

United States  
Department of  
Agriculture



Federal Crop  
Insurance  
Corporation



Product  
Development  
Division

# APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK

FCIC-25030 (10-2005)

**2005 and Succeeding Crop Years**



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

<b>FEDERAL CROP INSURANCE HANDBOOK</b>	<b>NUMBER: 25030 (10-2005)</b>
<b>SUBJECT:</b>  <b>APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK 2005 AND SUCCEEDING CROP YEARS</b>	<b>OPI: Product Development Division</b>
	<b>APPROVED:                      DATE:</b>  /s/ Tim B. Witt 10/13/05  Deputy Administrator, Research and Development

**THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-ISSUED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2005 AND SUCCEEDING CROP YEARS. IN THE ABSENCE OF INDUSTRY-DEVELOPED, FCIC-APPROVED PROCEDURE FOR THIS CROP FOR 2005 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. It may not represent all changes made. All changes made to this handbook are applicable regardless of whether or not listed.

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

**Changes:** For October 2005 Issuance (FCIC-25030):

- A. Page TC 2, section 9: Inserted a heading entitled “**EXHIBIT 1.**”
- B. Page 17, item 36 - Adjusted %: Inserted instructions for calculating the percent of damage for appraisals with 20% or less damage and over 65% damage.
- C. Page 17, item 38 - Insured Damage: Revised instructions for calculating the percent of damage for acreage insured under basic and optional coverage.
- D. Page 18, Remarks: Inserted instructions for calculating the APH Yield per acre.
- E. Pages 38-44, **EXHIBIT 1**: Inserted a new appraisal method for calculating unharvested and harvested appraisals for acreage insured under basic or optional coverage.
- F. Throughout the handbook, made syntax and grammar changes as needed so that this handbook tracks with RMA-approved crop handbook standards formatting.

**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	Entire Handbook					
Insert	1-2	1-2	1-34	35-44	10-2005	FCIC-25030

# APPLE LOSS ADJUSTMENT HANDBOOK

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# **1. INTRODUCTION**

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**THIS HANDBOOK MUST BE USED IN CONJUNCTION WITH THE LOSS ADJUSTMENT MANUAL (LAM).**

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 LAM.

## **2. SPECIAL INSTRUCTIONS**

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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 (and signed by the insured) for the loss adjustment inspection:

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

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:

**CAT**                                      Catastrophic Risk Protection

- (4) Definitions:

**Apple Production**                      All production of fresh apples and processing apples from the insurable acreage.

<b>(Apple) Type</b>	Fresh, processing, or varietal group apples as specified in the Special Provisions.
<b>Bin</b>	A container that contains a minimum of 875 pounds of apples or another quantity as designated in the Special Provisions.
<b>Box</b>	A container that contains 35 pounds of apples or another quantity as designated in the Special Provisions.
<b>Bushel</b>	In all states except Colorado, 42 pounds of apples. In Colorado, 40 pounds of apples.
<b>Damaged Apple Production (Basic Coverage, Fresh and Processing)</b>	The percentage of fresh or processing apple production that fails to grade U.S. No. 1 Processing or better in accordance with the grade standards, within each lot, bin, bushel, or box, as applicable, due to an insurable cause of loss.
<b>Damaged Apple Production (Optional Coverage, Fresh only)</b>	The percentage of fresh apple production that fails to grade U.S. Fancy or better in accordance with the grade standards, within each lot, bin, bushel, or box, as applicable, due to an insurable cause of loss.
<b>Direct Marketing</b>	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.
<b>Fresh Apples</b>	Apple production: (1) that is sold, or could be sold, for consumption without undergoing any change in its basic form, such as peeling, juicing, crushing, etc.; and (2) from acreage that is reported as fresh apples on the acreage report.
<b>Harvest</b>	The picking of mature apples from the trees or collecting mature apples from the ground. Apples collected from the ground that cannot be sold for human consumption will not be considered harvested.
<b>Lot</b>	A quantity of production that can be separated from other quantities of production by grade characteristics, load, location, or other distinctive features.



<b>Marketable</b>	Apple production that is not damaged apple production.
<b>Mature (Apple)</b>	Apples defined as “mature” in the applicable grade standards.
<b>Natural Culls/Uninsured Damage</b>	Apples that fail to meet the applicable grade standards solely due to uninsured causes (e.g., spray burn, etc.).
<b>Natural Drop Apples</b>	Individual apples that drop from trees as an ordinary occurrence throughout the growing season.
<b>Processing Apples</b>	Apple production: (1) that is sold after it has undergone a change to its basic structure such as peeling, juicing, crushing, etc.; and (2) from acreage designated as processing apples on the acreage report.
<b>Varietal Group</b>	Apple varieties with similar characteristics that are grouped for insurance purposes as specified in the Special Provisions.

### **3. INSURANCE CONTRACT INFORMATION**

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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 table:
  - (a) In which the insured has a share;
  - (b) That are grown on tree varieties that are adapted to the area and have, in at least one of the previous four years, produced:
    - 1 10 bins of apples per acre in area A (a geographic area that includes Montana, Wyoming, Utah, New Mexico, and all states west thereof); or
    - 2 150 bushels of apples per acre in area B (a geographic area that includes all states not included in area A, except Colorado); or
    - 3 200 bushels of apples per acre in area C (Colorado).
  - (c) That 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 requirements contained in the insured’s policy.

- (3) Insurance coverage is provided against loss of production from insects and disease (e.g., when there is not an approved treatment or pesticide labeled for the specific pest or disease, etc.) but not damage due to insufficient or improper application of pest and disease control measures.
- (4) Insurance coverage is provided against failure of the irrigation water supply, if caused by an insured peril that occurs during the insurance period (e.g., drought - well, pond, or creek goes dry due to lack of rainfall, etc.).
- (5) Insurance coverage is provided against wildlife damage (insureds are expected to exercise wildlife preventive practices that are generally recognized as effective for the area (e.g., mole or mice bait for mole or mice, or deer control measures if deer are known to be a problem in the orchard, etc.)).
- (6) Insurance coverage is provided against all other natural causes of loss that cannot be prevented, including, but not limited to, failure of fruit to color, hail, wind, excess sun causing sunburn, and frost and freeze causing russetting.
- (7) Insurance coverage is **not** provided against damage or loss of production due to the insured's inability to market the apples for any reason other than actual physical damage from an insurable cause specified in the policy. For example, the insurance provider will not pay the insured an indemnity if the insured is unable to market due to quarantine, boycott, or refusal of any person to accept production.

**B. PROVISIONS AND PROCEDURES NOT APPLICABLE TO CAT COVERAGE**

- (1) Optional Coverage for Quality Adjustment.
- (2) Coverage Enhancement Option (normally available only in Pennsylvania and Washington, refer to Bulletin No. MGR-04-013 which terminates this option effective for crop year 2006).
- (3) Refer to the Crop Insurance Handbook (CIH) and LAM for other provisions not applicable to CAT.

**C. UNIT DIVISION**

Refer to the insurance contract for unit provisions. 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.

**D. GRADING AND QUALITY ADJUSTMENT**

(1) **General Information.**

- (a) **Basic coverage.** For any apples insured under basic coverage, the policy provides coverage for both fresh and processing apple production damaged by any insured cause that occurs during insurance period that results in a loss of production. The policy also contains the grade requirements for basic coverage (refer to subsection (2) below).

- (b) **Optional coverage.** For any apples insured under optional coverage, the policy provides coverage for fresh apple production damaged by any insured cause that occurs during the insurance period that results in a loss of production and/or fruit quality.
- (2) **Grading and Quality Requirements.** The apple policy defines damaged production as the percentage of apple production on a unit that fails to meet the applicable grade standards as follows:
- (a) **Damaged Apple Production (Basic Coverage, Fresh and Processing):** The percentage of appraised and harvested fresh or processing apple production that fails to grade U.S. No. 1 Processing or better in accordance with the grade standards, within each lot, bin, bushel, or box, as applicable, due to an insured cause of loss.
- (b) **Optional Coverage for Quality Adjustment (Fresh only):** If appraised or harvested fresh apple production is damaged by insured causes to the extent that 20 percent or more of the apples do not grade U.S. Fancy or better, (or other applicable grade(s) listed in the Special Provisions) the following adjustments will apply:
- 1 Fresh apple production to count with 21 percent through 40 percent damaged apple production will be reduced 2 percent for each full percent of damage in excess of 20 percent.
  - 2 Fresh apple production to count with 41 percent through 50 percent damaged apple production will be reduced 40 percent plus an additional 3 percent for each full percent of damage in excess of 40 percent.
  - 3 Fresh apple production to count with 51 percent through 64 percent damaged apple production will be reduced 70 percent plus an additional 2 percent for each full percent of damage in excess of 50 percent.
  - 4 Fresh apple production to count with 65 percent or more damaged apple production will not be considered production to count.
  - 5 If the insured sells any fresh apple production as U.S. Fancy, all such sold production will be included as production to count under this option (refer to subsection 4 E, herein).
- (3) Refer to the USDA grade standards for fresh and processing apples located on the internet at: [www.ams.usda.gov/standards](http://www.ams.usda.gov/standards) For such other grade standards contained in the Special Provisions (i.e., Washington State Apple Grade Standards), refer to the next level of supervision or the RMA Regional Office.

## **4. APPLE APPRAISALS**

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### **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 of not less than the production guarantee per acre, include:
  - (a) Acreage that is abandoned;
  - (b) Production that is sold by direct marketing;
  - (c) Production that is damaged solely by uninsured causes;
  - (d) When the insured fails to provide production records that are acceptable to the insurance provider; and
  - (e) When there is potential marketable production on insured acreage the insured intends to abandon or no longer care for, if the insured and insurance provider agree on the appraised amount of production.
- (3) Make separate appraisals for each apple variety grown in the orchard, as applicable.
- (4) 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) At least 3 days prior to the date harvest should have started if the crop/variety will not be harvested.
  - (b) At least 15 days before any apple production from any unit will be sold by direct marketing. In the event of the insured’s failure to give timely notice that 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) 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. The insured must not sell or dispose of the damaged crop until after the insurance provider has given the insured written consent to do so. 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 natural fruit drop period, after hand and/or chemical thinning is completed, and before the fruit is removed from the trees or the ground, as applicable.

## **B. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS**

- (1) Take not less than the minimum number (count) of representative samples required in **TABLE A**.
- (2) Select representative sample trees 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 fruit on the tree. 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) 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 portions of the orchard have been color (partially) picked.

## **C. ORCHARD APPRAISALS**

### **(1) Timing of Appraisals.**

The adjuster should arrange to inspect (appraise) the trees when the apples have reached or are near harvestable maturity. Select sample trees according to the procedures in subsection 4 B above.

### **(2) Determining the Amount of Production.**

- (a) **When all or part of the unit acreage is left unharvested**, appraise unharvested production for computing losses. If the plot contains several varieties or ages of trees, etc., select sample trees that are representative of the variety, age, etc., of trees in the unit. Use the procedure in subsection 5 B to determine the number of fruit per sample tree and the number of boxes/bushels of fruit per tree. If apples on a sample tree are too numerous, visually divide the sample tree into 4 equal parts (quadrants). Count the number of apples on one representative quadrant and multiply by 4 to calculate the number of fruit on the entire tree, as applicable.
- (b) **When unit acreage has not been graded, is at or near maturity, or is to be harvested**, complete a preliminary inspection to verify cause of damage and to select representative sample trees for appraisal purposes. Select representative sample fruit from each sample tree for grading and quality adjustment purposes using the procedure in subsection (3) below.

- (c) When unit acreage has been harvested and has been graded, use packout records to determine the amount of production.

(3) **Selecting Representative Sample Fruit for Grading and Quality Adjustment.**

- (a) Select the total number of fruit per tree from the inside, outside, top, and bottom of all four quadrants of the representative sample tree.
- (b) Select representative sample fruit that includes apples that could be packed and apples that could be eliminated if graded at the packing house.
- (c) An individual fruit sample must consist of a minimum of 10 apples from different locations on the tree and reflect the average condition of apples on the unit acreage being appraised. Divide the apples into three groups and record the number of fruit in each group on the appraisal worksheet as follows:

1 **Apples that meet or exceed the applicable grade requirements** (e.g., U.S. No. 1 Processing, U.S. Fancy, etc.) that include any apples intentionally left on the tree past the normal maturity date for the variety and allowed to drop due to over-maturity or that are sprayed with a chemical ripener to accelerate abscission of the fruit;

2 **Apples damaged by uninsured causes**, that include apples that fail to meet the applicable policy grade standards due to damage from uninsured causes (e.g., spray burn, mechanical damage etc.),

- i Visually examine each representative sample apple to determine if damage was caused by something other than an insured cause of loss,
- ii When there is both uninsured and insured damage on the same apple (irregardless of the amount of insured/uninsured damage), it will be considered damaged by uninsured causes only.

**EXAMPLE:**

The stem end of an apple suffers hail damage (insured damage) on the top 1/3rd of the fruit. The petal end of the apple suffers spray damage (uninsured cause of damage) on the bottom 2/3rds of the fruit. As stated in subsection “ii” above, the entire apple is considered to be damaged by uninsured causes.

- 3. **Apples damaged solely by insurable causes**, refer to subsection 4 A, herein, the crop provisions, and the LAM for list of insurable causes of loss and applicable codes.

**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 (refer to the 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 sample trees by row number and tree count within the chosen row. The adjuster can also physically mark or tag trees selected for appraisals to verify exact location of sample trees on the orchard. An adjuster must be present when the representative trees are harvested.

## **E. ADDITIONAL APPRAISAL INFORMATION**

### **(1) General Information.**

- (a) Insured causes of loss for basic apple coverage and optional coverage for quality adjustment include: adverse weather conditions, fire, insect, disease, earthquake, volcanic eruption, failure of irrigation water supply, wildlife, and **all other natural causes that cannot be prevented** (e.g., failure of fruit to color, hail, wind, excessive sun, etc.).
- (b) When an insured sells any harvested production to a processor, and there is no appraisal, (e.g., canner, juicer, etc.) and the processor does not provide an official grade determination, **all such sold production is considered production to count**. Document such production in the harvested production section of the claim form with an explanation in the “Narrative.”
- (c) When the adjuster completes all appraisals on an insured unit and the adjuster and insured sign all applicable worksheets, the claim is officially closed. The claim does not have to be held open until the final disposition of any sold apple production (i.e., removed from cold storage). If there is any harvested apple production that is placed in cold storage, such production is not covered by the apple crop provisions.

### **(2) Basic Production Appraisals.**

- (a) Production to count includes all appraised and harvested fresh and processing apple production from an insured unit that grades at least U.S. No. 1 Processing.
- (b) Insureds who select CAT coverage will have all CAT acreage appraised using the Basic Production Appraisal method.

### **(3) Quality Option Appraisals.**

- (a) The insured must elect to insure apples at the additional coverage level to qualify for this option. Optional coverage for quality adjustment is available for fresh apple production only.
- (b) Production to count under optional coverage for quality adjustment includes **all appraised and harvested fresh apple production** from an insured unit that grades at least U.S. No. 1 Processing. Any production that is damaged solely by insured causes to the extent that more than 20 percent of the apples do not grade U.S. Fancy or other grade(s) listed in the Special Provisions will be adjusted for quality.

- (c) In addition to appraised and harvested fresh apple production documented on the appraisal worksheet, any fresh apple production that grades at least U. S. Fancy or other applicable grade(s) listed in the Special Provisions that is sold will be included as production to count. Document such production in section II, column I - “Bu., Ton, Lbs., Cwt” of the claim form. Explain in the “Narrative” how this entry was determined.
- 1 The adjuster should refer to processor or packer records, etc., to make sure all harvested production has been accounted for and was documented on the claim form before the claim is finalized.
  - 2 If the insured reports any additional sold harvested production after the claim has been finalized, refer to the LAM for corrected claim procedures.

## **5. APPRAISAL METHODS**

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### **A. GENERAL INFORMATION**

- (1) These instructions provide information on appraisal methods for:

<b>Appraisal Methods...</b>	<b>Use...</b>
Basic Production Appraisals	when the insured selected basic coverage for fresh or processing apple production; for production that will be left unharvested; for production that will be sold by direct marketing; for conflict of interest appraisals (e.g., insured is also a packer, etc.); and for APH purposes.
Quality Option Appraisals	when the insured selected basic coverage with optional coverage for quality adjustment of fresh fruit and there is insured damage that would reduce fresh apple quality and/or production.
Representative Tree Appraisals	the production harvested from representative trees to calculate the appraised potential 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) **General Information.**

- (a) The information contained below applies to both Basic Production and Quality Option Appraisals, as applicable.
- (b) When an unharvested appraisal is to be conducted on a unit, the adjuster can use sample fruit from representative sample trees to complete parts II, III, and IV of the appraisal worksheet, as applicable.



- (c) Complete a separate appraisal worksheet for unharvested and harvested production, as applicable.
- (d) Complete a separate appraisal worksheet for fresh and processing production, as applicable.
- (e) Make all fruit counts after the orchard fruit has been chemically and/or hand thinned.

(2) **Appraisal Method.**

- (a) For unharvested appraisals, complete subsections (b) through (l). For harvested appraisals, complete subsections (g) through (l).
- (b) Use **TABLE A** herein to determine the minimum number of representative sample trees based on insured acreage. Use the procedure in subsection 4 B, herein, to select representative sample trees.
- (c) Count the number of apples on each representative sample tree. Fruit counts should include apples that meet or exceed the applicable grade standards, natural culls, and apples with insured damage. Tally the number of apples from all sample trees and divide this amount by the number of sample trees to calculate the average number of apples per tree.
- (d) Calculate the number of apples per box/bushel per sample tree as follows:

1 **For early appraisals:** After all fruit thinning has been completed and before apples have reached their mature size, determine the average number of apples per box/bushel expected at time of normal harvest. The expected average fruit size can be obtained from the grower, packer, processor, extension service, etc. Enter the average number of fruit per box/bushel (e.g., 100, 110, etc.) on the appraisal worksheet and note the source of the information.

2 **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 fruit size. Record the number of fruit per box/bushel on the appraisal worksheet.
- (ii) An alternative method of determining the number of fruit per box/bushel is to randomly select 10 apples from the sample tree, weigh them and round weight to tenths of a pound. Refer to the formula and example below for calculating the number of apples per box/bushel, as applicable:

**FORMULA:**

$\begin{aligned} &\text{Wt. in lbs. of 10 apples} \div 10 = \text{lbs./apple} \\ &\text{lbs./bu. or box} \div \text{lbs./apple} = \text{apples/bu. or box} \end{aligned}$
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**EXAMPLE:**

Weight of 10 apples is 3.5 lbs., the unit of measure is 42 lbs./bu. 3.5 lbs. ÷ 10 apples = .35 lbs./apple 42 lbs./bu. ÷ .35 lbs./apple = 120 apples/bu.
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- (iii) Insurance providers can authorize other methods for determining the number of fruit per box/bushel, provided the method is documented in the Remarks section of the appraisal worksheet or on a Special Report, as applicable.
- (e) Tally the number of apples per box/bushel from all sample trees and divide this amount by the number of sample trees to calculate the average number of apples per box/bushel. Divide the average number of apples per tree by the average number of apples per box/bushel to calculate the average number of boxes/bushels per tree.
- (f) Multiply the average number of boxes/bushels per tree by the number of trees per acre to calculate the number of boxes/bushels per acre. Multiply the number of boxes/bushels per acre by the number of acres to calculate the appraised production to count.
- (g) From representative sample trees, select a minimum of 10 representative sample fruit for grading or quality adjustment (refer to subsection 4 C herein for procedure on grading and quality adjustment).
- (h) Tally the number of fruit from each sample tree that meets or exceeds the applicable grade requirements, natural culls, and fruit with insured damage. Divide the number of fruit with insured damaged by the total number of sample fruit from all sample trees to calculate the average percent of damage.
- (i) For basic production appraisals, do not calculate the adjusted percent of damage. For quality adjustment appraisals, calculate the adjusted percent of damage using the criteria in **TABLE C** (refer to subsection 7 B for instructions on converting average percent of damage to adjusted percent of damage).
- (j) Multiply either the average percent of damage (basic coverage) or the adjusted percent of damage (quality option coverage) by the appraised/harvested production to count to calculate the amount of insured damage in boxes/bushels. The appraised production to count is obtained from the appraisal worksheet and the harvested production to count is obtained from processor or packer records, as applicable.
- (k) Subtract the amount of insured damage from the appraised/harvested production to count to calculate the net production in boxes/bushels. Add any applicable production damaged by uninsured causes (for harvested appraisals only) to the net production to calculate the appraised/harvested unit appraisal.
- (l) Calculate the unharvested per acre appraisal by dividing the unharvested appraised production by the number of appraised acres, as applicable.

## **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.**

Prior to harvest, estimate the potential amount of production on unharvested acreage and compare it to the actual production from harvested acreage. If the unharvested potential production is comparable to the harvested production, 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.

## **6. APPRAISAL DEVIATIONS AND MODIFICATIONS**

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### **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**

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### **A. GENERAL INFORMATION**

- (1) Use this appraisal worksheet to appraise any potential production that will be left unharvested, sold by direct marketing, for conflict of interest appraisals, or for quality adjustment appraisals (refer to the LAM for additional information).
- (2) If there is more than one orchard in a unit, complete a separate appraisal worksheet for each orchard. Use extra worksheet pages if necessary.
- (3) Record harvested and unharvested acreage on separate appraisal worksheets.
- (4) Record fresh and processing production on separate appraisal worksheets.

## **B. WORKSHEET ENTRIES AND COMPLETION INFORMATION**

Verify or make the following entries:

**Item**

**No.      Information Required**

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

**Claim Number:** Claim number as assigned by the insurance provider.

### **PART I - HEADING**

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:** Four-digit 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 worksheet for each variety with such variability.
6. **Type:** Enter applicable type code as specified in the Special Provisions (e.g., "111," "112," "113," "114," etc.).
7. **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.
8. **Orchard ID:** The orchard identification symbol from a sketch map, aerial photograph, or orchard inspection form after verification.
9. **Damage:**
  - a. **Cause:** Name of the insured cause(s) of loss as listed in the LAM.

- b. **Date(s):** First three letters of the month during which MOST of the insured unit damage (including progressive damage) occurred for each inspection. Include the SPECIFIC DATE where applicable as in the case of hail damage (e.g., May 10).
10. **Unit Acres:** Unit acres rounded to tenths.
  11. **Appraised Acres:** Number of acres to tenths, for the variety listed in item 5.
    - a. Inspect harvested and unharvested acres on the SAME orchard separately.
    - b. Complete a separate appraisal worksheet when unit acreage contains both unharvested and harvested potential production. Identify appraised acreage as either “UH” - unharvested or “H” - harvested, as applicable (e.g., 5.0 “UH,” 12.0 “H” etc.).
  12. **Number of Trees per Acre:** The actual number of producing trees per acre. Refer to **TABLE B** if there is a 100% stand or determine the number of trees by count if less than 100% stand.
  13. **Total Number of Trees:** Column 11 times column 12, results in whole trees.

#### **PART II - AVERAGE NUMBER OF APPLES PER SAMPLE TREE**

14. **Number of Apples per Sample:** Enter the number of apples on each sample tree, include apples that meet or exceed the applicable grade standards, apples damaged by insured causes, and natural culls. Make fruit counts after all chemical and hand thinning has been completed. Use a sketch map to identify the location of all sample tree in the orchard.
15. **Total Apples from All Samples:** Total number of all sample **apples** from column 14 entries.
16. **Number of Samples:** The total number of **samples** from column 14.
17. **Average Number of Apples per Tree:** Column 15 divided by column 16, results rounded to tenths.

#### **PART III - NUMBER OF APPLES PER BOX/BUSHEL/OTHER**

Check either BOX/BUSHEL/OTHER in heading, as applicable. Identify the applicable unit of measure (e.g., bin, field box, lot) if “OTHER” is checked. Convert “OTHER” units of measure to boxes or bushels, as applicable. Document conversion information in the “Remarks” section.

18. **Number of Apples per Box/Bushel per Sample Tree:** Enter the applicable number of apples per box/bushel. Refer to subsection 5 B, herein.
19. **Total Number of Apples from All Samples:** Total number of **apples** in column 18.
20. **Number of Samples:** Total number of **samples** in column 18.

21. **Average Number of Apples per Box/Bushel:** Column 19 divided by column 20, results rounded to tenths.

#### **PART IV - PRODUCTION TO COUNT CALCULATIONS**

22. **Average Number of Apples per Tree:** Transfer entry from column 17.
23. **Average Number of Apples per Box/Bushel:** Transfer entry from column 21.
24. **Number of Boxes/Bushels per Tree:** Column 22 divided by column 23, results rounded to three-decimal places.
25. **Number of Trees per Acre:** Transfer entry from column 12.
26. **Number of Boxes/Bushels per Acre:** Column 24 times column 25, results rounded to tenths.
27. **Appraised Acres:** Transfer entry from column 11.
28. **Appraised Production to Count:** Column 26 times column 27, results rounded to tenths.

#### **PART V - GRADING AND QUALITY ADJUSTMENT CALCULATIONS**

General Instructions for columns 29 through 43 entries.

- a. Use **TABLE A** to determine the minimum number of representative sample trees.
  - b. When there are more than 10 samples per line, consolidate additional samples under the sample number “10” heading for apples that meet the applicable grade, natural culls, and insured damage.
  - c. Enter the “Harvested” and “Unharvested” gross potential production on the applicable line to calculate entries for columns 37 through 43. Column entry instructions, below, that are labeled as “Harvested” apply only to harvested appraisals. Column entry instructions that are labeled as “Unharvested” apply only to unharvested appraisals. Column entry instructions with neither “Harvested” or “Unharvested” apply to both harvested and unharvested appraisals.
29. **Sample Number:** MAKE NO ENTRY. Sample numbers are pre-printed on the appraisal worksheet.
30. **Grade:**
- a. Enter the applicable grade standard (e.g., “U.S. No. 1 Processing,” “U.S. Fancy” etc.).
  - b. Enter the number of apples in each sample that meet or exceed the applicable grade standards.
31. **Natural Culls:** Enter the number of natural cull apples from each sample.

32. **Insured Damage:**

- a. Enter the number of apples from each sample that fail to meet the applicable grade requirements because of insured damage (refer to the Apple Crop Provisions for insurable causes of loss).
- b. When the adjuster and the insured cannot agree on the percentage of insurable damage, take a representative sample to a licensed federal/state grader, as applicable (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. **Line Total:** Total the number of "Grade," "Natural Culls," and "Insured Damage" apples by line, in samples 1 through 10.

34. **Column 33 Line Totals:** Total of all column 33 entries.

35. **Average %:** Calculate the Average % as follows:

- a. Determine the number of "Insured Damage" apples in column 33.
- b. Divide column 33 "Insured Damage" apples by column 34, enter result as a two-place decimal (refer to the example calculations below).

**EXAMPLE:**

Column 33 entry = 23 sample apples damaged by insured causes. Column 34 entry = 50 total apples from all samples. $23 \div 50 = .46$ average percent of damage (as a decimal) Enter ".46" in column 35.
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36. **Adjusted %:** For optional coverage only, calculate as follows. If column 35 is:

- a. 20 percent or less, enter ".00."
- b. Greater than 20 percent but less than 65 percent, enter the "Quality Adjusted %" from TABLE C. (e.g., Column 35 % equals .46, and the corresponding value from TABLE C equals 58, enter ".58".)
- c. Is 65 percent or more: Enter "1.00."

37. **Appraised Production to Count:**

- a. **Unharvested Appraisals:** Transfer amount from column 28.
- b. **Harvested Appraisals:** Transfer gross delivered harvested production from the processor or packing house records, in boxes/bushels rounded to tenths.

38. **Insured Damage:** Calculate insured damage as follows.

- a. For basic coverage, line through “36” and enter “35” (e.g., 35 ~~36~~ x 37). For basic coverage: Column 35 multiplied by column 38, results in boxes/bushels rounded to tenths.
- b. For optional coverage Column 36 times column 37, results in boxes/bushels rounded to tenths.

39. **Net Boxes or Bushels:** Column 37 minus column 38, results in boxes/bushels rounded to tenths.
40. **Uninsured Causes:** Computed total number of boxes/bushels to tenths, of apples lost to **UNINSURED** cause(s):
- a. **Unharvested appraisals:** MAKE NO ENTRY (any unharvested apples that meet the applicable grade requirements due ONLY to UNINSURABLE damage will have been included as part of the apples in column 31 - “Natural Culls”).
  - b. **Harvested appraisals:**
    - (1) 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); and/or
    - (2) Determine uninsured causes from verifiable processor or packing house records, as applicable.
41. **Appraised Production:** Column 39 plus column 40, results in boxes/bushels to tenths. For harvested appraisals only, transfer this entry to section II, column I on the claim form.
42. **Appraised Acres:** For unharvested appraisals - transfer acreage entry from column 11.
43. **Per Acre Appraisal:** For unharvested appraisals - column 41 divided by column 42, results in boxes/bushels rounded to tenths. Transfer this entry to section I, column J - “Appraised Potential” on the claim form.
44. **Remarks:**
- a. Use a sketch map that identifies the orchard boundaries and locations of representative sample trees.
  - 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. Note the bin-to-field box or bushel ratio, weight per bushel, and any calculations used to convert production to boxes/bushels.
  - d. Document the date representative samples were taken if harvest is NOT complete (i.e., worksheet and claim are to be completed at a later date).
  - e. List and identify any uninsured cause(s) of damage or loss.
  - f. Note any differences between unit acres and appraised acres.
  - g. Identify the location of any damaged acreage harvested before appraisals were conducted.



- h. Explain and identify any voluntary destruction (e.g., tree removal, etc.) of any orchard acreage.
- i. Attach any reference materials that identify the orchard (i.e., aerial photographs, sketch maps, etc.).
- j. Document circumstances of any conflict of interest appraisals.
- k. Calculate the APH yield as follows: Column 35, Average % multiplied by item 37, Appraised Production to Count, results rounded to tenths. Subtract this result from item 37 to calculate the APH production. Divide this amount by item 11, Appraised Acres to calculate the APH Yield per acre (see example below).

**EXAMPLE:**

Column 35 % as a decimal = .46  
 Item 37 = 5670.0 bu.  
 Item 11 = 5.0 acres  
 .46 x 567.0 bu. = 260.8 bu.  
 567.0 bu. - 260.8 bu. = 306.2 bu. ÷ 5.0 acres = 61.2 bu APH Yield per Acre.

**PART VI - SIGNATURES**

- 45. **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 claim form.
- 46. **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.
- 47. **Pg \_\_\_ of \_\_\_:** Page number - (Example: Page 1 of 1, Page 2 of 2, etc.).

**(Company Name) APPLE APPRAISAL WORKSHEET  
For Illustration Purposes Only**

<b>Claim Number: XXXXX</b>						
<b>PART I - HEADING</b>						
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>Jonathan</i>			6. Type: <i>112</i>		7. Practice: <i>002</i>	8. Orchard ID: <i>A</i>
9. Damage: Cause: <i>Hail</i> Date(s): <i>May 10</i>		10. Unit Acres: <i>20.0</i>	11. Appraised Acres: <i>5.0 UH</i>		12. Number of Trees per Acre: <i>190</i>	13. Total Number of Trees: <i>950</i>

<b>PART II - AVERAGE NUMBER OF APPLES PER SAMPLE TREE:</b>													
14. Number of Apples per Sample:										15. Total Apples from All Samples:	16. Number of Samples:	17. Average Number of Apples per Tree: (15 ÷ 16)	
<i>43</i>	<i>54</i>	<i>48</i>	<i>47</i>	<i>51</i>							<i>243</i>	<i>5</i>	<i>48.6</i>
										÷	=		

<b>PART III - NUMBER OF APPLES PER:</b>			<b>BOX</b>	<b>BUSHEL</b>	<b>X</b>	<b>OTHER</b>	<b>(CHECK APPLICABLE UNIT OF MEASURE)</b>						
18. Number of Apples per Box/Bushel per Sample Tree:										19. Total Number of Apples from All Samples:	20. Number of Samples:	21. Average Number of Apples per Box/Bushel	
<i>80</i>	<i>78</i>	<i>84</i>	<i>79</i>	<i>86</i>							<i>407</i>	<i>5</i>	<i>81.4</i>
										÷	=		

<b>PART IV - PRODUCTION TO COUNT CALCULATIONS:</b>										
22. Average Number of Apples per Tree: (from column 17)		23. Average Number of Apples per Box/Bushel: (from column 21)				24. Number of Boxes/Bushels per Tree (22 x 23)			25. Number of Trees per Acre (from column 12)	
<i>48.6</i>		<i>81.4</i>				<i>0.597</i>			<i>190</i>	
		÷				=			x	
26. Number of Boxes/Bushels per Acre: (24 x 25)			27. Appraised Acres: (from column 11)			28. Appraised Production to Count: (26 x 27)				
<i>113.4</i>			<i>5.0</i>			<i>567.0</i>				
			x			=				

<b>PART V - GRADING AND QUALITY ADJUSTMENT CALCULATIONS:</b>													
29. Sample Number:										33. Line Total:	35. Average %:	36. Adjusted %:	
	1	2	3	4	5	6	7	8	9	10			
30. Grade: <i>U.S. No. 1 Processing</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>4</i>						<i>18</i>		
31. Natural Culls:	<i>2</i>	<i>2</i>	<i>2</i>	<i>2</i>	<i>1</i>						<i>9</i>		
32. Insured Damage:	<i>6</i>	<i>5</i>	<i>4</i>	<i>3</i>	<i>5</i>						<i>23</i>	<i>.46</i>	
34. Column 33 Line Totals:										<i>50</i>			
37. Appraised Production to Count: (from column 28)		38. Insured Damage <i>35 (36-x 37)</i>		39. Net Boxes or Bushels (37 - 38)		40. Uninsured Causes:		41. Appraised Production: (39 + 40)		42. Appraised Acres: (from column 11)		43. Per Acre Appraisal: (41 ÷ 42)	
<b>Harvested</b>													
<b>Unharvest</b>	<i>567.0</i>	<i>260.8</i>	<i>306.2</i>					<i>306.2</i>	<i>5.0</i>	<i>61.2</i>			

44. Remarks:  
**EXAMPLE WORKSHEET FOR UNHARVESTED APPRAISAL THAT IS GRADED**

<b>PART VI - SIGNATURES:</b>											
45. Adjuster's Signature and Code Number: <i>I. M. Adjuster XXXXX</i>										Date: <i>MM/DD/YYYY</i>	
46. Insured's Signature: <i>I. M. Insured</i>										Date: <i>MM/DD/YYYY</i>	

**(Company Name) APPLE APPRAISAL WORKSHEET  
For Illustration Purposes Only**

<b>Claim Number: XXXXX</b>					
<b>PART I - HEADING</b>					
1. Insured's Name: <b>I. M. Insured</b>		2. Policy Number: <b>XXXXXXXX</b>		3. Crop Year: <b>YYYY</b>	4. Unit Number: <b>00200</b>
5. Variety: <b>Jonathan</b>		6. Type: <b>111</b>		7. Practice: <b>002</b>	8. Orchard ID: <b>B</b>
9. Damage: Cause: <b>Hail</b>	Date(s): <b>May 10</b>	10. Unit Acres: <b>20.0</b>	11. Appraised Acres: <b>15.0 H</b>	12. Number of Trees per Acre: <b>190</b>	13. Total Number of Trees: <b>2850</b>

<b>PART II - AVERAGE NUMBER OF APPLES PER SAMPLE TREE:</b>						
14. Number of Apples per Sample:				15. Total Apples from All Samples:	16. Number of Samples:	17. Average Number of Apples per Tree: (15 ÷ 16)
				÷	=	

<b>PART III - NUMBER OF APPLES PER:</b>		<b>BOX</b>	<b>BUSHEL</b>	<b>X</b>	<b>OTHER</b>	<b>(CHECK APPLICABLE UNIT OF MEASURE)</b>
18. Number of Apples per Box/Bushel per Sample Tree:				19. Total Number of Apples from All Samples:	20. Number of Samples:	21. Average Number of Apples per Box/Bushel:
				÷	=	

<b>PART IV - PRODUCTION TO COUNT CALCULATIONS:</b>					
22. Average Number of Apples per Tree: (from column 17)		23. Average Number of Apples per Box/Bushel: (from column 21)		24. Number of Boxes/Bushels per Tree (22 x 23)	25. Number of Trees per Acre (from column 12)
		÷	=	x	
26. Number of Boxes/Bushels per Acre: (24 x 25)		27. Appraised Acres: (from column 11)		28. Appraised Production to Count: (26 x 27)	
		x	=		

<b>PART V - GRADING AND QUALITY ADJUSTMENT CALCULATIONS:</b>												
29. Sample Number:										33. Line Total:	35. Average %:	36. Adjusted %:
30. Grade: <b>U.S. Fancy</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>3</b>					<b>17</b>		
31. Natural Culls:	<b>3</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>2</b>					<b>10</b>		
32. Insured Damage:	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>					<b>23</b>	<b>.46</b>	<b>.58</b>
34. Column 33 Line Totals:										<b>50</b>		
37. Appraised Production to Count: (from column 28)		38. Insured Damage (36 x 37)		39. Net Boxes or Bushels (37 - 38)		40. Uninsured Causes:		41. Appraised Production: (39 + 40)		42. Appraised Acres: (from column 11)		43. Per Acre Appraisal: (41 ÷ 42)
<b>Harvested</b>	<b>425.0</b>	<b>246.5</b>		<b>178.5</b>				<b>178.5</b>				
<b>Unharvest</b>												

44. Remarks:

**EXAMPLE WORKSHEET FOR HARVESTED APPRAISAL WITH QUALITY ADJUSTMENT**

<b>PART VI - SIGNATURES:</b>					
45. Adjuster's Signature and Code Number: <b>I. M. Adjuster XXXXX</b>					Date: <b>MM/DD/YYYY</b>
46. Insured's Signature: <b>I. M. Insured</b>					Date: <b>MM/DD/YYYY</b>

## **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 any of the insured’s requirements under the notice and claim provisions of the policy have been met. If any 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:

<b><u>Item No.</u></b>	<b><u>Information Required</u></b>
1.	<b>Crop/Code #:</b> “Apples” (0054).
2.	<b>Unit #:</b> Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
3.	<b>Legal Description:</b> 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., May 10).
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. 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:** Four-digit 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. 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/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.” Refer to the LAM for further information regarding companion contracts.
  - (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.

**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. Refer to the Narrative instructions. Enter the applicable two-digit code for first crop and second crop. In the margin of the last line entry 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. Refer to the LAM or CIH for acreage measurement instructions specific to perennial crops.

**FINAL:** MAKE NO ENTRY.

- C. **Final Acres:** Refer to the LAM or CIH for definition of acceptable determined acres for perennials crops used herein.

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

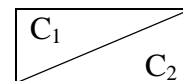
- a. Put to other use without prior consent.
- b. Abandoned.
- c. Damaged by uninsured causes.
- d. For which the insured failed to provide acceptable records of production.
- e. From which production was sold by direct marketing if the insured failed to meet the requirements contained in the crop provisions.

**FINAL:** Determined acres to tenths.

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.

- C<sub>1</sub> Enter the ACTUAL acres for the orchard or suborchard.  
C<sub>2</sub> Enter the REPORTED acres for the orchard or suborchard.



- D. **Interest or Share:** Insured’s interest in the 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” or “High Risk Area” 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 instructions. Refer to the LAM. 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.

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, 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 “Intended Use” abbreviations.



<u>USE</u>	<u>EXPLANATION</u>
“Bulldozed,” etc...	Use made of acreage
“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:**

- a. Per-acre appraisal in boxes/bushels to tenths of POTENTIAL production for the acreage appraised. Refer to the appraisal methods and applicable appraisal worksheet instructions.
- b. If there is no potential on “UH” acreage, enter “0.”

K<sub>1</sub>-L. MAKE NO ENTRY.

**M. +Uninsured Cause: EXPLAIN IN THE NARRATIVE.**

- a. Hail and fire exclusion NOT in effect.
  - (1) Enter NOT LESS than the insured’s production guarantee per acre in boxes/bushels, rounded to tenths for the line, (calculated by multiplying the elected coverage level percentage times the approved APH yield per acre shown on the APH form), for “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 boxes/bushels, to tenths for any such 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.
- d. For fire losses, if the insured also has other fire insurance (double coverage), refer to the LAM.

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

- O. **Total to Count:** Column “C” or “C<sub>1</sub>” (**actual acres**) times column “N,” results in boxes/bushels to tenths.
- P. **Per Acre:** Per-acre Guarantee - Enter the per-acre production guarantee from the insured’s policy.
- Q. **Total:** Column “C<sub>2</sub>” (**reported acres**; “C” if acreage is not under-reported) times column “P,” results in boxes/bushels to tenths.

16. **Total Acres:**

**PRELIMINARY:** MAKE NO ENTRY.

**FINAL:** Total actual acres (column “C” [or “C<sub>1</sub>” if there are under-reported acres]), to tenths.

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, column “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 was 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, column “O,” and/or any production not included in Section II, column “I” or columns “B” through “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 column 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.

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, column “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) 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.
- (2) 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.
- (3) 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 columns “B” through “E.”
- (4) If additional lines are necessary, the data may be entered on a continuation sheet. If production has been commingled, refer to the LAM. 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 columns “A” through “S” by type.
- (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/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).
- (7) 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.

A<sub>1</sub>.      **Share:** RECORD ONLY VARYING SHARES on SAME unit, to three decimal places.

A<sub>2</sub>.      **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, column “A”).
- c. Enter the applicable two-digit code for first crop and second crop.

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

- B. - E. **Buyer, Packing House, or Processor:** For production sold, enter the name and address of the Buyer, Packing House, or Processor, as applicable. For apples otherwise disposed of, indicate method of disposition.
- F. - H. MAKE NO ENTRY.
- I. **Bu., Ton, Lbs., Cwt.:** As applicable, circle “Bu.” or line through Bu., Ton, Lbs., Cwt. and enter “Boxes” and circle “Boxes” in column heading. Production in boxes/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 that is sold or stored, do NOT list processing apples that have already been accounted for by a FIRST handler.
  - b. Under ANY coverage, include any production that is sold from the unit, that is not accounted for on a worksheet (harvested separately).
  - c. Under optional coverage, all harvested fresh apple production that is sold as U.S. Fancy or better (or other applicable grade(s) listed in the Special Provisions) is production to count. Document such production on a separate line and explain in the “Narrative” (refer to subsection 4 E, herein).
- J. - M<sub>2</sub>. MAKE NO ENTRY.
- N. **Adjusted Production:** Transfer entry from column “T” in boxes/bushels to tenths.
- O. **Production not to Count:** Net production NOT to count in boxes/bushels to tenths WHEN ACCEPTABLE RECORDS IDENTIFYING SUCH PRODUCTION ARE AVAILABLE, from harvested acreage which has been assessed an appraisal of not less than the guarantee per acre or from other sources (e.g., other units or uninsured acreage).  
  
THIS ENTRY MUST NEVER EXCEED PRODUCTION SHOWN ON THE SAME LINE.  
EXPLAIN ANY “PRODUCTION NOT TO COUNT” IN THE “NARRATIVE.”
- P. **Production:** Result of subtracting the entry in column “O” from column “N” in boxes/bushels to tenths.
- Q<sub>1</sub>-R. MAKE NO ENTRY.
- S. **Production to Count:** Transfer entry from column “P.”

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 boxes/bushels to tenths.

23. **Section I Total:**

**PRELIMINARY:** MAKE NO ENTRY.

**FINAL:** Enter figure from Section I, column "O" total, in boxes/bushels to tenths.

24. **Unit Total:**

**PRELIMINARY:** MAKE NO ENTRY.

**FINAL:** Total of column 22 and 23 in boxes/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. 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. 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>May 10</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>A</i> <i>M/D NS</i>		<i>5.0</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>112</i>	<i>UH</i>	<i>UH</i>	<i>61.2</i>				<i>61.2</i>	<i>306.0</i>	<i>200.0</i>	<i>1,000.0</i>	
<i>B</i> <i>M/D NS</i>		<i>15.0</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>111</i>	<i>H</i>	<i>H</i>							<i>200.0</i>	<i>3,000.0</i>	
16 TOTAL		<i>20.0</i>												17 TOTALS	<i>306.0</i>	<i>4,000.0</i>	

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

**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 <small>(H x J x K2 x L2 x M2)</small>	Prod. Not to Count	Production (N - O)	Value Mkt. Price	Quality Factor (Q1 ÷ Q2)	Production to Count (P x R)	
<i>NS</i>	<i>Acme Apple Packers</i> <i>Anytown, Anystate</i>							<i>500.0</i>					<i>500.0</i>		<i>500.0</i>			<i>500.0</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.

25 Adjuster's Signature <i>I. M. Adjuster XXXXX</i>	Code #	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		<i>MM/DD/YYYY</i>	Final Inspection	<i>MM/DD/YYYY</i>

22 Section II Total *500.0*  
23 Section I Total *306.0*  
24 Unit Total *806.0*

27 Page *1* of *1*



## 9. REFERENCE MATERIAL

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**TABLE A - MINIMUM REPRESENTATIVE SAMPLE REQUIREMENTS**

<b>Number of Acres:</b>	<b>Select:</b>
<b>10.0 or less</b>	<b>The lesser of 5 trees or 5% of the number of trees in the orchard (rounded to the nearest whole tree).</b>
<b>10.1 to 100.0</b>	<b>5 trees plus 1 tree per additional 10.0 acres.</b>
<b>100.1 or more</b>	<b>14 trees plus 1 tree per additional 100.0 acres.</b>

**TABLE B - NUMBER OF TREES PER ACRE**

		DISTANCE BETWEEN TREES (In Feet)																																	
		5	6	7	8	9	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			
5	1724	1452	1245	1089	968	871	792	726	670	622	581	545	512	484	459	436	415	396	379	363	348	335	323	311	300	290	281	272	264	256	249				
6		1210	1037	908	807	726	660	605	558	519	484	454	427	403	382	363	346	330	317	303	290	279	269	259	250	242	234	227	220	214	207				
7			889	778	691	622	566	519	479	444	415	389	366	346	328	311	296	283	271	259	249	239	230	222	215	207	201	194	189	183	178				
8				681	605	545	495	454	419	389	363	340	320	303	287	272	259	248	237	227	218	209	202	194	188	182	176	170	165	160	156				
9					538	484	440	403	372	346	323	303	285	269	255	242	230	220	210	202	194	186	179	173	167	161	156	151	147	142	138				
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 to tenths into 43,560 sq. ft. per acre (round to the nearest whole number). **EXAMPLE:** 6.5 ft. x 10.0 ft. = 65.0 sq. ft., then 43,560 ÷ 65.0 = 670 trees per acre.

**TABLE C - 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

Average Percent	Adjusted Percent
43	49
44	52
45	55
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

Use this table when the insured has elected the optional coverage for quality adjustment option. Use the factors in the “Average Percent” column to determine the entry for column 36 - Adjusted % on the appraisal worksheet.

**EXAMPLE:** If the Avg. % is 46, use the above table to find 46 in the Average Percent column and the corresponding Adjusted Percent which is 58. Enter “46” as the Avg. % and “58” as the Adj. % on the appraisal worksheet.

# APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES

## A. GENERAL INFORMATION

- (1) Insurance Providers can use this appraisal worksheet to document unharvested and harvested appraisals made on insured acreage that is covered by either basic or optional coverage.
- (2) Use this appraisal worksheet to appraise any potential production that will be left unharvested, sold by direct marketing, for conflict of interest appraisals, or for quality adjustment appraisals (refer to the LAM for additional information).
- (3) If there is more than one orchard in a unit, complete a separate appraisal worksheet for each orchard. Use extra worksheet pages if necessary.
- (4) Record harvested and unharvested acreage on separate appraisal worksheets.
- (5) Record fresh and processing production on separate appraisal worksheets.

## B. WORKSHEET ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

**Item No.**

**Information Required**

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

**Claim Number:** Claim number as assigned by the insurance provider.

### PART I - HEADING

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. **Crop Year:** Four-digit crop year, as defined in the policy, for which the claim is filed.
4. **Unit No.:** 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:

## EXHIBIT 1

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 worksheet for each variety with such variability.
6. **Type:** Enter applicable type code as specified in the Special Provisions (e.g., “111,” “112,” “113,” “114,” etc.).
7. **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.
8. **Orchard/Block ID:** The orchard identification symbol from a sketch map, aerial photograph, or orchard inspection form after verification.
9. **Damage:**
  - a. **Cause:** Name of the insured cause(s) of loss as listed in the LAM.
  - b. **Date(s):** First three letters of the month during which MOST of the insured unit damage (including progressive damage) occurred for each inspection. Include the SPECIFIC DATE where applicable as in the case of hail damage (e.g., May 10).
10. **Unit Acres:** Unit acres rounded to tenths.
11. **Appraised Acres:** Number of acres to tenths, for the variety listed in item 5.
  - a. Inspect harvested and unharvested acres on the SAME orchard separately.
  - b. Complete a separate appraisal worksheet when unit acreage contains both unharvested and harvested potential production. Identify appraised acreage as either “UH” - unharvested or “H” - harvested, as applicable (e.g., 5.0 “UH,” 12.0 “H” etc.).
12. **No. of Trees per Acre:** The actual number of producing trees per acre. Refer to **TABLE B** if there is a 100% stand or determine the number of trees by count if less than 100% stand.
13. **Total No. of Trees:** Column 11 times column 12, results in whole trees.
14. **Unit of Measure:** Check either “Box” or “Bushel” as applicable. For production in any other unit of measure (e.g., lugs, field boxes, etc.) convert to boxes/bushels, as applicable and explain in the “Remarks.”

### PART II - AVERAGE NUMBER OF APPLES PER SAMPLE TREE

15. **No. of Apples per Sample:** Enter the number of apples on each sample tree, include apples that meet or exceed the applicable grade standards, and apples damaged by insured and uninsured causes. Make fruit counts after all chemical and hand thinning has been completed. Use a sketch map to identify the location of all sample tree in the orchard.

## EXHIBIT 1

16. **Total Apples:** Total number of all sample **apples** from column 15 entries.
17. **No. of Sample Trees:** The total number of **samples** from column 15.
18. **Avg. No. of Apples per Tree:** Column 16 divided by column 17, results rounded to tenths.

### PART III - NUMBER OF APPLES PER BOX/BUSHEL/OTHER

19. **No. of Apples per Box/Bushel per Sample Tree:** Enter the applicable number of apples per box/bushel. Refer to subsection 5 B, herein.
20. **Total Apples:** Total number of **apples** in column 19.
21. **No. of Sample Trees:** Total number of **samples** in column 19.
22. **Avg. No. of Apples per Box/Bushel:** Column 20 divided by column 21, results rounded to tenths.

### PART IV - PRODUCTION TO COUNT CALCULATIONS

23. **Avg. No. of Apples per Tree:** Transfer entry from column 18.
24. **Avg. No. of Apples per Box/Bushel:** Transfer entry from column 22.
25. **No. of Boxes/Bushels per Tree:** Column 23 divided by column 24, results rounded to three-decimal places.
26. **No. of Trees per Acre:** Transfer entry from column 12.
27. **No. of Boxes/Bushels per Acre:** Column 25 times column 26, results rounded to tenths. For early season appraisals, no further calculations are necessary. Transfer this entry to section I, column J - "Appraised Potential" on the claim form.
28. **Appraised Acres:** Transfer entry from column 11.
29. **Appraised Production to Count:** Column 27 times column 28, results rounded to tenths.

### PART V - REPRESENTATIVE SAMPLES

Check either "Basic Coverage" or "Optional Coverage" as applicable.

30. **Sample Number:** MAKE NO ENTRY. Sample numbers are pre-printed on the appraisal worksheet.
31. **No. of Apples per Sample:** Select at least 10 representative sample apples for grading or quality adjustment. It is recommended but not required to use 30 or more representative apples for the sample (a larger sample size provides a more accurate grade determination).
32. **Uninsured Damage:** Count and tally the number of apples in each sample that are damaged by uninsured causes.

## EXHIBIT 1

33. **Processing or better:** Count and tally the number of apples in each sample that grade U.S. No. 1 Processing or better.
34. **Fancy or better:** For optional coverage only, from the apples in each sample that graded at least U.S. No. 1 Processing or better in item 33 above, count and tally the number of apples in each sample that grade U.S. Fancy, or other grade(s) listed in the Special Provisions, or better.
35. **Line Total:** Separately total the number of all representative sample apples in line 31, 32, 33, and 34.

### PART VI - APPRAISAL CALCULATIONS

Items 36 through 42 instructions are for calculating the APH Yield per Acre.

36. **Appraised Production to Count:**
- a. **Unharvested Appraisals:** Transfer entry from item 29 above.
  - b. **Harvested Appraisals:** Enter the amount of gross harvested production from the processor/packing house delivery records.
37. **No. of Apples to Count:** Transfer entry from column 35(c).
38. **Total No. of Apples all Samples:** Transfer entry from column 35(a).
39. **Percent Processing:** Item 37 divided by item 38, round results to tenths, recorded as a decimal percent (e.g., 0.347).
40. **APH Yield:** Item 36 multiplied by item 39, results rounded to tenths.
41. **Appraised Acres:** Transfer entry from item 11.
42. **APH Yield per Acre:** Item 40 divided by item 41, results rounded to tenths. This amount applies to the acreage being appraised and is not necessarily reflective of the entire unit.

Items 43 through 51 instructions are for calculating appraisals for acreage insured under basic and optional coverage.

43. **Appraised Production to Count:**
- a. **Unharvested Appraisals:** Transfer entry from item 29 above.
  - b. **Harvested Appraisals:** Enter the amount of gross harvested production from the processor/packing house delivery records.
44. **No. Apples to Count:** Calculate the number of apples to count as follows.
- a. **Basic Coverage:** Item 35(b) plus item 35(c).

## EXHIBIT 1

- b. **Optional Coverage:** Item 35(b) plus item 35(d).
45. **Total No. of Sample Apples:** Transfer entry from item 35(a).
46. **% Meeting Grade:** Item 44 divided by item 45, results rounded to tenths, recorded as a decimal percent (e.g., 0.213).
47. **Actual % Damage:** Subtract item 46 from 1.000 (e.g.,  $1.000 - 0.213 = 0.787$ ).
48. **Quality Adj. %:** For optional coverage only. Calculate as follows:
- If Column 47 Average % of insured damage is 20 percent or less, enter “.00.”
  - If Column 47 Average % of insured damage is greater than 20 percent but less than 65 percent, enter the “Quality Adjusted %” from **TABLE C**. (e.g., Column 47 % equals .42, and the corresponding value from **TABLE C** equals 46, enter “.46”.)
  - If Column 47 Average % of insured damage is 65 percent or more: Enter “1.00.”
49. **Undamaged %:** Calculate the undamaged % as follows.
- Basic Coverage: Transfer entry from item 46.
  - Optional Coverage: Subtract item 48 from 1.000 (e.g.,  $1.000 - 1.000 = 0$ ).
50. **Undamaged Production:** Item 43 multiplied by item 49, results rounded to tenths. For harvested production appraisals only, transfer this entry to section II, column I - Bu., Ton, Lbs., CWT on the claim form.
51. **Appraised Production per Acre:** For unharvested appraisals only, item 50 divided by item 11, appraised acreage, results rounded to tenths.
52. **Remarks:**
- Use a sketch map that identifies the orchard boundaries and locations of representative sample trees.
  - Enter any additional pertinent information about this appraisal such as any production damaged by uninsured causes, provided there are acceptable records of such production.
  - Note the bin-to-field box or bushel ratio, weight per bushel, and any calculations used to convert production to boxes/bushels.
  - Document the date representative samples were taken if harvest is NOT complete (i.e., worksheet and claim are to be completed at a later date).
  - List and identify any uninsured cause(s) of damage or loss.
  - Note any differences between unit acres and appraised acres.
  - Identify the location of any damaged acreage harvested before appraisals were conducted.
  - Explain and identify any voluntary destruction (e.g., tree removal, etc.) of any orchard acreage.



## EXHIBIT 1

- i. Attach any reference materials that identify the orchard (i.e., aerial photographs, sketch maps, etc.).
- j. Document circumstances of any conflict of interest appraisals.

53. **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 claim form.

54. **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.

55. **Pg \_\_\_ of \_\_\_:** Page number - (Example: Page 1 of 1, Page 2 of 2, etc.).

**EXHIBIT 1**

**(Company Name) APPLE APPRAISAL WORKSHEET  
(For Information Purposes Only)**

Claim Number:

**PART I - GENERAL INFORMATION**

1. Insured's Name		2. Policy No.:	3. Crop Year:	4. Unit No.:	5. Variety Name:	6. Type:	7. Practice:	8. Orchard/Block ID:
9. Damage: Cause: _____ Date: _____		10. Unit Acres:	11. Appraised Acres:	12. No. of Trees/Acres	13. Total No. Trees:	14. Unit of Measure: Boxes <input type="text"/> Bushels <input type="text"/>		

**PART II - AVERAGE NUMBER OF APPLES PER SAMPLE TREE:**

15. No. of Apples per Sample Tree:				16. Total Apples	17. No. of Sample Trees	18. Avg. No. of Apples per Sample Tree (16 ÷ 17)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	÷	=	

**PART III - NUMBER OF APPLES PER BOX/BUSHEL:**

19. No. of Apples per Box/Bushel per Sample Tree:				20. Total Apples	21. No. of Sample Trees	22. Avg. No. of Apples per Box/Bushel
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	÷	=	

**PART IV - PRODUCTION TO COUNT CALCULATIONS:**

23. Avg. No. of Apples per Sample Tree (from item 18)	24. Avg. No. of Apples per Box/Bushel (from item 22)	25. No. of Boxes/Bushels per Tree (23 ÷ 24)	26. No. of Trees per Acre (from item 12)	27. No. of Boxes/Bushels per Acre (25 x 26)	28. Appraised Acres (from item 11)	29. Appraised Production to Count (27 x 28)
÷	=	X	=	X	=	

**PART V - REPRESENTATIVE SAMPLES:**

Basic Coverage: <input type="checkbox"/>	30. Sample Number										35. Line Total
Optional Coverage: <input checked="" type="checkbox"/>	1	2	3	4	5	6	7	8	9	10	
31. No. of Apples per Sample:	30	30	30	30	30						(a) 150
32. Uninsured Damage:	0	4	0	0	0						(b) 4
33. Processing or better	12	7	11	10	12						(c) 52
34. Fancy or better	4	7	6	5	6						(d) 28

**PART VI - APPRAISAL CALCULATIONS:**

	36. Appraised Production to Count (from item 29)	37. No. of Apples to Count (35(c))	38. Total No. of Apples all Samples (35(a))	39. Percent Processing (37 ÷ 38)	40. APH Yield (36 x 39)	41. Appraised Acres (from item 11)	42. APH Yield per Acre (40 ÷ 41)		
<b>APH Yield:</b>	567.0	52	150	0.347	196.7	5.0	39.3		
	43. Appraised Production to Count (from item 29)	44. No. Apples to Count Basic: (35(b) + 35(c)) Optional: (35(b) + 35(d))	45. Total No. of Sample Apples (35(a))	46. % Meeting Grade (44 ÷ 45)	47. Actual % Damage (1.000 - item 46)	48. Quality Adj. % (from TABLE C)	49. Undamaged % (1.000 - item 46 or 48)	50. Undamaged Production	51. Appraised Production/A. (50 ÷ 11)
<b>Basic Coverage Appraisals:</b>									
<b>Optional Coverage Appraisals:</b>	567.0	32	150	0.213	0.787	1.00	0.0	0.0	

**PART VII - REMARKS AND SIGNATURES:**

52. Remarks:

**EXAMPLE OPTIONAL COVERAGE HARVESTED APPRAISAL**

53. Adjuster's Signature & Code #: <i>I. M. Adjuster XXXXX</i>	Date: <i>MM/DD/YYYY</i>	54. Insured's Signature: <i>I. M. Insured</i>	Date: <i>MM/DD/YYYY</i>
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55. Pg. 1 of 1

