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Department of
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Federal Crop
Insurance
Corporation



Product
Administration
and Standards
Division

APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK

FCIC-25030 (09-2006)

2007 and Succeeding Crop Years

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

FEDERAL CROP INSURANCE HANDBOOK	NUMBER: 25030 (09-2006)
SUBJECT: APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK 2007 AND SUCCEEDING CROP YEARS	OPI: Product Administration and Standards Division
	APPROVED: DATE: /s/ Tim B. Witt 9/28/06 Deputy Administrator, Product Management

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

SUMMARY OF CHANGES/CONTROL CHART

The following list contains significant changes to this handbook, as determined by us. 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 2007 (FCIC-25030) issued **SEPTEMBER 2006**:

- A. Pg. TC 1, section 4: Revised subsection headings to track with revised procedures. Also inserted new subsections entitled "Appraisal Dates," "Selecting Representative Sample Fruit for Grading and Quality Adjustment," and "Determining the Amount of Production to Count."
- B. Pg. TC1, section 7: Revised subsection headings to track with revised procedures.
- C. Pg. TC 2, section 8: Inserted new section heading to track with new handbook procedures for calculating harvested production to count.
- D. Pg. TC 2, section 9: Revised subsection headings to track with revised procedures.
- E. Pg. TC 2, section 10: Revised **TABLE C** heading by inserting a reference to Optional Coverage. Inserted **EXHIBIT 1** heading to track with new handbook exhibit.
- F. Pg. 1, section 1: Inserted standard introductory language for using this handbook and the LAM.
- G. Pg. 1, section 2 A: Reformatted subsection text in outline format.
- H. Pg. 1-2, section 2 B: Inserted abbreviations for Actual Production History (APH) and Crop Insurance Handbook (CIH). Also added definitions for the terms "Apple Grader" and "Block."

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SUMMARY OF CHANGES/CONTROL CHART (Continued)

- I. Pg. 3, section 2 B: Deleted definition of “Lot.”
- J. Pg. 4, section 3 A (8): Inserted instructions for adjusters to confirm acreage designated as fresh and processing is consistent with the acreage report.
- K. Pg. 4, section 3 B: Deleted reference to the Coverage Enhancement Option.
- L. Pg. 5, section 3 D (2): Revised grading and quality adjustment text to track with the apple policy.
- M. Pg. 6, section 4 A (3) & (4): Inserted information on appraising apple acreage by unit/block. Also, inserted instructions to convert units of measure for field run production to boxes/bushels for calculating appraised/harvested production to count.
- N. Pg. 7, section 4 B: Inserted a new subsection heading entitled “Appraisal Dates” that contains information on early-season and near-harvest appraisals.
- O. Pg. 7, section 4 C: Revised instructions for selecting representative sample trees by removing references to “orchards/suborchards” and inserting references to “unit/block.”
- P. Pg. 8, section 4 D: Inserted new sample size requirements for grading/quality adjusting sample apples. Adjusters will be able to select from 10 to 30 sample apples per tree, depending on tree size.
- Q. Pg. 8-10, section 4 E: Inserted new subsection entitled “Determining the Amount of Production to Count” for apple acreage insured under Basic and Optional Coverage.
- R. Pg. 10, section 4 F: Inserted instructions to obtain State/Federal grade determinations when the insured disagrees with the adjuster’s field grade results.
- S. Pg. 11, section 5 A: Revised the appraisal method matrix by inserting information on unharvested and harvested appraisals.
- T. Pg. 11-14, section 5 B: Revised “Unharvested Production Appraisals” information to track with the new appraisal worksheet format and item entry instructions.
- U. Pg. 15, section 5 C: Revised text in the “Representative Tree Appraisals” procedures to use actual harvested production or delivered production as the production to count for grading and quality adjustment determinations.
- V. Pg. 16-24, section 7: Revised appraisal worksheet item entry instructions to track with the new appraisal worksheet format. Also, revised items 37, 49, and 50 on the appraisal worksheet.
- W. Pg. 25-35, section 8: Inserted a new section with procedures for calculating harvested production to count. Also inserted a new harvested production worksheet.

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SUMMARY OF CHANGES/CONTROL CHART (Continued)

- X. Pg. 36, section 9: Inserted language containing claim form standards requirements.
- Y. Pg. 42, section 9, item +M: Expanded instructions on how to document appraised production when there is a zero appraisal for acreage that is abandoned, damaged by uninsured causes, or is destroyed without consent.
- Z. Pg. 44, Production Worksheet section II: Moved harvested production records verification information to section 8, herein. Also, deleted references to commercially stored apple production.
- AA. Pg. 46, section 9, item “I - Bu., Ton, Lbs., Cwt. :” Revised instructions to enter harvested production from the harvested production worksheet that has been graded by the processor/packing house, field graded by the adjuster, or graded by a State/Federal grader. Also inserted instructions to count all un-graded harvested production and production sold as U.S. Fancy or better under Optional Coverage as production to count.
- BB. Pg. 53, **TABLE C**: Revised title to include reference to Optional Coverage.
- CC. Pg. 54, **EXHIBIT 1**: Inserted an “Apple Claim Flow Chart” that illustrates when to appraise/grade/quality adjust appraised/harvested production that is insured under Basic and Optional Coverage.
- DD. Pg. 55, **EXHIBIT 2**: Inserted instructions for calculating appraised and harvested production to count for apple acreage insured under Optional Coverage.
- EE. Throughout the handbook, replaced references to “Insurance Provider” with AIP and deleted the signature/date/page number blocks on the worksheets. Also made syntax and grammar changes as needed so that this handbook tracks with RMA-approved crop handbook standards formatting.

Control Chart For: Apple Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	References	Date	Directive Number
Remove	Entire Handbook					
Current Index	1-4	1-2	1-52	53-57	09-2006	FCIC-25030

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SUMMARY OF CHANGES/CONTROL CHART (Continued)

(RESERVED)

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1. INTRODUCTION

THIS HANDBOOK MUST BE USED IN CONJUNCTION WITH THE LOSS ADJUSTMENT MANUAL (LAM) STANDARDS HANDBOOK FCIC-25010.

The FCIC-issued loss adjustment standards for this crop are the official standard requirements for adjusting Multiple Peril Crop Insurance (MPCI) losses in a uniform and timely manner. The FCIC-issued standards for this crop and crop year are in effect as of the signature date for this crop handbook at www.rma.usda.gov/handbooks/25000/index.html. All reinsured companies will utilize these standards for both loss adjustment and loss training for the applicable crop year. These standards, which include crop appraisal methods, claims completion instructions, and form standards supplement the general (not crop-specific) loss adjustment standards 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

- (1) 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:
 - (a) One legible copy to the insured.
 - (b) The original and all remaining copies as instructed by the Approved Insurance Provider (AIP).
- (2) It is the **AIP'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:

APH	Actual Production History
CAT	Catastrophic Risk Protection
CIH	Crop Insurance Handbook (FCIC-18010)
USDA	United States Department of Agriculture

(4) Definitions:

Apple Grader	A person or entity acceptable to the AIP who grades appraised and/or harvested apple production for crop insurance purposes using the applicable USDA apple grading standards or other grade(s) listed in the Special Provisions. Such persons or entity may be a crop insurance loss adjuster, licensed State/Federal grader, or a grader employed by a processor or packing house.
Apple Production	All production of fresh apples and processing apples from the insurable acreage.
Apple Type	Fresh, processing, or varietal group apples as specified in the Special Provisions.
Bin	A container that contains a minimum of 875 pounds of apples or another quantity as designated in the Special Provisions.
Block	Trees, vines, or bushes in an orchard, vineyard, bog, of a single or mixed age and density, separated by applicable practice, type, variety, different T-Yield Map Areas (TMA) or other characteristics shown in the actuarial documents.
Box	A container that contains 35 pounds of apples or another quantity as designated in the Special Provisions.
Bushel	In all states except Colorado, 42 pounds of apples. In Colorado, 40 pounds of apples.
Damaged Apple Production (Basic Coverage, Fresh and Processing)	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.
Damaged Apple Production (Optional Coverage, Fresh only)	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.
Direct Marketing	Sale of the insured (apple) crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper, buyer, or broker. Examples of direct marketing include selling through an on-farm or roadside stand, or a farmer's market, and permitting the general public to enter the field for the purpose of picking all or a portion of the crop.

Fresh Apples	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.
Harvest	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.

Marketable	Apple production that is not damaged apple production.
Mature (Apple)	Apples defined as “mature” in the applicable grade standards.
Natural Drop Apples	Individual apples that drop from trees as an ordinary occurrence throughout the growing season.
Processing Apples	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.
Uninsured Damaged Apples	Apples that fail to meet the applicable grade standards due to uninsured causes (e.g., mechanical damage, spray burn, etc.).
Varietal Group	Apple varieties with similar characteristics that are grouped for insurance purposes as specified in the Special Provisions.

3. INSURANCE CONTRACT INFORMATION

The **AIP** 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

The following may not be a complete list of insurability requirements. Refer to the Basic Provisions, Apple Crop Provisions, and Special Provisions for a complete list.

- (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 AIP.

- (2) Apples interplanted with another perennial crop are insurable unless the AIP 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 AIP 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.
- (8) When conducting field inspections, adjusters should confirm acreage designated as fresh and processing on the acreage report is consistent with actual fresh and processing acreage in the unit/block. If the adjuster determines that any acreage has been misreported (e.g., acreage listed as fresh production on the acreage report is actually processing acreage), he/she should report this information to the AIP (refer to the LAM for additional information on Misreporting Factors (MIFs)).

B. PROVISIONS AND PROCEDURES NOT APPLICABLE TO CAT COVERAGE

- (1) Optional Coverage for Quality Adjustment (herein referred to as **Optional Coverage**).
- *** (2) Refer to the CIH and LAM for other 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 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 **the** insurance period that results in a loss of production.
- (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. All insured apple production will be graded in accordance with the applicable USDA Grade Standards listed below.

- (a) Use the U.S. Standards for Grades of Apples for Processing to grade apple production from insured acreage as follows:
 - 1 Basic Coverage, production to count includes all fresh and processing apple production that grades at least U.S. No. 1 Processing or better.
 - 2 Optional Coverage, production to count includes all fresh apple production that grades at least U.S. No. 1 Processing or better.
- (b) Use the U.S. Standards for Grades of Apples (Fresh Apples) or other grade(s) listed in the Special Provisions to grade fresh apple production insured under Optional Coverage. Fresh apple production that is sold as U.S. Fancy or other applicable grade(s) designated in the Special Provisions or better, will be included as production to count. If appraised or harvested fresh apple production insured under Optional Coverage is damaged by insured causes to the extent that more than 20 percent of the apples do not grade **at least** U.S. Fancy or other applicable grade(s) listed in the Special Provisions or better, 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.

- (c) Under both Basic Coverage and Optional Coverage, all appraised and harvested apple production that grades at least U.S. No. 1 Processing or better is production to count for APH reporting purposes (refer to subsection 7 B, herein).
- (d) Refer to the USDA grade standards for fresh and processing apple grades currently located on the internet at www.ams.usda.gov/standards or refer to the Washington State Apple Grade Standards located on the internet at <http://apps.leg.wa.gov/WAC/default.aspx?cite=16-403&full=true>. For additional apple grade information, refer to the AIP's next level of supervision or the RMA Regional Office.

4. APPLE APPRAISALS

A. GENERAL INFORMATION

- (1) Potential production for all types of inspections will be appraised in accordance with procedure specified in this handbook and the LAM.
- (2) **Notice of Damage.** Within the crop provisions is a requirement that insureds file a "notice of damage or loss" with the AIP 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 not less than the production guarantee per acre, if such failure results in the inability of the AIP 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 AIP may inspect the damaged production. The insured must not sell or dispose of the damaged crop until after the AIP 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 AIP's inability to inspect the damaged production, all such production will be considered undamaged and included as production to count.
- (3) **Unit/Block Appraisals.** Make separate appraisals for apple production on acreage insured as fresh or processing and for each apple variety grown in the unit/block, as applicable.
- (4) **Units of Measure.** Convert any harvested production measured in lots, field boxes, crates, bins, pounds, tons, etc., to boxes or bushels, as applicable. Document conversion calculations in the "Remarks" section of the appraisal worksheet or claim form.

B. APPRAISAL DATES

- (1) AIP representatives will set appraisal dates.
- (2) When an insured reports damage, the adjuster should make arrangements with the insured to inspect/appraise damaged apple production using either early season or near-maturity appraisals, as applicable.
 - (a) **Early season appraisals.** Make early-season appraisals when all hand and/or chemical thinning of apples has been completed, after the natural fruit-drop period (i.e., June drop period) has passed, and before apples reach harvestable maturity. If both the AIP and insured agree to an early-season appraisal and:
 - 1 The apple crop at this stage of development has the potential to meet the applicable grade requirements, complete the early-season appraisal, or
 - 2 Apples are too immature for grading and/or quality adjustment at this stage, sample trees must be left intact until the apples are sufficiently mature to allow grading and/or quality adjustment to be completed.
 - (b) **Near maturity appraisals.** Make near-maturity appraisals when apples are near harvestable maturity or have reached harvestable maturity, and before any apples are removed from the trees or the ground, as applicable. At this stage of development, apples should be mature enough for grading and/or quality adjustment.

C. SELECTING REPRESENTATIVE SAMPLE TREES FOR APPRAISALS

- (1) Take not less than the minimum number (count) of representative sample trees 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 unit, or when the insured wishes to destroy a portion of the unit, split the unit into blocks, and appraise each block separately;
 - (c) Percent of each variety in the acreage;
 - (d) Tree age, density, and vigor;
 - (e) Acreage in the unit/block 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 unit/block have been color (partially) picked.

D. SELECTING REPRESENTATIVE SAMPLE FRUIT FOR GRADING AND QUALITY ADJUSTMENT

- (1) Select the total number of representative sample apples from the inside, outside, top, and bottom of all four quadrants of the representative sample tree.
- (2) Include apples that could be packed and apples that could be eliminated if graded at the processor/packing house.
- (3) An individual sample must consist of at least 10 but no more than 30 apples from different locations on the tree that reflect the average condition of apples on the unit acreage being appraised. The adjuster should select the number of sample apples per tree based on tree size and the amount of fruit on the trees. To insure consistent appraisals, adjusters should select the same number of sample apples (i. e., 10 fruit per tree, 20 fruit per tree, 30 fruit per tree, etc.) from each sample tree in the block/unit being appraised. Divide the sample apples into groups (as noted below) and record the number of apples in each group on the appraisal worksheet.
 - (a) **Uninsured Damage:** Includes all sample apples that fail to meet the applicable grade standards due to damage from uninsured causes (e.g., mechanical damage, spray burn, etc.).
 - 1 Visually examine each representative sample apple to determine if damage was caused by something other than an insured cause of loss.
 - 2 When there is both uninsured and insured damage on the same apple (irregardless of the amount of insured/uninsured damage), the apple will be considered damaged solely by uninsured causes only.

EXAMPLE:

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

- (b) **Processing or better:** Includes all sample apples that grade at least U.S. No. 1 Processing or better. 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.
- (c) **Fancy or better (for Optional Coverage only):** Includes all sample apples that grade at least U.S. Fancy or other grade(s) listed in the Special Provisions or better.

E. DETERMINING THE AMOUNT OF PRODUCTION TO COUNT

- (1) **Appraised Production to Count.** The total production to count from all insurable acres in the unit includes:
 - (a) All appraised production, (appraise at not less than the production guarantee per acre) on acreage:

- 1 That is abandoned;
 - 2 That is sold by direct marketing if the insured fails to comply with the policy provisions for direct marketing (refer to the Apple Crop Provisions and subsection 4 A, herein);
 - 3 That is damaged solely by uninsured causes; or
 - 4 For which the insured failed to provide production records that are acceptable to the AIP.
- (b) Production lost due to uninsured causes;
- (c) Unharvested apple production that would be marketable if harvested (*for Basic Coverage only*); and
- (d) Potential marketable apple production on insured acreage that the insured intends to abandon or no longer care for (*for Basic Coverage only*).
- (2) **Harvested Production to Count.** Includes all harvested marketable apple production from insurable acreage.
- (3) **Determining Marketable and Damaged Apple Production.** When the insured files a notice of damage or loss, the AIP will determine the amount of appraised unharvested production and/or production that will be harvested that meets or exceeds the applicable grade standards and any adjustment for quality, as applicable.
- (a) The AIP may choose to:
- 1 Have apple production field graded by the adjuster using representative sample apples from the unit/block,
 - 2 Require representative sample apples from the unit/block be graded by a licensed State/Federal grader or
 - 3 Use processor/packing house grader, as applicable.
- (b) If sample apples are sent to a licensed State/Federal grader, the AIP should clearly describe the grade information needed for crop insurance purposes. The AIP must be able to determine from the grade results, the quantity of apples that grade at least U.S. No. 1 Processing or better for Basic Coverage and the quantity of apples that grade at least U.S. Fancy or other grade(s) listed in the Special Provisions or better for Optional Coverage.
- 1 The AIP should submit the sample size (number of pounds of sample apples) required by the State/Federal grader to complete the grade and make sure all sample(s) meet the State/Federal grader requirements to ensure consistent grade determinations.
 - 2 If the type and amount of fruit damage is consistent among the representative trees within the unit/block being appraised, one representative sample may be used for all trees with such damage to reduce the number of samples needed for

the State/Federal grade determination. Note in the "Remarks" section of the appraisal worksheet, that only one representative sample was submitted to the State/Federal grader because the type and amount of damage was consistent within the unit/block and among the number of representative trees sampled.

(c) The AIP may choose one of the following methods to determine the amount and grade of harvested production on insured acreage:

1 The AIP can use the Harvested Production Appraisal Method(s), including any field grading/quality adjustment, to determine harvested production to count for claims purposes (refer to subsection 5 C. herein), or

2 It is not necessary for the AIP to determine the amount of appraised production that meets or exceeds the applicable grade and any adjustment for quality, as applicable, when all unit/block acreage will be harvested and the packer, processor, first handler, etc. will grade such production and provide all the necessary grade information required to adjust the claim (exception: in cases where the grower is also a packer/processor, the adjuster must field grade representative sample fruit or have sample fruit graded by a licensed State/Federal grader). The AIP must be able to determine from this grade information for Basic Coverage, the quantity of fresh and processing apple production that grades at least U.S. No. 1 Processing or better, and for Optional Coverage, the quantity of fresh apple production that grades at least U.S. Fancy or other grade(s) listed in the Special Provisions or better.

(4) **Optional Coverage.**

(a) In lieu of subsections 4 E (1) (c) and (d) and 4 E (2) above, unit production to count will include all appraised and harvested fresh apple production that grades at least U.S. No. 1 Processing, and adjusted according to subsection 3 D (2) (b). However, since apple insureds who select optional coverage cannot receive less than the indemnity due under basic coverage, the indemnity due under optional coverage cannot be less than the indemnity due under basic coverage.

(b) In accordance with the apple policy, any fresh apple production that is sold as U.S. Fancy or other applicable grade(s) listed in the Special Provisions or better is considered production to count and shall be counted on an apple-by-apple basis. Do not calculate a grade reduction on such production (refer to the claim form instructions in subsection 9 C and **EXHIBIT 2** herein).

F. HANDLING APPRAISAL DISCREPANCIES

- (1) 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.
 - (a) The adjuster and insured should jointly determine the trees to be selected for this representative sample. Make a sketch map of the **unit/block** and sample trees by row number and tree count within the chosen row.

(b) The adjuster can also physically mark or tag trees selected for appraisals to verify exact location of sample trees on the **unit/block**.

(c) An adjuster must be present when the representative trees are harvested.

(2) When an adjuster field grades apple production and the insured disagrees with the grade determination, the insured can request that a licensed State/Federal Grader grade the apple production at the insured's expense. The adjuster needs to explain to the insured that if the insured requests a subsequent grade determination from the State/Federal grader, the State/Federal grade (regardless of the grade results) will be used to complete the claim. The insured will not be allowed to select the most favorable grade determination.

(3) If an insured refuses to sign appraisal worksheet(s) refer to the LAM for information on unusual/controversial cases.

5. APPRAISAL METHODS

A. GENERAL INFORMATION

These instructions provide information on appraisal methods for:

Appraisal Methods...	Use...
Unharvested Production Appraisals	when production 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.
Harvested Production Appraisals	when harvested production is (1) field graded by the adjuster, (2) graded by a licensed State/Federal grader, or (3) delivered to a processor/packing house and is graded by the processor/packing house as designated by the AIP.
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 determined from harvested acreage as the appraisal per acre for unharvested acreage.

B. UNHARVESTED PRODUCTION APPRAISALS

(1) General Information.

(a) The instructions contained herein track with the item entry instructions for the Apple Appraisal Worksheet and apply to both Basic Coverage and Optional Coverage appraisals, as applicable. Instructions herein labeled "Basic" apply to Basic Coverage appraisals only. Instructions labeled "Optional" apply to Optional Coverage appraisals only.

- (b) For unharvested appraisals use the same sample apples (from representative trees) to complete parts II, III, IV, and V of the appraisal worksheet, as applicable.
- (c) Complete separate appraisal worksheets for fresh production appraisals and processing production appraisals on the same unit.
- (d) Make all fruit counts after the natural fruit drop period, after hand/chemical thinning is completed, before any apples are removed from the trees or the ground, as applicable.
- (e) When more than one apple variety is grown in the unit/block, and the amount of damage varies significantly among the varieties, complete a separate appraisal worksheet for each variety with such variability.

(2) **Appraisal Method.**

- (a) Use **TABLE A**, herein to determine the minimum number of representative sample trees. Use the procedure in subsection **4 C, herein**, to select representative sample trees.
- (b) Count the number of apples on each representative sample tree. Fruit counts should include apples that meet or exceed the applicable grade standards and apples **damaged partially or solely by uninsured causes**. Tally the number of apples from all sample trees and divide this amount by the total number of sample trees to calculate the average number of apples per tree.
- (c) Calculate the number of apples per box/bushel per sample tree as follows:
 - 1 **For early appraisals:** Early season appraisals are appraisals that are made after all fruit thinning has been completed and before apples reach their mature size.
 - i 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.
 - ii 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 in the **“Remarks.”**
 - 2 **For near-harvest appraisals:** Near-harvest appraisals are made when fruit is near maturity or at maturity. Determine the average number of apples per box/bushel using one of the following methods (adjusters should select and use only one method per appraisal to insure consistent fruit counts).
 - i **Method 1:** Use apple sizing rings to determine fruit size. Randomly select 10 fruit from each sample tree and measure each fruit with the ring to determine the fruit size. Determine the number of fruit per box/bushel based on the fruit size. Record the number of fruit per box/bushel on the appraisal worksheet.

- ii **Method 2: Randomly** select 10 apples from the sample tree, weigh them and round weight to tenths of a pound. **Calculate the** number of apples per box/bushel using the formula below.

FORMULA:

Wt. of 10 apples in lbs. **to tenths** $\div 10 =$ lbs./apple **rounded to hundredths**
lbs./bu. or box \div lbs./apple = apples/bu. or box **rounded to whole apples**

EXAMPLE:

Weight of 10 apples is 3.5 lbs., the unit of measure is 42 lbs./bu.
 $3.5 \text{ lbs.} \div 10 \text{ apples} = 0.35 \text{ lbs./apple}$
 $42 \text{ lbs./bu.} \div 0.35 \text{ lbs./apple} = 120 \text{ apples/bu.}$

- iii **Other Methods.** AIPs 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.
- (d) Tally the number of apples per box/bushel from all **individual** 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.
- (e) Multiply the average number of boxes/bushels per tree by the number of trees per acre to calculate the number of boxes/bushels **of apples** per acre. Multiply the number of boxes/bushels **of apples** per acre by the number of **appraised** acres to calculate the appraised production to count. **For early-season appraisals transfer this amount to the claim form. All succeeding instructions in this subsection apply to near-maturity appraisals only.**
- (f) **Next, calculate the number of sample apples that meet or exceed the applicable grade standards as follows. An individual sample must consist of at least 10 but no more than 30 sample apples** from different locations on the tree that reflect the average condition of apples on the unit acreage being appraised **(refer to subsection 4 D, herein).**

1 Basic Coverage Appraisals: Visually examine each sample apple and determine if it is damaged solely by insured causes, solely or partially damaged by uninsured causes, or if it meets or exceeds the U.S. No. 1 Processing grade requirements. On the appraisal worksheet, document the number of sample apples that (a) are solely or partially damaged by uninsured causes and (b) grade U.S. No. 1 Processing or better.

2 Optional Coverage Appraisals: Visually examine each sample apple and determine if it is damaged solely by insured causes, solely or partially damaged by uninsured causes, meets the U.S. No. 1 Processing grade requirements, and meets or exceeds the U.S. Fancy or other grade(s) listed in the Special Provisions or better grade requirements. On the appraisal worksheet, document the number of sample apples that:

- i. Are solely or partially damaged by uninsured causes,
 - ii. Grade at least U.S. No. 1 Processing, and
 - iii. Grade at least U.S. Fancy or other grade(s) listed in the Special Provisions or better.
 - (g) Total the number of all sample apples in each group (i.e., Uninsured Damage, U. S. No. 1 Processing or better, and *(for Optional Coverage Only)* U.S. Fancy or other grade(s) listed in the Special Provisions or better).
- (3) **APH Yield Calculation.** The CIH states that insured apple production that grades at least U.S. No. 1 Processing or better will be used to calculate the APH yield. The CIH also states that any insured apple production that is damaged by uninsured causes will not be used for APH reporting purposes. The Apple Appraisal Worksheet contains item entries for calculating the APH Yield per Acre for the appraised acreage for the crop year on the appraisal worksheet (this APH Yield will be used to update the insured’s APH database for succeeding crop years and is NOT the APH Yield used to calculate the insured’s guarantee for the current crop year). The APH Yield applies only to the appraised acreage identified on the appraisal worksheet. If the appraised acreage is a single “block” within the insured unit, refer to the CIH for additional information on documenting yield and acreage information on the Block Production Worksheet.
- (a) Add together, the total number of sample apples that grade at least U.S. No. 1 Processing or better. For Optional Coverage, also include apples that grade U.S. Fancy or other grade(s) listed in the Special Provisions or better. Divide the total number of sample apples meeting the applicable grade requirements by the total “No. of Apples per Sample” to calculate the “Percent Processing” entered as a two-place decimal on the appraisal worksheet.
 - (b) Multiply the “Percent Processing” by the appraised amount of production to count in boxes/bushels to calculate the “APH Yield.” Divide the “APH Yield” by the appraised acres to calculate the “APH Yield per Acre.”
- (4) **Basic Coverage Appraisals.**
- (a) Add together, the total number of sample apples that grade at least U.S. No. 1 Processing or better and the number of sample apples damaged solely or partially by uninsured causes.
 - (b) Divide the number of sample apples in subparagraph 4(a) above, by the total number of apples from all samples to calculate the “% Meeting Grade” entered as a two-place decimal on the appraisal worksheet.
 - (c) Multiply the “Appraised Production to Count” times the “% Meeting Grade” to calculate “Undamaged Production.” Divide the “Undamaged Production” by the appraised acres to calculate the “Appraised Production per Acre.” Transfer the “Appraised Production per Acre” to section I, item “J - Appraised Potential” on the claim form.

(5) Optional Coverage Appraisals.

- (a) Add together, the total the number of sample apples that (1) grade at least U.S. Fancy or other grade(s) specified in the Special Provisions or better and (2) the number of sample apples solely or partially damaged by uninsured causes.
- (b) Divide the number of sample apples in subparagraph 5 (a) above, by the total number of apples from all samples to calculate the “% Meeting Grade” entered as a two-place decimal on the appraisal worksheet. Subtract the “% Meeting Grade” from 1.000 to calculate the “Actual % Damage.” Refer to **TABLE C** to convert the “Actual % Damage” to the “Quality Adjusted %.”
- (c) Subtract the “Quality Adjusted %” from 1.000 to calculate the “Undamaged %.” Multiply the “Undamaged %” times the appraised production to count to calculate the amount of “Undamaged Production.” Divide the “Undamaged Production” by the number of appraised acres to calculate the “Appraised Production per Acre.” Transfer the “Appraised Production per Acre” to section I, item “J - Appraised Potential” of the claim form.

C. HARVESTED PRODUCTION APPRAISALS

(1) General Information. Conduct harvested production appraisals when the insured reports crop damage immediately prior to or at harvest time, and if the AIP cannot complete a timely unharvested production appraisal, as applicable.

- (a) Use the actual harvested production or processor/packinghouse records, as applicable, to determine the amount of production to count. If records indicate production has been graded, complete a Harvested Apple Production Worksheet to calculate the harvested production to count (refer to subsection 8 C, herein).
- (b) If the actual harvested production or processor/packing house records indicate production has NOT been graded, count all un-graded harvested production as production to count on the claim form (refer to subsection 9 B, herein).

(2) Harvested Production Appraisal Methods.

- (a) **Representative Tree Appraisals.** Arrange with the insured to harvest representative sample trees in the unit/block when the crop reaches maturity. Select representative sample trees and apples for grading/quality adjustment as described in subsections 4 C and 4 D, herein. Determine the amount of harvested production from the insured’s actual harvest records or processor/packing house delivery records, as applicable.
- (b) **Harvested Acreage Appraisals.** Prior to harvest, the AIP may elect to 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

A. DEVIATIONS

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

B. MODIFICATIONS

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

7. APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES

A. APPRAISAL WORKSHEET FORM STANDARDS

- (1) The entry items in subsection C are the minimum requirements for the Apple Appraisal Worksheet. All of these entry items are “Substantive,” (i.e., they are required).
- (2) Apple Appraisal Worksheet Completion Instructions. The completion instructions for the required entry items on the appraisal worksheet in the following subsections are “Substantive,” (i.e., they are required).
- (3) The Privacy Act and Nondiscrimination statements are required statements that must be printed on the form or provided to the insured as a separate document. These statements are not shown on the example form in this exhibit. The current Privacy Act and Nondiscrimination statements can be found in the Document Standards and Supplement Standards Handbook (DSSH)
- (4) Refer to the DSSH for other crop insurance form requirements (e.g., font point, size, etc.).

B. GENERAL INFORMATION FOR WORKSHEET ENTRIES AND COMPLETION INFORMATION

- (1) Use the Apple Appraisal Worksheet to document any appraised potential production on acreage insured under Basic and Optional Coverage that will not be harvested, that is sold by direct marketing, for conflict of interest appraisals (refer to the LAM for additional information on conflict of interest appraisals), for grading/quality adjustment, and for APH reporting purposes.
- (2) Separate appraisal worksheets are required for:
 - (a) Each block if there is more than one block in the same unit, and
 - (b) For acreage designated as fresh and processing in the same unit.

- (3) Include the AIP's name in the appraisal worksheet title if not preprinted on the appraisal worksheet.
- (4) Include the claim number on the appraisal worksheet (when required by the AIP) when a worksheet entry is not provided.
- (5) For appraisals on acreage insured under optional coverage, complete items 43 through 51 for both "Basic Coverage Appraisals" and "Optional Coverage Appraisals" (refer to the instructions for "Basic Coverage Appraisals/Optional Coverage Appraisals" and item 51 below).

C. WORKSHEET ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

Item

No. Information Required

Company Name: AIP, if not preprinted on the worksheet (company name).

Claim Number: Claim number as assigned by the AIP.

PART I - GENERAL INFORMATION

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 (e.g., 00100) from the Summary of Coverage after it is verified to be correct.
5. **Variety Name:** Variety name as shown in the actuarial documents. Note how many varieties are damaged by insurable causes in the unit/block and enter variety name 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 - 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," 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. **Block ID:** The **block** identification symbol from a sketch map, aerial photograph, or **applicable** inspection form after verification.
9. **Damage:**
 - a. **Cause:** Name of the insured cause(s) of loss (refer to 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., Apr 24).
 - c. **Explain any uninsured damage in the “Remarks.”**
10. **Unit Acres:** Unit acres rounded to tenths.
11. **Appraised Acres:** Number of **appraised** acres to tenths, for the variety listed in item 5.
12. **No. of Trees/Acre:** The total number of trees per acre. Use actual tree counts or use **TABLE B** if there is a 100% stand, as applicable. **Verify the number of producing/insured trees from the self-certification inspection form and/or pre-acceptance reports, as applicable.**
13. **Total No. of Trees:** Item 11 **multiplied by** item 12, results in whole trees.
14. **Unit of Measure:** Place an “X” in the appropriate box indicating “Boxes” or “Bushels.” When production is in containers, field boxes, bins, etc. convert to either boxes or bushels and document conversion calculations in the “Remarks” or on a Special Report form.

PART II - AVERAGE NUMBER OF APPLES PER SAMPLE TREE

15. **No. of Apples per Sample Tree:**
 - a. Enter the number of apples on each sample tree, include apples that meet or exceed the applicable grade standards, apples damaged **solely by** insured causes, and **apples solely or partially damaged by** uninsured causes.
 - b. If apples on a sample tree are too numerous **to count individually**, visually divide the sample tree into 4 equal parts (quadrants). Count the number of apples in one representative quadrant and multiply by 4 to calculate the number of fruit on the entire tree, as applicable.
16. **Total Apples:** Total number of all sample **apples** from item 15 entries.
17. **No. of Sample Trees:** The total number of sample **trees** from item 15.
18. **Avg. No. of Apples per Sample Tree:** Item 16 divided by item 17, results rounded to tenths.

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

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 item 19.
21. **No. of Sample Trees:** Total number of sample trees in item 19.
22. **Avg. No. of Apples per Box/Bushel:** Item 20 divided by item 21, results rounded to tenths.

PART IV - PRODUCTION TO COUNT CALCULATIONS

23. **Avg. No. of Apples per Sample Tree:** Transfer entry from item 18.
24. **Avg. No. of Apples per Box/Bushel:** Transfer entry from item 22.
25. **No. of Boxes/Bushels per Tree:** Item 23 divided by item 24, results rounded to three-decimal places.
26. **No. of Trees per Acre:** Transfer entry from item 12.
27. **No. of Boxes/Bushels per Acre:** Item 25 multiplied by item 26, results rounded to tenths.
28. **Appraised Acres:** Transfer entry from item 11.
29. **Appraised Production to Count:** Item 27 multiplied by item 28, results rounded to tenths.
- a. For early-season appraisal, transfer this entry to section I, column "J - Appraised Potential" on the claim form (refer to subsection 4 B, herein).
- b. For near-maturity appraisals, complete the remainder of the worksheet.

PART V - REPRESENTATIVE SAMPLES **FOR GRADING AND QUALITY ADJUSTMENT**

Basic Coverage/Optional Coverage: Place an "X" in the appropriate box indicating "Basic Coverage" or "Optional Coverage" as selected by the insured.

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 but no more than 30 apples for grading/quality adjustment. Select the same number of sample apples (e.g., 10 sample apples per tree, 20 sample apples per tree, etc.) from all sample trees in the unit/block being appraised to insure consistent appraisals. Make sure sample apples selected for grading/quality adjustment are representative of the average condition of all apples in the unit/block being appraised.

32. **Uninsured Damage:** Visually examine each sample apple to determine if solely or partially damaged by uninsured causes. Record the number of apples in each sample damaged by uninsured causes.
33. **U.S. #1 Processing or better:** Visually examine each sample apple to determine if it meets the U.S. No. 1 Processing grade requirements.
- a. **Basic Coverage:** Record the number of apples in each sample that grade at least U.S. No. 1 Processing or better.
- b. **Optional Coverage:** Record the number of apples in each sample that grade at least U.S. No. 1 Processing but grade less than U.S. Fancy (e.g., U.S. No. 1 (Fresh), etc., or other grade(s) listed in the Special Provisions) or better.
34. **U.S. Fancy or better (for Optional Coverage only):** Visually examine each sample apple and determine if it grades at least U.S. Fancy or other grade(s) listed in the Special Provisions or better. Record the number of apples in each sample that grade at least 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 lines 31, 32, 33, and 34, as applicable.

PART VI - APPRAISAL CALCULATIONS

APH Yield: The instructions in items 36 through 42 below describe how to calculate the APH Yield per Acre for the appraised acres identified in item 11 for the current crop year (this APH Yield will be used to update the insured's APH database for succeeding crop years and is not the APH Yield used to calculate the insured's guarantee for the current crop year). If item 11 acreage is a single "block" within the insured unit, refer to the CIH for additional information on documenting yield and acreage information on the Block Production Worksheet.

36. **Appraised Production to Count:** Transfer entry from item 29 above.
37. **No. of Apples to Count:** Calculate as follows:
- a. **Basic Coverage:** Transfer entry in item 35 (c).
- b. **Optional Coverage:** Item 35 (c) plus 35 (d), results in whole apples.
38. **Total No. of Apples all Samples:** Transfer entry from item 35(a).
39. **Percent Processing:** Item 37 divided by item 38, results as a percentage to two decimal places (e.g., 0.37).
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.

Basic Coverage Appraisals/Optional Coverage Appraisals: The instructions in items 43 through 51 below describe how to calculate the appraised production to count for Basic and Optional Coverage, as applicable. For optional coverage appraisals, complete both “Basic Coverage Appraisals” and “Optional Coverage Appraisals” lines. Also, for optional coverage appraisals, complete separate claim forms for “Basic Coverage Appraisals” and for “Optional Coverage Appraisals” (refer to subsection 9 B, herein).

43. **Appraised Production to Count:** Transfer entry from item 29 above.
44. **No. Apples to Count:** Calculate as follows:
- Basic Coverage:** Item 35(b) plus item 35(c).
 - 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 as a percentage to two decimal places (e.g., 0.45).
47. **Actual % Damage (for Optional Coverage Only):** 1.000 minus item 46 results as a percentage to two decimal places (e.g., $1.000 - 0.37 = 0.63$).
48. **Quality Adj.% (for Optional Coverage Only):** Calculate as follows:
- If Column 47 entry is 20 percent or less, enter “.00.”
 - If Column 47 entry is at least 21 percent but not more than 64 percent, enter the “Quality Adjusted %” from TABLE C (e.g., if column 47 is 0.63, then the corresponding value from TABLE C is 0.96).
 - If Column 47 entry is 65 percent or more: Enter “1.00.”
49. **Undamaged % (for Optional coverage Only):** 1.000 minus item 48, results as a percentage to two-decimal places (e.g., $1.000 - 0.96 = 0.04$).
50. **Undamaged Production:** Calculate as follows:
- Basic Coverage:** Item 43 multiplied by item 46, results in boxes/bushels to tenths.
 - Optional Coverage:** Item 43 multiplied by item 49, results in boxes/bushels rounded to tenths.
51. **Appraised Production per Acre:** Item 50 divided by item 11 results in boxes/bushels rounded to tenths as follows:
- Basic Coverage:** Transfer this entry from the “Basic Coverage Appraisal” line to section I, column “J - Appraised Potential” on the claim form.
 - Optional Coverage:** Transfer the basic coverage and optional coverage appraised production to count to separate claim forms as follows:

1. "Basic Coverage Appraisals," transfer this entry to section I, column "J - Appraised Potential" on the basic coverage claim form.
2. "Optional Coverage Appraisals" transfer this entry to section I, column "J - Appraised Potential" on the optional coverage claim form.

52. **Remarks:**

- a. Use a sketch map that identifies the **unit/block** boundaries and location of representative sample trees.
- b. Enter any additional pertinent information about this appraisal such as uninsured cause(s) of damage.
- 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. Note any differences between unit acres and appraised acres.
- f. Identify the location of any damaged acreage harvested before appraisals were conducted.
- g. Explain and identify any voluntary destruction (e.g., tree removal, etc.) of any **unit/block** acreage.
- h. Attach any reference materials that identify the **unit/block** (i.e., aerial photographs, sketch maps, etc.).
- i. Document **the** circumstances of any conflict of interest appraisals.

The following required entries are not illustrated on the appraisal worksheet example below.

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 **the** insured's signature, **REVIEW ALL ENTRIES** on the Appraisal Worksheet **WITH THE INSURED** **or insured's authorized representative**, 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.).

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

Claim Number: **XXXXXX**

PART I - GENERAL INFORMATION:

1. Insured's Name I. M. Insured	2. Policy No.: XXXXXXXX	3. Crop Year: YYYY	4. Unit No.: 00100	5. Variety Name: Jonathan	6. Type: 112	7. Practice: 997	8. Block ID: A-1
9. Damage: Cause: Freeze Date: Apr 24	10. Unit Acres: 20.0	11. Appraised Acre: 5.0	12. No. of Trees/Acres: 110	13. Total No. Trees: 550	14. Unit of Measure: Boxes <input type="checkbox"/> Bushels <input checked="" type="checkbox"/>		

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)
64	39	50	42	38				233	5	46.6
								÷	=	

PART III - AVERAGE 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
74	72	80	70	84				380	5	76.0
								÷	=	

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)
46.6	76.0	0.613	110	67.4	5.0	337.0
÷	=	X	=	X	=	

PART V - REPRESENTATIVE SAMPLES FOR GRADING AND QUALITY ADJUSTMENT:

Basic Coverage: <input checked="" type="checkbox"/>	30. Sample Number										35. Line Total
Optional Coverage: <input 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:	3	0	4	0	5						(b) 12
33. U.S. #1 Processing or better:	10	12	8	15	10						(c) 55
34. U.S. Fancy or better:											(d)

PART VI - APPRAISAL CALCULATIONS:

36. Appraised Production to Count (from item 29)	37. No. of Apples to Count (Basic: 35(c) Optional: 35(c)+35(d))	38. Total No. of Apples all Samples (from item 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)	
APH Yield:	337.0	55	150	0.37	124.7	5.0	24.9	
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 (from item 35(a))	46. % Meeting Grade (44 ÷ 45)	47. Actual % Damage (1.000 - item 46)	48. Quality Adj. % (from TABLE C)	49. Undamaged % (Optional: 1.000-48)	50. Undamaged Production (Basic: 43 x 46) (Optional: 43 x 49)	51. Appraised Production/A. (50 ÷ 11)
Basic Coverage Appraisals:	337.0	67	150	0.45			151.7	30.3
Optional Coverage Appraisals:								

PART VII - REMARKS AND SIGNATURES:

52. Remarks:

BASIC COVERAGE APPRAISAL EXAMPLE

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

Claim Number: **XXXXXX**

PART I - GENERAL INFORMATION:

1. Insured's Name I. M. Insured	2. Policy No.: XXXXXXXX	3. Crop Year: YYYY	4. Unit No.: 00200	5. Variety Name: Fuji	6. Type: 111	7. Practice: 002	8. Block ID: B-1
9. Damage: Cause: Hail Date: Aug 10	10. Unit Acres: 20.0	11. Appraised Acre: 6.0	12. No. of Trees/Acres: 110	13. Total No. Trees: 660	14. Unit of Measure: Boxes <input type="checkbox"/> Bushels <input checked="" type="checkbox"/>		

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)
41	43	46	50	47	227	5	45.4
					÷	=	

PART III - AVERAGE 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
84	76	81	70	86	397	5	79.4
					÷	=	

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)
45.4	79.4	0.572	110	62.9	6.0	377.4
	÷	=	X	=	X	=

PART V - REPRESENTATIVE SAMPLES FOR GRADING AND QUALITY ADJUSTMENT:

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:	5	0	6	0	4						(b) 15
33. U.S. #1 Processing or better:	8	10	7	9	8						(c) 42
34. U.S. Fancy or better:	7	10	6	12	6						(d) 41

PART VI - APPRAISAL CALCULATIONS:

36. Appraised Production to Count (from item 29)	37. No. of Apples to Count (Basic: 35 (c) Optional: 35(c)+35(d))	38. Total No. of Apples all Samples (from item 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)		
APH Yield:	377.4	83	150	0.55	207.6	6.0		
	÷	=	X	=	X	=		
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 (from item 35(a))	46. % Meeting Grade (44 ÷ 45)	47. Actual % Damage (1.000 - item 46)	48. Quality Adj. % (from TABLE C)	49. Undamaged % (Optional: (1.000 - 48))	50. Undamaged Production (Basic: 43 x 46) (Optional: 43 x 49)	51. Appraised Production/A. (50 ÷ 11)
Basic Coverage Appraisals:	377.4	57	150	0.38			143.4	23.9
Optional Coverage Appraisals:	377.4	56	150	0.37	0.63	0.96	15.1	2.5

PART VII - REMARKS AND SIGNATURES:

52. Remarks:

OPTIONAL COVERAGE APPRAISAL EXAMPLE

For optional coverage appraisals, complete two separate claim forms and transfer item 51 entry for basic coverage to the basic coverage claim form and transfer item 51 entry for optional coverage to the optional coverage claim form (refer to the example claim forms herein).

8. HARVESTED APPLE PRODUCTION WORKSHEET ENTRIES AND COMPLETION PROCEDURES

A. HARVESTED PRODUCTION WORKSHEET FORM STANDARDS

- (1) The entry items in subsection C are the minimum requirements for the Harvested Apple Production Worksheet. All entry items are “Substantive,” (i.e., they are required).
- (2) Harvested Apple Production Worksheet Completion Instructions. The completion instructions for the required entry items on the Harvested Apple Production Worksheet in the following subsections are “Substantive,” (i.e., they are required).
- (3) The Privacy Act and Nondiscrimination statements are required statements that must be printed on the form or provided to the insured as a separate document. These statements are not shown on the example form in this exhibit. The current Privacy Act and Nondiscrimination statements can be found in the Document Standards and Supplement Standards Handbook.
- (4) Refer to the DSSH for other crop insurance form requirements (e.g., font point, size, etc.).

B. GENERAL INFORMATION FOR WORKSHEET ENTRIES AND COMPLETION INFORMATION

- (1) Use the Harvested Apple Production Worksheet to document the amount of harvested/delivered production from apple acreage insured under Basic and Optional Coverage, as applicable.
- (2) Apple production documented on this worksheet can be field graded by the adjuster, graded by a licensed State/Federal grader, or graded by a processor/packing house, as applicable.
- (3) Separate appraisal worksheets are required for:
 - (a) Each block if there is more than one block in the same unit;
 - (b) Acreage designated as fresh and processing in the same unit;
 - (c) Each processor, packing house, or other first handler; or
 - (d) Any harvested production that is direct marketed (provided the insured notifies the AIP in a timely manner of his/her intent to direct market apples in accordance with the apple policy and has production records that are acceptable to the AIP; otherwise, appraise such production at not less than the production guarantee per acre).

- (4) Include the AIP's name in the worksheet title if not preprinted on the worksheet.
- (5) Include the claim number on the worksheet (when required by the AIP) when a worksheet entry is not provided.
- (6) When all acreage has been harvested, determine total production from warehouse receipts, packer/processor receipts, and/or farm management records (refer to the LAM for farm record requirements), as applicable. Records should be verified by the adjuster and supported by written records from the first handler.
 - (a) When harvested/delivered apple production is in containers, field boxes, bins, etc. convert to either boxes or bushels and document conversion calculations in the "Remarks."
 - (b) If the insured's harvested production records are based ONLY ON WEIGHT, calculate the production by dividing the total weight by the applicable weight-per-loose-field-box/bushel.
 - (c) Bushel/Box-Bin Equivalents - If the insured's harvested production records are based on a "Bin Count" the following applies:
 - 1 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.
 - 2 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).
 - (d) 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.
- (7) For apple production that is delivered to and graded by a processor/packing house, complete Part II of the worksheet (refer to subsection 8 C and example worksheets below).
- (8) For apple production that is field graded by the adjuster or is graded by a licensed State/Federal grader, enter harvested production information in columns 14 through 16 in Part II and complete all applicable item entries in Part III of the worksheet (refer to subsection 8 C and example worksheets below).

C. WORKSHEET ENTRIES AND COMPLETION INFORMATION

Item No.

Information Required

Company Name: AIP, if not preprinted on the worksheet (company name).

Claim Number: Claim number as assigned by the AIP.

PART I - GENERAL INFORMATION

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 on the actual harvest records or processor/packing house delivery records, as applicable.
6. **Type:** Enter applicable three-digit type code as specified in the Special Provisions for the type being grown (e.g., "111," "112," 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. **Block ID:** The block identification symbol from a sketch map, aerial photograph, or inspection form after verification.
9. **Damage:**
 - a. **Cause:** Name of the insured cause(s) of damage (refer to 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., Apr 24).
 - c. Explain any uninsured damage in the "Remarks."
10. **Unit Acres:** Unit acres rounded to tenths.
11. **Harvested Acres:** Number of harvested acres rounded to tenths, for the variety listed in item 5.
12. **Basic Coverage/Optional Coverage:** Place an "X" in the appropriate box indicating "Basic Coverage" or "Optional Coverage" as selected by the insured.
13. **Unit of Measure:** Place an "X" in the appropriate box indicating "Boxes" or "Bushels."

PART II - HARVESTED/DELIVERED PRODUCTION TO COUNT CALCULATIONS - PROCESSOR/PACKING HOUSE GRADES

14. **Delivery Date:** The delivery date (e.g., MM/DD) noted on the delivery load/ticket receipt.

15. **Load/Ticket No.:** The applicable number on the load/ticket receipt.
16. **Gross Harvested/Delivered Production:** Circle either “Harvested” or “Delivered” as applicable. Enter the amount of gross harvested/delivered production in boxes/bushels to tenths, by load for the unit identified in item 4 above.
17. **U.S. #1 Processing or better:** Enter the amount of delivered production that grades at least U.S. No. 1 Processing or better (e.g., production that grades U.S. No. 1 Fresh, U.S. Fancy, and U.S. Extra Fancy, Washington Fancy, Washington Extra Fancy, etc.) in boxes/bushels to tenths.
18. **Uninsured Damage:** Enter the amount of production that has been damaged by uninsured causes of damage, in boxes/bushels to tenths when verifiable records identifying such production are available.
19. **Basic Coverage Production:** Column 17 plus column 18, results in boxes/bushels rounded to tenths.
20. **U.S. Fancy or better (for Optional Coverage only):** Enter the amount of production in boxes/bushels to tenths that grades at least U.S. Fancy or other grade(s) listed in the Special Provisions or better.
21. **Optional Coverage Production:** Column 18 plus column 20, results in boxes/bushels rounded to tenths.
22. **Total:** Make the following entries:
- a. Gross Harvested/Delivered Production: Total all column 16 entries. Transfer total to items 30 and 37 below.
 - b. U.S. No. 1 Processing or better: Total all column 17 entries.
23. **Total:** Total of all column 19 entries. For acreage insured under Basic Coverage, transfer this entry to section II, column “I” - Bu., Ton, Lbs., CWT on the claim form.
24. **Total:** Total of all column 21 entries: For acreage insured under Optional Coverage, transfer this entry to section II, column “I” - Bu., Ton, Lbs., CWT on the claim form.

PART III - HARVESTED PRODUCTION TO COUNT CALCULATIONS - FIELD GRADES

25. **Sample Number:** MAKE NO ENTRY. Sample numbers are pre-printed on the appraisal worksheet.
26. **No. of Apples per Sample:** Select at least 10 representative sample apples but no more than 30 apples for grading/quality adjustment. Select the same number of sample apples (e.g., 10 sample apples per tree, 20 sample apples per tree, etc.) from all sample trees in the unit/block being appraised to insure consistent appraisals. Make sure sample apples selected for grading/quality adjustment are representative of the average condition of all apples in the unit/block being appraised.

27. **Uninsured Damage:** Visually examine each sample apple to determine if it solely or partially damaged by uninsured causes. Record the number of apples in each sample that are solely or partially damaged by uninsured causes.
28. **U.S. #1 Processing or better:** Visually examine each sample apple to determine if it meets the U.S. No. 1 Processing grade requirements.
- a. **Basic Coverage:** Record the number of apples in each sample that grade at least U.S. No. 1 Processing or better.
- b. **Optional Coverage:** Record the number of apples in each sample that grade at least U.S. No. 1 Processing but grade less than U.S. Fancy (e.g., U.S. No. 1 (Fresh), etc.) or other grade(s) listed in the Special Provisions or better.
29. **U.S. Fancy or better (for Optional Coverage only):** Visually examine each sample apple to determine if it grades at least U.S. Fancy or other grade(s) listed in the Special Provisions or better. Record the number of apples in each sample that grade at least U.S. Fancy or other grade(s) listed in the Special Provisions or better.
30. **Line Total:** Separately total the number of all representative sample apples in lines 26, 27, 28 and 29, as applicable.
- APH Yield:** The instructions in items 31 through 37 below describe how to calculate the APH Yield per Acre for the harvested acres identified in item 11 for the current crop year (this APH Yield will be used to update the insured's APH database for succeeding crop years and is NOT the APH Yield used to calculate the insured's guarantee for the current crop year). If item 11 acreage is a single "block" within the insured unit, refer to the CIH for additional information on documenting yield and acreage information on the Block Production Worksheet for APH purposes.
31. **Gross Harvested Production:** Transfer total of all column 16 entries in boxes/bushels to tenths.
32. **No. of Apples to Count:** Calculate as follows:
- a. **Basic Coverage:** Transfer entry from item 30(c).
- b. **Optional Coverage:** Item 30(c) plus 30(d), results in whole apples.
33. **Total No. of Apples from all Samples:** Transfer entry from item 30(a).
34. **% U.S. No. 1 Processing:** Item 32 divided by item 33, results as a percentage rounded to two decimal places (e.g., 0.38).
35. **APH Yield:** Make entries as follows.
- a. For Harvested Production that is field graded by the adjuster or licensed State/Federal grader: Item 31 multiplied by item 34, results in boxes/bushels rounded to tenths.

b. For Delivered Production that is graded by the processor/packing house: Enter the total of all column 17 entries, in boxes/bushels to tenths.

36. **Harvested Acres:** Transfer entry from item 11.

37. **APH Yield per Acre:** Item 35 divided by item 36, results in boxes/bushels to tenths.

Basic Coverage Appraisals/Optional Coverage: The instructions in items 38 through 42 below are for calculating the harvested production to count for Basic and Optional Coverage.

38. **Gross Harvested Production:** Transfer total of all column 16 entries in boxes/bushels to tenths.

39. **No. Apples to Count:** Calculate as follows:

a. **Basic Coverage:** Item 30(b) plus item 30(c).

b. **Optional Coverage:** Item 30(b) plus item 30(d).

40. **Total No. of Apples from all Samples:** Transfer entry from item 30(a).

41. **% Meeting Grade:** Item 38 divided by item 39, results as a percentage to two decimal places (e.g., 0.45).

42. **Total Production to Count:** Item 38 multiplied by item 41, results in boxes/bushels to tenths. Transfer this entry to section II, column "I" - Bu., Ton, Lbs., CWT on the Production Worksheet. Calculate as follows:

43. **Remarks:**

a. Use a sketch map that identifies the unit/block boundaries and location 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. List and identify any uninsured cause(s) of damage or loss.

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. Note any differences between unit acres and harvested acres.

f. Identify the location of any damaged acreage harvested before appraisals were conducted.

- g. Explain and identify any voluntary destruction (e.g., tree removal, etc.) of any unit/block acreage.
- h. Attach any reference materials that identify the unit/block (i.e., aerial photographs, sketch maps, etc.).

The following required entries are not illustrated on the Harvested Apple Production Worksheet example below.

- 44. **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.
- 45. **Insured's Signature and Date:** Insured's (or authorized representative's) signature and date. BEFORE obtaining the signature, REVIEW ALL ENTRIES on the Appraisal Worksheet WITH THE INSURED or insured's authorized representative, particularly explaining codes, etc., that may not be readily understood.
- 46. **Pg __ of __:** Page number - (Example: Page 1 of 1, Page 2 of 2, etc.).

9. CLAIM FORM ENTRIES AND COMPLETION PROCEDURES

A. CLAIM FORM STANDARDS

- (1) The entry items in subsection C are the minimum Claim Form (hereafter referred to as “Production Worksheet”) requirements. All of these entry items are considered “Substantive,” (i.e., they are required.)
- (2) The completion instructions for the required entry items on the Production Worksheet in the following subsections are “Substantive,” (i.e., they are required.)
- (3) The Privacy Act and Nondiscrimination statements are required statements that must be printed on the form or provided as a separate document. These statements are not shown in the example form in this exhibit. The current Privacy Act and Nondiscrimination statements can be found in the DSSH.
- (4) The certification statement required by the current Document and Supplemental Standards Handbook (FCIC 24040) must be included on the form directly above the insured’s signature block immediately followed by the statement below.

I understand the certified information on this Production Worksheet will be used to determine my loss, if any, to the above unit. The AIP may audit and approve this information and supporting documentation. The Federal Crop Insurance Corporation, an agency of the United States, subsidizes and reinsures this crop insurance.

- (5) Refer to the DSSH for other crop insurance form requirements (e.g., point size of font, etc.)

B. GENERAL INFORMATION FOR CLAIM FORM ENTRIES AND COMPLETION INFORMATION

- (1) The claim form, hereafter referred to as a “Production Worksheet” is a progressive form containing all notices of damage for all preliminary and final inspections made on a unit.
- (2) If a Production Worksheet has been prepared on a prior inspection, verify each entry and enter additional information as needed. If a change or correction is necessary, strike out all entries on the line and re-enter correct entries on a new line. The adjuster and the insured are to initial any line deletions.
- (3) Refer to the LAM for instructions regarding the following:
 - (a) Acreage report errors.
 - (b) Delayed notices and delayed claims.
 - (c) Corrected claims or fire losses (double coverage), and cases involving uninsured causes of loss, unusual situations, controversial claims, concealment, or misrepresentation.
 - (d) Claims involving a Certification Form, (when all the acreage on the unit has been appraised to be put to another use or other reasons as described in the LAM).

- (e) “No Indemnity Due” claims (which must be verified by an APPRAISAL or NOTIFICATION from the insured that the production exceeded the guarantee).
- (4) The adjuster is responsible for determining if the insured has complied with all of their requirements under the notice and claim provisions of the policy. If they have not, the adjuster should contact the AIP.
- (5) For optional coverage claims only, complete two separate claim forms. One claim form will be used to document the basic coverage production to count and one claim form will be used to document the optional coverage production to count. The final claim for indemnity will be based on the claim form (basic coverage or optional coverage) which produces the largest indemnity.
- (6) Instructions labeled “PRELIMINARY” apply to preliminary inspections only. Instructions labeled “FINAL” apply to final inspections only. Instructions not labeled apply to ALL inspections.

C. FORM ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

Item

No. Information Required

- 1. **Crop/Code #:** “Apples” (0054).
- 2. **Unit #:** Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
- 3. **Legal Description:** Section, township, and range number or other legal description that identifies the location of the unit.
- 4. **Date of Damage:** First three letters of the month during which MOST of the insured damage (including progressive damage) occurred for each inspection. Include the SPECIFIC DATE where applicable as in the case of hail damage (e.g., 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 **AIP**.
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, in the 1st or 2nd space, as applicable. Enter the complete date (MM/DD/YYYY) for each notice.
- b. A third notice of damage or loss for a 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 of Production Worksheets.
- 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 **AIP**, enter "Company Insp." instead of the date.
- e. If the notice does not require an inspection, document as directed in the "Narrative" instructions.

FINAL: Transfer the last date (in the 1st or 2nd space from first or second set of Production Worksheets) to the FINAL space on the first page of the first set of Production Worksheets if a final inspection should be made as a result of the notice. Always enter the complete date of notice (MM/DD/YYYY) 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 AIP services it, enter the contract number. Handle these companion policies according to AIP instructions.
 - (2) If the OTHER person has a multiple-peril contract and a DIFFERENT AIP or agent services it, enter the name of the AIP and/or agent (and contract number) if known.
 - (3) If unable to verify the existence of a companion contract, enter “Unknown” and contact the AIP 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:

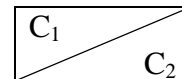
- a. Put to other use without prior consent.
- b. Abandoned.
- c. Damaged by uninsured causes.
- d. For which the insured failed to provide acceptable records of production.
- e. From which production was sold by direct marketing if the insured failed to meet the requirements contained in the crop provisions.

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 **AIP**. Document authorization in the Narrative.

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

- C₁ Enter the ACTUAL acres for the **unit/block**.
- C₂ Enter the REPORTED acres for the **unit/block**.



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 **AIP** 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:**

- a. 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.
- b. 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 unit/block and the actual unit/block management (for fresh-market or processing apples) as shown on the Summary of Coverage. ENTER the appropriate type code for EACH unit/block after said verification.

H. **Stage:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Stage abbreviations as shown below.

<u>STAGE</u>	<u>EXPLANATION</u>
“P”	Acreeage 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 AIP, 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."

K₁-L. MAKE NO ENTRY.

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

- a. Hail and fire exclusion NOT in effect.
 - (1) When there is a zero (0) appraisal on the appraisal worksheet, 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 in column "H," and the intended use is either "WOC," "SU," or "ABA" in column "I." 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. Refer to the LAM for instructions regarding assessing uninsured cause appraisals.
- 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:** Column "J" plus column "M" results in boxes/bushels to tenths.

O. **Total to Count:** Column "C" or "C₁" (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 "C₂" (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 “C₁” 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 **AIP**’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 **AIP** MM/DD/YYYY.”
- q. Document the method and calculation used to determine acres for the unit. Refer to the LAM.
- r. Specify the type of insects or disease when the insured cause of loss is listed as insects or disease. Explain why control measures did not work.
- s. Document the name and address of the charitable organization when gleaned acreage is applicable. Refer to the LAM for more information.
- t. Document any other pertinent information, including any data to support any factors used to calculate the production.

SECTION II - HARVESTED PRODUCTION

GENERAL INFORMATION:

- (1) Account for ALL HARVESTED PRODUCTION (for **ALL ENTITIES** sharing in the crop) except production appraised BEFORE harvest and shown in Section I because the quantity cannot be determined later.

*** (2) For production that is sold, enter the name and address of buyer, packing house, or processor as applicable in columns “B” through “E.”

- (3) 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) Different buyers or processors - the insured must have maintained satisfactory records of ALL production.
- (b) Varying shares; e.g., 50 percent and 75 percent shares on same unit.
- (c) 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.

Verify or make the following entries:

**Item
No.**

Information Required

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

PRELIMINARY: MAKE NO ENTRY.

FINAL:

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

19. **Similar Damage:**

PRELIMINARY: MAKE NO ENTRY.

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

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

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

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

A₂. **Field ID:**

- a. If only one practice and/or type of harvested production is listed in Section I, MAKE NO ENTRY.
- b. If more than one practice and/or type of harvested production is listed in Section I, and a separate approved APH yield exists, indicate for each practice/type the corresponding Field ID (from Section I, 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. **Length or Diameter, Width, Depth, Deductions:** Make the following entries.

- a. For production sold, enter the name and address of the buyer, packing house, or processor, as applicable.
- b. For apples otherwise disposed of (e.g., sold by direct marketing, etc.) 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.

- a. For harvested production that is graded at the processor/packing house: Transfer entry from item 24 of the Harvested Apple Production Worksheet in boxes/bushels to tenths.
- b. For harvested production that is field graded by the adjuster or graded by a State/Federal grader: Transfer entry from item 42 of the Harvested Apple Production Worksheet in boxes/bushels to tenths.
- c. For harvested production that is not graded: Count all such production as production to count in boxes/bushels to tenths. Explain in the "Narrative."
- d. For harvested production that is sold as U.S. Fancy grade under optional coverage that is not accounted for on the harvested production worksheet: Count all such production as production to count in boxes/bushels to tenths. Explain in the "Narrative."

J. - M₂. MAKE NO ENTRY.

N. **Adjusted Production:** Transfer entry from column "I."

- 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.

- Q₁-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 AIP'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.

The following required entries are not illustrated on the Production Worksheet examples below.

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 the signature, REVIEW ALL ENTRIES on the Production Worksheet WITH THE INSURED or insured's authorized representative, 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>Apr 24</i>		
5 Cause of Damage <i>Freeze</i>		
6 Primary Cause % <i>100%</i>		
12 Additional Units <i>00400</i>		
13 Est. Prod. Per Acre <i>520</i>		

7 Company Any Company
 Agency Any Agency
BASIC COVERAGE EXAMPLE

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-1</i> <i>M/D NS</i>		<i>5.0</i>	<i>1.000</i>	<i>A01</i>	<i>997</i>	<i>112</i>	<i>UH</i>	<i>UH</i>	<i>30.3</i>				<i>30.0</i>	<i>151.5</i>	<i>600.0</i>	<i>3,000.0</i>
<i>A-2</i> <i>M/D NS</i>		<i>5.0</i>	<i>1.000</i>	<i>A01</i>	<i>997</i>	<i>112</i>	<i>H</i>	<i>H</i>							<i>600.0</i>	<i>6,000.0</i>
<i>A-3</i> <i>M/D NS</i>		<i>10.0</i>	<i>1.000</i>	<i>A01</i>	<i>997</i>	<i>112</i>	<i>H</i>	<i>H</i>							<i>600.0</i>	<i>3,000.0</i>
16 TOTAL		<i>20.0</i>											17 TOTALS	<i>151.5</i>		<i>12,000.0</i>

NARRATIVE (If more space is needed, attach a Special Report) *Acres measured using wheel measurements.*

SECTION II - HARVESTED PRODUCTION

18 Date Harvest Completed <i>MM/DD/YYYY</i>	19 Is damage similar to other farms in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	20 Assignment of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	21 Transfer of Right to Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
--	---	---	---

MEASUREMENTS					GROSS PRODUCTION				ADJUSTMENTS TO HARVESTED PRODUCTION									
A ₁	B	C	D	E	F	G	H	I	J	K ₁	L ₁	M ₁	N	O	P	$\frac{Q_1}{Q_2}$	R	S
A ₂	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 (H x J x K ₂ x L ₂ x M ₂)	Prod. Not to Count	Production (N - O)	Value Mkt. Price	Quality Factor (Q ₁ ÷ Q ₂)	Production to Count (P x R)
	<i>Acme Apple Processors</i> <i>Anytown, Anystate</i>							<i>1,530.0</i>							<i>1,530.0</i>			<i>1,530.0</i>
	<i>Acme Peelers</i> <i>Anytown, Anystate</i>							<i>5,250.0</i>							<i>5,250.0</i>			<i>5,250.0</i>

22 Section II Total	<i>6,780.0</i>
23 Section I Total	<i>151.5</i>
24 Unit Total	<i>6,931.5</i>

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

1 Crop/Code # Apples 0054	2 Unit # 00200	3 Legal Description SWI-96N-30W
4 Date of Damage Aug 10		
5 Cause of Damage Hail		
6 Primary Cause % 100%		
12 Additional Units 00400		
13 Est. Prod. Per Acre 520		

7 Company Agency **Any Company
Any Agency**

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

**OPTIONAL COVERAGE EXAMPLE
BASIC COVERAGE**

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)
B-1 MD NS		6.0		A01	002	III	UH	UH	23.9				23.9	143.4	600.0	3,600.0
B-2 MD NS		10.0		A01	002	III	H	H							600.0	4,800.0
B-2 MD NS		4.0		A01	002	III	H	H							600.0	3,600.0
16 TOTAL		20.0											17 TOTALS	143.4	12,000.0	

NARRATIVE (If more space is needed, attach a Special Report) *Acres measured using wheel measurements.*

SECTION II - HARVESTED PRODUCTION

18 Date Harvest Completed **MM/DD/YYYY** 19 Is damage similar to other farms in the area? Yes No 20 Assignment of Indemnity Yes No 21 Transfer of Right to Indemnity? Yes No

MEASUREMENTS					GROSS PRODUCTION				ADJUSTMENTS TO HARVESTED PRODUCTION									
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 (H x I x K ₁ x L ₁ x M ₁)	Prod. Not to Count	Production (N - O)	Value Mkt. Price	Quality Factor (Q ₁ ÷ Q ₂)	Production to Count (P x R)
	Acme Apple Packers Anytown, Anystate							2,325.0							2,325.0			2,325.0
	Apple-o-Rama Anytown, Anystate							1,060.0							1,060.0			1,060.0

Basic coverage indemnity: Assume \$4.76/bu. price election for processing apples
 20.0 acres x 600.0 bu/acre guarantee x \$4.76/bu. price election = \$57,120 liability
 3,528.4 bu. production to count x \$4.76/bu. price election = \$16,795 value
 \$57,120 - \$16,795 = \$40,325 indemnity for basic coverage

22 Section II Total	3,385.0
23 Section I Total	143.4
24 Unit Total	3,528.4

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

1 Crop/Code # <i>Apples 0054</i>	2 Unit # <i>00200</i>	3 Legal Description <i>SW1-96N-30W</i>
4 Date of Damage <i>Aug 10</i>		
5 Cause of Damage <i>Hail</i>		
6 Primary Cause % <i>100%</i>		
12 Additional Units <i>00400</i>		
13 Est. Prod. Per Acre <i>520</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>XXXXXXX</i>			
14 Date(s) Notice of Loss	1st <i>MM/DD/YYYY</i>	2nd	Final <i>MM/DD/YYYY</i>
15 Companion Policy(s)			

OPTIONAL COVERAGE EXAMPLE

OPTIONAL COVERAGE

SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

ACTUARIAL									POTENTIAL YIELD						STAGE GUARANTEE	
A	B	C	D	E	F	G	H	I	J	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>B-1 M/D NS</i>		<i>6.0</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>111</i>	<i>UH</i>	<i>UH</i>	<i>2.5</i>				<i>2.5</i>	<i>15.0</i>	<i>600.0</i>	<i>3,600.0</i>
<i>B-2 M/D NS</i>		<i>10.0</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>111</i>	<i>H</i>	<i>H</i>							<i>600.0</i>	<i>4,800.0</i>
<i>B-2 M/D NS</i>		<i>4.0</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>111</i>	<i>H</i>	<i>H</i>							<i>600.0</i>	<i>3,600.0</i>
16 TOTAL		<i>20.0</i>												17 TOTALS	<i>15.0</i>	<i>12,000.0</i>

NARRATIVE (If more space is needed, attach a Special Report) *Acres measured using wheel measurements.*

SECTION II - HARVESTED PRODUCTION

18 Date Harvest Completed *MM/DD/YYYY* 19 Is damage similar to other farms in the area? Yes No 20 Assignment of Indemnity Yes No 21 Transfer of Right to Indemnity? Yes No

MEASUREMENTS					GROSS PRODUCTION				ADJUSTMENTS TO HARVESTED PRODUCTION									
A ₁ A ₂	B	C	D	E	F	G	H	I	J	K ₁ K ₂	L ₁ L ₂	M ₁ M ₂	N	O	P	Q ₁ Q ₂	R	S
Share Field ID	Length or Diameter	Width	Depth	Deduction	Net Cubic Feet	Conversion Factor	Gross Prod. (FxG)	Bu. Ton Lbs. CWT	Shell/Sugar Factor	FM% Factor	Moisture % Factor	Test WT Factor	Adjusted Production (HxIxKxLxMxN)	Prod. Not to Count	Production (N - O)	Value Mkt. Price	Quality Factor (Q1 ÷ Q2)	Production to Count (PxR)
	<i>Acme Apple Packers Anytown, Anystate</i>							<i>2,325.0</i>							<i>2,325.0</i>			<i>2,325.0</i>
	<i>Apple-o-Rama Anytown, Anystate</i>							<i>1,060.0</i>							<i>1,060.0</i>			<i>1,060.0</i>

Optional coverage indemnity: Assume \$9.10/bu. price election for fresh apples.
 20.0 acres x 600.0 bu/acre guarantee x \$9.10/bu. price election = \$109,200 liability
 3,400.0 bu. production to count x \$9.10/bu. price election = \$30,940 value
 \$109,200 - \$30,940 = \$78,260 indemnity for optional coverage
 Since the optional coverage indemnity (\$78,260) is the greater that the basic coverage indemnity (\$40,325) the insured is paid the \$78,260 indemnity amount based upon the optional coverage claim form.

Section II Total	<i>3,385.0</i>
Section I Total	<i>15.0</i>
Unit Total	<i>3,400.0</i>

10. REFERENCE MATERIAL

TABLE A - MINIMUM REPRESENTATIVE SAMPLE REQUIREMENTS

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

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 UNDER OPTIONAL COVERAGE

Actual Percent Damage	Quality Adjusted Percent Damage	Actual Percent Damage	Quality Adjusted Percent Damage
0 -20	00	43	49
21	02	44	52
22	04	45	55
23	06	46	58
24	08	47	61
25	10	48	64
26	12	49	67
27	14	50	70
28	16	51	72
29	18	52	74
30	20	53	76
31	22	54	78
32	24	55	80
33	26	56	82
34	28	57	84
35	30	58	86
36	32	59	88
37	34	60	90
38	36	61	92
39	38	62	94
40	40	63	96
41	43	64	98
42	46	65-100	100

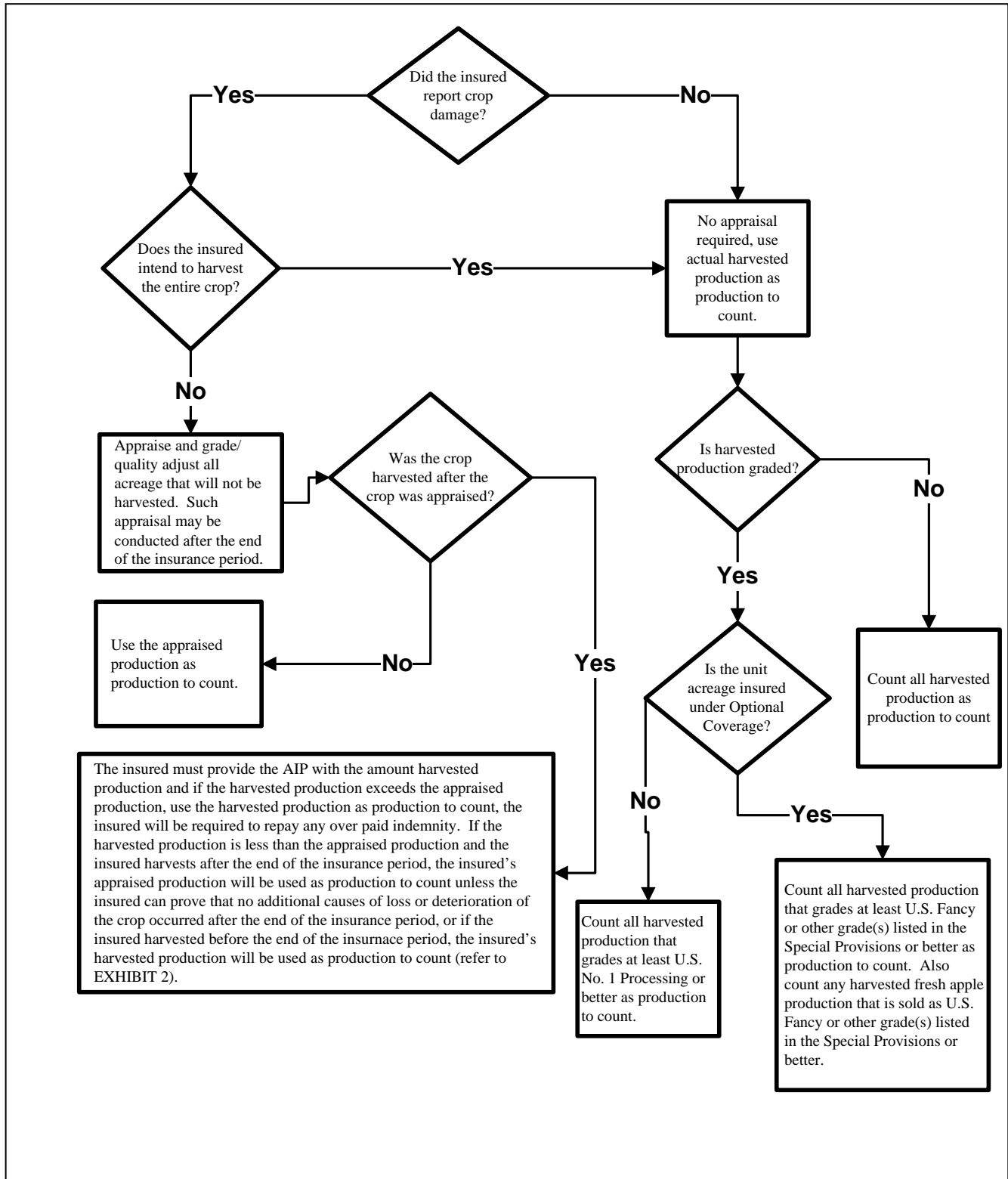
Use this table when the insured has elected the Optional Coverage for Quality Adjustment to adjust appraised production. This table does not apply to any harvested production that is sold as U.S. Fancy grade or other grade(s) listed in the Special Provisions or better.

On the Apple Appraisal Worksheet, find item 47 “Actual % Damage.” Locate this percentage under the column labeled “Actual Percent Damage.” Identify the corresponding “Quality Adjusted Percent Damage” in the right column and transfer this entry to item 48 “Quality Adj. %.”

EXAMPLE: If the “Actual % Damages” is 46, use the above table to find 46 and the corresponding “Quality Adjusted % Damage” which is 58. Enter “0.46” as the “Actual % Damage” and “0.58” as the “Quality Adjusted %” on the appraisal worksheet.

APPLE CLAIM FLOWCHART

The following flowchart information does not apply to individuals or entities that have been declared ineligible for crop insurance benefits.



SUPPLEMENTAL INSTRUCTIONS FOR CALCULATING PRODUCTION TO COUNT UNDER OPTIONAL COVERAGE

1. INTRODUCTION

The Apple Crop Provisions state in Section 14(b)(5)(v): “Notwithstanding sections 14(b)(5)(i) through (iv), if you sell any of your fresh apple production as U.S. Fancy, all such sold production will be included as production to count under this option.” Under this provision, harvested apple production that is sold as U.S. Fancy grade or other grades(s) listed in the Special Provisions or better will count as production to count and such production is not subject to the provisions in section 15(b)(5)(i) through (iv) of the apple policy. Any such production is not reduced. Refer to the following scenarios that illustrate how to calculate production to count for Optional Coverage claims.

2. SCENARIOS

Scenario 1:

Unit consists of 4.0 acres of fresh Fuji apples. All 4.0 acres were gross appraised at 833.3 bu. per acre with 50% actual damage (apples grading less than U.S. Fancy or other grade(s) listed in the Special Provisions) which adjusts to 70% damage on the sliding scale in **TABLE C**. The net adjusted per acre appraisal was 250.0 bu. (833.3 bu. x 0.30) per acre for a total net unit appraisal of 1,000.0 bu. (250.0 bu. x 4.0 acres). Production from the 4.0 acres was later salvaged and 1,350.0 bu. was sold as U.S. Fancy or better. Since the production sold as U.S. Fancy or better is more than the net appraised production; use the 1,350.0 bu. sold production as production to count. Enter 1,350.0 bu. in item “I,” in section II of the Production Worksheet.

Scenario 2:

Unit consists of 4.0 acres of fresh Fuji apples. 2.0 acres were gross appraised at 500.0 bu. per acre with 58% actual damage (apples grading less than U.S. Fancy or other grade(s) listed on the Special Provisions) which adjusts to 86% damage on the sliding scale in **TABLE C**. The net adjusted per acre appraisal was 70.0 bu. (500.0 bu. x 0.14) per acre for a total net unit appraisal of 140.0 bu. (70 bu. x 2.0 acres). The remaining 2.0 acres were harvested and yielded 420.0 bu. harvested and sold as U.S. Fancy or better. Since this unit has both harvested and unharvested acreage, the production to count consists of the net appraised production of U.S. Fancy or better from the unharvested acreage plus the production sold as U.S. Fancy or better from the harvested acreage. Production to count is 560 bu. (140.0 bu. net appraised production of U.S. Fancy or better + 420.0 bu. harvested and sold as U.S. Fancy or better). Enter 140.0 bu. in item “J,” section I and 420.0 bu. in item “I,” in section II of the Production Worksheet.

Scenario 3:

Unit consists of 4.0 acres of fresh Fuji apples. 4.0 acres were gross appraised at 1,250.0 bu. per acre with 53% actual damage (apples grading less than U.S. Fancy or other grade(s) listed on the Special Provisions) which adjusts to 76% damage on the sliding scale in **TABLE C**. The net adjusted per acre appraisal was 300.0 bu. (1,250.0 bu. x 0.24) per acre for a total net unit appraisal of 1,200.0 bu. (300.0 bu. x 4.0 acres). The acreage was select harvested and 985.0 bu. sold as U.S. Fancy or better. Since the production sold as U.S. Fancy or better is less than the net appraised production, use the net appraised production. Production to count is 1,200.0 bu. (1,200.0 bu. net appraised – 985.0 bu. sold). Enter 215.0 bu. in item “J,” in section I and 985.0 bu. in item “I,” in section II of the Production Worksheet.