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Federal Crop
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Product
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Division

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RAISIN LOSS ADJUSTMENT STANDARDS HANDBOOK

2007 AND SUCCEEDING CROP YEARS

RAISIN LOSS ADJUSTMENT STANDARDS HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

Control Chart For: Raisin Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Exhibit(s)	Date	Directive Number
Remove	1-4		1-4		4/2006	FCIC-25390
Insert	1-2		1-4		4/2007	FCIC-25390-1
Current	1-2	1-4	1-4 5-42	1(43-44) 2(45-46) 3(47) 4(48) 5(49) 6(50-52)	4/2007 4/2006	FCIC-25390-1 FCIC-25390

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This handbook remains in effect until superseded by reissuance of **either** the entire handbook **or** selected portions (through slipsheets or bulletins).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

A. DISTRIBUTION

The following is the minimum distribution of forms completed by the adjuster and signed by the insured (or the insured's authorized representative) for the loss adjustment inspection:

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

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 raisin loss adjustment and this handbook, which are not defined in this section, are defined as they appear in the text.
- (3) Abbreviations:

AMS	Agriculture Marketing Service
C DFA	California Department of Food and Agriculture
RAC	Raisin Administrative Committee

(4) Definitions:

Cooperative	A farming enterprise or organization owned by and operated for the benefit of those using its services.
Courtesy Inspection	Actual determination by a USDA inspector of all defects from samples pulled by and submitted by the insured.
Table Grape Strippings	Any table grapes remaining in the vineyard following final harvest that fail to meet the CDFA minimum standards for table grapes.
USDA Crop Insurance Inspection	Actual determination by a USDA inspector of all defects from samples pulled and submitted by the adjuster.

3. INSURANCE CONTRACT INFORMATION

The AIP is to determine that the insured has complied with all policy provisions of the insurance contract. Crop provisions to consider 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, the Raisin crop Provisions, and Special Provisions.

- (1) The crop insured will be all the raisins in the county of grape varieties in which the insured has a share for which a premium rate is provided by the actuarial documents and that are NOT:
 - (a) Laid on trays after September 8 in vineyards with north-south rows, or to any Mechanically harvested raisins laid down on a continuous tray after September 25 in vineyards with east-west rows. (Refer to the Special Provisions of Insurance for county specific information).
 - (b) From table grape strippings; or
 - (c) From vines that received manual, mechanical, or chemical treatment to produce table grape sizing.
- (2) Insurance attaches on each unit at the time the raisins are placed on trays for drying and ends the earliest of:
 - (a) October 20;
 - (b) The date the raisins are removed from the trays;
 - (c) The date the raisins are removed from the vineyard;
 - (d) Total destruction of all raisins on a unit;
 - (e) Upon final adjustment of a loss on a unit; or
 - (f) Abandonment of the raisins.
- (3) In accordance with the Basic Provisions, insurance is provided only against unavoidable loss of production resulting from rain that occurs during the insurance period and while the raisins are on trays or in rolls in the vineyard for drying.

(4) Insurance will not attach to any mechanically harvested raisins laid on a continuous tray unless the canes are severed at least the number of days indicated in the Special Provisions of Insurance prior to the time raisins are laid on trays.

(5) In addition to the causes of loss excluded in the Basic Provisions, insurance is NOT provided against damage of loss of production due to the inability to market raisins for any reason other than actual physical damage due to rain. For example the insurance provider will not pay the insured for an indemnity if the insured is unable to market due to quarantine, boycott, or refusal of a person to accept production.

B. PROVISIONS AND PROCEDURES NOT APPLICABLE TO CAT COVERAGE

Refer to the Crop Insurance Handbook (CIH) and the LAM for provisions and procedures not applicable to CAT.

C. UNIT DIVISION

Refer to the insurance contract for unit provisions. A basic unit will be divided into additional basic units by grape variety. Unless limited by the Crop or Special Provisions, a basic unit, as defined in the Basic Provisions, may be divided into optional units if, for each optional unit all the conditions stated in the applicable provisions are met.

D. NOTICE OF DAMAGE OR LOSS

(1) In addition to the requirements in the Basic Provisions, in the event of damage or loss, the insured must file a “notice of damage or loss” within 72 hours of the time rain fell on the raisins. The insurance provider may reject the claim for indemnity if the notice is filed later, if the insured intends to claim an indemnity on any unit.

(2) In lieu of the Basic Provisions, any claim for indemnity must be submitted to the insurance provider not later than March 31 following the date for the end of the insurance period.

E. ESTABLISHING RAISIN ACREAGE AND INSURED TONNAGE

(1) When the insured reports damage, the adjuster will verify the following from the acreage report (or Summary of Coverage) for the damaged unit(s):

- (a) Location of vineyards;
- (b) Number of insured/uninsured acres;
- (c) Insured's share;
- (d) Unit number;
- (e) Practice; and
- (f) Variety name.

- (2) If there are discrepancies in the share(s) or reported units, refer to the LAM. If there is reported acreage from which the insured claims there were no raisins laid down, verify whether the insured notified the insurance provider on or before September 21 and whether records were provided and satisfactorily verified that no raisins were produced from the acreage. If notice is not provided as stated above, the insurance provider will deny liability on the unit. If satisfactory records are not provided the insurance provider may deny liability on the unit. If this information is discovered prior to September 21, notify the insurance provider for further instructions.
- (3) When determining insured raisin tonnage:
- (a) The adjuster must inspect all damaged units to determine delivered tonnage and make necessary appraisals for raisins left in the vineyard and damaged by uninsured causes, as applicable.
 - (b) Use the insured's delivery records to determine "Delivered Tons" (refer to the crop provisions for definition of "Delivered Tons").
 - (c) Determine moisture at the time of delivery. However, it may be possible that raisins with high moisture (in excess of 18%) delivered to a reconditioner will not have a sample pulled for moisture at the time of delivery. A moisture test by USDA must have been conducted prior to the insurance provider's authorization to recondition raisins. If a moisture test was not done, the insurance provider cannot allow reconditioning of raisins solely for moisture content in excess of 18 percent.
 - (d) If any tonnage on the insured's delivery record(s) has been adjusted with a type of adjustment or adjustment amount not stated in the definition of "delivered tons," the tonnage must be recalculated based on the allowed adjustments.
 - 1 Before recalculating the allowed adjustments (or to verify that unallowable adjustments have not been made), it may be necessary to use the individual delivery tickets rather than the grower's delivery records to determine the tons before unallowable adjustments were applied.
 - 2 If raisins contain moisture in excess of 24.3% at the time of delivery and are released for a use other than dry edible fruit, the raisins will be considered to contain 24.3% moisture.
 - (e) Include "delivered tons," appraised tonnage, and VERIFIABLE discards in excess of normal.
 - 1 If the insured removes and delivers production from a portion of the unit and the remaining production is lost in the vineyard, the appraised tonnage will be based on delivered tonnage (refer to instructions for completing the "Raisin Production Worksheet").
 - 2 When production will NOT be removed from the vineyard, determine the raisin tonnage amount using the instructions for completing the "Weight Appraisal Method" in subsection 6 B.