting the general public to enter the field for the purpose of picking all or a portion of the crop.
Excessive Sun	Exposure of unharvested apples to direct or indirect sunlight that causes apples to grade less than U.S. Fancy due to sunburn damage.
Harvest	The picking of mature marketable apples from the trees or removing such apples from the ground.
Marketable	Apple production that grades U.S. No. 1, 2, or Cider grade in accordance with the United States Standards for Grades of Apples (fresh and processing).
Mature Apple	Mature apple is an apple that is gradable.
Natural Culls	Apples from each sample which, due to any reason other than insured causes, fail to meet or exceed the policy minimum grade requirements.
Natural Drop Apples	Individual apples that occasionally drop from trees as an ordinary occurrence throughout the growing season.
Russeting	A brownish roughened area on the surface (skin) of the apple.
Sunburn "damage"	A defect (insured cause of damage under the sunburn option only) caused by the sun evidenced by blistering, or cracking of the skin, or when the discolored area does not blend into the normal color of the fruit as defined in the U.S. Standards for Grades of Apples. Sunburn damage materially detracts from the appearance, or the edible or shipping quality of the apple.

Varietal Group	Apple varieties with similar characteristics that are grouped for insurance purposes as specified in the Special Provisions.

3. INSURANCE CONTRACT INFORMATION

The insurance provider is to determine that the insured has complied with all policy provisions of the insurance contract. Crop provisions which are to be considered in this determination include (but are not limited to):

A. INSURABILITY

- (1) The crop insured will be all apples in the county for which a premium rate is provided by the actuarial documents, in which the insured has a share, and are grown on tree varieties that:
 - (a) Are adapted to the area;
 - (b) Are in area “A” and have produced at least an average of 10 bins per acre;
 - (c) Are in area “B” and have produced at least an average of 150 bushels per acre; or
 - (d) Are in area “C” and have produced at least an average of 200 bushels per acre.
 - (e) Are grown in an orchard that, if inspected, is considered acceptable by the insurance provider.
- (2) Apples interplanted with another perennial crop are insurable unless the insurance provider inspects the acreage and determines that such acreage does not meet the insurability requirements contained in the Apple Crop Insurance Provisions.
- (3) Insurance coverage is provided against loss of production from insects and disease but not damage due to insufficient or improper application of pest and disease control measures.
- (4) Insurance coverage is provided against excessive sun when the insured elects the Sunburn Option in conjunction with Option “B.”
- (5) Insurance coverage is provided for units by varietal group when the insured does not elect CAT coverage and elects either (a) Option “B” and Option “C,” or (b) Option “B,” “Sunburn” Option, and Option “C.”
- (6) Insurance coverage is NOT provided against damage or loss of production due to:
 - (a) Failure of the fruit to size, shape, or color properly;
 - (b) Inability to market apples for any reason other than actual physical damage from an insurable cause specified in the crop provisions. For example, the insurance provider will not pay an indemnity if the insured is unable to market due to a quarantine, boycott, or refusal of any person to accept production;
 - (c) Mechanical damage including, but not limited to, limb rub, scars, and puncture wounds; or
 - (d) Russetting.

B. PROVISIONS NOT APPLICABLE TO CAT COVERAGE

- (1) Optional Units.
- (2) Written Agreements.
- (3) Hail and Fire Exclusion provisions (also not applicable if additional coverage is less than 65/100 or comparable coverage).
- (4) Fresh Fruit Options “A,” “B,” Option “C,” and the Sunburn Option.
- (5) Coverage Enhancement Option (in Pennsylvania and Washington only).

C. UNIT DIVISION

Refer to the insurance contract for unit provisions. **NOTE:** Unless limited by the Crop or Special Provisions, a basic unit, as defined in the Basic Provisions, may be divided into optional units if for each optional unit, all conditions stated in the applicable provisions are met. Under Option “C,” basic units are divided into additional optional units by varietal groups.

D. QUALITY ADJUSTMENT

Mature marketable (appraised and harvested) apple production may be reduced as a result of loss in quality due to hail damage in accordance with Option “A,” Option “B,” and sunburn damage in accordance with the Sunburn Option provisions in the Apple Crop Insurance Provisions as follows:

- (1) **Fresh Fruit Option “A:”** Production to count that is damaged by hail to the extent that it does not grade 80 percent U.S. No. 1 (processing) or better, will be adjusted according to the reduction percentages contained in the crop provisions and **TABLE D**, herein.
- (2) **Fresh Fruit Option “B:”** Production to count that is damaged by hail to the extent that it does not grade 80 percent U.S. Fancy or better, will be adjusted according to the reduction percentages contained in the crop provisions and **TABLE D**, herein.
- (3) **Sunburn Option:** Production to count that is damaged by excessive sun or in conjunction with hail damage, does not grade 80 percent U.S. Fancy or better, will be adjusted according to the reduction percentages contained in the crop provisions.

NOTE: The USDA grade standards for fresh and processing apples can be located on the internet at: www.ams.usda.gov/standards/

4. APPLE APPRAISALS

A. GENERAL INFORMATION

- (1) Potential production will be appraised in accordance with procedure as specified in this handbook and the LAM.
- (2) Specifically for apples, circumstances that require an appraisal include (but are not limited to):

- (a) If verifiable production records may not be available (roadside markets, etc.); or
 - (b) If any production will be sold by direct marketing.
- (3) Make separate appraisals for each apple variety grown in the orchard, as applicable.
- (4) **Applicability** - Within the crop provisions is a requirement that insureds file a “notice of damage or loss” with the insurance provider in the following situations:
- (a) Within 3 days of the date harvest should have started if the crop will not be harvested.
 - (b) At least 15 days before any apple production from any unit will be sold by direct marketing.

NOTE: In the event of the insured’s failure to give timely notice that the production will be sold by direct marketing, apply an appraised amount of production to count of not less than the production guarantee per acre, if such failure results in the inability of the insurance provider to make the required appraisal.

- (c) In accordance with section 14 of the Basic Provisions if the insured intends to claim an indemnity on any unit, notice must be given at least 15 days prior to the beginning of harvest of the damaged variety or immediately if damage is discovered during harvest so that the insurance provider may inspect the damaged production.
 - (d) If the insured fails to meet the requirements listed above and such failure results in the insurance provider’s inability to inspect the damaged production, all such production will be considered undamaged and included as production to count.
- (5) **Appraisal dates:**
- (a) Insurance provider representatives will set appraisal dates.
 - (b) Whenever possible, appraise apples after the fruit drop period and before the fruit is removed from the trees or the ground, as applicable.

B. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS

- (1) Determine the number and general location of trees to be used in the representative sample based on:
- (a) Total acreage and number of trees;
 - (b) Extent of variation in the amount of production or damage within the acreage and location of the fruit on the tree;

NOTE: When variable damage causes the crop potential to be significantly different within the same orchard, or when the insured wishes to destroy a portion of the orchard, split the orchard into suborchards, and appraise each one separately.

- (c) Percent of each variety in the acreage;
 - (d) Tree age, density, and vigor;
 - (e) The acreage in the unit from which fruit has been picked and the extent of variation in the amount of unpicked fruit on the trees; and
 - (f) Whether any portions of the orchard have been color (partially) picked.
- (2) Take not less than the minimum number (count) of representative samples required in **TABLE A**.
 - (3) The RPAM may be used at the discretion of the insurance provider to appraise the apple crop production. Use this method in lieu of appraisal methods in the apple crop loss adjustment handbook as applicable.

C. ORCHARD APPRAISALS

- (1) Appraisal Considerations.
 - (a) **Acreage to remain unharvested** (pre-harvest production only): Complete the Apple Production Appraisal (APA) Worksheet.
 - (b) **Acreage with appraised and/or harvested production** (with grade reduction or quality adjustment): Complete the APA Worksheet to determine the appraised production. Transfer entry from item 25 on the APA Worksheet to item 16 on the Apple Quality Adjustment (AQA) Worksheet. Enter the remainder of the appraised and harvested quality adjusted production on the AQA Worksheet.

- (2) Timing of Appraisals.

The adjuster should arrange to inspect the trees when the apples have reached harvestable maturity. Sample trees are selected according to subsections 4 A and 4 B above.

NOTE: Subsection (3) through (6) below apply only to AQA Worksheet appraisals. For appraisal information pertaining to the APA worksheet, refer to section 5 B.

- (3) Determining the Amount of Production.

- (a) When all acreage has been harvested, determine total production from warehouse receipts, processor receipts, or farm management records (refer to the LAM for farm record requirements) verified by the adjuster and supported by written records from the first handler. This production will be the basis for computing losses from the insured and uninsured causes of damage on the Production Worksheet.
- (b) When all or part of acreage is left unharvested, appraise unharvested production (for computing losses) as follows:

- 1 Select representative plots and representative trees. Count the number of fruit per representative tree.
 - a If the plot contains several varieties or ages of trees, etc., the sample trees selected should be representative of the variety, age, etc., of trees in the plot.
 - b If apples are too numerous, count the number of apples on a representative branch or on a quadrant and multiply by the number of branches or quadrants per tree (refer to the RPAM Handbook).
- 2 Pick a representative sample of apples from a representative sampling spot in the unit to determine the number of apples per box/bushel. For early (immature) appraisals, use the average mature size for the variety (to determine the number of apples per box/bushel) and divide the number of apples per tree by this figure to determine boxes/bushels per tree.

NOTE: The average number of mature apples per box/bushel can be obtained from the producer's prior packing house records, or the state extension service, etc.

If production is light due to excessive thinning from freeze damage, etc., and the fruit is immature, adjust fruit counts per box/bushel to reflect lighter fruit crop, or leave representative samples until the fruit matures and accurate counts can be made.

- 3 Record information on the APA Worksheet. Multiply the number of boxes/bushels per tree times the number of trees per acre times the total number of acres to calculate the appraised production for the unit for unharvested acres.

(4) Selecting Representative Sample Fruit for Quality Adjustment.

- (a) Record selected fruit counts on the AQA worksheet.
- (b) The samples must be representative of all of the apples in the plot or orchard. If the plot or orchard contains several varieties or ages of trees, etc., the sample trees selected should be representative of the variety, age, etc., of trees in the plot or orchard.
- (c) Select a representative sample of apples from sample trees to determine the number of apples that meet Fancy and All-other grades as follows:

- 1 A sample must consist of a minimum of 10 apples from different locations on the tree and reflect the average condition of all apples on the acreage.
- 2 The sample selected must be random, representative, and include apples that could be packed and apples that could be eliminated if graded at the packing house.
- 3 The total sample shall be obtained from the inside, outside, top, and bottom of all four quadrants of the sample tree.
- 4 Samples can be obtained by selecting apples from each sample tree in representative number of rows in the plot or orchard.

(5) Grading Representative Sample Fruit for Quality Adjustment.

- (a) From representative sample trees, record the number and grade of fruit on the AQA worksheet.
- (b) Pick at least the recommended number of apples, (not less than 10) and divide the apples into three groups:
 - 1 Apples that meet the applicable grade requirements;
 - 2 Natural culls, and
 - 3 Apples with insured damage.

NOTE: Tally counts on the AQA worksheet.

(6) Crop Provisions and U.S. Standards for Apples (Fresh and Processing) Relating to the Basic Apple Crop Provisions and the Fresh Fruit Options.

- (a) **Basic Coverage:** Apples that meet the applicable crop provisions grade requirements for U.S. Cider grade or better that are free from decay, worm holes, and internal breakdown. Natural cull production includes any apples that are damaged solely by uninsured causes. Insured damage includes any apples damaged by the causes of loss contained in the crop provisions.
- (b) **Fresh Fruit Options:** Apples that meet the applicable crop provision quality requirements as follows:
 - 1 Option "A" - apples that grade U.S. No. 1 (processing) that are free from decay, worm holes, freezing injury, etc.
 - 2 Option "B" and the Sunburn Option - apples that grade U. S. Fancy that are free from limb rub, spur punctures, worm holes, and UNINSURED sunburn damage, etc.

(c) **Natural Culls:**

- 1 Option “A” - apples that fail to grade U.S. No. 1 (processing) and are damaged by uninsured causes (e.g., limb rub, spur puncture, etc.) of damage.
- 2 Option “B” and Sunburn Option - apples that fail to grade U.S. Fancy and are damaged by uninsured causes (e.g., limb rub, spur puncture, etc.) of damage.
- 3 “Windfalls” and frozen apples:
 - a Appraise, as 100% culls, the aggregate quantity of apples knocked to the ground by wind (“windfalls”) and apples frozen to the extent that, although harvestable, cannot be marketed as U.S. No. 1 (processing) or U.S. Fancy grade apples, as applicable.
 - b DO NOT COUNT (even as natural culls) apples that are immature or apples that were “in whole or part knocked to the ground by wind (windfall) or hail or frozen on the tree to the extent that harvest is not practical,” i.e., there would be NO net return to the insured as a result of immaturity, wind, hail, or freeze damage.
- 4 “Natural drop” apples (refer to section 2 B for definition of “natural drop apples”). Insured’s are not expected to pick these apples from the ground UNLESS the maturity AND aggregate quantity make it economically feasible to do so.

NOTE: While evaluating samples, visually inspect each apple to determine if damage was caused by something other than hail (i.e., limb rub, spur puncture, worm holes, etc.) or uninsured sunburn damage when the Sunburn Option is in effect.

(d) **Insured damage due to hail:** for Option “A,” “B,” and the Sunburn Option, place apples in the insured damage category when:

- 1 any unhealed hail marks are present;
- 2 the surface indentation from hail exceeds one-eighth (1/8) inch in depth;
- 3 the skin has not been broken and the aggregate area (shoulder to shoulder) exceeds one-half (1/2) inch in diameter;
- 4 the skin has been broken by hail and is well healed; the aggregate area exceeds one-fourth (1/4) inch in diameter.

(e) **Sunburn “damage:”**

- 1 Eligibility. The Sunburn Option is available only in Idaho, Oregon, and Washington. Insureds are required to have basic apple coverage, Option “B,” and a Sunburn Option in effect to be eligible for a sunburn adjustment.

- 2 Date of Determination. Adjustments to production under the Sunburn Option are based on USDA Standards for U.S. Fancy considering the GRADE of the apple on the date of inspection and determining its appearance or edible/shipping quality for immediate fresh pack (§51.310). Grading will occur in the field in accordance with USDA Standards without regard to packing shed requirements.

NOTE: References to the USDA Apple Grade Standards are noted in parenthesis (e.g., §51.310, etc.).

- 3 Apple condition after storage or transit (§51.310). Decay, scald, or any other deterioration which develops after apples have been in storage or transit will be considered as affecting condition and not grade.

- 4 When sunburn is apparent. Sunburn grade reductions will not be applied when apples are only INJURED by sunburn (§51.300 & §51.301). Injury is a condition which does not materially detract from the appearance or edible/shipping quality of the apple. Those apples where it is apparent a sunburned condition MATERIALLY detracts from the appearance or edible/shipping quality of the apple will be adjusted for sunburn in accordance with the percentage factors contained in the Sunburn Option.

- 5 Sunburn Definitions:

Materially Implies having tangible qualities which give the damaged area individuality and by which the fruit may be categorized. Tangible qualities which indicate sunburn damage are blistered or cracked skin, or when the discolored area does not blend into the normal color of the fruit.

Blend Color is determined to blend when the separate constituents or the line of demarcation cannot be distinguished.

Demarcate Delimit. Set apart.

(7) Multiple Causes of Damage Appraisals.

- (a) When hail damage, insured sunburn damage, or a combination of these two equals 20 percent (80 percent or better meets the U.S. Fancy grade), the percent of damage and resulting amount of cull production to count is calculated on the appraisal worksheet.
- (b) Count any apple as natural cull damage (from limb rubs, spur punctures, worm holes, etc.) even though it ALSO happens to have INSURED damage; i.e., hail or insured sunburn (uninsured sunburn is a cull blemish).

D. HANDLING APPRAISAL DISCREPANCIES

If the insured disagrees with the appraisal, make arrangements for leaving representative trees UNHARVESTED and for inspecting those trees when the apples are ready to harvest (see harvested production appraisal procedure). The adjuster and insured should jointly determine the trees to be selected for this representative sample. Make a sketch map of the orchard and mark the sample trees by row number and tree count within the chosen row. An adjuster must be present when the representative trees are harvested.

E. APPRAISING APPLES WITH *E.COLI* CONTAMINATION

1. When appraising potential apple production with potential *E. coli* contamination, use the applicable RMA-approved apple loss adjustment procedures to select samples, and document appraised and harvested potential production.
2. Any mature apples on the ground (grounders) which meet or exceed the applicable minimum grade standards for the policy WILL BE COUNTED as production to count UNLESS such fruit is unmarketable due to **potential *E. coli*** contamination. For each orchard or block being appraised, any apples (including grounders) that meet the applicable grade requirements of the policy that are potentially contaminated by *E. coli*, **and are NOT delivered** to a processor, buyer or packer, enter in item 13 (Natural Culls) on the Apple Quality Adjustment Appraisal Worksheet the number of potential *E. coli* contaminated apples from each representative sample.
3. Any mature apples picked up, delivered to, and purchased by a packer, processor, or other buyer will be counted as production to count. Document such production in item 16 (Gross Production) on the Apple Quality Adjustment Worksheet, as applicable. Document any additional pertinent information in the Remarks section that describes where and when this production was harvested.
4. **For Uninsured Causes:** Any apple production on the ground due to uninsured causes (e.g., such as wind drops due to not harvesting timely) will be considered production to count. For harvested appraisals only, enter the number of boxes or bushels of apples that are damaged by uninsured causes in item 20 (Uninsured Causes) on the Apple Quality Adjustment Worksheet.

NOTE: FOR APPRAISED APPLE PRODUCTION ONLY: Any representative apples samples damaged by uninsured causes are to be counted and documented in item 13 (Natural Culls); therefore, no additional item entries are required in item 20 (Uninsured Causes) on the Apple Quality Adjustment Worksheet.

5. APPRAISAL METHODS

A. GENERAL INFORMATION

These instructions provide information on appraisal methods for:

Appraisal Methods...	Use...
Apple Production Appraisals	when there is any production that will be left unharvested; or will be sold by direct marketing; for conflict of interest appraisals; and for APH purposes.
Apple Quality Adjustment Appraisals	when there is insured damage and the insured selects basic coverage; basic coverage plus Option "A," and/or Option "B;" or, Option "B" and the "Sunburn" Option.
Representative Tree Appraisals	the production harvested from the representative trees to determine the yield per acre.
Harvested Acreage Appraisals	the average yield per acre from harvested acreage as the appraisal per acre for unharvested acreage.

B. UNHARVESTED PRODUCTION APPRAISALS

(1) Apple Production Appraisals:

(a) Record by variety and acreage:

- 1 The number of apples per tree,
- 2 The number of apples per box or bushel, and
- 3 Appraised production calculations based on the number of apples per tree and the number of apples per box or bushel.

(b) Appraised amounts of production will be transferred to either the AQA Worksheet or the Production Worksheet, as applicable.

(c) Appraisal method:

- 1 Select sample trees and sample fruit as stated in section 4.
- 2 Count and record the number of apples per tree. Make counts when all chemical and hand thinning has been completed.
- 3 Count and record on the APA Worksheet, the number of apples per bushel or box.

a **For early pre-harvest appraisals:** After all chemical and hand thinning (and before apples have reached mature size), determine the average number of apples per box or bushel. This information can be obtained from the grower (ask the insured the fruit size, for the acreage being appraised, processor, or extension service, etc.). Enter the average number (e.g., 100, 110, etc.) on the APA Worksheet and note the source of the information.

b **For near harvest appraisals:**

- i Use apple sizing rings to determine fruit size. Randomly select 10 fruit from each sample tree and determine fruit size. Determine the number of fruit per box/bushel based on the fruit size. Record the number of fruit per box/bushel on the APA Worksheet.
- ii An alternative method of determining the number of fruit per box or bushel is to randomly select 10 apples from the sample tree and weigh them, round weight to tenths of a pound. Use the following formula to calculate the number of apples per box or bushel, as applicable.

(RESERVED)

FORMULA:

Wt. in lbs. of 10 apples \div 10 = lbs./apple
lbs./bu. or box \div lbs./apple = apples/bu. or box

EXAMPLE:

Weight of 10 apples is 3.5 lbs., the unit of measure is 42 lbs./bu.

3.5 lbs. \div 10 apples = .35 lbs./apple

42 lb. bu. \div .35 lbs/apple. = 120 apples per bu.

NOTE: Insurance providers can authorize other methods for determining the number of fruit per box or bushel, provided the method is documented in the Remarks section of the appraisal worksheet or on a Special Report, as applicable.

(2) Apple Quality Adjustment Appraisals:

(a) The AQA Worksheet contains line entries for documenting quality adjustment for all harvested and unharvested production on a unit.

(b) Documents:

1 Apples that meet or exceed the minimum grade requirements contained in the applicable policy options, natural culls, and apples that are damaged solely by insured causes;

NOTE: For Option "A" there is no reduction for appraised and harvested production that grades U.S. No. 1 (processing) or better. For Option "B," or Option "B" in conjunction with the Sunburn Option, there is no reduction for appraised and harvested production that grades U.S. Fancy or better.

2 Harvested and appraised production to count; and

3 Harvested and appraised production that is damaged by uninsured causes.

(c) Follow the sampling and orchard appraisal instructions in section 4. Document appraised and harvested production and reduce production to count as specified in the crop provisions and in subsection 7 B, herein.

NOTE: Include any apples on the trees (not considered lost from an insured cause) that would be expected to mature to a size that is typical for that variety under normal conditions.

C. HARVESTED PRODUCTION APPRAISALS

(1) Representative Tree Appraisals:

Arrange with the insured to harvest representative trees after a crop has reached maturity. Use the production harvested from the representative trees to determine the yield per acre.

(2) Harvested Acreage Appraisals:

Use the average yield per acre from harvested acreage as the appraisal per acre for unharvested acreage. Use this method only when the harvested acreage can be verified as being representative of the unharvested acreage. Verify by actually inspecting the harvested and unharvested acreage prior to any harvest to compare the crop on the trees.

6. APPRAISAL DEVIATIONS AND MODIFICATIONS

A. DEVIATIONS

Deviations in appraisal methods require FCIC written authorization (as described in the LAM) prior to implementation.

B. MODIFICATIONS

There are no pre-established modifications contained in this handbook. Refer to the LAM for additional information.

7. APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES

A. GENERAL INFORMATION

- (1) Include the insurance provider's name in the applicable appraisal worksheet title if not preprinted on the insurance provider's worksheet or when a worksheet entry is not provided.
- (2) Include the claim number on the applicable appraisal worksheet (when required by the insurance provider) when a worksheet entry is not provided.
- (3) Separate appraisal worksheets are required for each unit or plot appraised (refer to section 4 for sampling instructions).

NOTE: Standard appraisal worksheet items are numbered consecutively in subsections B and C. Example worksheets are provided to illustrate item entries.

B. APPLE PRODUCTION APPRAISAL WORKSHEET ENTRIES AND COMPLETION INFORMATION

PART I - HEADING

Verify or make the following entries:

**Item
No.**

Information Required

Company: Name of insurance provider, if not preprinted on the worksheet (company name).

Claim No.: Claim number as assigned by the insurance provider.

1. **Insured's Name:** Name of insured identifying EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy Number:** Insured's assigned policy number.
3. **Crop Year:** Crop year, as defined in the policy, for which the claim is filed.
4. **Unit Number:** Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
5. **Variety:** Applicable variety name. If there is more than one insured variety in the unit, select representative sample trees from each variety.

NOTE: For insureds who select Option "C," list varietal group "A" or "B" and applicable variety name.
6. **Acres:** Acres rounded to tenths of an acre.
7. **No. of Trees/Acre:** Number of trees per acre included in the appraisal (refer to **TABLE B** or **C**, as applicable).
8. **Total No. of Trees:** Item 6 times item 7, to tenths.

PART II - NUMBER OF APPLES/TREE

9. **Samples:** Enter the total number of apples per tree and record in the applicable item entry. Make counts after all chemical and hand thinning has been completed. Use a sketch map to identify the location of each sample tree.
10. **Total:** Total number of **apples** from all item 9 entries.
11. **No. of Samples:** The total number of **samples** from item 9.

12. **Average:** Item 10 divided by item 11, to tenths.

PART III - NUMBER OF APPLES/BOX OR BUSHEL

NOTE: Circle bushels or boxes in the column heading as applicable, in Part III and Part IV herein.

13. **Samples:**

a. Early pre-harvest appraisals: Average number of apples per box or bushel.

NOTE: Record in the "Remarks" section how the average number of apples per box or bushel were determined.

b. Near harvest appraisals:

1 Determine the average size of the apples per box or bushel using apple sizing rings. Randomly select a minimum of 10 apples from each sample tree and determine their size.

2 Enter the number of apples per box/bushel, as applicable based on the apple ring measurements.

NOTE: Refer to section 5 B for alternative methods for determining the number of fruit per box or bushel.

NOTE: In rare cases there may not be any apples on the sample tree, when this occurs record a zero for the sample.

14. **Total:** Total number of **apples** per box or bushel from all item 13 entries.

15. **No. of Samples:** Total number of **samples** from item 13.

16. **Average:** Item 14 divided by item 15, to tenths.

PART IV - CALCULATIONS

17. **Apples/Tree:** Transfer entry from item 12.

18. **Apples/Box or Bushel:** Transfer entry from item 16.

19. **Boxes or Bushels/Tree:** Item 17 divided by item 18, to two-decimal places.

20. **Boxes or Bushels/Tree:** Transfer entry from item 19.

21. **Number of Trees/Acre:** Transfer entry from item 7.

22. **Boxes or Bushels/Acre:** Item 20 times item 21, to tenths.

NOTE: If there is no grade or quality reduction, transfer the per acre appraisal to the appraised production item entry on the Production Worksheet.

23. **Boxes or Bushels/Acre:** Transfer entry from item 22.
24. **Total Acres:** Transfer entry from item 6.
25. **Appraised Production to Count:** Item 23 times item 24, in boxes or bushels to tenths.

PART V - SKETCH MAP/REMARKS

- a. Use a sketch map to show orchard boundaries and locations of sample trees selected.
- b. Enter any additional pertinent information about this appraisal, such as orchard ID and any production damaged by uninsured causes provided there are acceptable records of such production.

PART VI - SIGNATURES

26. **Insured's Signature and Date:** Insured's (or authorized representative's) signature and date. BEFORE obtaining insured's signature, REVIEW ALL ENTRIES on the Appraisal Worksheet WITH THE INSURED, particularly explaining codes, etc., that may not be readily understood.
27. **Adjuster's Signature, Code Number, and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insured's authorized representative) has signed. If an appraisal is performed prior to signature date, document the date of appraisal in the Remarks/Narrative section of the Appraisal Worksheet (if available); otherwise, document the appraisal date in the Narrative of the Production Worksheet.
28. **Pg ___ of ___:** Page number - (Example: Page 1 of 1, Page 2 of 2, etc.).

APPLE PRODUCTION APPRAISAL WORKSHEET
(For Illustration Purposes Only)

PART I - HEADING

COMPANY: *Any Company*

CLAIM NO.: **XXXXXXXX**

1. INSURED'S NAME <i>I. M. Insured</i>	2. POLICY NUMBER XXXXXXXX	3. CROP YEAR YYYY	4. UNIT NUMBER 00100
5. VARIETY <i>Red Delicious</i>	6. ACRES 4.9	7. NO. OF TREES/ACRE 194	8. TOTAL NO. OF TREES 951

PART II - NUMBER OF APPLES/TREE

9. SAMPLES					10. TOTAL	11. NO. OF SAMPLES	12. AVERAGE
15	12	14	12	10	123	÷ 10	= 12.3
12	13	15	10	10			

PART III - NUMBER OF APPLES/BOX OR BUSHEL

13. SAMPLES					14. TOTAL	15. NO. OF SAMPLES	16. AVERAGE
40	38	44	39	46	420	÷ 10	= 42.0
42	43	39	47	42			

PART IV - CALCULATIONS

17. APPLES/TREE (ITEM 12 ENTRY) 12.3	÷	18. APPLES/BOX OR BUSHEL (ITEM 16 ENTRY) 42.0	=	19. BOXES OR BUSHEL/TREE (TO HUNDRETHS) 0.29
20. BOXES OR BUSHEL/TREE (ITEM 19 ENTRY) 0.29	x	21. NUMBER OF TREES/ACRE (ITEM 7 ENTRY) 194	=	22. BOXES OR BUSHEL/ACRE 56.3
23. BOXES OR BUSHEL/ACRE (ITEM 22 ENTRY) 56.3	x	24. TOTAL ACRES (ITEM 6 ENTRY) 4.9	=	25. APPRAISED PRODUCTION TO COUNT (BOXES OR BUSHEL) 275.9

PART V - SKETCH MAP/REMARKS

PART VI - SIGNATURES

26. INSURED'S SIGNATURE <i>I. M. Insured</i>	DATE MM/DD/YYYY
27. ADJUSTER'S SIGNATURE AND CODE NUMBER <i>I. M. Adjuster XXXXX</i>	DATE MM/DD/YYYY

C. APPLE QUALITY ADJUSTMENT APPRAISAL WORKSHEET ENTRIES AND COMPLETION INFORMATION

When more than one variety is harvested from a unit, complete a separate appraisal for each variety, as applicable. For apples insured under a fresh fruit option and if less than 21 percent of the apples are damaged (fail to meet specified grade) by hail or sunburn, take only the minimum number of samples to verify percentage.

Verify or make the following entries:

Item

No. Information Required

Company: Name of insurance provider, if not preprinted on the worksheet (company name).

Claim No.: Claim number as assigned by the insurance provider.

1. **Insured's Name:** Name of insured identifying EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy No.:** Insured's assigned policy number.
3. **Unit No.:** Five-digit unit number from the Summary of Coverage.
4. **Acres:** Total acreage (rounded to tenths) appraised in the orchard.
 - a. If part of a unit or orchard is harvested prior to damage, determine such production separately from the summary sheets, etc. and include with harvested production entries on the Production Worksheet. Account for all production from all orchard acreage.
 - b. If any significant amount of apples meeting the policy grade requirements remain on the trees or on the ground (as applicable) after harvest is complete, appraise the quantity of such apples (no sampling/grade reduction) for entry on the Production Worksheet.
5. **Crop Year:** Crop year, as defined in the policy, for which the claim is filed.
6. **Orchard ID:** The orchard identification symbol from a sketch map, aerial photo, or orchard inspection form after verification.
 - a. If there is more than one orchard in a unit under the applicable fresh fruit option, complete a separate appraisal and section for each orchard. Use extra worksheet pages if necessary.

b. Record harvested and unharvested acreage on separate sections of the worksheet. Record separately any acreage where apples were ALL harvested as culls (such as “windfalls” or frozen apples); otherwise do a grade reduction, as applicable.

7. **Variety:** Variety name (as shown in the actuarial documents). Note how many varieties are damaged by insurable causes in the orchard and make entries as follows:

a. When there is only one variety: enter the variety name.

b. When there is more than one variety and:

(1) All varieties are damaged equally - enter name of the principal variety only.

(2) Damage varies significantly between varieties - enter variety name and complete a separate appraisal for each variety with such variability.

NOTE: For insureds who select Option “C” - list varietal group “A” or “B” and applicable variety name.

8. **Acres:** Number of acres to tenths, for the variety inspected. Inspect harvested and unharvested acres in the SAME orchard separately. List the corresponding acreage for each category separately.

9. **Damage:** Individual causes of damage and the date of each occurrence (refer to the LAM for causes of damage).

10. **Practice:** Three-digit code number entered exactly as specified in the actuarial documents, for the practice carried out by the insured. If “No Practice Specified,” enter appropriate three-digit code number from the actuarial documents.

11. **Option:** “Basic,” “A,” “B,” or “Sunburn,” as applicable.

NOTE: For items 12 through 14 entries, when there are more than 10 samples per line, consolidate additional samples under the “10” sample number for the line.

12. **Grade:** “U.S. Cider,” “U.S. No. 1 (processing),” or “U.S. Fancy,” as applicable. The number of apples in each sample meeting the policy grade requirements. When sampling is complete, add the individual entries and enter total in the “Line Total” column.

13. **Natural Culls:** Number of “natural cull” apples from each sample (refer to section 2 B for a definition of “Natural Culls”).

a. Include any apples that are damaged by UNINSURED causes (limb rubs, sprayburn, uninsured insect damage, spur punctures, uninsured sunburn, etc.).

b. Also count, as “natural culls,” any such apples that have ADDITIONAL (incidental) damage from hail and/or insured sunburn, as applicable.

c. When sampling is complete, add all line entries and enter total in the “Line Total” column.

14. **Insured Damage:** Number of apples from each sample that fail to meet the policy grade requirements because of INSURED damage (refer to the crop provisions grade requirements). When sampling is complete, add all line entries and total in the “Line Total” column.

NOTE: If the adjuster and the insured cannot agree on the percentage of insurable quality damage, take a sample to a licensed state grader (at the insured's expense, if necessary) for final determination of the percentage of the apples which are damaged solely by insurable causes according to the grade standards for the applicable type of coverage in effect.

15. **Total No. of Apples:** Total the number of apples from samples 1 through 10, as applicable for items 12 through 14. Enter total for all 10 samples in the applicable “Line Total” column.

NOTE: For preharvest inspections, delay completion of items 16 through 25 until harvest is complete unless harvest will not be completed. If harvest will not be completed, appraise the production.

Line Total: By line, the total number of sample fruit from items 12 through 15.

Avg. %: Refer to item 14 above, and enter applicable Avg. %. If Avg. % is to be calculated from worksheet entries:

- a. Total of all item 14 entries and all item 15 entries.
- b. Divide item 14 total by item 15 total, enter the result to as a whole percent. Refer to the example below.

EXAMPLE:

Item 14: $15 + 7 + 6 + 8 + 18 + 18 + 12 + 10 + 10 + 5 = 109$
 Item 15: $30 + 24 + 23 + 25 + 38 + 39 + 30 + 30 + 22 + 19 = 280$
 Avg. %: $109 \div 280 = .39$ or **39%**

Adj %: Convert the Avg. % to the corresponding Adj.% contained in **TABLE D**.

NOTE: MAKE NO ENTRY for Basic Coverage.

EXAMPLE: Avg % = 39 , then the Adj. % = 38													
	1	2	3	4	5	6	7	8	9	10	LINE TOTAL	AVG %	ADJ %
14. Insured Damage	15	7	6	8	18	18	12	10	10	5	109	39	38
15. Total No. Apples	30	24	23	25	38	39	30	30	22	19	280		

NOTE: DO NOT do a “grade reduction” for “windfalls” or frozen apples (100 percent culls).

16. **Gross Production:** Total Production in whole boxes or bushels to tenths of harvested or unharvested apples, as applicable regardless of grade.

NOTE: For pre-harvest appraisals conducted using the Apple Production Appraisal Worksheet, transfer entry from item 25.

NOTE: For Option “A,” “B,” or the “Sunburn Option” only, if 80 percent or more of the production meets the crop provisions grade requirements, skip items 17 through 19.

17. **Insured Damage:** Computed number of whole boxes or bushels to tenths, of apples failing to meet the policy grade requirements because of insured damage by multiplying item 14 Adj. % (for Option “A,” “B,” and the “Sunburn Option”) or Avg. % (for Basic Coverage only) times item 16, as applicable.

NOTE: For apples harvested BEFORE any insured damage, enter “0.” For harvested AND unharvested acreage, enter 100 percent of item 16 for both “windfalls” and frozen apples that cannot be packed or marketed as fresh apples.

18. **Net Bu/Boxes:** Circle either “Bu.” or “Boxes,” as applicable. Item 16 minus item 17, in whole boxes or bushels to tenths.

19. **Cull Value %:**

- a. 30 % as specified in the Crop Provisions, or
- b. 0% or 15% as specified in the Special Provisions and elected by the insured for the applicable fresh fruit option.

NOTE: Do not calculate a “Cull Value” for Basic Coverage.

Cull Value Bu/Boxes: Multiply the applicable percent times the entry in item 17 to calculate cull production in whole boxes or bushels to tenths.

NOTE: For immature apples with no processing value and “windfalls” or frozen apples for which harvest is not practical, enter “0.” The difference between the total production and the production to count as determined above will be considered cull production.

20. **Uninsured Causes:** Computed total number of whole boxes or bushels to tenths, of apples lost to UNINSURED cause(s):
- a. For unharvested production appraisals: MAKE NO ENTRY (any harvested or unharvested apples that meet the policy grade requirements due ONLY to UNINSURABLE damage will have been included as part of the apples in item 13 above).

- b. For harvested production appraisals: Determine the TOTAL amount by comparing the per-acre actual harvested or appraised production with the production from comparable acreage NOT affected by the uninsurable cause(s).
21. **Production:** Check **UH** or **H** box, as applicable to designate unharvested or harvested production. Add the entry in item 18 and the entry in item 19 to the entry in item 20 in whole boxes or bushels to tenths, as applicable.
- a. For unharvested production appraisals: Divide the result above by item 8 “Acres” (for the sample) and transfer this figure (with other unharvested production entries for the unit) to the appraised potential item entries in Section I of the Production Worksheet.
- b. For harvested production appraisals: Transfer the above total (with other harvested production entries for the unit) to the item entry for harvested production in Section II of the Production Worksheet.
22. **Remarks:** List and/or explain:
- a. The bin-to-field box/bushel ratio, or weight per bushel, as applicable.
- b. The date of sampling if harvest is NOT complete (worksheet and claim to be completed at a later date).
- c. Any uninsured cause(s) of damage or loss.
- d. Any difference between total acres in the fresh fruit policy option in the unit (item 4) and the cumulative total of all item 8 entries for the unit.
- e. Any damaged acreage harvested before appraisal.
- f. Any voluntary destruction (removal) of orchard acreage.
- g. References for orchard identification (aerial photo, sketch map, etc.).
23. **Adjuster’s Signature, Code No., and Date:** Signature of adjuster, code number, and date signed **after** the insured’s (or insured’s authorized representative) has signed. If the appraisal is performed prior to the signature date, document the date of appraisal in the Remarks/Narrative section of the appraisal worksheet (if available); otherwise, document the appraisal date in the Narrative section of the Production Worksheet.
24. **Insured’s Signature and Date:** Insured’s (or insured’s authorized representative’s) signature and date. BEFORE obtaining insured’s signature, REVIEW ALL ENTRIES on the Appraisal Worksheet WITH THE INSURED, particularly explaining codes, etc., which may not be readily understood.
25. **Total Production:** Total **Harvested Production** in whole boxes or in bushels to tenths, from ALL HARVESTED item 21 entries, as applicable.
26. **Pg. ___ of ___:** Page number - (Example: Page 1 of 2, Page 2 of 2, etc.).

APPLE QUALITY ADJUSTMENT APPRAISAL WORKSHEET											Company: <i>Any Company</i>		1. INSURED'S NAME <i>I. M. Insured</i>		2. POLICY NO. XXXXXXX						
											Claim No.: XXXXXXX		3. UNIT NO. 00100		4. ACRES 10.8		5. CROP YEAR YYYY				
6. ORCHARD ID (For Illustration Purposes Only) FSN 112, Orchard C - 1											9. DAMAGE: CAUSE(S) Hail		DATE(S) MM/DD/YYYY		10. PRACTICE 002						
7. VARIETY Red Delicious							8. ACRES 4.9				11. OPTION B										
SAMPLE NUMBER											LINE TOTAL	AVG. %	ADJ. %	16		17		18		19	
1 2 3 4 5 6 7 8 9 10														GROSS PRODUCTION		INSURED DAMAGE (16 x Adj. %)		NET BU./BOXES (16 - 17)		CULL VALUE % (17 x %) BU./BOXES	
12. Grade U.S. Fancy											Harvested										
13. Natural Culls											Unharvested		275.9		104.8		171.1		15 15.7		
14. Insured Damage											39 38		20. UNINSURED CAUSES				21. PRODUCTION <input checked="" type="checkbox"/> UH <input type="checkbox"/> H				
15. Total No. Apples																			38.1		

6. ORCHARD ID FSN 112, Orchard C - 1											9. DAMAGE: CAUSE(S) Hail		DATE(S) MM/DD/YYYY		10. PRACTICE 002						
7. VARIETY Red Delicious							8. ACRES 5.9				11. OPTION B										
SAMPLE NUMBER											LINE TOTAL	ADJ. %	ADJ. %	16		17		18		19	
1 2 3 4 5 6 7 8 9 10														GROSS PRODUCTION		INSURED DAMAGE (16 x Adj. %)		NET BU./BOXES (16 - 17)		CULL VALUE % (17 x %) BU./BOXES	
12. Grade U.S. Fancy											Harvested		127.2		35.6		91.6		15 5.3		
13. Natural Culls											Unharvested										
14. Insured Damage											34 28		20. UNINSURED CAUSES				21. PRODUCTION <input type="checkbox"/> UH <input checked="" type="checkbox"/> H				
15. Total No. Apples																			96.9		

22. REMARKS <p style="text-align: center;"><i>For unharvested appraisal, item 21 entry calculations: 171.1 (item 18) + 15.7 (item 19) = 186.8) 4.9 acres (item 8) = 38.1 bu. per acre appraisal.</i></p>													
23. ADJUSTER'S SIGNATURE I. M. Adjuster				CODE NO. XXXXX		DATE MM/DD/YYYY		24. INSURED'S SIGNATURE I. M. Insured		DATE MM/DD/YYYY		25. TOTAL PRODUCTION BU./BOXES 96.9	

8. CLAIM FORM ENTRIES AND COMPLETION PROCEDURES

A. GENERAL INFORMATION

- (1) The claim form, (hereafter referred to as a “Production Worksheet,” is a progressive form containing all notices of damage for all preliminary and final inspections made on a unit.
- (2) If a Production Worksheet has been prepared on a prior inspection, verify each entry and enter additional information as needed. If a change or correction is necessary, strike out all entries on the line and re-enter correct entries on a new line. The adjuster and the insured are to initial any line deletions.
- (3) Refer to the LAM for instructions regarding the following:
 - (a) Acreage report errors.
 - (b) Delayed notices and delayed claims.
 - (c) Corrected claims or fire losses (double coverage), and cases involving uninsured causes of loss, unusual situations, controversial claims, concealment, or misrepresentation.
 - (d) Claims involving a Certification Form, (when all the acreage on the unit has been appraised to be put to another use or other reasons as described in the LAM).
 - (e) “No Indemnity Due” claims (which must be verified by an APPRAISAL or NOTIFICATION from the insured that the Production exceeded the guarantee).
- (4) The adjuster is responsible for determining if the insured has complied with all of their requirements under the notice and claim provisions of the policy. If they have not, the adjuster should contact the insurance provider.
- (5) Instructions labeled “**PRELIMINARY**” apply to preliminary inspections only. Instructions labeled “**FINAL**” apply to final inspections only. Instructions not labeled apply to ALL inspections.

B. FORM ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

<u>Item No.</u>	<u>Information Required</u>
1.	Crop/Code #: “Apples” (0054).
2.	Unit #: Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).

3. **Legal Description:** Section, township, and range number or other legal description that identifies the location of the unit.
4. **Date of Damage:** First three letters of the month during which MOST of the insured damage (including progressive damage) occurred for each inspection. Include the SPECIFIC DATE where applicable as in the case of hail damage (e.g., AUG 11).
5. **Cause of Damage:** Name of the insured cause(s) of loss for **this crop** as listed in the LAM. If it is evident that no indemnity is due, enter "NONE." If an insured cause of loss is coded as "Other," explain in the Narrative.

NOTE: Refer to the Basic Provisions and crop provisions for this crop for information pertaining to insured and uninsured causes of loss.

6. **Primary Cause %:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Percent of damage for the cause of damage listed in item 5 above that is determined to be the primary cause of damage, to the nearest whole percent. The primary cause of damage must exceed 50 percent (e.g., 51%). Enter an "X" for the major secondary cause of damage.

7. **Company/Agency:** Name of the company and agency servicing the contract.
8. **Name of Insured:** Name of the insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
9. **Claim #:** Claim number as assigned by the insurance provider.
10. **Policy #:** Insured's assigned policy number.
11. **Crop Year:** Crop year, as defined in the policy, for which the claim is filed.
12. **Additional Units:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Unit number(s) for ALL non-loss units for the crop at the time of final inspection. A non-loss unit is any unit for which a Production Worksheet has not been completed. Additional non-loss units may be entered on a single Production Worksheet.

NOTE: If more spaces are needed for non-loss units, enter the unit numbers identified as "Non-loss Units," in the Narrative or on an attached Special Report.

13. **Est. Prod. Per Acre:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Estimated yield per acre in whole boxes or bushels of all non-loss units for the crop at the time of final inspection.

14. **Date(s) Notice of Loss:**

PRELIMINARY:

- a. Date the notice of damage was given for the unit in item 2.
- b. A third preliminary inspection (if needed) requires an additional set of Production Worksheets. Enter the date of notice for a third preliminary inspection in the 1st space of item 14 on the second set.
- c. Reserve the "Final" space on the first page of the first set of Production Worksheets for the date of notice for the final inspection.
- d. If the inspection is initiated by the insurance provider, enter "Company Insp." instead of the date.

FINAL: Transfer the last date in the 1st or 2nd space to the FINAL space if a final inspection should be made as a result of the notice. Always enter the complete date of notice (month, day, year) for the FINAL inspection in the FINAL space on the first page of the first set of Production Worksheets. For a delayed notice of loss or delayed claim, refer to the LAM.

15. **Companion Policy(s):**

- a. If no other person has a share in the unit (insured has a 100 percent share), MAKE NO ENTRY.
- b. In all cases where the insured has LESS than a 100 percent share of a loss-affected unit, ask the insured if the OTHER person sharing in the unit has a multiple-peril contract (i.e., not crop-hail, fire, etc.). If the other person does not, enter "NONE."
 - (1) If the other person has a multiple-peril contract and it can be determined that the SAME insurance provider services it, enter the contract number. Handle these companion policies according to insurance provider instructions.
 - (2) If the OTHER person has a multiple-peril contract and a DIFFERENT insurance provider or agent services it, enter the name of the insurance provider and/or agent (and contract number) if known.

- (3) If unavailable to verify the existence of a companion contract, enter “Unknown” and contact the insurance provider for further instructions.

NOTE: Refer to the LAM for further information regarding companion contracts.

SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

Make separate line entries for varying:

- (1) Rate classes, types, or farming practices;
- (2) APH yields;
- (3) Appraisals;
- (4) Stages or intended use(s) of acreage;
- (5) Shares (e.g., 50 percent and 75 percent shares on the same unit); or
- (6) Appraisals for damage due to hail or fire if Hail and Fire Exclusion is in effect.

Verify or make the following entries:

Item

No.

Information Required

A. **Field ID:** The field identification symbol from a sketch map or an aerial photo. See the Narrative. In the margin (or in a separate column), enter the date of inspection for the last line entry of each inspection.

B. **Preliminary Acres:**

PRELIMINARY: The number of acres, to tenths, (include “E” if estimated), for which consent for other use has been given. Determine actual acreage, to tenths, when the boundaries of the appraised acreage may not be determined later.

FINAL: MAKE NO ENTRY.

C. **Final Acres:** Refer to the LAM for definition of acceptable determined acres used herein.

Determined acres to tenths (including “E” if estimated) for which consent is given for other use and/or:

- a. Put to other use without prior consent.
- b. Abandoned.
- c. Damaged by uninsured causes.
- d. For which the insured failed to provide acceptable records of production.
- e. From which production was sold by direct marketing if the insured failed to meet the requirements contained in the crop provisions.

FINAL: Determined acres to tenths.

NOTE: Acreage breakdown WITHIN a unit may be estimated (enter “E” in front of the acres) if a determination is impractical AND if authorization was received from the insurance provider. Document authorization in the Narrative.

ACCOUNT FOR ALL ACREAGE IN THE UNIT. In the event of over-reported acres, handle in accordance with individual insurance provider’s instructions. In the event of under-reported acres, draw a diagonal line in column “C” as shown below.

C₁ Enter the ACTUAL acres for the orchard or suborchard.
C₂ Enter the REPORTED acres for the orchard or suborchard.



- D. **Interest or Share:** Insured’s interest in crop to three-decimal places as determined at the time of inspection. If shares vary on the same UNIT, use separate line entries.
- E. **Risk:** The correct rate class from the actuarial documents. Verify with the Summary of Coverage and if the rate class is found to be incorrect, revise according to insurance provider instructions. Refer to the LAM.

NOTE: Unrated land is uninsurable without a written agreement.

- F. **Practice:** Three-digit code number, entered exactly as specified on the actuarial documents, for the practice carried out by the insured. If “No Practice Specified,” enter appropriate three-digit code number from the actuarial documents.
- G. **Type/Class/Variety:** Three-digit code number entered exactly as specified on the actuarial documents, for the type grown by the insured. If “No Type Specified,” enter appropriate three-digit code number from the actuarial documents.

NOTE: In counties where the actuarial documents have type codes for both fresh (F) and processing (P) apples, VERIFY that the “fresh” and “processing” established prices are “set” as shown on the actuarial documents (also check the application, contract change form, and the Summary of Coverage, if available). Also VERIFY which coverage is in effect for EACH orchard and the actual orchard management (for fresh-market or processing apples) as shown on the Summary of Coverage. ENTER the appropriate type code for EACH orchard after said verification.

- H. **Stage:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Stage abbreviations as shown below.

STAGE EXPLANATION

“P”..... Acreage abandoned without consent, put to other use without consent, damaged solely by uninsured causes, or for which the insured failed to provide records of production which are acceptable to the insurance provider, or from which production was sold by direct marketing if the insured failed to meet the requirements contained in the crop provisions.

“H”..... Harvested.

“UH”..... Unharvested or other use with consent.

GLEANED ACREAGE: Refer to the LAM for information on gleaning.

I. **Intended or Final Use:** Use of acreage. Use the following AIntended Use@ abbreviations.

USE EXPLANATION

- “WOC”..... Other use without consent
- “SU”..... Solely uninsured
- “ABA”..... Abandoned without consent
- “H”..... Harvested
- “UH”..... Unharvested

Verify any “Intended Use” entry. If the final use of the acreage was not as indicated, strike out the original line and initial it. Enter all data on a new line showing the correct “Final Use.”

GLEANED ACREAGE: Refer to the LAM for information on gleaning.

J. **Appraised Potential:** Per-acre appraisal in whole boxes or bushels to tenths of POTENTIAL production for the acreage appraised. Refer to the appraisal methods for additional instructions.

NOTE: If there is no potential on “UH” acreage, enter “0.”

K₁-M. MAKE NO ENTRY.

N. **Adjusted Potential:** Transfer entry from column “J” in whole boxes or bushels to tenths.

O. **Total to Count:** Column “C” or “C₁” (**actual acres**) times column “N,” rounded to whole boxes or bushels to tenths.

P. **Per Acre:** Per-acre Guarantee - Enter the per-acre production guarantee from the insured’s policy.

Q. **Total:** Column “C₂” (**reported acres**; “C” if acreage is not under-reported) times column “P” in whole boxes or bushels to tenths.

16. **Total Acres:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total actual acres (Column “C” or [“C₁” if there are under-reported acres]), to tenths.

NOTE: FOR ITEM 17. WHEN SEPARATE LINE ENTRIES ARE MADE FOR VARYING SHARES, STAGES, APH YIELDS, PRICE ELECTIONS, TYPES, ETC., WITHIN THE UNIT, AND TOTALS NEED TO BE KEPT SEPARATE FOR CALCULATING INDEMNITIES, MAKE NO ENTRY AND FOLLOW THE INSURANCE PROVIDER’S INSTRUCTIONS; OTHERWISE, MAKE THE FOLLOWING ENTRIES.

17. **Totals:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total of column “O” and total of column “Q.”

NARRATIVE:

If more space is needed, document on a Special Report, and enter “See Special Report.” Attach the Special Report to the Production Worksheet.

- a. If no acreage is released on the unit enter “No acreage released,” adjuster’s initials, and date.
- b. If notice of damage was given and “No Inspection” is necessary, enter the unit number(s), “No Inspection,” date, and adjuster’s initials. The insured’s signature is not required.
- c. Explain any uninsured causes, unusual, or controversial cases.
- d. If there is an appraisal in Section I, item “M” for uninsured causes due to a hail/fire exclusion, show the original hail/fire liability per acre and the hail/fire indemnity per acre.
- e. Document the actual appraisal date if an appraisal was performed prior to the adjuster’s signature date on the appraisal worksheet, and the date of the appraisal is not recorded on the appraisal worksheet.
- f. State that there is “No other fire insurance” when fire damages or destroys the insured crop, and it is determined that the insured has no other fire insurance. Also refer to the LAM.
- g. Explain any errors found on the Summary of Coverage.
- h. Explain any commingled production. Refer to the LAM.

- i. Explain any entry for “Production Not to Count” in Section II, item “O,” and/or any production not included in Section II, item “I” or item “B” - “E” entries (e.g., harvested production from uninsured acreage that can be identified separately from the insured acreage in the unit).
- j. Explain a “NO” checked in item 19.
- k. Attach a sketch map or aerial photograph to identify the total unit:
 - (1) If consent is or has been given to put part of the unit to another use;
 - (2) If uninsured causes are present; or
 - (3) For unusual or controversial cases.

NOTE: Indicate on the aerial photograph or sketch map, the disposition of acreage destroyed or put to other use or without consent.

- l. Explain any differences between date of inspection and signature dates. For an ABSENTEE insured, enter the date of the inspection AND the date of mailing the Production Worksheet for signature.
- m. When any other adjuster or supervisor accompanied the adjuster on the inspection, enter the code number of the other adjuster or supervisor and date of inspection.
- n. Explain the reason for a “No Indemnity Due” claim. “No Indemnity Due” claims are to be distributed in accordance with the insurance provider’s instructions.
- o. Explain any delayed notices or delayed claims as instructed in the LAM.
- p. Document any authorized estimated acres shown in Section I, item “C” as follows: “Line 3 ‘E’ acres authorized by the insurance provider MM/DD/YYYY.”
- q. Document the method and calculation used to determine acres for the unit. Refer to the LAM.
- r. Specify the type of insects or disease when the insured cause of loss is listed as insects or disease. Explain why control measures did not work.
- s. Document the name and address of the charitable organization when gleaned acreage is applicable. Refer to the LAM for more information.
- t. Document any other pertinent information, including any data to support any factors used to calculate the production.

SECTION II - HARVESTED PRODUCTION

GENERAL INFORMATION:

- (1) Account for ALL HARVESTED PRODUCTION (for **ALL ENTITIES** sharing in the crop) except production appraised BEFORE harvest and shown in Section I because the quantity cannot be determined later.
- (2) For production commercially stored, stored on the farm, sold, etc., enter the name and address of storage facility, buyer, packing house, or processor as applicable in items B - E.
- (3) If additional lines are necessary, the data may be entered on a continuation sheet. USE SEPARATE LINES FOR:
 - (a) Separate storage facilities.
 - (b) Different buyers or processors - the insured must have maintained satisfactory records of ALL production.
 - (c) Varying shares; e.g., 50 percent and 75 percent shares on same unit.
 - (d) Harvested production from more than one insured practice (or type) and a separate approved APH yield has been established for each, the harvested production also must be entered on separate lines in items "A" through "S" by type.

NOTE: If production has been commingled, refer to the LAM.

- (4) Under Option "A," "B," or the Sunburn Option: Obtain a representative sample to determine the grade and enter fruit counts on the AQA appraisal worksheet.
- (5) If the insured's production records are based ONLY ON WEIGHT, calculate the production by dividing the total weight by the applicable weight-per-loose-field-box (or bushel) as defined in the crop provisions, or designated in the actuarial documents.
- (6) Bushel/Box-bin Equivalents - If the insured's production records are based on a "Bin Count" the following applies:
 - (a) In localities where a "Loose Field Box" is the standard container, use 25 loose field boxes per bin as the standard equivalent for determining the gross amount of production unless the number of loose field boxes is determined to be different than 25. In such cases, use the determined boxes per bin.
 - (b) In localities where a "Bushel" is the standard container, the number of bushels per bin is the number established by the first handler (packing house or processor).

NOTE: In all localities, if the handler was NOT a packer or processor, the production will be determined by the adjuster on the basis of available records.

Verify or make the following entries:

**Item
No.**

Information Required

18. **Date Harvest Completed:** (Used to determine if there is a delayed notice or a delayed claim. Refer to the LAM.)

PRELIMINARY: MAKE NO ENTRY.

FINAL:

- a. The earlier of the date the ENTIRE acreage on the unit was (1) harvested, (2) totally destroyed, (3) put to other use, (4) a combination of harvested, destroyed, or put to other use, or (5) the calendar date for the end of the insurance period.
- b. If at the time of final inspection (if prior to the end of the insurance period), there is any unharvested insured acreage remaining on the unit that the insured does not intend to harvest, enter **“Incomplete.”**
- c. If at the time of final inspection (if prior to the end of the insurance period), **none** of the insured acreage on the unit has been harvested, and the insured does not intend to harvest such acreage, enter **“No Harvest.”**
- d. If the claim involves a Certification Form, enter the date from the Certification Form when the entire unit is put to another use. Refer to the LAM.

19. **Similar Damage:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Check “Yes” or “No.” Check “Yes” if amount and cause of damage due to insurable causes is similar to the experience of other orchards in the area. If “No” is checked, explain in the Narrative.

20. **Assignment of Indemnity:** Check “Yes” **only** if an assignment of an indemnity is in effect for the crop year; otherwise check “No.” Refer to the LAM.

21. **Transfer of Right to Indemnity:** Check “Yes” **only** if a transfer of right to an indemnity is in effect for the unit for the crop year; otherwise check “No.” Refer to the LAM.

A₁. **Share:** RECORD ONLY VARYING SHARES on SAME unit to three decimal places.

A₂. **Field ID:**

- a. If only one practice and/or type of harvested production is listed in Section I, MAKE NO ENTRY.
- b. If more than one practice and/or type of harvested production is listed in Section I, and a separate approved APH yield exists, indicate for each practice/type the corresponding Field ID (from Section I, item "A").

B. - E. **Length or Diameter, Width, Depth, and Deduction:** For production sold, enter the name and address of the **Buyer, Packer, or Processor**. For apples otherwise disposed of, indicate method of disposition.

F. - H. MAKE NO ENTRY.

I. **Bu., Ton, Lbs., Cwt.:** Circle "Bu." or enter "Boxes" and circle in column heading, as applicable. Production in whole boxes or bushels to tenths as determined by delivery records, production recaps, sales receipts from processors (must be NET WEIGHT), etc.

- a. Enter amount of HARVESTED production from the appraisal worksheet. Account for all harvested production sold or stored, do NOT list processing apples that have already been accounted for by a FIRST handler.
- b. Under ANY coverage, include any UNDAMAGED production, from the unit, that is not accounted for on a worksheet (harvested separately).
- c. The applicable coverage for apples relative to marketability is defined in the Apple Crop Provisions. Marketable production will count as production to count for claim and APH purposes unless Option "A," "B," or the "Sunburn Option" are in effect.

J. - M₂. MAKE NO ENTRY.

N. **Adjusted Production:** Whole boxes or bushels to tenths from column I.

O. **Production not to Count:** Net production NOT to count in whole boxes or bushels to tenths WHEN ACCEPTABLE RECORDS IDENTIFYING SUCH PRODUCTION ARE AVAILABLE, from harvested production acreage which has been assessed an appraisal of not less than the guarantee per acre.

THIS ENTRY MUST NEVER EXCEED PRODUCTION SHOWN ON THE SAME LINE.
EXPLAIN ANY "PRODUCTION NOT TO COUNT" IN THE "NARRATIVE."

P. **Production:** Transfer entry from column "N."

Q₁. - R. MAKE NO ENTRY.

S. **Production to Count:** Transfer entry from column "P."

NOTE: FOR ITEMS 22- 24. WHEN SEPARATE LINE ENTRIES ARE MADE FOR VARYING SHARES, STAGES, APH YIELDS, PRICE ELECTIONS, TYPES, ETC., WITHIN THE UNIT AND TOTALS NEED TO BE KEPT SEPARATE FOR CALCULATING INDEMNITIES, MAKE NO ENTRY AND FOLLOW THE INSURANCE PROVIDER’S INSTRUCTIONS; OTHERWISE, MAKE THE FOLLOWING ENTRIES.

22. **Section II Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total of column “S,” in whole boxes or bushels to tenths.

23. **Section I Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Enter figure from Section I, column “O” total, in whole boxes or bushels to tenths.

24. **Unit Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total of items 22 and 23 in whole boxes or bushels to tenths.

25. **Adjuster’s Signature, Code #, and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insured’s authorized representative) has signed. For an absentee insured, enter adjuster’s code number ONLY. The signature and date will be entered **AFTER** the absentee has signed and returned the Production Worksheet.

NOTE: Final indemnity inspections should be signed on the bottom line.

26. **Insured’s Signature and Date:** Insured’s (or insured’s authorized representative’s) signature and date. **BEFORE** obtaining insured’s signature, **REVIEW ALL ENTRIES** on the Production Worksheet **WITH THE INSURED**, particularly explaining codes, etc., which may not be readily understood.

NOTE: Final indemnity inspections should be signed on the bottom line.

27. **Page Numbers:**

PRELIMINARY: Page numbers - “1,” “2,” etc., at the time of inspection.

FINAL: Page numbers - (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

**PRODUCTION WORKSHEET
(For Illustration Purposes Only)**

1 Crop/Code # <i>Apples</i> <i>0054</i>	2 Unit # <i>00100</i>	3 Legal Description <i>SW1-96N-30W</i>
4 Date of Damage <i>Jun 11</i>		
5 Cause of Damage <i>Hail</i>		
6 Primary Cause % <i>100%</i>		
12 Additional Units <i>00200</i>		
13 Est. Prod. Per Acre <i>120</i>		

7 Company Agency *Any Company*
Any Agency

8 Name of Insured <i>I. M. Insured</i>			
9 Claim # <i>XXXXXXXX</i>		11 Crop Year <i>YYYY</i>	
10 Policy # <i>XXXXXXXX</i>			
14 Date(s) Notice of Loss	1st <i>MM/DD/YYYY</i>	2nd	Final <i>MM/DD/YYYY</i>
15 Companion Policy(s)			

SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

ACTUARIAL									POTENTIAL YIELD						STAGE GUARANTEE	
A	B	C	D	E	F	G	H	I	J	$\frac{K_1}{K_2}$	L	M	N	O	P	Q
Field ID	Prelim Acres	Final Acres	Interest or Share	Risk	Practice	Type Class Variety	Stage	Intended or Final Use	Appraised Potential	Moisture % Factor	Shell and/or Quality Factor	+Uninsured Cause	Adjusted Potential	Total To Count (C x N)	Per Acre	Total (C x P)
<i>MD A</i>		<i>4.9</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>111</i>	<i>UH</i>	<i>UH</i>	<i>38.1</i>				<i>38.1</i>	<i>186.7</i>	<i>150.0</i>	<i>735.0</i>
<i>MD B</i>		<i>5.9</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>111</i>	<i>H</i>	<i>H</i>							<i>150.0</i>	<i>885.0</i>
16 TOTAL		<i>10.8</i>												<i>186.7</i>		<i>1,620.0</i>
														17 TOTALS	<i>186.7</i>	<i>1,620.0</i>

NARRATIVE (If more space is needed, attach a Special Report) *See the AQA Worksheet for quality adjustment calculations. Acres measured using wheel measurements.*

SECTION II - HARVESTED PRODUCTION

18 Date Harvest Completed <i>MM/DD/YYYY</i>				19 Is damage similar to other farms in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>				20 Assignment of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>				21 Transfer of Right to Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>							
MEASUREMENTS					GROSS PRODUCTION				ADJUSTMENTS TO HARVESTED PRODUCTION										
$\frac{A_1}{A_2}$	B	C	D	E	F	G	H	I	J	$\frac{K_1}{K_2}$	$\frac{L_1}{L_2}$	$\frac{M_1}{M_2}$	N	O	P	$\frac{Q_1}{Q_2}$	R	S	
Share Field ID	Length or Diameter	Width	Depth	Deduction	Net Cubic Feet	Conversion Factor	Gross Prod. (F x G)	Bu., Ton Lbs. CWT	Shell/Sugar Factor	FM% Factor	Moisture % Factor	Test WT Factor	Adjusted Production (Hor) x K2 x L2 x M2	Prod. Not to Count	Production (N - O)	Value Mkt. Price	Quality Factor (Q1 ÷ Q2)	Production to Count (P x R)	
	<i>Acme Processors Anytown, Anystate</i>							<i>96.9</i>					<i>96.9</i>		<i>96.9</i>			<i>96.9</i>	

I certify the information provided above, to the best of my knowledge, to be true and complete and that it will be used to determine my loss, if any, to my insured crop. I understand that this Production Worksheet and supporting papers are subject to audit and approval by the company. I understand that this crop insurance is subsidized and reinsured by the Federal Crop Insurance Corporation, an agency of the United States. I understand that any false or inaccurate information may result in the sanctions outlined in my policy and administrative, civil, and criminal sanctions under 18 U.S.C. §§ 1006 and 1014, 7 U.S.C. § 1506, 31 U.S.C. §§ 3729 and 3730 and other federal statutes.

22 Section II Total	<i>96.9</i>
23 Section I Total	<i>186.7</i>
24 Unit Total	<i>283.6</i>

25 Adjuster's Signature <i>I. M. Adjuster</i>	Code # <i>XXXXX</i>	Date <i>MM/DD/YYYY</i>	26 Insured's Signature <i>I. M. Insured</i>	Date <i>MM/DD/YYYY</i>
1st Inspection			1st Inspection	
2nd Inspection			2nd Inspection	
Final Inspection			Final Inspection	

27 Page *1* of *1*

9. REFERENCE MATERIAL

TABLE A - MINIMUM REPRESENTATIVE SAMPLE REQUIREMENTS

Number of Acres:	Select:
10.0 or less	The lesser of 10 trees or 5% of the number of trees in the orchard (rounded to the nearest whole tree).
10.1 to 100.0	10 trees plus 3 trees per additional 10.0 acres.
100.1 or more	37 trees plus 5 trees per additional 100.0 acres.

TABLE B - NUMBER OF TREES PER ACRE - TREES ON SIZE CONTROLLING ROOTSTOCK

		DISTANCE BETWEEN TREES (IN FEET)					
		4	5	6	7	8	9
DISTANCE BETWEEN ROWS (IN FEET)	4	2723	2178	1815	1556	1361	1210
	5	2178	1742	1452	1245	1089	968
	6	1815	1452	1210	1037	908	807
	7	1556	1245	1037	889	778	691
	8	1361	1089	908	778	681	605
	9	1210	968	807	691	605	538

NOTE: For spacings not shown on these charts: Multiply the distance between trees (to the nearest tenth of a foot) times the distance between rows (to the nearest tenth of a foot), and divide this result into 43,560 square feet per acre (round result to the nearest whole number).

EXAMPLE:

Tree spacing is 12.5 feet and row spacing is 16 feet.

12.5 ft. X 16.0 ft. = 200.0 sq. ft. per tree. 43,560 sq. ft.) 200.0 sq. ft. = 217.8 which rounds up to 218 trees per acre.

TABLE C - NUMBER OF TREES PER ACRE - STANDARD SIZE TREES

		DISTANCE BETWEEN PLANTS (In Feet)																									
		10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35
DISTANCE BETWEEN ROWS (In Feet)	10	436	396	363	335	311	290	272	256	242	229	218	207	198	189	182	174	168	161	156	150	145	141	136	132	128	124
	11		360	330	305	283	264	248	233	220	208	198	189	180	172	165	158	152	147	141	137	132	128	124	120	116	113
	12			303	279	259	242	227	214	202	191	182	173	165	158	151	145	140	134	130	125	121	117	113	110	107	104
	13				258	239	223	209	197	186	176	168	160	152	146	140	134	129	124	120	116	112	108	105	102	99	96
	14					222	207	194	183	173	164	156	146	141	135	130	124	120	115	111	107	104	100	97	94	92	89
	15						194	182	171	161	153	145	138	132	126	121	116	112	108	104	100	97	94	91	88	85	83
	16							170	160	151	143	136	130	124	118	113	109	105	101	97	94	91	88	85	83	80	78
	17								151	142	135	128	122	116	111	107	102	99	95	92	88	85	83	80	78	75	73
	18									134	127	121	115	110	105	101	97	93	90	86	83	81	78	76	73	71	69
	19										121	115	109	104	100	96	92	88	85	82	79	76	74	72	69	67	66
	20											109	104	99	95	91	87	84	81	78	75	73	70	68	66	64	62
	21												99	94	90	86	83	80	77	74	72	69	67	65	63	61	59
	22													90	86	83	79	76	73	71	68	66	64	62	60	58	57
	23														82	79	76	73	70	68	65	63	61	59	57	56	54
	24															76	73	70	67	65	63	61	59	57	55	53	52
	25																70	67	65	62	60	58	56	54	53	51	50
	26																	64	62	60	58	56	54	52	51	49	48
	27																		60	58	56	54	52	50	49	47	46
	28																			56	54	52	50	49	47	46	44
	29																				52	50	48	47	46	44	43
	30																					48	47	45	44	43	41
	31																						45	44	43	41	40
	32																							43	41	40	39
	33																								40	39	38
	34																									38	37
35																										36	

For tree spacings not shown on the chart, multiply the distance between trees (nearest tenth foot) times the distance between rows (nearest tenth foot) and divide this result into 43,560 sq. ft. per acre (round to the nearest whole number). **EXAMPLE:** 6.5 ft. x 10 ft. = 65 sq. ft., then 43,560 / 65 = 670 trees per acre.

TABLE D - ADJUSTMENT PERCENTAGES FOR APPLES WITH INSURED DAMAGE*

Average Percent	Adjusted Percent
21	02
22	04
23	06
24	08
25	10
26	12
27	14
28	16
29	18
30	20
31	22
32	24
33	26
34	28
35	30
36	32
37	34
38	36
39	38
40	40
41	43
42	46
43	49
44	52
45	55

Average Percent	Adjusted Percent
46	58
47	61
48	64
49	67
50	70
51	72
52	74
53	76
54	78
55	80
56	82
57	84
58	86
59	88
60	90
61	92
62	94
63	96
64	98
65-100	100

*Apples damaged by hail and/or sunburn (under Option “A,” “B,” or the “Sunburn” Option). Average percentages and adjusted percentages are entered on the AQA Worksheet, as applicable (refer to the example below).

EXAMPLE: If the Avg. % is 50, use the above table to find 50 in the Average Percent column and the corresponding Adjusted Percent which is 70. Enter “50” as the Avg. % and “70” as the Adj. % on the AQA Worksheet.

EXHIBIT 1

APPLE PRODUCTION APPRAISAL/QUALITY ADJUSTMENT WORKSHEET

A. GENERAL INFORMATION

- (1) This worksheet combines the APA and the AQA worksheets into a single worksheet format. At their discretion, insurance providers can use this worksheet in lieu of the APA and AQA worksheets.
- (2) Use this appraisal worksheet to appraise:
 - (a) Any potential production that will be left unharvested;
 - (b) Production that will be sold by direct marketing
 - (c) Conflict of interest appraisals;

NOTE: For items (2) (a) to (c) above, complete sections I - IV and VI only.

- (d) Potential production covered by one of the fresh fruit options, complete the entire worksheet.
- (3) When more than one variety is harvested from a unit or plot, complete a separate appraisal for each variety, as applicable.
- (4) Include the insurance provider's name in the applicable worksheet title if not preprinted on the insurance provider's worksheet or when a worksheet entry is not provided.
- (5) Include the claim number on the applicable appraisal worksheet (when required by the insurance provider) when a worksheet entry is not provided.
- (6) Separate appraisal worksheets are required for each unit or plot appraised (refer to section 4 for sampling instructions).

B. WORKSHEET ENTRIES AND COMPLETION INFORMATION

PART I - HEADING

Verify or make the following entries:

<u>Item</u>	<u>Information Required</u>
-------------	-----------------------------

Company: Insurance provider, if not preprinted on the worksheet (company name).

EXHIBIT 1

Claim No.: Claim number as assigned by the insurance provider.

1. **Insured's Name:** Name of insured identifying EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy Number:** Insured's assigned policy number.
3. **Crop Year:** Crop year, as defined in the policy, for which the claim is filed.
4. **Unit Number:** Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
5. **Variety:** Variety name (as shown in the actuarial documents). Note how many varieties are damaged by insurable causes in the orchard and make entries as follows:
 - a. When there is only one variety: enter the variety name.
 - b. When there is more than one variety and:
 - (1) All varieties are damaged equally - enter name of the principal variety only.
 - (2) Damage varies significantly between varieties - enter variety name and complete a separate appraisal for each variety with such variability.

NOTE: For insureds who select Option "C" - list varietal group "A" or "B" and applicable variety name (e.g., "B" - Red Delicious).

- 6A. **Unit Acres:** Acres rounded to tenths.
- 6B. **Appraised Acres:** Number of acres to tenths, for the variety inspected. Inspect harvested and unharvested acres on the SAME orchard separately. List the corresponding acreage for each category separately (e.g., 4.9 acres - UH or 5.9 acres - H).
7. **No. of Trees/Acre:** Number of trees per acre included in the appraisal (refer to **TABLE B** or **C**, as applicable).
8. **Total No. of Trees:** Item 6 B times item 7, to tenths.
9. **Orchard ID:** The orchard identification symbol from a sketch map, aerial photo, or orchard inspection form after verification.
 - a. If there is more than one orchard in a unit under the applicable fresh fruit option, complete a separate appraisal and section for each orchard. Use extra worksheet pages if necessary.

EXHIBIT 1

- b. Record separately any acreage where apples were ALL harvested as culls (such as “windfalls” or frozen apples); otherwise do a grade reduction, as applicable.
10. **Damage:** Individual causes of damage and the date of each occurrence (refer to the LAM for causes of damage).
11. **Practice:** Three-digit code number entered exactly as specified in the actuarial documents, for the practice carried out by the insured. If “No Practice Specified,” enter appropriate three-digit code number from the actuarial documents.
12. **Option:** “Basic,” “A,” “B,” or “Sunburn,” as applicable.

PART II - NUMBER OF APPLES/TREE

13. **Samples:** Enter the total number of apples per tree and record in the applicable item entry. Make counts after all chemical and hand thinning has been completed. Use a sketch map to identify the location of each sample tree.
14. **Total:** Total number of **apples** from all item 13 entries.
15. **No. of Samples:** The total number of **samples** from item 13.
16. **Average:** Item 14 divided by item 15, to tenths.

PART III - NUMBER OF APPLES/BOX OR BUSHEL

NOTE: Circle bushels or boxes in the column heading as applicable, in Part III and Part IV, as applicable.

17. **Samples:**
- a. Early pre-harvest appraisals: Average number of apples per box or bushel.
- NOTE:** Record in the “Remarks” section how the average number of apples per box or bushel were determined.
- b. Near harvest appraisals:
- 1 Determine the average size of the apples per box or bushel using apple sizing rings. Randomly select a minimum of 10 apples from each sample tree and determine their size.
- 2 Enter the number of apples per box/bushel, as applicable based on the apple ring measurements.

EXHIBIT 1

NOTE: Refer to subsection 5 B for alternative methods for determining the number of fruit per box or bushel.

NOTE: In rare cases there may not be any apples on the sample tree, when this occurs record a zero for the sample.

18. **Total:** Total number of **apples** per box or bushel from all item 17 entries.
19. **No. of Samples:** Total number of **samples** from item 17.
20. **Average:** Item 18 divided by item 19, to tenths.

PART IV - CALCULATIONS

21. **Apples/Tree:** Transfer entry from item 16.
22. **Apples/Box or Bushel:** Transfer entry from item 20.
23. **Boxes or Bushels/Tree:** Item 21 divided by item 22, to two-decimal places.
24. **Boxes or Bushels/Tree:** Transfer entry from item 23.
25. **Number of Trees/Acre:** Transfer entry from item 7.
26. **Boxes or Bushels/Acre:** Item 24 times item 25, to tenths.

NOTE: If there is no grade or quality reduction, transfer the per acre appraisal to the appraised production item entry on the Production Worksheet.

27. **Boxes or Bushels/Acre:** Transfer entry from item 26.
28. **Appraised Acres:** Transfer entry from item **6 B**.
29. **Appraised Production to Count:** Item 27 times item 28, in boxes or bushels to tenths.

PART V - QUALITY ADJUSTMENT

NOTE: For apples insured under a fresh fruit option and if less than 21 percent of the apples are damaged (fail to meet specified grade) by hail or sunburn, take only the minimum number of samples to verify percentage. For items 30 through 33 entries, when there are more than 10 samples per line, consolidate additional samples under the "10" sample number for the line.

EXHIBIT 1

30. **Grade:** “U.S. Cider,” “U.S. No. 1 (processing),” “U.S. Fancy,” or any other grade as specified in the Special Provisions, as applicable. The number of apples in each sample meeting the applicable grade requirements. When sampling is complete, add the individual entries and enter total in the “Line Total” column.
31. **Natural Culls:** Number of “natural cull” apples from each sample that fail to meet the applicable minimum grade requirements.
- a. Include any apples that are damaged by UNINSURED causes (limb rubs, sprayburn, uninsured insect damage, spur punctures, uninsured sunburn, etc.).
 - b. Also count, as “natural culls,” any such apples that have ADDITIONAL (incidental) damage from hail and/or insured sunburn, as applicable.
 - c. When sampling is complete, add all line entries and enter total in the “Line Total” column.
32. **Insured Damage:** Number of apples from each sample that fail to meet the applicable grade requirements because of INSURED damage. When sampling is complete, add all line entries and enter total in the “Line Total” column.

NOTE: If the adjuster and the insured cannot agree on the percentage of insurable quality damage, take a sample to a licensed state grader (at the insured’s expense, if necessary) for final determination of the percentage of the apples which are damaged solely by insurable causes according to the grade standards for the applicable type of coverage in effect.

33. **Total No. of Apples:** Total the number of apples from samples 1 through 10, as applicable for items 30 through 32. Enter the total for all 10 samples in the applicable “Line Total” column.

NOTE: For preharvest inspections, delay completion of items 34 through 39 until harvest is complete unless harvest will not be completed. If harvest will not be completed, appraise the production.

Line Total: By line, the total number of sample fruit from items 30 through 33.

Avg. %: Refer to item 32 above, and enter applicable Avg. %. If Avg. % is to be calculated from worksheet entries:

- a. Total of all item 32 entries and all item 33 entries.
- b. Divide item 32 total by item 33 total, enter the result as a percentage, see example below.

EXHIBIT 1

EXAMPLE:

Item 32: $15 + 7 + 6 + 8 + 18 + 18 + 12 + 10 + 10 + 5 = 109$

Item 33: $30 + 24 + 23 + 25 + 38 + 39 + 30 + 30 + 22 + 19 = 280$

Avg. %: $109 \div 280 = .39$ or **39%**

Adj %: Convert the Avg. % to the corresponding Adj.% contained in **TABLE D**.

NOTE: MAKE NO ENTRY for Basic Coverage.

EXAMPLE: Avg % = **39**, then the Adj. % = **38**

	1	2	3	4	5	6	7	8	9	10	LINE TOTAL	AVG %	ADJ %
--	---	---	---	---	---	---	---	---	---	----	---------------	----------	----------

32. Insured Damage	15	7	6	8	18	18	12	10	10	5	109	39	38
33. Total No. Apples	30	24	23	25	38	39	30	30	22	19	280		

NOTE: DO NOT do a “grade reduction” for “windfalls” or frozen apples (100 percent culls).

NOTE: Round entries in items 34 through 37 and item 39 to the nearest whole box or bushels to tenths, as applicable.

34. **Gross Production:** Total Production in whole boxes or bushels to tenths of harvested or unharvested apples from item 29, as applicable regardless of grade.

NOTE: For Option “A,” “B,” or the “Sunburn Option” only, if 80 percent or more of the production meets the crop provisions grade requirements, skip items 35 through 37.

35. **Insured Damage:** Computed number of whole boxes or bushels to tenths, of apples failing to meet the applicable grade requirements because of insured damage by multiplying item 32 Adj. % (for Option “A,” “B,” and the “Sunburn Option”) or Avg. % (for Basic Coverage only) times item 34, as applicable.

NOTE: For apples harvested BEFORE any insured damage, enter “0.” For harvested AND unharvested acreage, enter 100 percent of item 34 for both “windfalls” and frozen apples that cannot be packed or marketed as fresh apples.

36. **Net Bu/Boxes:** Circle either “Bu.” or “Boxes,” as applicable. Item 34 minus item 35, in whole boxes or bushels to tenths.

EXHIBIT 1

37. **Cull Value %:**

- a. 30% as specified in the Crop Provisions, or
- b. 0% or 15% as specified in the Special Provisions and elected by the insured for the applicable fresh fruit option.

NOTE: Do not calculate a “Cull Value” for Basic Coverage.

Cull Value Bu/Boxes: Circle either “BU” or “BOXES” in column heading, as applicable. Multiply the applicable percent, to two decimal places, times the entry in item 35 to calculate cull production in whole boxes or bushels to tenths.

NOTE: For immature apples with no processing value and “windfalls” or frozen apples for which harvest is not practical, enter “0.” The difference between the total production and the production to count as determined above will be considered cull production.

38. **Uninsured Causes:** Computed total number of whole boxes or bushels to tenths, of apples lost to UNINSURED cause(s):

- a. For unharvested production appraisals: MAKE NO ENTRY (any harvested or unharvested apples that meet the applicable grade requirements due ONLY to UNINSURABLE damage will have been included as part of the apples in item 31 above).
- b. For harvested production appraisals: Determine the TOTAL amount by comparing the per-acre actual harvested or appraised production with the production from comparable acreage NOT affected by the uninsurable cause(s).

39. **Production:** Check **UH** or **H** box, as applicable to designate unharvested or harvested production. Add the entry in item 36 and the entry in item 37 to the entry in item 38 in whole boxes or bushels to tenths, as applicable.

- a. For unharvested production appraisals: Divide the total above by item **6 B** “Appraised Acres” (for the sample) and transfer this figure (with other unharvested production entries for the unit) to the appraised potential item entries in Section I of the Production Worksheet.
- b. For harvested production appraisals: Transfer the total (with other harvested production entries for the unit) to the item entry for harvested production in Section II of the Production Worksheet.

40. **Sketch Map/Remarks:**

- a. Use a sketch map to show orchard boundaries and locations of sample trees selected.

EXHIBIT 1

- b. Enter any additional pertinent information about this appraisal, such as any production damaged by uninsured causes provided there are acceptable records of such production.
- c. The bin-to-field box/bushel ratio, or weight per bushel, as applicable.
- d. The date of sampling if harvest is NOT complete (worksheet and claim to be completed at a later date).
- e. Any uninsured cause(s) of damage or loss.
- f. Any difference between unit acres in the fresh fruit policy option in the unit (item 6 A) and the appraised acres (6 B) for the unit.
- g. Any damaged acreage harvested before appraisal.
- h. Any voluntary destruction (removal) of orchard acreage.
- i. References for orchard identification (aerial photo, sketch map, etc.).

PART VI - SIGNATURES

- 41. **Insured's Signature and Date:** Insured's (or authorized representative's) signature and date. BEFORE obtaining insured's signature, REVIEW ALL ENTRIES on the Appraisal Worksheet WITH THE INSURED, particularly explaining codes, etc., that may not be readily understood.
- 42. **Adjuster's Signature, Code Number, and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insured's authorized representative) has signed. If an appraisal is performed prior to signature date, document the date of appraisal in the Remarks/Narrative section of the Appraisal Worksheet (if available); otherwise, document the appraisal date in the Narrative of the Production Worksheet.
- 43. **Pg ___ of ___:** Page number - (Example: Page 1 of 1, Page 2 of 2, etc.).

EXHIBIT 1

APPLE PRODUCTION APPRAISAL/QUALITY ADJUSTMENT WORKSHEET

PART I - HEADING

COMPANY: <i>Any Company</i>		CLAIM NO.: <i>XXXXXXXX</i>	
1. INSURED'S NAME: <i>I. M. Insured</i>	2. POLICY NUMBER: <i>XXXXXXXX</i>	3. CROP YEAR: <i>YYYY</i>	4. UNIT NUMBER: <i>00100</i>
5. VARIETY: <i>Red Delicious</i>	6 A. UNIT ACRES: <i>10.8</i> 6 B. APPRAISED ACRES: <i>4.9 UH 5.9 H</i>	7. NO. OF TREES/ACRE: <i>194</i>	8. TOTAL NO. OF TREES: <i>951</i>
9. ORCHARD ID: <i>C-1</i>	10. DAMAGE: CAUSE(S): <i>Hail</i> DATE(S): <i>MM/DD/YYYY</i>	11. PRACTICE: <i>002</i>	12. OPTION: <i>B</i>

PART II - NUMBER OF APPLES/TREE

13. SAMPLES										14. TOTAL	15. NO. OF SAMPLES	16. AVERAGE		
<i>15</i>	<i>12</i>	<i>14</i>	<i>12</i>	<i>10</i>	<i>12</i>	<i>13</i>	<i>15</i>	<i>10</i>	<i>10</i>	<i>123</i>	÷	<i>10</i>	=	<i>12.3</i>

PART III - NUMBER OF APPLES/BOX OR BUSHEL

17. SAMPLES										18. TOTAL	19. NO. OF SAMPLES	20. AVERAGE		
<i>40</i>	<i>38</i>	<i>44</i>	<i>39</i>	<i>46</i>	<i>42</i>	<i>43</i>	<i>39</i>	<i>47</i>	<i>42</i>	<i>420</i>	÷	<i>10</i>	=	<i>42.0</i>

PART IV - CALCULATIONS

21. APPLES/TREE (ITEM 16 ENTRY, PART II) <i>12.3</i>	÷	22. APPLES/BOX OR BUSHEL (ITEM 20 ENTRY, PART II) <i>42.0</i>	=	23. BOXES OR BUSHELS/TREE (TO HUNDREDTHS) <i>0.29</i>
24. BOXES OR BUSHELS/TREE (ITEM 23 ENTRY) <i>0.29</i>	X	25. NUMBER OF TREES/ACRE (ITEM 7 ENTRY) <i>194</i>	=	26. BOXES OR BUSHELS/ACRE <i>56.3</i>
27. BOXES OR BUSHELS/ACRE (ITEM 26 ENTRY) <i>56.3</i>	X	28. TOTAL ACRES (ITEM 6 B ENTRY) <i>4.9</i>	=	29. APPRAISED PRODUCTION TO COUNT (BOXES OR BUSHELS) <i>275.9</i>

PART V - QUALITY ADJUSTMENT

	SAMPLE NUMBER										LINE TOTAL	AVG. %	ADJ. %		
	1	2	3	4	5	6	7	8	9	10					
30. Grade: <i>U.S. Fancy</i>	<i>10</i>	<i>11</i>	<i>11</i>	<i>10</i>	<i>11</i>	<i>12</i>	<i>8</i>	<i>12</i>	<i>7</i>	<i>8</i>	<i>100</i>				
31. Natural Culls:	<i>5</i>	<i>6</i>	<i>6</i>	<i>7</i>	<i>9</i>	<i>9</i>	<i>10</i>	<i>8</i>	<i>5</i>	<i>6</i>	<i>71</i>				
32. Insured Damage:	<i>15</i>	<i>7</i>	<i>6</i>	<i>8</i>	<i>18</i>	<i>18</i>	<i>12</i>	<i>10</i>	<i>10</i>	<i>5</i>	<i>109</i>	<i>39</i>	<i>38</i>		
33. Total No. Apples:	<i>30</i>	<i>24</i>	<i>23</i>	<i>25</i>	<i>38</i>	<i>39</i>	<i>30</i>	<i>30</i>	<i>22</i>	<i>19</i>	<i>280</i>				
34. GROSS PRODUCTION	35. INSURED DAMAGE (34 x Adj.%)										36. NET BU./BOXES (34 - 35)		37. CULL VALUE (35 x %) %		BU./BOXES
Harvested															
Unharvested	<i>275.9</i>										<i>171.1</i>		<i>15</i>	<i>15.7</i>	
38. UNINSURED CAUSES:											39. PRODUCTION <i>38.1</i>				
											<i>X</i>	UH		H	

40. SKETCH MAP/REMARKS:

PART VI - SIGNATURES

41. INSURED'S SIGNATURE: <i>I. M. Insured</i>	DATE: <i>MM/DD/YYYY</i>
42. ADJUSTER'S SIGNATURE AND CODE NUMBER: <i>I. M. Adjuster XXXXX</i>	DATE: <i>MM/DD/YYYY</i>

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