

United States
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Federal Crop
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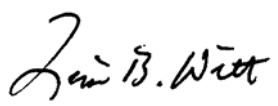
Product
Development
Division

STRAWBERRY DOLLAR PLAN PILOT LOSS ADJUSTMENT STANDARDS HANDBOOK

FCIC-25780 (07-2004)
FCIC-25780-1 (07-2005)
FCIC-25780-2 (04-2006)

2007 and Succeeding Crop Years

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

FEDERAL CROP INSURANCE HANDBOOK		NUMBER: 25780 (07-2004) 25780-1 (07-2005) 25780-2 (04-2006)
SUBJECT: STRAWBERRY DOLLAR PLAN PILOT LOSS ADJUSTMENT STANDARDS HANDBOOK 2007 AND SUCCEEDING CROP YEARS	OPI: Product Development Division	
	APPROVED: APPROVED:  Deputy Administrator, Research and Development	DATE: 4/20/2006

THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-ISSUED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2007 AND SUCCEEDING CROP YEARS. ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.

SUMMARY OF CHANGES/CONTROL CHART

The following list contains significant changes to this handbook, as determined by us, however it may not represent all changes made. All changes made to this handbook are applicable regardless of whether or not listed.

Refer to changes or additions in text which have been **highlighted**. Three stars (***) identify where information has been removed.

Changes:

1. Inserted a new **EXHIBIT 1** after Section 9. The Exhibit serves as a decision chart for completing Section I Production Worksheet entries for items H, I, J, and M under various scenarios.
2. Removed the word “**NOTE:**” on the revised pages.
3. In Section 8 B, Section I item H, removed the Example at the end of item H instructions, inserted a reference to **EXHIBIT 1** and moved the example information to **EXHIBIT 1**. Under Section I item I, inserted “Bull dozed, etc.” as an intended use of the acreage. Removed the Example at the end of item I instructions and moved the example information to **EXHIBIT 1**. Inserted a reference to **EXHIBIT 1** at the end of the instructions for Section I, items J and M.

STRAWBERRY PILOT LOSS ADJUSTMENT STANDARDS HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

Control Chart For: Strawberry Dollar Plan Pilot Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Remove	1-4	1-2	27-30		7-2005 7-2004	FCIC-25780-1 FCIC-25780
Insert	1-2	1-2	27-30	45-46	4-2006	FCIC-25780-2
Current Index	1-2	1-2	1-26 27-30 31-38	39-40 41-44 45-46	4-2006 7-2004 4-2006 4-2004 7-2005 7-2004 4-2006	FCIC-25780-2 FCIC-25780 FCIC-25780-2 FCIC-25780 FCIC-25780-1 FCIC-25780 FCIC-25780-2

**STRAWBERRY DOLLAR PLAN PILOT
LOSS ADJUSTMENT HANDBOOK**

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- (3) If unable to verify the existence of a companion contract, enter “Unknown,” and contact the insurance provider for further instructions. 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) Appraisals;
- (3) Stages or intended use(s) of acreage;
- (4) Shares (e.g., 50 percent and 75 percent shares on the same unit); or
- (5) 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. Refer to the Narrative instructions. In the bottom of the last line entry or in the margin (or in a separate column), enter the date of inspection for the last line entry of each inspection.

REFER TO THE LAM FOR INSTRUCTIONS REGARDING ENTRIES OF FIRST CROP AND SECOND CROP CODES.

- 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.

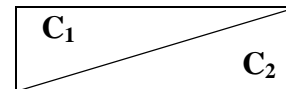
- C. **Final Acres:** Refer to the LAM for definition of acceptable determined acres used herein. Determined acres to tenths (include “E” if estimated) for which consent is given for other use and/or:
- a. Put to other use without consent.
 - b. Abandoned.
 - c. Damaged by uninsured causes.
 - d. For which the insured failed to provide acceptable records of production.
 - e. From which production was sold by direct marketing, penhooker, u-pick, etc. or for cash if the insured failed to meet the requirements contained in the crop provisions.

FINAL: Determined acres to tenths.

Acres breakdowns 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.

C₁ Enter the ACTUAL acres for the field or subfield.
 C₂ Enter the REPORTED acres for the field or subfield



- 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:** Three-digit code for the correct “Rate Class” specified on the actuarial documents. If a “Rate Class” is not specified on the actuarial documents, make no entry. Verify with the Summary of Coverage, and if the rate class is found to be incorrect, revise according to insurance provider’s instructions. Refer to the LAM.
- 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 3-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 3-digit code number from the actuarial documents.
- H. **Stage:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Stage abbreviation as shown below. The inclusion of the following situations for acreage is common among the “P,” “H,” and “UH” stages but differs if ALL or some of the pickings are involved (refer to **EXHIBIT 1** for examples):

- a. Abandoned;
- b. Put to other use;
- c. Damaged solely by uninsured causes for which the insured failed to provide records of production which are acceptable to the insurance provider (including situations where the insured is also a broker, processor, shipper or other first handler; or from which production was sold by direct marketing or for cash), if the insured failed to meet the requirements contained in the crop provisions and Special Provisions.

STAGE **EXPLANATION**

“P”..... If any or a combination of a, b, or c above applies to **ALL** the pickings for the acreage.

“H” If one or more pickings are harvested.

"UH" Unharvested or put to other use with consent; or a combination of unharvested, put to other use with consent, or a, b, or c above applies to **ALL** pickings for the acreage.

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

I. **Intended or Final Use:** Use of Acreage. Use the following “Intended Use” abbreviations.

<u>USE</u>	<u>EXPLANATION</u>
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“Bull Dozed, etc.” . . .	Use made of the acreage
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“To Cucumbers, Etc.”.	Use made of the acreage
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“WOC”	Other use without consent
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“SU”	Solely uninsured
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“ABA”	Abandoned without consent
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“H”	Harvested
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“UH”	Unharvested
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Explain in the “Narrative” or on a Special Report entries for “WOC,” “SU,” or “ABA” when the entry in column “H” is “H” or “UH.” 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 more information on gleaning.

J. **Appraised Potential:** Total of all per acre appraisals (from the “Narrative”) in whole pounds for all pickings of actual and POTENTIAL production for the acreage, including acreage with appraisals for failure to provide timely notice of a delay in harvest or harvest delay and where the amount of production cannot be accurately determined. Refer to appraisal methods for additional instructions. If there is no potential on UH acreage, enter “0.” Refer to **EXHIBIT 1** for examples.

K₁- K₂. MAKE NO ENTRY.

L. **Shell and/or Quality Factor:** Line out the heading and enter “Value.” For appraised production enter the greater of:

a. Actual value per pound, in dollars and cents, determined from a sample provided to a buyer in the local market area; or

b. Minimum value per pound, in dollars and cents, shown in the Special Provisions.

M. + **Uninsured Cause:** EXPLAIN IN THE NARRATIVE. Refer to **EXHIBIT 1** for examples.

- a. Hail and Fire exclusion NOT in effect.
 - (1) Enter NOT LESS than the insured's amount of insurance per acre in whole dollars for any "P" stage acreage. On preliminary inspections, advise the insured to keep the harvested production from any acreage damaged SOLELY by uninsured causes separate from other production.
 - (2) For acreage that is damaged PARTLY by uninsured causes, enter the APPRAISED UNINSURED loss of production per acre in whole dollars for any such acreage. If a "P" stage is not entered in column "H," appraisals may be entered in columns "J" and "M" for multiple pickings from the same acreage.
- b. Refer to the LAM when a Hail and Fire Exclusion is in effect and damage is from hail or fire.
- c. Enter the result of adding uninsured cause appraisals to Hail and Fire Exclusion appraisals. For fire losses, if the insured also has other fire insurance (double coverage), refer to the LAM.

N. **Adjusted Potential:** The result of Column "J" times Column "L," plus Column "M" rounded to dollars and cents.

O. **Total to Count:** Column "C" or "C₁" (**actual** acres) times Column "N," rounded to whole dollars. For CAT policies multiply result times .55, unless otherwise instructed by the insurance provider because adjustment will be made by other manual or automated computation process.

EXHIBIT 1

DECISION CHART FOR STAGE AND APPRAISAL ENTRIES

Section I, Production Worksheet Entries Required for:			
If the Insured:	Stage Codes Columns H and I	Column J	Column M *
Harvested all pickings	H/H	No	No*
Harvested 1 picking and no other pickings harvested due to insured causes	H/H	Yes	No*
Harvested 1 picking, but no other pickings harvested due to uninsured causes	H/H	No	Yes
Harvested all pickings, but production records unacceptable	P/H	No	Yes
Did not harvest any pickings due to insured causes	UH/UH	Yes	No*
Did not harvest any pickings due to uninsured causes	P/UH	No	Yes
Plants destroyed with consent due to insured causes and planted to peppers, no pickings were harvested	UH/To Peppers	Yes	No*
Plants destroyed without consent and no pickings harvested	P/WOC	No	Yes
Harvested 2 pickings, skipped 7 pickings (23 day gap** and timely notice provided) due to hail damage and harvested last 6 pickings	H/H	Yes (for hail damage)	No*
Harvested 2 pickings, skipped 6 pickings (19 day gap** and no notice provided) with NO verifiable insured cause of loss and harvested last 7 pickings	H/H	No	Yes (for the 6 skipped pickings)
Harvested all pickings except last 2 pickings due to low market price	H/H	Yes	No*
Harvested all pickings except last 4 pickings due to insured damage, but after crop recovery harvested 2 pickings after end of insurance period	H/H	Yes (for insured damage)***	No*
Harvested all pickings including 2 pickings after end of insurance period	H/H	No***	No*
Harvested 2 pickings, skipped 10 pickings due to frost damage and harvested the last 6 pickings. Adjuster determined plants were producing harvestable berries the last 4 of the 10 skipped pickings	H/H	Yes (for frost damage)**	Yes (Last 4 Pickings Skipped)
First 4 pickings not harvested due to uninsured causes, next 8 pickings harvested, and last 4 pickings not harvested due to insured causes	H/H	Yes (for insured damage)**	Yes (for first 4 pickings)
<p>* Appraisal entries may also be required in Column "M" of the Production Worksheet if "uninsured causes" are also present.</p> <p>** If this county has a 21 day "harvest delay" notice requirement, the insured must provide notice if harvest is delayed 21 days or more. Acceptable harvest records must be provided and the delay in harvest must be due to an insured cause of loss. Otherwise, it must be assumed the plants produced harvestable berries during the harvest delay and an appraisal for uninsured causes is required.</p> <p>*** If the insured delayed harvest of a picking until after the end of the insurance period and it was possible to harvest the picking(s) in question prior to the end of the insurance period, then any production harvested after the end of the insurance period is considered production to count. If the production records are not acceptable or available or if it is known production records will not be available, enter an appraisal in Column "M."</p>			

