

United States
Department of
Agriculture



Federal Crop Insurance
Corporation

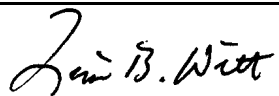


Product
Development
Division

FCIC-25090 (12-2003)
FCIC-25090-1 (11-2004)
FCIC-25090-2 (11-2005)

AUP & ELS COTTON LOSS ADJUSTMENT STANDARDS 2006 and Succeeding Crop Years

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

FEDERAL CROP INSURANCE HANDBOOK	NUMBER: 25090 (12-2003) 25090-1 (11-2004) 25090-2 (11-2005)
SUBJECT: AUP & ELS COTTON LOSS ADJUSTMENT STANDARDS HANDBOOK 2006 AND SUCCEEDING CROP YEARS	OPI: Product Development Division
	APPROVED:  Deputy Administrator, Research and Development
	DATE: October 31, 2005

THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-APPROVED LOSS ADJUSTMENT STANDARDS FOR THESE CROPS FOR THE 2006 AND SUCCEEDING CROP YEARS. IN THE ABSENCE OF INDUSTRY-DEVELOPED, FCIC-APPROVED PROCEDURE FOR THIS CROP FOR 2006 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 Crop Year 2006 (FCIC-25090-2) issued NOVEMBER 2005:

- A. Removed all references to "NOTE" from slipsheeted pages of the handbook.
- B. Page 1, subsection 2 A: Updated instructions with standard language to say, "The following is the minimum distribution of forms completed by the adjuster and signed by the insured (or insured's authorized representative) for the loss adjustment inspection:"
- C. Page 2, subsection 3 A (2): Revised instructions to say, "In addition to the provisions of section 9 (Insurable Acreage) of the Basic Provisions:"... for greater accuracy. Also restructured instructions for greater clarity.
- D. Page 3, subsection 3 B: Updated instructions with standard language to say, "Refer to the CIH and LAM for provisions and procedures not applicable to CAT."
- E. Page 3, section 4: Updated referenced section of the handbook.

AUP & ELS COTTON LOSS ADJUSTMENT HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

- F. Page 3, subsection 5 A: Updated instructions with standard language to say, “Potential production for all types of inspections will be appraised in accordance with procedures specified in this handbook and the LAM.”
- G. Page 4, subsection 5 B (3): Updated instructions with standard language to say, “Appraise each field or subfield separately.”
- H. Page 4, subsection 5 B (4): Updated instructions with standard language to say, “Take not less than the minimum number (count) of representative samples as required in TABLE A for each field or subfield.”
- I. Page 25, subsection 6 C (4) (g) 1: Added instructions to refer to definitions for AUP Picker cotton and AUP Stripper cotton in Exhibit 1.
- J. Page 32, subsection 8 B: Updated instructions with standard language to say, “Name of insurance provider, if not preprinted on the worksheet (Company Name).”
- K. Page 33, subsection 8 B, item 5: Updated instructions for Field Number to be consistent with standard language.
- L. Page 55, subsection 9 B, Section I – Acreage Appraised, Production And Adjustments, item C: Removed term “solely” from instructions because this was incorrect.
- M. Page 55, subsection 9 B, Section I – Acreage Appraised, Production And Adjustments, item E: Updated instructions for Risk to be consistent with standard language.
- N. Page 62, subsection 9 B, Section II – Harvested Production, item A₂: Updated instructions for Field ID to be consistent with standard language.
- O. Page 69, section 10, Table A: Replaced table with standard table.
- P. Page 98, section 10, Exhibit 5, number 5 (B): Added clarifying instructions to say when the applicable difference for a staple length is not shown on the applicable Daily Spot Cotton Quotations chart, the adjuster will use the actual market price for the staple length not shown on the DSCQ.
- Q. Page 110, section 10, Exhibit 5, number 7 A (2): Added clarifying instructions to say when the applicable difference for a staple length is not shown on the applicable Daily Spot Cotton Quotations chart, the adjuster will use the actual market price for the staple length not shown on the DSCQ.
- R. Page 110, section 10, Exhibit 5, Number 7 B: Added instructions stating for any ELS cotton acreage replanted to AUP cotton, use the AUP quality adjustment procedures. If AUP cotton is replanted, identify in the Narrative the line(s) applicable to ELS and AUP cotton.

AUP & ELS COTTON LOSS ADJUSTMENT HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

- S. Page 117, section 10, Exhibit 6, number 2, item 1: Updated instructions for Insured's Name to be consistent with standard language.
- T. Page 117, section 10, Exhibit 6, number 2, item 3: Updated instructions for Unit Number to be consistent with standard language.

AUP & ELS COTTON LOSS ADJUSTMENT HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

Control Chart For: AUP & ELS Cotton Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive No.
Remove	1-6		1-4		11-2004	FCIC-25090-1
			25-26		11-2004	FCIC-25090-1
			31-34		12-2003	FCIC-25090
			55-56		12-2003	FCIC-25090
			61-62		12-2003	FCIC-25090
			69-70		11-2004	FCIC-25090-1
			97-98		12-2003	FCIC-25090
			109-110		12-2003	FCIC-25090
			117-118		12-2003	FCIC-25090
			Insert		1-6	
25-26	11-2005	FCIC-25090-2				
31-34	11-2005	FCIC-25090-2				
55-56	11-2005	FCIC-25090-2				
61-62	11-2005	FCIC-25090-2				
69-70	11-2005	FCIC-25090-2				
97-98	11-2005	FCIC-25090-2				
109-110	11-2005	FCIC-25090-2				
117-118	11-2005	FCIC-25090-2				
Current Index	1-6	1-4		1-4		
			5-8	12-2003	FCIC-25090	
			9-10	11-2005	FCIC-25090-2	
			11-24	12-2003	FCIC-25090	
			25-26	11-2005	FCIC-25090-2	
			27-30	12-2003	FCIC-25090	
			31-34	11-2005	FCIC-25090-2	

AUP & ELS COTTON LOSS ADJUSTMENT HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

			35-42		12-2003	FCIC-25090
			43-50		11-2004	FCIC-25090-1
			51-52		12-2003	FCIC-25090
			53-54		11-2004	FCIC-25090-1
			55-56		11-2005	FCIC-25090-2
			57-60		12-2003	FCIC-25090
			61-62		11-2005	FCIC-25090-2
			63-66		12-2003	FCIC-25090
			67-68		11-2004	FCIC-25090-1
				69-70	11-2005	FCIC-25090-2
				71-72	11-2004	FCIC-25090-1
				73-74	12-2003	FCIC-25090
				75-76	11-2004	FCIC-25090-1
				77-88	12-2003	FCIC-25090
				89-92	11-2004	FCIC-25090-1
				93-96	12-2003	FCIC-25090
				97-98	11-2005	FCIC-25090-2
				99-100	11-2004	FCIC-25090-1
				101-102	12-2003	FCIC-25090
				103-104	11-2004	FCIC-25090-1
				105-108	12-2003	FCIC-25090
				109-110	11-2005	FCIC-25090-2
				111-112	12-2003	FCIC-25090
				113-114	11-2004	FCIC-25090-1
				115-116	12-2003	FCIC-25090
				117-118	11-2005	FCIC-25090-2
				119	12-2003	FCIC-25090

AUP & ELS COTTON LOSS ADJUSTMENT HANDBOOK
SUMMARY OF CHANGES/CONTROL CHART (Continued)

(RESERVED)

1. INTRODUCTION

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

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 (or insured's authorized representative) for the loss adjustment inspection:

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

It is the insurance providers' 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 **AUP** and **ELS** cotton loss adjustment and this handbook, which are not defined in this section, are defined either as they appear in the text or **EXHIBIT 1**.
- (3) Abbreviations:

AMS	Agricultural Marketing Service
AUP	American Upland Cotton
DSCQ	Daily Spot Cotton Quotation
ELS	Extra Long Staple Cotton
HVI	High Volume Instruments
UNR	Ultra-Narrow-Row
UNRC	Ultra-Narrow-Row Cotton

3. **INSURANCE CONTRACT INFORMATION**

The insurance provider is to determine that the insured has complied with all policy provisions of the insurance contract. **AUP** and **ELS** cotton 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 the cotton lint in the county, in which the insured has a share, for which premium rates are provided by the actuarial documents; and
 - (a) That is not (unless allowed by the Special Provisions or by a written agreement):
 - 1 Colored cotton lint (**AUP** only);
 - 2 Planted into an established grass or legume;
 - 3 Interplanted with another spring planted crop;
 - 4 Grown on acreage from which a hay crop was harvested in the same calendar year unless the acreage is irrigated; or
 - 5 Grown on acreage on which a small grain crop reached the heading stage in the same calendar year unless the acreage is irrigated or adequate measures are taken to terminate the small grain crop prior to heading and less than fifty percent (50%) of the small grain plants reach the heading stage.

Refer to **EXHIBIT 2**, Insurability of Non-irrigated Cotton Grown Under A Conservation Tillage Practice.

- (2) In addition to the provisions of section 9 (Insurable Acreage) of the Basic Provisions:
 - (a) the acreage insured will be ONLY the land occupied by the rows of cotton when a skip-row planting pattern is utilized.
 - (b) Any acreage of the insured crop damaged before the final planting date, to the extent that a majority of producers in the area would not normally further care for the crop, must be replanted unless the insurance provider agrees that it is not practical to replant. Refer to the LAM for replanting provision issues.
- (3) In lieu of section 11(b)2 of the Basic Provisions, insurance will end upon the removal of the cotton from the field.

B. PROVISIONS NOT APPLICABLE TO CAT COVERAGE

Refer to the CIH and LAM for provisions and procedures 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 the conditions stated in the applicable provisions are met.

D. QUALITY ADJUSTMENT

The production to count for mature cotton may be reduced as a result of a loss in quality when production has been damaged by insured cause(s). Refer to **EXHIBIT 5**, Using the Cotton Classification System for Quality Adjustment.

E. AUP AND ELS INSTRUCTION DESIGNATIONS

Instructions designated **AUP** will apply to American Upland cotton **ONLY**. Instructions designated **ELS** will apply to Extra Long Staple cotton **ONLY**. Undesignated instructions will apply to both **AUP** and **ELS** cotton.

4. REPLANTING PAYMENT PROCEDURES

There currently is no replant payment available for **AUP** or **ELS** cotton. Refer to section 3A(2)(b) for replanting requirements prior to the final planting date.

5. AUP AND ELS COTTON APPRAISALS

A. GENERAL INFORMATION

Potential production **for all types of inspections** will be appraised in accordance with procedures specified in this handbook and the LAM.

B. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS

- (1) Determine the minimum number of required samples for a field or subfield by the field size, average stage of growth, general capabilities of plants to recover, and variability of plant damage within the field or subfield.
- (2) Split the field into subfields when:
 - (a) variable damage causes the crop potential to appear to be significantly different within the same field, or

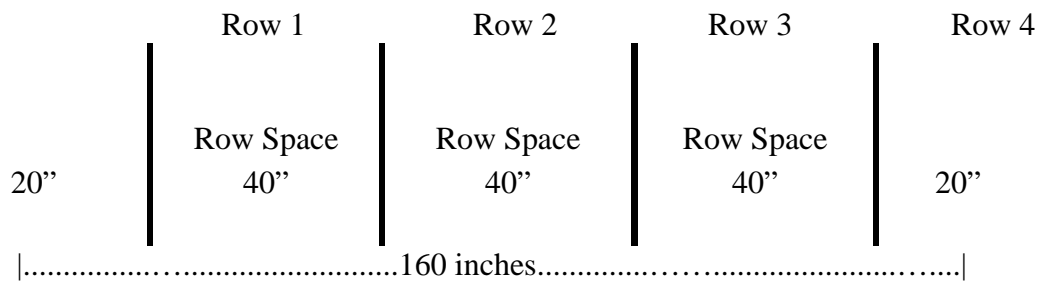
- (b) the insured wishes to destroy part of a field.
- (3) Appraise each **field or** subfield separately.
- (4) Take not less than the minimum number (count) of representative samples as required in **TABLE A for each field or subfield.**

C. MEASURING ROW WIDTH FOR SAMPLE SELECTION

Use these instructions when the selection of the representative sample is based on row width.

- (1) Use a measuring tape marked in inches or convert a tape marked in tenths, to inches, to measure row width (refer to the LAM for conversion table).
- (2) Measure across **FOUR OR MORE** rows, from the center of the first row space to the center of the fifth row space (or as many rows as needed), and divide the result by the number of rows measured across, to determine an average row width in whole inches.

EXAMPLE:



$$160 \text{ inches} \div 4 \text{ rows} = 40 \text{ inches average row width}$$

- (3) When the planting pattern is a skip-row pattern, measure across the pattern and divide the total distance by the number of rows measured across, to determine “average row width” in whole inches.

(e) Factor Charts for Plants Partially Destroyed

- 1 Determine if the **AUP** cotton is a “Picker” or “Stripper” type cultivar. Refer to Definitions for **AUP** Picker Cotton and **AUP** Stripper Cotton in **EXHIBIT 1**.
- 2 Select the Plants Partially Destroyed Factor Chart for the type cultivar and the state, if applicable, from section 10 using the instructions below.

Select the factor chart based on the plant cultivar characteristics **NOT** the method of harvesting.

IF the cotton is...	AND the state is...	USE...
AUP “Picker”	California or Arizona	TABLE E
AUP “Picker”	any state except California or Arizona	TABLE F
AUP “Stripper”		TABLE G
ELS		TABLE M

- 3 Find the factor for plants cut-off above the cotyledonary node through eighteenth node from the table where the **Stage of Growth** at date of damage (horizontal line) intersects the **Cut-Off Symbol** (vertical line).

(f) Counting the Number of Fruiting Limbs Destroyed

- 1 Select every third plant from the 30-plant sample until 10 plants have been selected. Save the sample to account for bolls and locks destroyed.
- 2 Account for hail damage to fruiting limbs by counting the number of **fruiting limbs destroyed**.
- 3 Round the actual number counted to the nearest number divisible by 5. Use the rounded figure to select the percent-of-loss for the number of limbs destroyed from the applicable chart for **AUP** or **ELS**.

EXAMPLE: 18 fruiting limbs destroyed, rounded to 20; or 17 fruiting limbs destroyed, rounded to 15.

- 4 Select the applicable factor chart for **AUP** or **ELS** using the instructions in item (g) below.

(g) Factor Charts for Number of Fruiting Limbs Destroyed

- 1 Determine if the **AUP** cotton is a “Picker” or “Stripper” type cultivar. Refer to definitions for **AUP** Picker cotton and **AUP** Stripper cotton in **Exhibit 1**.
- 2 Select the applicable Number of Limbs Destroyed Percent-of-Loss Chart, from section 10, for the type cultivar and the state using the following instructions.

Select the factor chart based on the plant cultivar characteristics **not** the method of harvesting and, if applicable, the number of plants counted (including both “live” and destroyed plants) in the original stand.

IF the cotton is...	AND the state is...	THEN...	IF the original stand...	USE...
AUP “Picker”	California or Arizona			TABLE H
AUP “Picker”	any state except California or Arizona	Count the plants in 10 feet of sample row to find the original stand.	was 40 plants or less	TABLE I
			exceeded 40 plants	TABLE J
AUP “Stripper”				TABLE K
ELS				TABLE N

- 3 Find the percent-of-loss factor for the rounded Number of Limbs Destroyed from the chart where the **Number of Limbs Destroyed - 10 Plants** line (vertical) intersects the **Stage of Growth** at date of damage (horizontal line) for the sample.

(h) Counting the Number of Bolls and Locks Destroyed

Use the same 10-plant sample (used to determine the number of fruiting limbs destroyed) to account for the number of **bolts and locks destroyed** from hail if bolls have formed and boll damage has occurred.

- 1 Count the number of **small, large, and mature bolls** destroyed from the 10-plant representative sample.
- 2 Sample 5 or more bolls from the 10-plant representative sample to determine the average number of **locks per boll**. Refer to Cotton Boll Characteristics section 5D(4).
- 3 Cut open green bolls to count the number of locks destroyed.

(i) Plant Damage Computations

- 1 Record cut-off symbols, number of plants cut-off, number of limbs destroyed, number of small, large, and mature bolls, locks destroyed, and percent-of-loss factors for Plants Partially Destroyed in Part 1 - Plant Damage Computations section of the appraisal worksheet.
- 2 Compute the pounds per acre appraisal using the instructions in the Hail Damage Method - Reproductive Stage Damage of section 8.

IF the ELS cotton is planted...	THEN count the number of bolls per pound of lint cotton as...	AND use the number of bolls per pound factor of...
as two narrow rows, in a single bed of normal row width; or as single rows, with row spacing 16 inches or more apart (including drilled rows or other narrow row planting methods for UNRC)	400	4
with a drill or other narrow row planting methods for UNRC with row spacing less than 16 inches apart	450	4.5

- (e) Compute the pounds per acre appraisal using the instructions in the Boll Count Method - Reproductive Stage of section 8.

(7) Boll Count Computations

- (a) Pick and separate **damaged** and **undamaged** bolls in the sample. Count the **undamaged** bolls.
- (b) Pick and separate **all undamaged locks** from **damaged bolls**. Count the **undamaged** locks.
- (c) Cut open immature green and unopened bolls to determine **damaged** and **undamaged locks** in the sample. Count the **undamaged** locks.

Include immature green and unopened bolls **ONLY** if they would contribute lint cotton in a timely manner to the ultimate yield at the time of harvest.

- (d) Determine the average number of locks per boll in the sample, usually four or five locks for **AUP**, and three locks for **ELS**.
- (e) Divide the **undamaged** locks (total of items (b) and (c) above) by the average number of locks per boll, item (d), to arrive at an equivalent number of **undamaged** bolls. Round to a whole number.
- (f) Add the equivalent number of **undamaged** locks, item (e), to the number of **undamaged** bolls, item (a), to arrive at total bolls per sample.

EXAMPLE: Using 21 damaged and undamaged bolls with the average number of locks per boll of 4.

15 damaged bolls with 20 undamaged locks
 $20 \div 4$ locks per boll = 5 equivalent bolls

Undamaged bolls	6
<u>Equivalent bolls</u>	<u>5</u>
Bolls to count	11

7. APPRAISAL DEVIATIONS AND MODIFICATIONS

A. DEVIATIONS

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

B. MODIFICATIONS

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

8. APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES

A. GENERAL INFORMATION

- (1) Include the insurance provider's name in the appraisal worksheet title if not preprinted on the insurance provider's worksheet or when a worksheet entry is not provided.
- (2) Include the claim number on the appraisal worksheet (when required by the insurance provider), when a worksheet entry is not provided.
- (3) Separate appraisal worksheets are required for each unit appraised, and for each field or subfield that have a differing base (APH) yield or farming practice. Refer to section 5B for sampling requirements.

Standard appraisal worksheet items are numbered consecutively in section 8B. An example appraisal worksheet is also provided to illustrate how to complete entries.

B. WORKSHEET ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

Item

No.

Information Required

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

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

1. **Insured's Name:** Name of the insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.

2. **Policy Number:** Insured's assigned policy number.
3. **Unit Number:** Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
4. **Crop Year:** Crop year, as defined in the policy, for which the claim is filed.
5. **Field Number:** Field or subfield identification symbol.
6. **Loc./Farm Number:** FSA Farm Serial Number (FSN). If an FSN is not available, enter the location, section, township, and range or other appropriate identifier.
7. **Stage of Growth:** Identify the stage of growth on the date of damage. Refer to section 5D(2) for AUP cotton or 5D(3) for ELS cotton.
8. **No. Acres:** Number of determined acres, to tenths, in the field or subfield being appraised.

STAND REDUCTION METHOD

Refer to Selecting Representative Samples and Stages of Growth section 5, and section 6B for the Stand Reduction Method appraisal instructions.

Part I - Sample Determinations - Stand Reduction

One Square Yard Sample Method - Plants Per Square Yard

9. **Plants Per Square Yard:** Record the number of "live" plants counted in each selected representative sample.

Total: Add the number of "live" plants counted in all samples to determine the Total Plants Per Square Yard counted.

Average: Divide the Total plants counted by the number of samples taken, rounded to tenths, to determine the Average Plants Per Square Yard (bottom line of item 9).

10. **Percent Crop Remaining:** Divide the Average Plants Per Square Yard (bottom line of item 9) by 23 (standard plant population for drilled or other planting methods for UNRC), equals Average Percent of Crop Remaining, rounded to tenths.

If stand reduction is the **ONLY** damage to the unit, sampling is complete at this point. Omit items 13 through 43. Transfer results as a 3-place decimal fraction to Average Percent Crop Remaining (item 44) of Part II - Computations - Stand Reduction (ONLY) Method for all damage that causes stand reduction (from emergence until mature and for hail damage from emergence through VC stage and planted acreage with no emerged seed) and complete items 45 and 46.

When hail damage occurs in V1 through R12+ stage for **AUP** or V1 through R16+ stage for **ELS**, transfer results to Average Percent of Crop Remaining of Part III (item 47) for damage in the Vegetative Stage, or Part V (item 58) for damage in the Reproductive Stage.

100 Feet of Row Sample Method - Combined Length of Skips

11. **Combined Length of Skips in 100 Ft. of Row:** Record the Combined Length of Skips in 100 Ft. of Row (in feet, to tenths) of **all** skips for each selected representative sample.

Total: Add the Combined Length of Skips in 100 Ft. of Row for **all** samples to determine the Total Combined Length of Skips (in feet, to tenths).

Average: Divide the Total Combined Length of Skips for **all** samples by the number of samples taken, (in feet, to tenths) to determine the Average Combined Length of Skips in 100 Ft. of Row (bottom line of item 11).

12. **Percent Crop Remaining:** Subtract the Average Combined Length of Skips in 100 Ft. of Row (bottom line of item 11) from **100** (length of sample), rounded to tenths, to determine the Average Percent of Crop Remaining.

If stand reduction is the **only** damage to the unit, sampling is complete at this point. Omit items 13 through 43. Transfer results as a 3-place decimal fraction to Average Percent Crop Remaining (item 44) of Part II - Computations - Stand Reduction (**ONLY**) Method for **all** damage that causes stand reduction (from emergence until mature, and for hail damage from emergence through VC stage and planted acreage with no emerged seed) and complete items 45 and 46.

When hail occurs in the V1 through R12+ stage for **AUP** or V1 through R16+ for **ELS**, transfer results to Average Percent Crop Remaining of Part III (item 47) for damage in the Vegetative Stage, or Part V (item 58) for damage in the Reproductive Stage.

HAIL DAMAGE METHOD - VEGETATIVE STAGE DAMAGE

Refer to Selecting Representative Sample and Stages of Growth section 5, and Hail Damage Method section 6C for additional instructions. If stand reduction has occurred, complete the applicable Stand Reduction Method first to account for plants destroyed. Next complete Plant Damage Computations (items 19 through 26) to account for hail damage to “live” plants partially destroyed and transfer results for each representative sample to Gross Percent Partially Destroyed (item 13).

Part I - Sample Determinations - Vegetative Stages

13. **Gross Percent Partially Destroyed:** Result of transferring **% Loss** (item 26) for each representative sample in the Plant Damage Computations section.

Total: Add the **% Loss** entries for **all** samples, to determine the Total Gross Percent Partially Destroyed.

B. Preliminary Acres:

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

FINAL: MAKE NO ENTRY.

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

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

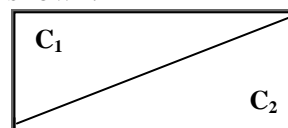
- a. Abandoned;
- b. Put to other use without consent;
- *** c. Damaged by uninsured causes;
- d. For which the insured failed to provide acceptable records of production; or
- e. On which the cotton stalks are destroyed prior to inspection.

FINAL: Determined acres to tenths.

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

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

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



D. Interest or Share: Insured’s interest in 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 the insurance provider’s 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 the appropriate 3-digit code number from the actuarial documents.

G. **Type/Class/Variety:** Three-digit code number entered exactly as specified on the actuarial documents, for the type grown by the insured. If “No Type Specified,” enter the appropriate 3-digit code number from the actuarial documents.

H. **Stage:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Stage abbreviation as shown below.

STAGE

EXPLANATION

“P”Acreage abandoned without consent, put to other use without consent, damaged solely by uninsured causes, stalks destroyed without consent, or for which the insured failed to provide records of production which are acceptable to the insurance provider.

“H”Harvested.

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

PREVENTED PLANTING: Refer to the Prevented Planting Handbook for proper codes for any eligible prevented planting acreage.

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

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

USE

EXPLANATION

“To soybeans,” etc.....Use made of the acreage.

“WOC”Other use without consent.

“SU”Solely uninsured.

“ABA”Abandoned without consent.

“H”Harvested and a claim **can** be completed at the time of the stalk inspection.

“H-Cut Stalks”Harvested and a claim **cannot** be completed at the time of the stalk inspection.

“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.”

- w. Record any new planting pattern established after the final planting date. Explain the cause of damage and the reason the insured chose to plant in a different planting pattern.
- x. Document any other pertinent information, including any data to support any factors used to calculate the production.

SECTION II - HARVESTED PRODUCTION

GENERAL INFORMATION:

- (1) **Account for** ALL HARVESTED PRODUCTION for **ALL ENTITIES** sharing in the crop. This includes **ALL** cotton retrieved from the ground by the use of a “Rudd” (brand name) or any other method.
- (2) There generally will be **NO** “harvested production” entries in Columns “A₁” through “N” for preliminary inspections.
- (3) If additional lines are necessary, the data may be entered on a continuation sheet.
USE SEPARATE LINES FOR:
 - (a) Separate disposition; e.g., bales, remnants, or unginned cotton.
 - (b) Varying determinations of production; e.g., prices and factors for quality adjustment.
 - (c) Varying shares; e.g., 50% and 75% shares on the same unit.
- (4) If there is harvested production from more than one insured practice and a separate approved APH yield has been established for each, the harvested production also must be entered on separate lines in **columns** “A₁” through “N” by practice. If production has been commingled, refer to the LAM.

Verify or make the following entries:

Item

No.

Information Required

18. **Date Harvest/Sale 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 either:

- (1) harvested,
 - (2) totally destroyed,
 - (3) put to other use,
 - (4) a combination of destroyed, put to other use, or harvested and the cotton (modules) removed from the field (unit), 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 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 farms in the area. If “No” is checked, explain in the Narrative.

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

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

A₂. **Field ID:** If only one practice of harvested production is listed in Section I, MAKE NO ENTRY.

If more than one **practice** of harvested production is listed in Section I, and a separate approved APH yield exists, indicate for each practice the corresponding Field ID (from Section I, item “A”).

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

B-E. Name of gin, town, and state where cotton was ginned.

F. **Quota, Non-Quota, Bale No.:** Make separate line entries to show the identification numbers when bales have varying quality adjustment factors, disposition, or share. Combine lines when bales have the same quality adjustment factors, disposition, and share.

10. REFERENCE MATERIAL

TABLE A MINIMUM REPRESENTATIVE SAMPLE REQUIREMENTS

ACRES IN FIELD	MINIMUM NO. OF SAMPLES
0.1 - 10.0	3
10.1 - 40.0	4
Add one additional sample for each additional 40.0 acres (or fraction thereof) in the field or subfield.	

TABLE B SINGLE ROW LENGTH FOR EACH SAMPLE

<u>Row Width</u>	<u>1/100 Acre</u>
42 inches.....	125 feet
40 inches.....	131 feet
38 inches.....	138 feet
36 inches.....	145 feet
34 inches.....	154 feet
32 inches.....	163 feet
30 inches.....	174 feet
28 inches.....	187 feet
26 inches.....	201 feet
24 inches.....	218 feet
22 inches.....	238 feet
20 inches.....	262 feet
18 inches.....	290 feet
16 inches.....	326 feet

TABLE C AUP “PICKER” TYPE COTTON: Vegetative Stages – Plants Partially Destroyed Factor Chart

STAGE OF GROWTH	CUT-OFF SYMBOL						
	CC	C1	C2	C3	C4	C5	C6
V1	25	15					
V2	30	25	15				
V3	40	30	20	10			
V4	45	35	25	15	10		
V5	50	40	30	20	15	10	
V6	55	45	35	25	20	15	10

TABLE D AUP “STRIPPER” TYPE COTTON: Vegetative Stages – Plants Partially Destroyed Factor Chart

STAGE OF GROWTH	CUT-OFF SYMBOL						
	CC	C1	C2	C3	C4	C5	C6
V1	30	20					
V2	40	30	20				
V3	50	40	30	20			
V4	60	50	40	30	20		
V5	70	60	50	45	35	25	
V6	85	75	65	60	50	40	40

EXHIBIT 5

USING THE COTTON CLASSIFICATION SYSTEM FOR QUALITY ADJUSTMENT

SOUTHEASTERN

All counties in the states of Alabama, Florida, Georgia, North Carolina and South Carolina; and all counties in the state of Tennessee east of and including Stewart, Houston, Humphreys, Perry, Wayne, and Hardin counties.

Although not issued as a part of the code of Federal Regulations, Agricultural Marketing Services includes the state of Virginia in the Southeastern spot market.

NORTH DELTA

All counties in the states of Arkansas and Missouri and all counties in Tennessee west of and including the counties of Henry, Benton, Henderson, Decatur, Chester, and McNairy counties; and the Mississippi counties of Alcorn, Benton, Calhoun, Chickasaw, De Soto, Grenada, Itawamba, Lafayette, Lee, Marshall, Monroe, Panola, Pontotoc, Prentiss, Tate, Tippah, Tishomingo, Union and Yalobusha.

SOUTH DELTA

All counties in the state of Louisiana and all counties in the state of Mississippi not included in the North Delta market.

EAST TEXAS AND OKLAHOMA

All counties in the state of Oklahoma and the Texas counties east of and including Montague, Wise, Parker, Erath, Comanche, Mills, San Saba, Mason, Sutton, Edwards, Kinney, Maverick, Webb, Zapata, Star, and Hidalgo counties.

Although not issued as a part of the code of Federal Regulations, Agricultural Marketing Services includes the state of Kansas in the East Texas and Oklahoma market.

WEST TEXAS

All Texas counties not included in the East Texas and Oklahoma, and Desert Southwest Markets; and the New Mexico counties of Union, Quay, Curry, Roosevelt, and Lea.

DESERT SOUTHWEST

The Texas counties of Val Verde, Crockett, Terrell, Pecos, Brewster, Presidio, Jeff Davis, Culberson, Hudspeth and El Paso, all New Mexico counties except those included in the West Texas market, all counties in the state of Arizona; and the California counties south of and including Riverside and Orange counties.

SAN JOAQUIN VALLEY

All California counties except those included in the Desert Southwest market.

EXHIBIT 5

USING THE COTTON CLASSIFICATION SYSTEM FOR QUALITY ADJUSTMENT

4. EXTRA LONG STAPLE SPOT MARKETS

The Daily Spot Cotton Quotation for American Pima cotton quotations include two markets, the San Joaquin Valley (California only) and the Desert Southwest for all other areas of the United States that grow American Pima cotton.

5. AMERICAN UPLAND COTTON QUALITY ADJUSTMENT PROCEDURE

Mature **white** cotton may be adjusted for quality when production has been damaged by insured causes and qualifies for quality adjustment. Production will be reduced if the price quotation for cotton of like quality (price quotation "A") for the applicable growth area is less than 85 percent of price quotation "B."

- A. Price quotation "B" is the price quotation for the applicable growth area for cotton of the color and leaf grade, staple length and micronaire reading designated in the Special Provisions for the county in which the cotton is insured (staple length and micronaire readings vary from county to county). Extraneous matter for this grade is zero.
- B. Price quotations "A" and "B" will be the price quotations contained in the DSCQ published by the USDA AMS on the date the last bale from the unit is classed. If the date the last bale is classed is not available the price quotations will be determined on the date the last bale from the unit is delivered to the warehouse, as shown on the producer's account summary obtained from the gin. **When the applicable difference for a staple length is not shown on the applicable Daily Spot Cotton Quotations chart, the adjuster will use the actual market price for the staple length not shown on the DSCQ.**

Colored cotton lint is **NOT** eligible for quality adjustment.

- C. When price quotation "A" for cotton of like quality **cannot** be determined from the DSCQ, obtain a price quotation from a local buyer within the local producing area; however, if a higher price is available from a buyer within a reasonable distance outside the local producing area, this price is to be used. Price quotation "A" obtained from a buyer **MUST** be quoted for the date stated in section 5B above. Document, in the Narrative of the TPC Production Worksheet, the name and phone number of the buyer from whom you obtained price quotation "A."

Record, on the Cotton Quality Adjustment Worksheet, the bale number in column 12, the bale weight in column 13, and price quotation "A" (Value per Pound) obtained from the buyer (in column 20). Calculate the factor using instructions for column 21.

EXHIBIT 5

USING THE COTTON CLASSIFICATION SYSTEM FOR QUALITY ADJUSTMENT

EXAMPLE B-3 (Continued)

EAST TEXAS-OKLAHOMA (Continued)

12-Oct-00

Color	Leaf	26-29	30	31	Staple	32	33	34	35	36	37	
13&23	1&2	-1150	-1075	-925	-825	-625	-525	-525	-525	-525	-525	
	3	-1150	-1075	-950	-850	-650	-550	-550	-550	-550	-550	
	4	-1225	-1100	-1025	-925	-750	-675	-675	-675	-675	-675	
	5	-1300	-1200	-1125	-1025	-850	-775	-775	-775	-775	-775	
	6	-1325	-1250	-1200	-1125	-975	-900	-900	-900	-900	-900	
	7	-1425	-1300	-1225	-1175	-1050	-975	-975	-975	-975	-975	
	33	1&2	-1175	-1125	-1000	-925	-725	-575	-575	-575	-575	-575
	3	-1175	-1125	-1000	-925	-725	-575	-575	-575	-575	-575	
	4	-1300	-1175	-1100	-1025	-850	-750	-750	-750	-750	-750	
	5	-1350	-1250	-1175	-1125	-950	-850	-850	-850	-850	-850	
	6	-1400	-1300	-1225	-1175	-1025	-950	-950	-950	-950	-950	
	7	-1450	-1375	-1325	-1250	-1125	-1025	-1025	-1025	-1025	-1025	
43	1&2	-1325	-1150	-1100	-1000	-775	-675	-675	-675	-675	-675	
	3	-1350	-1175	-1125	-1050	-875	-775	-775	-775	-775	-775	
	4	-1375	-1225	-1150	-1075	-950	-850	-850	-850	-850	-850	
	5	-1425	-1275	-1200	-1150	-1075	-950	-950	-950	-950	-950	
	6	-1450	-1350	-1300	-1250	-1125	-1025	-1025	-1025	-1025	-1025	
	7	-1500	-1425	-1375	-1325	-1175	-1075	-1075	-1075	-1075	-1075	
	53	1&2	-1400	-1225	-1175	-1100	-925	-825	-825	-825	-825	-825
	3	-1400	-1225	-1175	-1100	-925	-825	-825	-825	-825	-825	
	4	-1450	-1275	-1250	-1150	-1000	-925	-925	-925	-925	-925	
	5	-1500	-1300	-1275	-1175	-1125	-1050	-1050	-1050	-1050	-1050	
	6	-1525	-1425	-1375	-1275	-1225	-1150	-1150	-1150	-1150	-1150	
	7	-1575	-1475	-1425	-1325	-1300	-1225	-1225	-1225	-1225	-1225	
63	1&2	-1525	-1350	-1300	-1225	-1175	-1075	-1075	-1075	-1075	-1075	
	3	-1525	-1350	-1300	-1225	-1175	-1075	-1075	-1075	-1075	-1075	
	4	-1575	-1400	-1350	-1275	-1225	-1125	-1125	-1125	-1125	-1125	
	5	-1625	-1475	-1425	-1350	-1300	-1200	-1200	-1200	-1200	-1200	
	6	-1650	-1500	-1450	-1375	-1325	-1225	-1225	-1225	-1225	-1225	
	34	1&2	-1300	-1175	-1100	-1025	-900	-775	-775	-775	-775	-775
		3	-1300	-1175	-1100	-1025	-900	-775	-775	-775	-775	-775
	4	-1400	-1225	-1200	-1125	-975	-850	-850	-850	-850	-850	
	5	-1475	-1300	-1275	-1200	-1050	-950	-950	-950	-950	-950	
	6	-1575	-1400	-1375	-1300	-1150	-1050	-1050	-1050	-1050	-1050	
44	1&2	-1400	-1225	-1175	-1100	-1000	-900	-900	-900	-900	-900	
	3	-1425	-1250	-1200	-1150	-1050	-950	-950	-950	-950	-950	
	4	-1450	-1300	-1250	-1225	-1100	-1000	-1000	-1000	-1000	-1000	
	5	-1475	-1350	-1325	-1300	-1200	-1100	-1100	-1100	-1100	-1100	
	6	-1525	-1400	-1375	-1350	-1250	-1150	-1150	-1150	-1150	-1150	
	54	1&2	-1525	-1350	-1300	-1275	-1200	-1100	-1100	-1100	-1100	-1100
		3	-1525	-1350	-1300	-1275	-1200	-1100	-1100	-1100	-1100	-1100
	4	-1575	-1400	-1350	-1325	-1250	-1150	-1150	-1150	-1150	-1150	
	5	-1575	-1400	-1350	-1325	-1250	-1150	-1150	-1150	-1150	-1150	

Mike Range	Diff.	Strength (Grams per Tex) Range	Diff.	Extraneous Matter Level	Diff.
24 & Below	-1350	18.5-19.4	-250	Prep 1	-50
25-26	-1200	19.5-20.4	-225	2	-700
27-29	-775	20.5-21.4	-200	Bark 1	-225
30-32	-375	21.5-22.4	-175	2	-700
33-34	-225	22.5-23.4	-150	Other 1	-375
Base 35-36	0	23.5-25.4	-100	2	-750
37-42	0	25.5-26.4	-25		
Base 43-49	0	B 26.5-28.4	0		
50-52	-425	28.5-29.4	10		
53 & Above	-625	29.5-30.4	25		
		30.5-32.4	50		
		32.5 & Above	75		

The remaining information on this page has been deleted.

EXHIBIT 5

USING THE COTTON CLASSIFICATION SYSTEM FOR QUALITY ADJUSTMENT

7. EXTRA LONG STAPLE COTTON QUALITY ADJUSTMENT PROCEDURE

A. **For ELS Cotton to be eligible for quality adjustment, ginning must have been completed at a gin using roller equipment.** Qualifying mature **ELS** cotton production, damaged by insured causes, will be reduced if the price quotation for **ELS** cotton of like quality (price quotation “A”) is less than 85 percent of price quotation “B.”

- (1) Price quotation “B” will be the price quotation for **ELS** cotton of the color and leaf grade, staple length, and micronaire reading designated in the Special Provisions for the county in which the cotton is insured. Extraneous matter is not used to classify ELS cotton.
- (2) Price quotations “A” and “B” will be determined from price quotations contained in the DSCQ sheet published by the USDA AMS the week the last bale from the unit is classed. If the date the last bale is classed is not available, the price quotations will be determined the week the last bale from the unit is delivered to the warehouse as shown on the producer's account summary obtained from the gin. In the absence of either price quotation for the applicable week, the price quotations for the nearest prior week for which an **ELS** cotton price quotation was listed for both prices will be used. **When the applicable difference for a staple length is not shown on the applicable Daily Spot Cotton Quotations chart, the adjuster will use the actual market price for the staple length not shown on the DSCQ.**

When price quotation “A” for **ELS** cotton of like quality **cannot** be determined from the DSCQ sheet a price may be obtained from a local buyer within the local producing area; however, if a higher price is available from a buyer within a reasonable distance outside the local producing area, this price is to be used. Price quotation “A” obtained from a buyer **must** be quoted for the date stated in section 7A(2) above. Document, in the narrative, the name and phone number of the buyer from whom the price quotations was obtained. Record, on the Cotton Quality Adjustment Worksheet, the bale number in column 12, the bale weight in column 13, and the price quotation “A” (Value Per Pound) obtained from the buyer in column 20. Calculate the Factor using the instructions for column 21.

B. **For any ELS cotton acreage replanted to AUP cotton, use the AUP quality adjustment procedures. If AUP cotton is replanted, identify in the Narrative the line(s) applicable to ELS and AUP cotton.** Any **AUP** cotton harvested or appraised from acreage **originally planted to ELS cotton** in the same growing season will be reduced by the **factor** (to four decimal places) obtained by dividing the price quotation per pound of the **AUP** cotton by the price quotation for **ELS** cotton of the color and leaf grade, staple length, and micronaire reading designated in the Special Provisions for this purpose. Price quotations per pound are determined using instructions in section 7B(1) for **AUP** and 7B(2) for **ELS**, or if either price quotation is unavailable for the dates as stated, use section 7B(3) instructions.

- (1) Determine the price quotation per pound of the **AUP** cotton from the DSCQ published by the USDA AMS the day the last bale from the unit is classed. If the date the last bale is classed is not available, the price quotations will be determined the date the last bale from the unit is delivered to the warehouse, as shown on the producer's account summary.

EXHIBIT 6

COTTON QUALITY ADJUSTMENT WORKSHEET INSTRUCTIONS

1. GENERAL INFORMATION

Use this worksheet to calculate the price quotations necessary for the quality adjustment of **AUP** and **ELS** cotton.

- A. The allowable point differences for both **AUP** and **ELS** are Color and Leaf, Staple Length, Micronaire, and Extraneous Matter.
- B. Convert **ALL** price quotations and point difference deductions or additions from the DSCQ sheet to four decimal places. List each bale separately. Attach worksheets to the TPC Production Worksheet.
- C. Items 8 thru 11 are used to determine Price Quotation “B” and the 85 percent of Price Quotation “B.” The entries in Columns 16 thru 21 are used to determine Price Quotation “A” for each harvested bale and the factor used to reduce the Net Weight when quality adjustment applies.

2. FORM ENTRIES AND COMPLETION INFORMATION

**Item
No.**

Information Required

1. **Insured’s Name:** Name of the insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy Number:** Insured’s assigned policy number.
3. **Unit Number:** The five-digit unit number from the Summary of Coverage after it’s verified to be correct (e.g. 00100).
4. **County:** Name of the county in which the cotton is insured.
5. **Date of Quotation:** Record the date the last bale from the unit was classed. If the date of the last bale classed is not available, enter the date the last bale from the unit was delivered to the warehouse as shown on the producer’s account summary obtained from the gin. Price quotations “A” and “B” will be determined on the date determined for this entry.
6. **County Price Quotation:** The numeric grades for color, leaf, staple length, and micronaire reading designated in the actuarial documents for the county in which the cotton is insured. Extraneous Matter for Price “B” is zero.
7. **Growth Area:** The designated spot market Growth Area within which the county for the insured cotton is located. Refer to Exhibit 5, paragraph 3.
8. **Base Spot Price:** The Base Spot Price quotation converted to four decimal places, from the DSCQ sheet for the Growth Area listed in Column 7.

EXHIBIT 6

COTTON QUALITY ADJUSTMENT WORKSHEET INSTRUCTIONS

9. **+/- Differences:** Record the point +/- differences to determine the County Actuarial Quotation Price “B” for color and leaf, staple length, and micronaire grades shown in Column 6.
10. **Price B:** Add or subtract point differences (Column 9) to the Base Spot Price quotation (Column 8).
11. **85% of Price B:** Multiply Price “B” (Column 10) by .85 (Column 11) to determine 85% of Price “B” (“Local Market Price”). Quality adjustment will apply if Price Quotation “A” (“Value Per Pound”) is less than 85% of Price “B.”
12. **Bale Number:** Bale number from computer printout or gin record.
13. **Net Weight:** Net Weight of the bale for the bale number recorded in Column 12.
14. **Color/Leaf/ Staple/Mike:** Record the numeric grades for color and leaf, staple length, and micronaire (mike) from the computer printout or gin record.
15. **Ex. Matter Code No.:** Record the numeric Extraneous Matter Code number from the computer printout or gin record for the bale number recorded in Column 12.
16. **Base Spot Price:** Transfer the Base Spot Price quotation recorded in Column 8.
17. **Color/Leaf/Staple +/-Differences:** Record the +/- differences (additions or deductions) determined from the DSCQ for the color and leaf and staple length recorded in Column 14.
18. **Mike +/- Differences:** Record the +/- differences (additions or deductions) determined from the DSCQ for the Mike recorded in Column 14.
19. **Ex. Matter +/- Differences:** Record the +/- differences (additions or deductions) determined from the DSCQ for the Extraneous Matter recorded in Column 15.
20. **Price A:** Add or subtract point differences recorded in Columns 17, 18, and 19 from the Base Spot Price in Column 16 to determine Price Quotation “A” (“Value Per Pound”). If Price “A” is less than 85% of Price “B” in Column 11, quality adjustment applies
21. **Factor:** Divide Price Quotation “A” (“Value Per Pound”) in Column 20 by 85% of Price “B” (“Local Market Price”) in Column 11, rounded to four decimal places, to determine the Factor used to reduce the Net Weight of the bale of cotton shown Column 13.

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

Combine net bale weights quality adjusted by the same factor (and share), then record in Production, Column G of the Production Worksheet. Transfer Price A to “Value Per Pound” Column H₁ and 85% of Price B to “Local Market Price” Column H₂. Calculate the Quality Factor Column I, or enter the factor from the worksheet.