

United States
Department of
Agriculture



Federal Crop
Insurance
Corporation



Product
Development
Division

FCIC-25010 (02-2001)
FCIC-25010-1 (02-2002)

LOSS ADJUSTMENT MANUAL (LAM) STANDARDS HANDBOOK

2002 and Succeeding Crop Years

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

FEDERAL CROP INSURANCE HANDBOOK		NUMBER 25010-1 (02-02) 25010 (02-01)
SUBJECT: LOSS ADJUSTMENT MANUAL (LAM) STANDARDS HANDBOOK 2002 and SUCCEEDING CROP YEARS	DATE: February 14, 2002	
	OPI: Product Development Branch	
	APPROVED: <i>/s:/ Tim B. Witt</i> Deputy Administrator , Risk Management Agency	

SUMMARY OF CHANGES/CONTROL CHART

Major Changes: **Highlight** identifies changes or additions in the text. Three stars (***) identify information that has been removed.

Changes for February 2002 Issuance (FCIC-25010-1):

- (1) PAR. 2 C (7) Replaced reference to "Part 5" with "the Prevented Planting Handbook."
- (2) PAR. 4 For the explanation of the abbreviation GIPSA, removed "is under GIPSA." Also, changed the abbreviation "LPA" to "LPP" and accordingly changed "Late Planting Agreement" to "Late Planting Period."
- (3) PAR. 8 B (10) In the "NOTE," added that insurance providers are encouraged to verify share arrangements on the producer's FSA-578 since the insurance provider must ensure producer-certified information is accurate and that liability is established and indemnities are paid according to policy provisions.
- (4) PAR. 11 B Updated applicable subparagraphs to agree with the Crop Insurance Handbook (CIH).
- (5) PAR. 12 A Updated language to agree with the CIH, and added reference to PAR. 14.
- (6) PAR. 13 E (2) and G In the "NOTE," added that insurance providers are encouraged to verify share arrangements on the producer's FSA-578 since the insurance provider must ensure producer-certified information is accurate and that liability is established and indemnities are paid according to policy provisions.
- (7) PAR. 13 H 2 (b) Updated language to agree with the CIH.
- (8) PAR. 14 A (1) Added language about entities to agree with language in the CIH. Also In the "NOTE," added that insurance providers are encouraged to verify share arrangements on the producer's FSA-578 since the insurance provider must ensure that producer-certified information is accurate and that liability is established and indemnities are paid according to policy provisions.

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SUMMARY OF CHANGES/CONTROL CHART (Continued)

- (9) PAR. 22 Added additional information about hail and fire exclusions as it relates to different types of dry beans.
- (10) PAR. 29 B Added a “Note” in regards to revising the acreage report at loss time to change an irrigated practice to a non-irrigated practice.
- (11) PAR. 29 H Revised and added verbiage to clarify intent of this paragraph when a different type or practice reported does not agree with the practice or type that actually exists. Also, added verbiage in regards to not revising an acreage report when the misreported practice was an irrigated or non-irrigated practice.
- (12) PAR. 39 Updated the summerfallow practice information to agree with the CIH.
- (13) PAR. 40 Incorporated appropriate parts of Manager’s Bulletin MGR-01-017. Added note to paragraph 40 K (8). Removed subparagraph 40 K (1) (b) and subparagraph 40 K (9).
- (14) PAR. 45 In D (1) and (2), F, G, and I, updated language to agree with the CIH. Also in subparagraph D (2) (c) 1, revised language to indicate that if the crops’ planting pattern continues **into one or more** non-irrigated corners of the field and the portion of the field irrigated by a center pivot irrigation system, the non-irrigated corners are not eligible as a separate optional non-irrigated unit.
- (15) PAR. 56 A (2) (c) Corrected reference paragraph.
- (16) PAR. 64 A (1) and (2) Added language to emphasize the policy provisions that indicate acreage, for which the insured did not have a share until after the time insurance would have attached, cannot be insured under the insured’s policy.
- (17) PAR. 66 A Added a reference to Exhibit 3 (listing of insured causes of loss and applicable codes).
- (18) PAR. 70 B (2) Clarified that the insurance provider does not have to use the FSA’s current-year acreage measurements if the insurance provider measures the acres for the current crop year, but if the measurement differs from FSA’s, the insurance provider should resolve the difference with the FSA. Added a “NOTE” stating that it is recommended that acreage measurements are verified with FSA because if a discrepancy between FSA and the insurance provider is found, the discrepancy may have to be resolved at a later date. Also, deleted the “Note” about “5 Percent Acreage Determination Reviews” since this review is no longer required.
- (19) PAR. 75 B (3) Added example indicating that this would apply when corn is insured as grain and part or all of it will be cut for silage.
- (20) PAR. 75 C (1) Added subparagraph (d) to provide procedures for deferring appraisals of spring-seeded acreage where seed, due to insufficient soil moisture, has not emerged.

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SUMMARY OF CHANGES/CONTROL CHART (Continued)

- (21) PAR. 77 D (2) (d) Updated to indicate that the representative areas of corn, as used in this subparagraph, is for corn insured as silage. The representative areas are established and used when an appraisal to determine whether there is corn deficient silage is deferred because the appraisal cannot be made before all or part of the corn that is insured as silage is cut for silage.
- (22) PAR. 85 G (4) Updated the example to show the wheat at a test weight of 54 pounds and 15 percent defects. Then explained that although the test weight and percentage of defects exceed the point at which there are pre-established discount factors, 15% defects will cause the wheat to grade U. S. # 5, and, therefore, would qualify the wheat for quality adjustment.
- (23) PAR. 86 E Added the words "farm-stored production" in the Note.
- (24) PAR. 87 A Updated to indicate that, except for dry peas, adjustments to gross production for only foreign material (FM) (not dockage) is allowed. Added a "NOTE" regarding exception for dry peas. Also, added that production can be adjusted for dockage, as defined by Federal Grain Inspection Service (FGIS), when there is no FGIS definition for FM for the crop. Also, added that for some crops there may be other allowable deductions for non-grain materials, as defined by FGIS.
- (25) PAR. 87 D and E In subparagraph D (1), updated screen sizes used for wheat and barley, removed oats from the list, and indicated that, for other crops, information regarding screen sizes, procedures, etc., can be obtained from FGIS. Updated procedures in subparagraph D (2), as they relate to wheat and barley, and clarified how to make FM percentage determination from the sample. In subparagraph E, added that for dry peas, the FM factor would also include applicable dockage.
- (26) PAR.'s 88 and 89 Added crambe, and also specified when moisture or FM is not applicable to a particular crop. Added a "Note" indicating that in accordance with the Small Grains Crop Provisions, moisture adjustment is not allowed for flax.
- (27) PAR. 90 Revised to show that the test weight and test weight factors being determined is for farm-stored production. Added additional crops that use pounds as the unit of measure. Revised language to indicate that the procedures for test weight in this subparagraph are for farm-stored production, and that the test weight is determined before removal of dockage and FM. Added "NOTE" explaining that for the crops specified, the test-weight determination for quality adjustment (QA) purposes is made from a dockage-free sample (FM-free for non-oil type sunflowers.) Also, added additional procedures as it relates to recording the test-weight taken for QA purposes.
- (28) PAR. 91 N Added notes to situations 2 and 3 for clarification.
- (29) PAR. 94 B (6) Added that the date and name of the insurance provider representative, who provided authorization, must be documented in the remarks section of the Production Worksheet or on a Special Report.

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SUMMARY OF CHANGES/CONTROL CHART (Continued)

- (30) PAR. 94 G Corrected a paragraph reference.
- (31) PAR. 96 C Corrected a paragraph reference relating to test weight.
- (32) PAR. 110 Q Added language about a quarantine as it relates to uninsured causes.
- (33) PAR. 114 E In Example 3, corrected error in Step 1 on the first line under "Production," and in Example 4, Step 2, corrected an incorrect reference.
- (34) PAR. 115 B (3) (b) Reworded to clarify information about revised acreage reports and approved APH yields for the unit retained from the units for which production was commingled for the current crop year.
- (35) PAR. 117 Added reference to PAR. 110 Q relating to uninsured causes and quarantined acreage/crop.
- (36) PAR. 126 C (1) Added subparagraph (e) to indicate that beginning with the 2002 crop year, the AUP Cotton Special Provisions for all U.S. cotton regions, specify that the late planting period is 15 days rather than 25 days as stated in the Basic Provisions.
- (37) Exhibit 1 Updated or clarified some of the definitions.
- (38) Exhibit 2 Updated with appropriate policy information for the 2002 CY (2003, as applicable).
- (39) Exhibit 3 Updated the "cause of loss codes" for new pilot crops. Removed watermelon as one of the crops since watermelon is no longer a crop for which insurance is offered. Also, removed "Force Fire" as a cause of loss since the code for "fire" can also be used for tobacco.
- (40) Exhibit 4 Updated unit of measure for new pilot crops, and corrected the word "crates" to "containers" for Sweet Corn.
- (41) Exhibit 5 Added information to agree with the CIH.
- (42) Exhibit 6 Removed columns for coverage levels 50-60%, and added hail/fire exclusion appraisal factors for 80 and 85 percent coverage levels. Also, made correction to example on page 268.

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PART 1 GENERAL INFORMATION

1 PURPOSE

This handbook identifies the general (not crop-specific) standards (requirements) for adjusting Multiple Peril Crop Insurance (MPCI) losses in a uniform and timely manner. These standards are to be used with the crop-specific standards for loss adjustment identified in the various Crop Loss Adjustment Handbooks (e.g., Almond Loss Adjustment Handbook) and Prevented Planting Handbook, when applicable. This handbook may contain requirements that are not adjuster specific, but are an overall part of the loss adjustment process for which the insurance provider is responsible.

2 SPECIAL INSTRUCTIONS

A Titles

Specific titles of insurance providers' approving officials for which certain events, function, etc., would require the approving official's approval are not indicated in this handbook. However, for specific events, functions, etc., that require FCIC approval; titles of approving offices (or officials) are stated.

B Forms and Specific Entry Instructions

- (1) Forms. Insurance providers must use FCIC-approved forms. The loss adjustment forms shown in the FCIC-loss adjustment standards handbooks (LAM and crop handbooks) serve as the form standards for these forms. The Privacy Act Statement and Nondiscrimination Statement contained in the Documents Standards Handbook (FCIC-24040) must be utilized as stated in the FCIC-24040. Any changes to the forms shown in updated FCIC LAM standards or FCIC crop handbook standards require the same changes on insurance provider forms or trade association developed forms used by insurance providers. All loss adjustment forms used by each insurance provider must be submitted to RMA for FCIC-approval in accordance with the procedures stated in the FCIC-24040. Any modification to an approved form (other than spelling corrections or other typographical errors) requires the forms to be resubmitted for FCIC approval.
- (2) Where instructions in the FCIC-approved loss adjustment handbooks are not entry-specific to the FCIC-approved forms used by the insurance provider, insurance providers may update entry instructions in this handbook or crop handbooks to correlate with the specific item number on their loss form. However, any further changes in the instructions will require FCIC approval.

C Items/provisions or plans of insurance not applicable to Catastrophic Risk Protection (CAT) coverage:

- (1) Written agreements.

- (2) Hail-fire exclusion (also not applicable if additional coverage is less than 65/100 or comparable coverage).
 - (3) High-risk land exclusion.
 - (4) Options or endorsements.
 - (5) Replant payments.
 - (6) Optional units.
 - (7) Prevented planting coverage for double-cropped acreage (even when there is a history of double cropping), or when an initial crop is prevented from planting and a substitute crop is planted (substitute crop not applicable to most spring-planted crops). See [the Prevented Planting Handbook](#) for details.
 - (8) Group Risk Plan (except for GRP Forage Production and GRP Rangeland).
 - (9) Crop Revenue Coverage.
 - (10) Revenue Assurance.
 - (11) Adjusted Gross Revenue.
 - (12) Group Risk Income Protection.
- D Definitions, Codes, and Units of Measure. See Exhibit 1 for definitions. Exhibit 2 contains crop names and codes and other policy information by crop. Exhibit 3 contains cause of loss names and codes, and Exhibit 4 contains units of measure, by crop.

3 OPERATING POLICY

A Procedural Conflict

If there is a conflict between this handbook and comparable FCIC-approved procedures issued by an association or insurance provider, the procedures in this handbook will prevail. If there is a conflict between this handbook and the Crop Insurance Handbook (CIH), the CIH will prevail.

B Procedural Questions

Questions regarding responsibilities or loss adjustment procedures are to be directed through appropriate channels (through the insurance provider) to the FCIC Product Development Division.

C These Standards Remain in Effect Until Superseded

The issuance of an entire handbook will replace a previous handbook. Handbook slipsheets, [RMA](#) Manager's Bulletins or R&D Informational Memorandums that change any part of this handbook will supersede that part of the handbook. Insurance providers may find it necessary to provide additional internal guidelines or procedures for their loss

adjustment functions, such as where completed loss forms are forwarded, specifying specific form numbers and item numbers, etc. Any additional guidelines or procedures require FCIC approval.

4 ABBREVIATIONS

APH	Actual Production History
AD	Actuarial Documents
CAT	Catastrophic Risk Protection
CCD	Contract Change Date
CIH	Crop Insurance Handbook
CES	Cooperative Extension Service (State and County Offices under CSREES)
CSREES	Cooperative State Research, Education, and Extension Service
DF	Discount Factor
EIN	Employer's Identification Number
FCIC	Federal Crop Insurance Corporation
FSA	Farm Service Agency
FSN	Farm Serial Number
FCI-35	Coverage and Rate Table
FGIS	Federal Grain Inspection Service (of GIPSA)
FM	Foreign Material
GIPSA	Grain Inspection, Packers, and Stockyards Administration
GLAS	General Loss Adjustment Standards (Same as the LAM)
GRP	Group Risk Plan
H	Harvest
LAC	Loss Adjustment Contractor
LAM	Loss Adjustment Manual (Same as the GLAS)
LPP	Late Planting Period
MPCI	Multiple Peril Crop Insurance
NAP	Non-Insured Assistance Program
NRCS	Natural Resources Conservation Service
PAR	Paragraph
PW	Production Worksheet (claim form)
QAF	Quality Adjustment Factor
R&D	Research and Development (of Risk Management Agency)
RIV	Reduction In Value
RMA	Risk Management Agency
RO	Regional Office (of Risk Management Agency)
SCD	Sales Closing Date
SBI	Substantial Beneficial Interest
SRA	Standard Reinsurance Agreement
SSN	Social Security Number
TIN	Tax Identification Number
UH	Unharvested
USDA	United States Department of Agriculture
USWA	United States Warehouse Act

5 DOCUMENTS/PROCEDURES

- A What Can Be Used. Insurance providers must use FCIC-approved forms, procedures, policies, and amendments.
- B Documents and Procedures. Forms (and/or data processed from forms) and manuals necessary for loss adjustment include, but are not limited to:
- (1) Data from accepted applications and acreage reports. This data would include, (but is not limited to) the following: insured's name as accepted on the application, authorized representative, price election, level of coverage, SSN or EIN, approved APH yields, acres, types, practices, shares, etc., reported for the crop;
 - (2) Crop insurance policy (basic provisions, crop provisions, applicable endorsements or options, and Special Provisions) applicable to the inspection;
 - (3) Actuarial documents;
 - (4) RMA Manager's Bulletins and Informational Memorandums;
 - (5) FCIC-25010, Loss Adjustment Manual (or FCIC-approved equivalent);
 - (6) Specific crop loss adjustment handbook;
 - (7) Notice of Damage or Loss; and
 - (8) FCIC-approved forms (or data from forms) or documents applicable to the type of inspection and crop(s) being inspected; e.g., appraisal worksheets, Certification Form, claim forms, etc.

6 FCIC's **RMA** PRODUCT DEVELOPMENT DIVISION RESPONSIBILITIES

- A Standards. Establish the minimum standards and guidelines for loss adjustment.
- B Review and Approve. Unless otherwise specified, review and approve all insurance provider's loss adjustment procedures and forms (including completion instructions) prior to their use.
- C Guidance/Clarification. Provide guidance and clarifications, as needed, regarding these standards.

7 INSURANCE PROVIDER RESPONSIBILITIES

Insurance provider responsibilities include (but are not limited to) the following:

- A Administering the loss adjustment procedures. The insurance provider is responsible for all loss adjustment responsibilities outlined in this handbook whether the requirement is performed by an adjuster or insurance provider employee. The insurance provider and other parties involved with FCIC's Multiple Peril Crop Insurance program are to

FCIC. (The insurance provider will provide the appropriate parties with any FCIC-approved deviations.)

- (3) Use and be proficient with the applicable loss adjustment equipment.
- (4) Identify the type of inspection that will be made. All inspections will fall into three types: (1) Indemnity (including prevented planting indemnities), (2) Replant Payment Inspections, and (3) Special Contract Services Inspections.
- (5) Visit farms for the purpose of inspecting damaged or destroyed crops during the growing season or following harvest.
- (6) Explain to insureds their contractual responsibilities, filing procedures, and what will be done during the inspection.
- (7) During farm visit:
 - (a) Determine and/or verify any insured and uninsured causes of loss. Establish production or dollar amount to count from appraisals for uninsured causes of loss.
 - (b) Determine and/or verify the time of loss.
 - (c) Review and verify the acreage report information as described in PAR. 29.
 - (d) Inspect insured crops and make inquiries to independently establish all harvested, unharvested, and potential production for all units of the crop being inspected in accordance with PART 3, Section 4. Determine (measure, if applicable) all farm-stored production from the loss units of the crop being inspected in accordance with PART 3.
 - (e) Determine (measure if applicable) the insurable acreage of the loss unit or as required in any other type of inspection.
 - (f) Determine if there is any unreported insurable acreage. If there is any found, take appropriate steps; as found in this handbook.
 - (g) Inspect acreage to determine and verify correct FSN's, legals, classifications, planting dates, planting practices, and whether proper planting and care of the crop was carried out as it pertains to fertilizer, herbicides, irrigation (when applicable), etc.
 - (h) Appraise potential production and grant written consent to replant or put insured acreage to another use when the insured is not going to carry the crop to harvest as described in PAR's 75 and 77.
 - (i) Perform APH review responsibilities as defined in PAR. 19.
- (8) Review information from any previous inspection for the crop being inspected, including information documented on Special Reports (definition in Exhibit 1).

- (9) Verify that the insured's entity and share are correct.
- (10) During a loss inspection, review documents, records, etc., that would show the correct entity, share, legal description and/or FSA FSN's, and acres. See appropriate paragraphs for more information.

NOTE: FSA records do not have to be used for verification purposes, UNLESS information needed to complete loss adjustment can only be obtained from FSA. However, such verification at FSA is recommended as an additional verification source **since insurance providers must ensure that producer-certified information is accurate and that liability is established and indemnities are paid according to policy provisions.**

- (11) If the actuarial classification appears to be incorrect, adverse, or unusual risk conditions exist, prepare a Special Report with details and forward to the insurance provider. The insurance provider can then request an actuarial review or prepare a Request For Actuarial Change.
- (12) During an indemnity inspection, explain what the insured's options are under the terms and conditions of the contract, but in no way provide advice or suggestions that could affect the insured's decision concerning these options; e.g., do not advise or suggest whether to carry the crop to harvest or go to another crop, etc.
- (13) DO NOT provide any advice or suggestions to the insured regarding the insured's farming operation; e.g., type and application of chemicals, herbicides, tillage, etc. If the insured solicits your advice, advise the insured to consult with the County Cooperative Extension Agent or other reliable source.
- (14) Advise insureds that a routine quality assurance review may be made to assure the loss adjustment was done in a fair and impartial manner, and in accordance with contract terms.
- (15) Review all entries on appraisal worksheets and claim forms with the insured, and explain any circumstances affecting the indemnity **prior** to obtaining the **insured's signature** on the claim. **Do not sign final replant payment or final indemnity claims (including prevented planting payment indemnity) until satisfied with all determinations.**
- (16) Use a Claim Checklist (similar or like the one shown in Exhibit 10) when instructed by the insurance provider to do so.
- (17) Conflict of Interest
 - (a) Insurance provider's shall not permit an adjuster to adjust a claim of any family* member of the adjuster's, or a claim of a party in which the adjuster has a material or financial interest, or a claim of a policyholder for which the policyholder's policy was sold by any member of the adjuster's family* or of the family* of an employee of the adjuster's.

* Family includes, but is not limited to: parents, brothers, sisters, children, spouse, in-laws, grandchildren, aunts, uncles, cousins, and grandparents.

PART 2 INSPECTION DUTIES

SECTION 1 PRODUCER ELIGIBILITY AND ENTITIES

10 GENERAL INFORMATION

Before any loss adjustment or contract service can be initiated, verify that the insured and all who have an interest of 10 percent or more are eligible for insurance and the entity is legal.

11 INSURANCE PROVISIONS

A Eligibility

Insurance will cover a PERSON'S share of an insurable crop as landlord, owner-operator, or tenant.

NOTE: The definition of “person” is an individual, partnership, association, corporation, estate, trust, or other legal entity and, wherever applicable, a State, or a political subdivision or agency of a State. “Person” does not include the United States Government or any agency thereof. See Exhibit 1 for definition of “Insured.”

B Other MPCl Insurance (Duplicate Coverage)

Only one MPCl policy (issued under the authority of the Federal Crop Insurance Act) is permitted on the same crop/county for the same person/entity EXCEPT for:

- (1) Acreage designated by FCIC as high-risk land **that** is excluded from an additional coverage policy and **is** insured under a separate CAT policy. High-risk land which is excluded from additional coverage and insured under the CAT endorsement is considered a separate crop for administrative fee, unit division, **APH, added land, and all other insurance** purposes. High-risk land may be insured on a separate CAT policy provided that on or before the crop's sales closing date the insured:
 - (a) Executes a High-Risk Land Exclusion Option Form, and
 - (b) Obtains a CAT policy from the **same** Insurance Provider.

NOTE: If it is discovered that duplicate policies exist the first effective crop year (i.e., CAT policy written with Company A and an additional coverage policy is written with Company B), the CAT policy written with Company A may be canceled and rewritten with Company B for the purpose of insuring the high-risk land with the consent of the insurance providers involved. The following crop year the CAT policy and the additional coverage policy must be written with the same insurance provider.

- (2) Hybrid Seed Corn or Hybrid Sorghum Seed grown under contract with more than one seed company. A separate MPCl policy is allowed for acreage grown under contract with each different seed company.

- (a) Different coverage levels may be selected on each **separate** policy. There will be no more than one unit for all production contracted with each **seed company**.
 - (b) Payment of losses must be made accordingly and coordinated between policies/insurance providers.
- (3) Crops insured under Adjusted Gross Revenue (AGR) policies. **AGR** insureds may also obtain **MPCI** insurance.

NOTE: Arizona and California Citrus, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Grapes (California ONLY), Stonefruit, and Guaranteed Tobacco Crop Provisions indicate type/varieties that are insurable as separate crops; therefore, duplicate coverage is not applicable. A separate policy may be written for such type/variety; however, they must be written by the same insurance provider. See Exhibit 2 for insurable crop names and codes.

If it is discovered or suspected that duplicate policies exist, notify the next level of supervision. Duplicate policies will be handled in accordance with the procedures in the CIH.

12 INSURANCE QUALIFICATIONS

A Who Can Be Insured

Only producers who **have a bona fide interest in a crop at the time coverage begins**, and who are not classified as ineligible can be insured. **"Bona fide interest" means having a share of the crop (receives all or part of a crop) as an owner-operator, landlord, tenant, or sharecropper.** Ineligibility occurs when a producer (entity): (1) has a delinquent debt to FCIC or an insurance provider, or (2) is disqualified through administrative proceedings. The producer is not eligible for crop insurance until the debt is resolved or the period of disqualification has elapsed. A producer is also ineligible for crop insurance if a producer is in violation of the controlled substance regulations as described in PAR. 46 and for the length of time stated therein.

NOTE: For specific information regarding entities, see PAR. 14.

B Landlord

Landlord is the owner of land upon which the crop is grown and who receives a share of the crop.

C Owner-operator or tenant is a person who:

- (1) Produces the crop.
- (2) Exercises managerial control relating to producing and marketing the crop (controls what to plant, when to plant, when to till, cultivate, irrigate, fertilize, spray, harvest, market, etc.).
- (3) Makes credit arrangements.
- (4) Owns farming equipment, makes arrangements to obtain equipment, or hires custom work

Share Arrangement Examples (continued)

- Situation 3:** The tenant (insured) agrees to give the landlord \$50 per acre cash and 1/4 of the crop in return for farming the land.
- The agreement is a crop share.
 - The insured's share is 3/4 of the crop. We do not convert the \$50 per acre cash payment to a share basis.
- Situation 4:** The tenant (insured) agrees to give the landlord \$50 per acre cash and 1/3 of all the bushels in excess of 60 bushels per acre. (Average yields for the area are usually around 55-65 bushels.)
- The agreement is a cash lease.
 - The insured's share is 100 percent. The bushels in excess of the 60 bushels per acre is a "bonus" above and beyond the insured crop. The share percentage of the entire crop cannot be determined at the time coverage begins since it is dependent on how many bushels in excess of 60 bushels will be produced.
- Situation 5:** The tenant (insured) agrees to give the landlord \$50 per acre cash and 10 bushels per acre.
- The agreement is a cash lease.
 - The insured's share is 100 percent. We do not convert the 10 bushels to a percentage share. In this scenario the tenant will pay the landlord a fixed amount, cash (\$50) and commodity (10 bushels per acre).
- Situation 6:** The tenant (insured) agrees to give the landlord 25¢ for every bushel of peaches harvested.
- The agreement is a cash lease.
 - The insured's share is 100 percent. Because there is no agreement for a set share percentage of the crop at the time coverage begins, the insured's share must be considered a cash lease.
- Situation 7:** The tenant (insured) agrees to pay the landlord \$25 per acre OR 1/4 of the crop, whichever is greater.
- The agreement is a cash lease.
 - The insured's share is 100 percent. Since the lease contains an either/or type arrangement, the share cannot be considered a fixed element of the lease.

Share Arrangement Examples (continued)

Situation 8: The tenant's (insured's) lease agreement states that the tenant will receive the first 85 bushels per acre of corn produced. Of any bushels in excess of 85 bushels per acre, the tenant will receive 60 percent and the landlord will receive 40 percent. The yields range from 107-123 in the R-Span.

- The agreement is a cash lease.
- The insured's share is 100 percent. Since the share percentage of the crop cannot be established at the time coverage begins, it must be considered a cash lease. The share is dependent on the amount of production in excess of 85 bushels and this is unknown at the beginning of coverage.

D Verify the Following:

- (1) Producer has a bona fide interest in the crop. (See PAR. 12).
- (2) Entity type processed from the application reflects the correct entity (individual, partnership, corporation, co-owner, joint operator, estate, trust, etc.). (See PAR. 14.)
- (3) Producer qualifies as landlord, owner-operator, or tenant. (See PAR. 14.)

E Crop Share Verification

Verify the insured's correct share, by crop, by comparing the reported share on the crop insurance acreage report to the insured's share shown on:

- (1) lease agreements, elevator summaries, packer statements, etc.; or
- (2) FSA-578 (Do not use other FSA documents to verify crop share since these documents may contain "contract" shares rather than crop share.); or

NOTE: When crop shares are reported to the FSA, Companies do not have to verify crop shares reported for crop insurance with the crop shares reported to the FSA, but are encouraged to do so since insurance providers must ensure that producer-certified information is accurate and that liability is established and indemnities are paid according to policy provisions.

- (3) If needed, land deeds, or other similar evidence to determine the correct share.

F Documentation

Document from what sources the share verification was made, and document anything else pertinent to the share verification.

G Resolving Share Discrepancies. (See exceptions for spousal shares as outlined in subparagraph H below.)

If the shares on the crop insurance acreage report, by crop, do not agree with the shares on, marketing records, lease or share agreements, or FSA-578 (does not have to be used for verification purposes, see Note 2 below), or other actions of the insured that reflect crop share, resolve these discrepancies as follows:

- (1) If there is a written lease/share agreement in force, use the share identified on the agreement, unless the marketing records or FSA-578 (does not have to be used for verification purposes, see Note 2 below) or actions of the insured do not substantiate the share identified in the agreement; whereas, handle as stated in (3) below. See Notes 1 and 2.
- (2) If no written lease/share agreement is in force but crop shares are reported on the FSA-578, use the share identified on the FSA-578 if it is used for verification purposes (see note 2 below); unless marketing records or actions of the insured do not substantiate the insured's share identified on the FSA-578, whereas, handle as stated in (3) below. See Notes 1 and 2.
- (3) If no written lease/share agreement is in force or the share shown on a written lease/share agreement or FSA-578 (does not have to be used for verification purposes, see Note 2 below) is not substantiated with marketing records and/or actions of the insured, determine the share from the marketing records and/or actions of the insured. See Notes 1 and 2.

NOTE 1: **Marketing records may include settlement sheets, canceled checks, seed receipts, fertilizer receipts, chemical receipts, etc. Actions refer to other arrangements the insured may have made with the other party sharing in the crop; e.g., every third load is delivered to the other party sharing in the crop, etc. If there is evidence to support that the lease/share agreement is a scheme to acquire more USDA benefits, the insurance provider may, by policy provisions, void the contract.**

NOTE 2: Companies are not required to verify crop shares reported to FSA, but are encouraged to do so since insurance providers must ensure that producer-certified information is accurate and that liability is established and indemnities are paid according to policy provisions.

- (4) Document your findings. The insurance provider will maintain documentation and copies of any applicable agreements and marketing records that substantiate the insured's correct share.

H Spousal Shares

- (1) Background information

Generally, it is found that spouses share in the SAME farming OPERATION(S). This is why you will find that in PAR. 14 under the definition "Individual Entity: Spouses," married couples are usually considered to be an individual entity, thus requiring only ONE insurance contract with only one share shown for both on the crop insurance acreage report. However, occasionally, it will be found that one spouse operates a SEPARATE farming OPERATION independently of the other

spouse. Spouses can be recognized as a separate entity if they meet the required criteria defined in PAR. 14.

(2) Spousal Shares at FSA

- (a) The Farm Bill provides that a married couple who shares in the SAME farming operation can be recognized as "two persons" for the purpose of farm program payment limitations. The "two person" recognition is ONLY for the purpose of the farm program payment limitation. The married couple who shares in the same farming operation is still considered to be one person (entity). Therefore, only ONE contract to participate in other FSA programs is signed by the married couple.
- (b) On the other hand, if FSA recognizes that a SPOUSE operates a SEPARATE farming OPERATION independently of the other spouse, each spouse can be classified as a separate individual entity for insurance purposes. If the FSA considers spouses to be operating separate farming operations, separate contracts are signed by each spouse, separate FSN's issued, etc.

(3) Verifying the share

If there is only one crop insurance contract, there is only one share for the spouses shown on the crop insurance acreage report. However, the FSA-578 may list two, as explained in (4) below. If it is found that there are two crop insurance contracts, it must be verified that the spouses qualify for separate entities as stated in PAR. 14 C (2) under "Individual Entity: Spouses."

When Companies verify crop insurance acreage reports with the FSA-578's, it is normally, as indicated in subparagraph G above, considered a discrepancy if the crop shares reported for crop insurance and the shares reported on the FSA-578 do not match. The same is true for names and entities. However, in some cases because of the "two person" recognition, the producer's names, entity type (e.g., partnership vs. individual), and/or shares listed on the crop insurance acreage report and FSA-578 program can be in disagreement. Handle the verification of the spousal arrangements, as follows:

- (a) When it is verified that both spouses SHARE an interest in the SAME farming OPERATION and the FSA-578 lists separate share interest for SPOUSES:

- 1 The share reported for crop insurance purposes will be considered correct if the total of the two shares listed for the spouses on the FSA-578 equals the same percentage as reported for crop insurance purposes. Document the facts in the narrative of the claim or on a Special Report.

EXAMPLE: Fred Jones is the only name listed on the wheat insurance application. Fred reported a 100% share in Farm Serial Number (FSN) 2020 to FCIC, but the FSA-578 shows that Fred Jones has a 60% share in FSN 2020, and an FSA-578 shows that Mary Jones has a 40% share in FSN 2020. The total of the two shares reported on the FSA-578 equals the same percentage reported for

crop insurance purposes. Therefore, there would be no discrepancy in shares reported for crop insurance purposes and those reported to the FSA for other than crop insurance purposes.

2 It will be considered a share discrepancy when the total percentage of the two shares reported on the FSA-578 for non-crop insurance purposes does not equal the same percentage reported for crop insurance programs. Resolve the share discrepancy in accordance to PAR. 13 G.

(b) When it is verified, that spouses DO NOT share in the SAME farming OPERATION (as verified with FSA representative and/or other sources):

If the FSA has recognized the spouses as being separate entities (operations), and for crop insurance purposes the insurance provider has recognized them as separate entities by giving each spouse a separate contract, the share reported on each spouses' crop insurance acreage report will be compared against the crop share reported to the FSA for the individual spouse. (Each operation will generally have separate FSN's.) If the individual spouse's crop share amount does not agree with what has been reported to the FSA for non-crop insurance purposes, handle in accordance to PAR. 13 G above.

I Questionable Insurable Interest in the Crop

When it is questionable whether the insured has an insurable interest in the crop, document the circumstances on a Special Report. Forward the Special Report to the next level of supervision, and include the insured's contract folder if it has been assigned to you.

14 ENTITIES

A Verify

(1) From information obtained from the insured, FSA or other reliable sources, and from the criteria for each entity type found below; verify that the person qualifies for the entity shown on the application or qualifies for a separate entity from another household member, relative, corporation, etc. **Incorrect entities will result in an invalid policy (e.g., separate policies written for a husband and wife who do not qualify as two separate individual entities, but rather as a corporation or a joint entity, or separate policies written for a minor and a parent but the minor does not qualify as a separate entity from the parent.)**

NOTE: Insurance providers do not have to verify entities through the FSA; however, they are encouraged to do so **since insurance providers must ensure that producer-certified information is accurate and that liability is established and indemnities are paid according to policy provisions.**

(2) If the entity type reported is questionable, document the facts and refer the case to the next line of supervision or to whom the insurance provider has instructed. If an entity is verified at FSA and there is a discrepancy between the entity recorded for crop insurance and the local FSA office, insurance providers will try to resolve the discrepancy with the FSA. If the discrepancy cannot be resolved

and the insurance provider has evidence supporting its position, the insurance provider should retain the entity type reported to them; and keep on file all documentation and evidence supporting this decision.

B Signature/Documentation

Exhibit 5 lists the person authorized to sign documents (including loss documents) for each entity type and documentation required for each entity type.

C Entity Types

(1) Individual Entity: Individuals

- (a) The applicant must be competent, of legal age (18 years of age or older) and capable of entering into a binding contract, and have the authority to fulfill the requirements of the contract. If the applicant is less than 18 years old, see subparagraph (5).
- (b) The applicant incurs debt (if any) related to production, stores or markets in his/her name, and receives proceeds.
- (c) The application covers the individual's share as a co-owner, joint-operator, or as an individual in a partnership, provided the co-owner, joint-operator, or partnership does not have separate contracts.
- (d) A landlord and tenant must have separate contracts unless the application clearly states the landlord will insure the tenant's share, or the tenant will insure the landlord's share. Evidence must be provided to the insurance provider, and retained, of the other party's approval (lease, power of attorney, etc.).
- (e) When more than one member of a family in the same household applies for insurance or the applicant resides in the household of an insured, applicants must provide evidence on a signed statement indicating separate insurable shares. In most cases, this is not applicable to spouses. See subparagraph (2).

(2) Individual Entity: Spouses

- (a) Only one contract is required when the insurable share is owned jointly or separately by husband and wife. This includes shares owned in community property states.
- (b) Some married persons are sole owners of land and farm as landlords, owner-operators, or as tenants independently of their spouses. For example, if a wife separately owns land which is operated and managed by the husband as head of a family farming enterprise, only one policy is needed for the family operation and share. This is also true if such land is all or part of the land farmed by the husband as owner-operator with the proceeds deposited in either the husband's bank account or a joint bank account. Only one application in the husband's name, wife's name, or both names as co-owners is required and either spouse may sign the insurance documents.

(d) Practices

- 1 Verify the actual planting practices carried out by the insured. Verify that the actual practice is insurable, as shown in the actuarial documents or Written Agreement; if applicable.
- 2 If the practice is not insurable, revise the acreage report to remove the uninsured acreage and verify that the production from the uninsured acreage and insured acreage has been kept separate. Use the actual planting practice on the claim form except as explained in PAR. 42.

(e) Legal Descriptions and/or Farm Serial Numbers

Verify the physical location against the legal descriptions and/or Farm Serial Numbers on the acreage report by using FSA documents or other verifiable documents as references during inspection of the fields.

(f) Type, Class, or Variety

- 1 Verify that the type, class, or variety is insurable as defined in the crop policy/endorsement (or if applicable, by Written Agreement), and that it has not been excluded by the actuarial documents.
- 2 If the type, class, or variety is found to be uninsurable, revise the acreage report to remove all acreage with the uninsurable, type, class, or variety.

(g) Share

Verify with the insured and as instructed in PAR. 13 that the share reported is correct. Shares cannot be increased at loss time. However, if the share is lower at the time of the claim, the claim must reflect the correct lower share.

(h) Person's sharing in the crop

Verify with the insured and via lease-agreements or FSA records or other verifiable documents, the name of the person(s) sharing in the crop. See PAR. 13.

(i) Risk classification

The insurance provider must verify that the risk classification is correct by verifying: (1) the adjuster-verified physical location of the acreage, against the actuarial documents (or written agreements (if applicable)); (2) FSA documents if FSN's are applicable; and (3) if a FCI-32 (Producer Classification) is applicable, the insurance provider must verify the classification listed on the acreage report against what is listed on the FCI-32 for the insured.

(j) Special Purpose Information

This column is used for a variety of entries. It may contain contract prices for crops requiring them (e.g., green peas), etc. Verify the accuracy of this information using pertinent documents needed to verify this information.

(k) Unit Number

1 Insurance providers must verify that the legal description and FSA Farm Serial Number for each unit on the acreage report is the same as on the APH form.

2 Verify that the unit numbers reported are in accordance with the applicable individual crop policy or endorsement or, if applicable, the unit division guidelines in the actuarial documents or Unit Division Option.

(l) Remarks. Review any information recorded in the remarks section that may be pertinent to this inspection.

(3) Uninsured Acreage

Verify that any harvested production from the uninsured acreage was kept separate from the insured acreage. If it was not, refer to the commingled production procedure in PAR. 115.

C Revised Acreage Report. Acreage reports cannot be revised to add acreage at loss time except as outlined in Part 2, Section 3.

22 HAIL AND FIRE EXCLUSION

A Eligible Acreage

The hail and fire exclusion applies to all acreage of the crop insured at an equivalent to a minimum 65 percent coverage indemnified at 100 percent price election, unless the Basic Provisions for the plan of insurance does not allow exclusion of hail and fire coverage.

NOTE: Due to an insured's ability to select different price elections for different types of dry beans, a single dry bean policy may have some types at sufficient coverage to exclude hail and fire and some with less than the minimum coverage required. When this occurs, hail and fire is excluded only from acreage with at least minimum coverage.

B Verifying Adequate Liability

(1) The insurance provider must ascertain/verify that for the crop year of the claim, the amount of liability under the hail and fire policy equals or exceeds the liability amount that would have been provided by the MPCl policy for that crop year. Liability for acreage that is eligible for prevented planting but was not planted is NOT considered and the premium is not reduced on such acreage.

- (2) When ascertaining whether there is adequate liability, uninsurable acreage must be considered. If uninsurable acreage is involved, the total liability under the hail and fire policy may exceed the MPCl crop insurance liability due to the extra acreage (uninsured acreage), yet the insured still MAY NOT have adequate hail and fire liability to allow exclusion of hail and fire coverage from the MPCl policy.

Example:

MPCl coverage is -

100 insured acres (MPCl)

100 uninsured acres

\$10,000 total liability (MPCl insured acres)

\$100 per acre liability

$(\$10,000 \div 100 \text{ insured acres} = \$100 \text{ per acre liability})$

(RESERVED)

SECTION 3 REVISED ACREAGE REPORTS

27 GENERAL INFORMATION

A Overview

Except for Nursery and Cultivated Clams, the acreage report (tonnage report for raisins) is the document used to determine the insurance provider's liability, the insured's premium, and amount of coverage. (See the Nursery and Cultivated Clam Handbooks for the document(s) used in lieu of an acreage report.) If incorrect, the acreage report may be revised if allowed under the parameters of this section.

B Possible Reasons for Revised Acreage Reports

The following circumstances may result in a revised acreage report being filed:

- (1) The insured may file a request for a revision on a unit basis.
- (2) The insurance provider may file a revised acreage report to correct inaccuracy or incompleteness of an original acreage report or a Summary of Protection (or Schedule of Insurance) discovered during loss adjustment, provided the revision falls within the allowed parameters outlined in this section.
- (3) Acreage Report Reviews. During Acreage Report Reviews, acreage reports may be revised, provided liability is not increased on a unit that could not pass a crop inspection.
- (4) All acreage report revisions require:
 - (a) Documentation in the "Remarks" section of the acreage report (or other form specified by the insurance provider to revise acreage reports) or on a Special Report explaining why the revision took place and what changes were made (if a form was used to document, notate "See attached (Form Number)" in the "Remarks" section of the acreage report),
 - (b) Date, signature, and code number of the person preparing the revised acreage report (or other form designated by the insurance provider to revise acreage reports),
 - (c) Insured's signature and date, UNLESS circumstances warrant the absence of the insured's signature. If the insured's signature is not obtained, document why the signature was not obtained in the "Remarks" or on a Special Report. Based on the nature of the revision and the reasons the insured's signature was not obtained, the insurance provider will determine whether the revised acreage report should be approved without the insured's signature, and
 - (d) For acreage reports revised after the final acreage reporting date, the insurance provider's authorized representative's approval.

28 REVISED ACREAGE REPORTS - BEFORE THE ACREAGE REPORTING DATE

Acreage reports may be revised BEFORE the acreage reporting date anytime information that affects the guarantee, premium, or liability was incorrectly reported. No crop inspection or approval is required when revisions are filed BEFORE the acreage reporting date.

29 REVISED ACREAGE REPORTS - AFTER THE ACREAGE REPORTING DATE

- A Insurance Provider Approval. Acreage reports may be revised AFTER the acreage reporting date ONLY with the insurance provider's authorized representative's approval.
- B If Revision Causes Increased Liability. If the revision causes the insurance provider's liability for the crop to increase, a crop inspection for the unit(s) being revised must be performed as outlined in PAR. 64, except when the revision is to correct errors found on the acreage report or summary as outlined in subparagraph D below. Revision of the unit will be approved or rejected in accordance with the procedure outlined in PAR. 64. Revisions to remove insurable acreage are allowed only as indicated in subparagraph E below.

NOTE: NO INCREASE IN IRRIGATED/NON-IRRIGATED PRACTICE LIABILITY

Even if liability stays the same or decreases, acreage reported as an irrigated practice (and that qualifies for an irrigated practice at the time insurance attached) **cannot** be revised to a non-irrigated practice or vice versa WHEN loss is evident on the unit **or** WHEN harvest is general in the area, except as allowed in subparagraph D (7) (d) below. PAR. 40 K (8) applies when acreage cannot be revised from irrigated to non-irrigated. When acreage does not qualify for an irrigated practice, PAR. 40 K (4) applies.

When the insured claims there is an error in the reported irrigated and/or non-irrigated practices, a revised acreage report may be approved to change a non-irrigated practice to an irrigated practice (acreage must qualify for an irrigated practice) or irrigated may be revised to non-irrigated PROVIDED (1) no damage or loss has occurred, (2) harvest is not general in the area, **AND** (3) the insurance provider has verified that the practice for which the change was requested actually existed and is being carried out in a manner consistent with a good farming practice for the practice that the acreage is being revised.

- C CANNOT Increase Liability at Loss Time. Acreage report revisions that increase liability cannot be made during final inspections on a unit except to correct errors as outlined in subparagraph D and F below.
- D Crop Inspections - When Not Required
 - (1) Crop inspections are not required when existing evidence provides proof that errors were made in transferring information to the acreage report from source documents such as:
 - (a) Approved yield from the APH form.
 - (b) Written Agreement.
 - (c) County Actuarial Documents; e.g. the FCI-33 actuarial map was incorrectly read resulting in an incorrect classification, etc.
 - (d) A worksheet the insured completed to report his/her original acreage report information.

- (2) It can be determined that the incorrect percent-planted factor was used to calculate acres for skip-row cotton, or that the incorrect yield-conversion factor was applied to the approved yield for non-irrigated skip-row cotton.
- (3) Keying errors of the acreage report caused an incorrect Summary to be issued.
- (4) Incorrect unit arrangement has been reported
 - (a) Two or more optional/guideline units must be combined anytime separate records of production and acreage are not maintained. (See Commingled Production, PAR. 115.)
 - (b) Part of a unit or an entire unit may be deleted.
 - (c) Additional units may not be created after the acreage reporting date, except for basic/policy units as in the case of share-rent on a unit. Basic/policy units must be separated even if damage has occurred on the unit.
- (5) Acreage has been over reported
 - (a) When an insured requests a decrease in reported acreage of a unit and no claim will be filed, advise the insured that all units on the crop must have existing acceptable determined acres, as defined in PAR. 70, to support such a revision.
 - (b) If any of the acreage does not meet the criteria for measured acreage as stated in PAR. 70, the insured must at his/her expense have such acreage measured. (FSA County Offices provide measurement services for a fee.)
 - (c) Document the acceptable determined acreage on a form used for documentation purposes or aerial photo map.
- (6) **(FOR CAT ONLY):** Measurement Service has been requested by the insured by the acreage reporting date for the crop and county. Also, see PAR. 29 F.
- (7) **Correctable Acreage Report Errors.** When it is obvious that the acreage was inadvertently switched **between lines** at the time the acreage report was completed resulting in incorrect acres between crops or practices, FSN's, types, etc., insurance providers may approve a revised acreage report to correct the error. In all cases, the reason for the revision must be documented in the "Remarks Section" of the acreage report or on a Special Report. If a Special Report is used, attach it to the acreage report. The insured must sign the revised acreage report.
 - (a) Insurance providers are to use this type of correction prudently. Revisions of this type are to be approved **ONLY** when it is obvious that acreage reported on one line was inadvertently switched with acreage on another line, and the insurance provider believes that the insured did not intentionally report this way in order to benefit from doing so; i.e., lower premium because of lower premium rates, etc. The insurance provider should try to establish whether there is a pattern of misreporting every year. If so, the insurance provider should not consider the misreported acres as an inadvertent switching of acreage.

- (b) This procedure is not to be used to correct overall variances between acres reported and acres determined. For example: if the irrigated practice was reported as 100.0 acres and the non-irrigated practice is reported as 150.0 acres, and it is determined that there are 95.0 irrigated acres and 155.0 non-irrigated acres, this is a variance in reporting (under reporting and over reporting) and is not considered an inadvertent switch.
- (c) When the acreage report is revised to correct an inadvertent switching of acreage, the revised acreage report must be processed prior to the claim. The acreage on the revised acreage report will be used as the reported acres and cannot be used as the determined acres also. The determined acres must remain a separate determination.

For example: 100 acres was initially reported as irrigated and 50 as non-irrigated; however, the acres for the two practices were inadvertently switched. The determined acres for the irrigated acreage is 51.5 acres; the revised reported acres are 50.0 acres, so there is 1.5 acres under reported for this practice. The determined acres for the non-irrigated acres are 98.0 and the revised reported acres are 100.0, so there is 2.0 acres over reported for this practice.

- (d) The following can be considered correctable if the insurance provider believes that the insured did not switch the acreages to benefit from lower premiums, etc.:
- Acreages for practices were inadvertently switched. For example: 100 acres were reported as irrigated and 50 as non-irrigated, however, the acres for the two practices were inadvertently switched when reported.

NOTE: The inadvertent switch of acreage may occur within the same unit, or for additional coverage, it may occur between different units when there are optional units for irrigated and non-irrigated acreage.

- Acreages for different types were inadvertently switched. For example: 150 acres were reported as oil type (048) sunflowers and 100 acres were reported as non-oil type (049) sunflowers; however, the acres for the types were inadvertently switched when reported.

NOTE: The inadvertent switch may occur within the same unit, or when optional units are allowed by type for the coverage selected, the inadvertent switch may involve different units.

- Acreage between legal descriptions was inadvertently switched. For example: Unit 00102 has 100.0 acres reported with legal description Section 2, Township 5, Range 3. Unit 00101 has 150.0 acres reported with legal description Section 1, Township 5, Range 3. The legal descriptions are correct for the unit structures shown on the APH form. However, the acreage for the legal descriptions were inadvertently switched.

NOTE: The inadvertent switch may occur within the same unit; or may involve different units (for additional coverage) when optional units are allowed by sections (or other legals described in the policy).

- When unit structure for the crop is by FSN and the acreage between two FSN's were inadvertently switched. For example, 200 acres for FSN 1234 was reported, and 300 acres for FSN 2345 was reported; however, the acreage for the FSN's were inadvertently switched.
 - Acreages between two crops were inadvertently switched. For example: one line showed 120.5 acres of corn and one line showed 155.6 acres of soybeans; however, there was actually 155.6 acres of corn and 120.5 acres of soybeans.
- (8) An APH review is done, and there are APH errors great enough for the crop to require corrections for the current crop year as described in the CIH.

E Revisions to Reduce Premium For Acreage Destroyed Prior to Harvest

Acreage reports CANNOT be revised after the acreage report date to reduce premium because the insurable acreage was destroyed prior to harvest, except when the actuarial documents for the county and crop (such as, fall-seeded wheat) allow acreage to be revised (for any reason) by the date specified in the actuarial documents.

- (1) If the County Actuarial Documents provide a reduced premium rate for acreage destroyed prior to harvest either by grazing or by mechanical means, the insured may report all planted acreage as insurable. Premium will be due on all the acreage with additional coverage.
- (a) The premium amount will be reduced (this includes CAT coverage also) by the amount shown on the County Actuarial Documents only if the insured notifies the agent by the date shown on the Special Provisions that the acreage will be destroyed by grazing or mechanical means prior to harvest, and the insured does not claim an indemnity on such acreage.
 - (b) When timely and proper notification is received, the insurance provider will revise the acreage report and reduce the premium accordingly. Insurance coverage will cease on any acreage the insured does not intend to harvest on the date the insured notifies the agent of such intent.

NOTE: Even though the Small Grains Crop Provisions require the insured to receive written consent from the insurance provider prior to destruction of such acreage, the Special Provisions statement regarding this subject in the applicable county Special Provisions for wheat does not contain this requirement; therefore, only the insured's timely notification of his/her intent to destroy the acreage is needed prior to destruction.

- (c) If the acreage is not destroyed as intended, the insured will be subject to the under-reporting provisions contained in section 6 of the Basic Provisions.
- (d) If the insured destroys or puts the acreage to another use without proper and timely notification, an appraisal of not less than the guarantee will be assessed on such acreage.

NOTE: If a notice of damage is filed and the insured wants to file a claim for indemnity on the acreage at this time, the acreage must be appraised. See PAR. 75 and 77. If the insured wishes to destroy the acreage to comply with other USDA programs, the acreage must be released when an adequate appraisal is made; or if applicable, the insured has agreed to leave representative samples so that adequate appraisals can be made at a later date.

- (2) Adding acreage that was initially reported that it would be destroyed.

If, after the acreage reporting date, the insured decides to take to harvest acreage that was previously designated to be destroyed (uninsurable) and it meets all insurability requirements in the policy, it can be added if a crop inspection is made and the crop passes the crop inspection in accordance with the requirements in PAR. 64.

- (a) If the crop passes the inspection and is accepted, the acreage would be re-designated as insurable and the acreage report revised to add such acreage. If the acreage is accepted, premium will be applicable to the entire crop year.
- (b) If the crop fails to pass the crop inspection or is not accepted, the acreage is to remain designated as uninsurable in the "Remarks" section of the acreage report.

F Revisions Due to FSA Measurement Service (FOR CAT ONLY)

If the planted acreage was reported timely and the insured requested FSA Measurement Service by the acreage reporting date, the reported acreage can be increased or decreased respective to the measured acres. This adjustment is allowed even at loss adjustment time. The revised acreage report showing these adjustments still requires the insurance provider's approval.

NOTE: If at all possible, final claims should not be finalized until the measurement service has been completed; otherwise, it could result in a corrected claim. If the measurement service has not been completed at the time of the final inspection, the insurance provider should notify the FSA that a final claim is pending so that the measurement service can be expedited.

G Preparation, Documentation, and Submission

Prepare a revised acreage report and Special Report explaining errors or omissions on the previous acreage report or summary and what corrections were made. Submit the revised acreage report and Special Report to the insurance provider's approving official. If a crop inspection was required, see PAR. 64 for additional requirements.

H Misreported Practices/Types Within the Same Unit

If it is determined that: (1) a practice (or type) that actually existed for a unit was not the practice (or type) reported on the acreage report for the unit, (2) there are different APH yields for each practice or type (e.g., a summerfallow practice is reported but a continuous cropping practice actually exists with each practice having a different APH yield), and (3) a claim for indemnity will be processed, an APH record for the correct

practice/type must be processed through the DAS, and the acreage report must be revised in order to process the unreported practice/type information (APH yield, guarantee, etc) on the claim form (Production Worksheet), UNLESS: (1) the insurance provider has evidence of the insured misrepresenting the practice/type for the purpose of obtaining lower premium or a higher guarantee or (2) the misreported practice is irrigated or non-irrigated. If there is supporting evidence of misrepresentation, the policy should be voided in accordance with the policy provisions. In cases where liability is not increased and misrepresentation is not applicable, the acreage report may be revised to the acres/practice(s) that actually existed. In cases where liability would be increased and misrepresentation is not applicable, and the acreage report is revised, the acres must be adjusted (reduced) to an amount that would result in the corrected liability being as close as possible to the reported liability without exceeding it.

30 REVISED ACREAGE REPORTS - ACREAGE REPORT REVIEWS

Revised acreage reports resulting from an acreage report review (based on acreage determinations only) will not be prepared if the difference in premium does not exceed the FCIC approved tolerance (\$250) UNLESS the insurance provider has given written authorization to allow revisions at a lower tolerance level. See PAR. 63, "Acreage Report Review Inspection" for information in regards to the inspection.

31 REVISED ACREAGE REPORTS - EXAMPLES

Following are some examples of acreage report revisions that may be needed during an inspection. Always document the reason for the revision on the form used to revise acreage reports or document on a Special Report.

A Examples

- (1) Insured reported units 00101 and 00102 of grain sorghum as insurable. Upon inspection unit 00102 was found to be planted to an uninsurable practice.

ACTION: Delete 00102 from the acreage report noting in the remarks that the acreage is planted to an uninsurable practice.

- (2) During an inspection prior to harvest being general in the area, the insurance provider discovered that unit 00200 of soybeans had not been reported on the original acreage report. The crop inspection indicated that this unit and all other units met the appraisal criteria for accepting additional liability for the additional unit, as defined in PAR. 64.

ACTION: Unit 00200 may be added.

- (3) Based on the APH yield, an incorrect risk classification for unit 00100 was entered on the original acreage report.

ACTION: Revise the acreage report to show correct risk classification, and notate the reason of the revision in the "Remarks Section" or on a Special Report.

- (4) The original acreage report shows 25.0 acres for unit 00100, and the inspection reveals 50.0 acres were planted. The crop inspection indicated that all the criteria for accepting additional acreage for this unit (reported and unreported acreage) was met, as defined in PAR. 64.

ACTION: The acreage report may be revised to add the additional acreage.

- (5) The original acreage report shows all of unit 00100 (108.0 acres) was planted by the final planting date and there is no late planting provision for the crop, but it was determined 20.0 acres of unit 00100 were planted after the final planting date.

ACTION: Revise the acreage report to reduce the 108.0 acres of insured acreage to 88.0 insured acres. Notate in the remarks section of the acreage report that unit 00100 was revised to remove the 20 acres planted after the final planting date (complete specified area of the acreage report for uninsured acres if the acreage report has such area). Advise insured to keep harvested production from insured acreage (108.0 acres) separate from harvested production from the uninsured acreage (20.0 acres).

- (6) The original acreage report shows all of unit 00100 (200 acres) was planted by the final planting date, but it was determined that 50 acres were planted 5 days after the final planting period. This is a crop that the policy provisions provide for automatic late-planted acreage coverage.

ACTION: Revise the acreage report to show 150 acres as timely planted and make a separate line entry showing the 50 acres with the correct planting date.

- (7) The original acreage report shows 50 percent share for unit 00100. It is determined that the share at the time of planting was 100 percent and is still 100 percent. (No additional acreage is being added.)

ACTION: Provided a crop inspection indicates that unit 00100 acreage meets the criteria for accepting additional liability, as defined in PAR. 64, the acreage report can be revised to reflect 100 percent share.

- (8) The original acreage report shows 100 percent share for unit 00101 soybeans. The inspection revealed the share at the time of planting was 50 percent.

ACTION: Revise the acreage report to reflect the appropriate share at the time of planting.

- (9) ***

35 ACTUARIAL CLASSIFICATION - DOCUMENT PRECEDENCE

Remember the order of precedence of actuarial document material. The most important document is listed first, the order of precedence being listed from top to bottom.

- A Written Agreement.
- B FCI-32: Supplement (to Classification Listing).
- C FCI-32: Classification List.
- D FCI-33: Map Supplement.
- E FCI-33: Actuarial Map.
- F FCI-35: Supplement (used for coverage adjustments).

36 USING ACTUARIAL DOCUMENTS FOR VERIFICATION

- A Information from the actuarial documents must be used during loss adjustment process to verify:
 - (1) That the actuarial classification recorded on the acreage report and/or Summary of Coverage is correct. Verify the insured's correct classification utilizing the actuarial classification sequence shown in PAR. 35 above.
 - (2) The insurability of the actual farming practices performed and types, classes, or varieties planted.
 - (3) That crop rotational requirements or any other special requirements set forth in the actuarial documents have been followed.
 - (4) That the cause of loss is not excluded for this crop or county.
 - (5) If there are any special statements regarding insurable varieties, types, or classes; limitations of options; practices; etc., that would pertain to the crop and county being inspected.

SECTION 6 SPECIAL FARMING PRACTICES

37 GENERAL INFORMATION

- A Listed Where? The County Actuarial Documents list rates and coverages for specific farming practices, by crop. When permitted by the policy, coverage by Written Agreement for unrated farming practices may be requested from the RMA RO. The numerical code for the practice and the type, class and/or variety of each crop (when applicable) is shown on the County Actuarial Documents. These codes are used on such documents as the acreage report and/or claim form, as appropriate.

B Special farming practices, singly or in combination, determine the guarantee

- (1) Verify that the insured has met all the requirements to qualify for the reported practice.
- (2) If two or more requirements apply, failure to meet one requirement will disqualify the acreage.
- (3) Make determinations in accordance with requirements provided in the applicable crop policy, crop endorsement, and/or County Actuarial Documents and in the following paragraphs.

38 CONTINUOUS CROPPING PRACTICE

Definition. This distinguishes land that is continuously cropped from land that lies fallow (idle) in the prior crop year.

39 SUMMERFALLOW PRACTICE

Summerfallow (SF) is an insurable practice in some areas of the country.

A Summerfallow is the tillage (or chemical control) of uncropped land, during the summer, to control weeds and store moisture in the soil for the growth of a later crop. The land must not have been planted to a crop in the preceding crop year and must lie fallow for a full crop year, except **as provided in subparagraph B below.**

- (1) Termination of plant growth is required prior to the date designated for the area (May 1 in California; June 15 in North Dakota, Montana, and South Dakota; and June 1 in all other states) followed by a continuous chemical and/or mechanical weed control program.
- (2) Summerfallow practices carried out must be consistent with NRCS soil erosion control measures and good summerfallow practice(s) for the area with regard to method(s), frequency, and adequacy of tillage and/or chemical control.

B Exceptions to SF rule

The following exception to the SF rule in A above will apply unless the first crop is harvested (see crop provisions for definition of harvest). If the first crop is harvested, the second crop will not qualify as SF in the subsequent crop year. The land must not have been planted to a crop in the preceding crop year and must be fallow for a full crop year, except if a crop was planted on acreage:

- (1) In the fall of **2000** or spring of **2001** that qualified for the SF practice for the previous **(2001)** crop year, the crop failed, and/or was destroyed before the date specified in **A (1) above**. If all other summerfallow requirements were carried out, a crop planted on such acreage for the **2002** crop year (fall of **2001** or spring of **2002**) qualifies for the summerfallow practice.
- (2) In the fall that qualified for the summerfallow practice. It failed and the insured was given consent to put the acreage to another use. If the first crop was destroyed before the date specified in **A (1) above**, and the insured plants to a

different (second) crop, the second crop also qualifies for the summerfallow practice.

- C Destruction of First Crop. When destruction of the first crop occurred so late that the beginning of summerfallow operations was past the optimum time:
- (1) The second crop acreage would not qualify for summerfallow, and
 - (2) If summerfallow is the only practice on which coverage is offered, there would be no insurance for that crop year, unless a written agreement for another practice is approved.

40 IRRIGATED PRACTICE

The crop insurance contract provides that insureds are to report as irrigated, and the insurance provider will insure as irrigated, only the acreage for which the insured has adequate facilities and adequate water or the reasonable expectation of receiving adequate water at the time coverage begins, to carry out a good irrigation practice for the insured crop. Insureds that knew or had reason to know prior to the time insurance attached that their irrigation water supply may be reduced before coverage begins or will be reduced or cut off during the irrigation season, have no reasonable expectation of adequate irrigation water. Therefore, the insured must make decisions to plant fewer acres, plant and insure acreage for which adequate water is not available under a non-irrigated practice (if available), or report acreage as prevented planting (if prevented planting is available for the crop), provided that all prevented planting policy provisions have been met. See the Prevented Planting Handbook for more details regarding eligibility of a prevented planting payment under an irrigated practice.

In general, for annually planted crops, insurance attaches at the time the crop is planted (except for first year applications received after planting) and on a specified date for perennial crops. (For crops with prevented planting coverage, see the Prevented Planting Handbook.) It is the insured's responsibility to provide documentation, upon the insurance provider's request, of the information used to determine the adequacy of irrigation water and facilities for the acreage reported for insurance under the irrigated practice.

The insurance policy covers the failure of the irrigation water supply due to an insured peril occurring during the insurance period but does not cover failure of the irrigation equipment unless otherwise stated in the crop provisions or Special Provisions. See definitions of irrigation water supply and irrigation equipment in B (2) below.

Under the terms of the policy, the burden is on the insured to show that any prevented planting or loss on annually planted (or perennial) acreage is caused by an insured cause of loss. This includes failure of the irrigation water supply. Insureds must show that such failure was caused by an insured cause of loss that occurred during the insurance period.

Insurance providers must verify and document that any failure of the irrigation water supply is due to an insured cause of loss before making any prevented planting payment or paying an indemnity.

A General Information

(1) **Increased Costs for Water, Electricity, Fuel, Etc.**

Increased costs for water, electricity, fuel, etc., from sources historically used by the insured are not considered insurable causes of loss under the policy. Any acreage for which the irrigation water supply has been reduced by the insured before insurance attaches because of such increased costs is not insurable under an irrigated practice and no prevented planting payment or indemnity may be made. The insured's reduction of irrigation water after insurance attaches because of increased costs is also an uninsured cause of loss. Conversely, the availability of high-cost water, electricity, fuel, etc., from a non-historical source will not be considered a reason to deny an otherwise payable claim.

EXAMPLE OF INCREASED WATER COST:

A producer normally receives 100 units of water per year from two sources (50 units each) to irrigate 1000 acres of land for a crop or crops for which failure of the irrigation water supply due to drought is a covered cause of loss. The producer receives notice that due to reduced carryover water in the reservoir and diversion to other uses, the normal allocation is being cut by 20 units. Ten of the units cut are due to an ongoing drought and an additional ten units are being diverted by the Bureau of Reclamation to support the flow of water downstream to provide improved fish habitat. At the same time, the producer learns that the other water sources are doubling the cost of water due to increased demand by urban users. The producer calculates that only 30 units will be purchased from this source based on the increased price.

The producer will only have 60 units of available water for the year and must allocate or reduce the acreage accordingly. Prevented planting may only be reported and claimed for that acreage associated with the ten units of water decreased due to drought. Assuming 1 unit of water irrigates 10 acres, the producer would have enough water for 600 acres and be permitted to claim prevented planting on 100 acres. The acreage associated with the 30 units of water lost due to the government diversion and increased cost is not insurable under an irrigated practice.

(2) **Electricity Buy-back Programs or Water Rights Buy-back Programs**

(a) Any reduction in the water supply due to participation in an electricity buy-back program or the sale of water under a water rights buy-back program (either before or after insurance attaches) is not considered an insurable cause of loss under the policy. However, if an insured cause of loss reduces the amount of irrigation water available, then subsequent participation in an electricity buy-back program (relative to the amount of water reduced by an insured cause of loss) will not reduce the insured loss.

(b) Insureds that elect to participate in electricity buy-back programs or water rights buy-back programs that result in a reduction of the irrigation supply before insurance attaches cannot insure any acreage affected by this reduction in the irrigation water supply as an irrigated practice or receive a prevented planting payment on an irrigated basis for such acreage.

(c) Insureds that elect to participate in electricity buy-back programs or water rights buy-back programs that result in a reduction of the irrigation supply after insurance attaches may not receive an indemnity related to the reduction in the irrigation water supply.

(d) In those cases where an insured cause of loss reduced the irrigation water supply for a portion of the insured's acreage and the insured elects to participate in the electricity buy-back programs or water rights buy-back programs, the insurance provider must separately determine the amount of acreage for which:

1 an insured cause reduced the irrigation water supply, and

2 participation in the electricity buy-back programs or water rights buy-back programs caused the reduced irrigation water supply. The insured may still be eligible for a prevented planting payment or indemnity, as applicable, on the acreage where an insured cause of loss reduced the irrigation water supply, provided that all other requirements in the policy have been met.

(3) **Environmental Diversions**

Decreased water allocation resulting from the diversion of water for environmental or other reasons is not an insurable cause of loss unless, the diversion is made necessary due to an insured cause of loss.

B Irrigated Practice Guidelines

(1) **Purpose**

(a) Insurance providers are to use the "Irrigated Practice Guidelines" to administer the following standards and to verify at loss time that the insured properly reported as irrigated only the acreage for which the insured qualified for an irrigated practice. It is important to understand the meaning of various terms such as irrigation equipment and facilities (failure or breakdown of which is NOT insured), irrigation water supply, and water source that are found in herein and should be reviewed before proceeding with the standards in subparagraphs C through O.

(b) In accordance with procedures in the CIH, insurance providers are to provide to insureds the following guidelines to enable them to properly report annually planted or perennial acreage to be insured under the irrigated practice in order to receive maximum protection under their crop insurance contract. It is very important that these guidelines are utilized by the insured to document whether, at the time insurance attaches, that there is REASONABLE EXPECTATION of receiving adequate water to carry out a good irrigation practice for the acreage reported under the irrigated practice.

(2) **Definitions**

The following definitions are provided to facilitate a uniform understanding of the standards and guidelines for the irrigated practice.

- (a) **Acreage Insurable under the Irrigated Practice** - Insurable acreage for which the insured can demonstrate, to the insurer's satisfaction, that adequate facilities and water existed, at the time insurance attached*, to carry out a good irrigation practice for the insured crop.

*The insured is responsible for demonstrating that, at the time insurance attached, there was a REASONABLE EXPECTATION of receiving adequate water to carry out a good irrigation practice on acreage insured under the irrigated practice.

- (b) **Reasonable Expectation, at the time coverage begins, of Receiving Adequate Water to Carry Out a Good Irrigation Practice** – If the insured knew or had reason to know that the insured's water may be reduced before coverage begins, no reasonable expectation exists.

- (c) **Adequacy of Water** - The determination of the adequacy of water will be based upon:

- 1 the water available (at the time insurance attaches) from the irrigation water supply, soil moisture levels, and (as applicable) snowpack storage levels; AND
- 2 supplementary precipitation which would normally be received, after insurance attaches, during the period that a good irrigation practice is normally carried out. Consideration will also be given to the factors identified in subparagraph 7 below, including the legal entitlement or rights to water.

- (d) **Good Irrigation Practice** - Application of adequate water in an acceptable manner, at the proper times necessary to produce at least the yield used to establish the irrigated production guarantee or amount of insurance on the irrigated acreage planted to the insured crop.

- (e) **Irrigation Water Supply** - The water source and means for supplying irrigation water, without regard to the equipment or facilities. This includes the water source AND dams, canals, ditches, pipelines, etc., which contain the water for movement from the source to the acreage and (1) are not under the control of the insured or (2) routinely deliver water to acreage in addition to that which is owned or operated by the insured. It DOES NOT INCLUDE any irrigation equipment or facilities.

- (f) **Irrigation Equipment and Facilities** - The physical resources, other than water, used to regulate the flow of water from a water source to the acreage. This includes pumps, valves, sprinkler heads, and other control devices. It also includes pipes or pipelines which: (1) are under the control of the insured or (2) routinely deliver water only to acreage which is owned or operated by the insured. A center pivot system is considered irrigation equipment and facilities.

- (g) **Adequacy of Irrigation Facilities** - Irrigation facilities are considered adequate if it is determined that, at the time insurance attaches, they will be available and usable at the times needed and have the capacity to timely deliver water in sufficient quantities to carry out a good irrigation practice for the acreage insured under the irrigated practice.
 - (h) **Water Source** - The source from which water is made available. This includes wells, lakes, reservoirs, streams, aquifers, etc.
- (3) Failure of planted acreage to qualify for insurance under the irrigated practice will result in such acreage being insured under a practice other than irrigated. If no other appropriate practice is available for the acreage, insurance will not be considered to have attached on the acreage.
- (4) Failure to carry out a GOOD IRRIGATION PRACTICE on acreage properly insured under the irrigated practice will result in an appraisal for uninsured causes against such acreage, unless the failure was caused by unavoidable failure of the irrigation water supply after insurance attached.
- (5) Insureds are to keep their production separate for acreage insured under the irrigated practice, acreage insured under a practice other than irrigated (or with no practice applicable), and uninsured acreage.
- (6) Insureds are expected to be prepared to provide documentation of the factors that were considered in reporting acreage to be insured under the irrigated practice.
- (7) **FACTORS TO CONSIDER IN DETERMINING ACREAGE TO BE REPORTED AND INSURED UNDER AN IRRIGATED PRACTICE INCLUDE, BUT ARE NOT LIMITED TO:**
- (a) Water source history, trends, and forecasting reliability;
 - (b) Supplemental water supply availability and usage (including return flow);
 - (c) Pumping plant efficiency and capacity;
 - (d) Water distribution uniformity; and flexibility of the system or district;
 - (e) Water requirements (amount and timing) of all crops to be irrigated;
 - (f) Water rights (primary, secondary, urban versus agricultural use, etc.);
 - (g) Contingency plans available to handle water shortages;
 - (h) Acres to be irrigated, amount of water to be applied, and expected yield;
 - (i) Ownership of water (state or federal versus landowner);
 - (j) Use of meters and other measuring devices or methods;
 - (k) Soil types, soil moisture levels, and pre-plant irrigation needs;
 - (l) Water conserving methods, devices, and plans utilized;

- (m) Past crop planting history, trends, and recommended local practices;
- (n) Prudent activities and practices utilized by non-insured producers;
- (o) Irrigation water supply (both quantity and quality) and facilities;
- (p) Recommendations from local CES or NRCS (or other source recognized by CES or NRCS to be an expert in this area) regarding irrigation and crop production; and
- (q) Information the insured knew (or should have known), and when the insured knew (or should have known) such information.

The insurance provider will use the above, and any other appropriate factors necessary to verify whether acreage was properly reported under the irrigated practice. Insureds who need assistance in determining the proper acreage to report for insurance under an irrigated practice should contact their crop insurance agent for information and assistance.

NOTE: See the Prevented Planting Handbook for Irrigation Practice Guidelines for Prevented Planting Coverage.

C Identify Irrigated Acres

The number of acres for which a good irrigation practice can be carried out must be identified and properly reported by the insured as early in the insurance period as possible, but no later than the published acreage reporting date.

D Provide Irrigated Practice Guidelines

Insurance providers are to provide a copy of the "**Irrigated Practice Guidelines**" found in subparagraph B above and in the Prevented Planting Guidelines to all insureds for whom the irrigated practice may apply. The "Irrigated Practice Guidelines" identify factors to be considered in determining the proper acreage to be reported and insured under an irrigated practice. Upon the insurance provider's request, insureds must document the factors they considered in reporting acreage to be insured under the irrigated practice. Insurance providers must verify this documentation whenever a claim for indemnity is made due to failure of the irrigation water supply, as well as anytime the accuracy of the irrigated practice reporting is suspect.

E Regional Irrigation Assessments

- (1) The RMA RO's will assist in a clearinghouse capacity for information concerning regional irrigation assessments in order to identify areas, water districts, aquifers, reservoirs, and other water sources where inadequate irrigation water is suspected.
- (2) The RMA RO may initiate a regional assessment on its own if warranted and may contact insurance providers as well as other appropriate sources for information concerning the availability and quality of irrigation water.

- (3) The RMA RO Director will provide this information to Insurance Services. RMA will issue an Information Memorandum to publish this information to be utilized by insurance providers operating in the affected regions. Each insurance provider is responsible for assuring compliance with these standards.

F Areas Suspected to Have Inadequate Irrigation Water

- (1) All insurance providers are to notify the appropriate RMA RO immediately of any areas they suspect to have inadequate irrigation water quality or quantities, so RMA can develop, update, and distribute the information.
- (2) Areas are to be identified by county, and if only a specific irrigation area or district is applicable, the identification should specify accordingly; e.g., Grant County (Nemaha Irrigation District only). Crops for which an irrigated practice is available that may be affected by suspected inadequate irrigation water should also be identified.

G National Assessment of Irrigation Supply

The Deputy Administrator for Insurance Services will coordinate a national assessment and issue further guidance if necessary.

H Random Reviews

- (1) All insurance providers are to conduct random reviews of policies with acreage reported for insurance under an irrigated practice in areas identified in the regional assessment as having suspected irrigation water inadequacies.
- (2) The minimum number of policies to review (by county) is to be the greater of, one policy or 5 percent of the policies reporting an irrigated practice in accordance with FCIC-14010.
 - (a) If the area identified as having suspected irrigation water inadequacies constitutes only a specific portion of the county, document the determination that the reviews are to be conducted only in that area.
 - (b) The reviews are to be conducted at the earliest possible time after insurance attaches. Findings of any review are to be maintained in the insured's file.
- (3) In addition to the random reviews specified in H (1) and (2) above, insurance providers are to review the adequacy of the irrigation water supply and facilities on all policies for which they are able to determine that:
 - (a) an indemnity for failure of the irrigation water supply was paid or denied the previous crop year, or
 - (b) the insured failed to carry out a good irrigation practice on acreage indemnified the previous crop year regardless of the identified cause of damage. These reviews are to be made on a case-by-case basis not later than 45 days after the acreage report is received by the agent. Insurance providers are to establish a system to identify such policies in subsequent crop years.

I General Irrigation Data Specific For An Area

The RMA RO Directors will compile data on water needs by crop in their region, normal precipitation figures, and other data considered appropriate to ensure uniform application of these irrigated practice standards. This task will be initiated first in those areas where irrigation problems are anticipated in the near future and/or have existed in the past.

J Adequate Irrigation Water and Facilities

Insurance providers are to determine the adequacy of the irrigation water and facilities.

- (1) The QUANTITY of irrigation water will be considered to be adequate ONLY if the insured can demonstrate to the insurance provider's satisfaction that, at the time insurance attached, there was a REASONABLE EXPECTATION of receiving an adequate quantity of water at the times necessary to carry out a good irrigation practice on the acreage insured under the irrigated practice. See the definition of "Water Adequacy" in 40 B (2) (c) when making determinations of water adequacy.
- (2) For the water quantity to be considered adequate, it also must be of sufficient QUALITY to be acceptable for irrigation purposes (e.g., water with high salt content or other yield-limiting properties may not be acceptable for irrigation or may be acceptable only if the amount used will not restrict the ability of the irrigated acreage to produce a normal crop). The local CES or NRCS should be utilized in making any necessary water quality determinations.
- (3) Water quality is a characteristic of the water supply. Thus, failure of the water quality to be suitable for irrigation would be considered as failure of the water supply. However, to be insurable, such failure must be unavoidable and must occur during the insurance period (e.g., intrusion of saline water during the insurance period caused the irrigation water supply to be unsuitable for the crop). If the insured was or should have been aware of a water quality problem prior to the insurance period, the adequacy of the irrigation water at insurance attachment is suspect and must be determined in order for the irrigated practice to apply.

K Determination and Administration Instructions. The following instructions are to be applied in determining the adequacy of the irrigation water supply and facilities, properly classifying acreage, and administering the standards.

- (1) Insurance Providers are responsible for advising insureds regarding irrigated practice requirements, and determining whether the requirements have been met.

- (2) Acreage properly insured under an irrigated practice, which suffers a water shortage during the insurance period, must be managed consistent with good farming practices to produce the best possible yield under the circumstances. Insureds must take appropriate actions to seek the best possible yields by utilizing farming practices which mitigate, as much as possible, the adverse impacts of insufficient irrigation.
- (3) If the insured has not followed a good irrigation practice by giving irrigation priority to uninsured acreage that results in a loss of production to the insured crop, an assessment must be made for that uninsured loss of production. See (6) below. **EXCEPTION: Producers may allocate life-sustaining amounts of water to their perennial crops (except forage crops) to avoid long term losses to their operations, regardless of whether or not a perennial crop is insured.**
- (4) Deny irrigated practice coverage on any acreage reported under the irrigated practice, which is not eligible for that practice.
- (a) Insure such acreage at appropriate practice other than irrigated if such a practice is available and the acreage qualifies for that practice. Otherwise, the acreage is not insurable.
- (b) INSUREDS ARE TO BE INSTRUCTED to keep production separate for acreage insured under the irrigated practice, acreage insured under a practice other than irrigated (or with no practice applicable), and uninsured acreage.
- (5) If the acreage reported for insurance under the irrigated practice exceeds the capacity of the irrigation facilities and/or water supply reasonably expected at the time of planting (or on the calendar date for the beginning of the insurance period for perennial crops), limit (reduce) the number of acres insured under the irrigated practice to an amount which could have been adequately irrigated.

Example: An insured reports 100 acres under the irrigated practice. It is later determined that, at the time insurance attached, the facilities or water supplies were adequate for only 75 acres but were used on the 100 acres.) Proceed as follows:

- (a) Document the number of acres that are insurable as irrigated (75 acres, in this case).
- (b) Determine, to the extent practical, the highest yielding 75 acres to be the irrigated acres, appraise any reduction in production on the 75 acres caused by applying the available water to the 100 acres, and enter the appraisal on the claim as an uninsured-cause appraisal.
- (c) If only irrigated acreage is insurable in the county for the crop, prepare a revised acreage report showing 75 acres under the irrigated practice. Enter the 25 acres in the "Remarks" as uninsurable acreage due to inadequate facilities and/or water supplies.

- (d) If both irrigated and non-irrigated acreage are insurable in the county for the crop, prepare any claim and/or revised acreage report in accordance with approved procedures.
- (e) If facts support misrepresentation of the reported practice by the insured, document the facts and handle the case under misrepresentation procedures.

(6) Diversion of Water from Insured Crops

Although it is preferred that the insured notify the insurance provider in advance of any diversion, failure to do so will not, in itself, result in appraisals for failure to carry out a good irrigation practice. However, advance notification allows the provider the opportunity to verify the appropriateness of such diversion at the same time that the insured makes the decision to divert the water.

This subsection is intended primarily to address the insured's actions intended or taken to divert water. There may be situations, however, in which the insurance provider determines that the insured should have, but did not, divert water **or divert the recommended amount of water** to acreage insured under the irrigated practice. In such cases it may be appropriate to assess an appraisal for uninsured causes, unless it can be documented that justifiable circumstances prevented such diversion (e.g., multiple water sources or great distances between acreage, making diversion impractical or impossible).

(a) Water Diversion within a Crop, When ALL Involved Acreage is Eligible for the Irrigated Practice:

- 1 Verify that a water shortage exists and whether **recommendations from local CES or NRCS (or other source recognized by CES, or NRCS to be an expert in this area)** agree with the insured's intentions or actions taken.
- 2 Determine that such diversion is appropriate. **Recommendations from local CES or NRCS (or other source recognized by CES, or NRCS to be an expert in this area)** should be used to document this determination.
- 3 Document (on an appropriate form) the insured's intention or action taken to divert water on the affected acreage. Include the circumstances affecting your determinations required by 1 and 2 above.
- 4 IF the requirement in 2 above is not met, consider this as failure to carry out a good irrigation practice for the insured crop, and assess any appropriate appraisal(s) representing the additional indemnification anticipated as a result of the diversion.

Use appraised and/or harvested production figures, APH yields, etc., of the acreage or units involved as a guide to establish any appropriate uninsured-cause appraisals that may be necessary to assess against the acreage or unit from which the water was diverted.

- 5 Inspect any acreage involved in the diversion and appraise any insured acreage that is not to be harvested.
- 6 Defer final settlement of claims of this type until total production on all involved acreage can be verified or determined.
- (b) Water Diversion from One Crop Properly Insured Under the Irrigated Practice to Another Crop(s) Properly Insured Under the Irrigated Practice:
- Document the circumstances as in (a) 3 above. ***
- (c) Water diversion from acreage properly insured under the irrigated practice to uninsured acreage or acreage that is not eligible for the irrigated practice will be treated as failure to carry out a good irrigation practice for the insured crop. (See (8) below.) **EXCEPTION: Producers may allocate life-sustaining amounts of water to their perennial crops (except forage crops) to avoid long-term losses to their operations, regardless of whether or not a perennial crop is insured.**
- (7) Termination or reduction of production on perennial crops due to failure of the irrigation water supply after insurance attached: There is controversy over whether it is a recommended practice to terminate or reduce a developing perennial crop to enhance tree/vine survival. However, if an insured chooses to do so:
- (a) Verify that a water shortage exists and that the local CES (or other source recognized by CES to be an expert in this area) has recommended that the insured terminate (remove) or reduce the crop on the affected acreage.
- (b) Establish a zero per-acre appraisal on acreage for which the crop was completely removed as a recommended practice. If the crop is reduced, but not completely removed, the remaining production is counted in accordance with current procedures for the crop. That portion of the crop removed in accordance with recommendations from the local CES (or from other source recognized by CES to be an expert in this area) will not be production to count in determining any indemnity or for APH purposes.
- (c) Verify crop termination or reduction at final inspection.
- (8) If the insured fails to carry out a good irrigation practice on acreage properly insured at the irrigated practice, assess an appraisal for uninsured causes representing:
- (a) the loss of production due to failure to carry out a good irrigation practice, or
- (b) not less than the guarantee for the acreage if the loss is due solely to uninsured causes.

NOTE: If a loss is evident, acreage reported as an irrigated practice that qualified, as an irrigated practice at the time insurance attached cannot be revised to a non-irrigated practice even if liability stays the same or decreases, even if the insured never applied any water.

(9) See the NOTE in paragraph 29 for information regarding acreage report revisions from non-irrigated to irrigated acreage and vice versa.

L When Insureds Are Aware of Water Restrictions, Reductions, Etc.

Insureds who obtain evidence of decreased water allocation due to an insurable cause AFTER insurance begins may report losses due to failure of the irrigation water supply in accordance with the policy provisions. See PAR. A above for information regarding insurability of certain causes resulting in water reduction; e.g., environmental, increased costs, buy-back programs, etc.

Instructions regarding insureds who are advised of (or should otherwise have been aware of) water restrictions, reductions, or diversions by water districts, municipalities, or other water regulatory agencies:

(1) Annual Crops

(a) If announcement or knowledge of such restriction, reduction or diversion occurs PRIOR to insurance attachment, the insured will be expected to reduce planting accordingly, to plant other less-water-demanding crops, or to take other prudent actions necessary. However, if announcement or knowledge first occurs AFTER insurance attachment, the acreage will be considered as insurable under the irrigated practice, UNLESS information on the situation was such that the majority of producers took prudent actions necessary. In such cases, all insureds under similar circumstances will be expected to do likewise.

(b) Prevented Planting Due to Decreased Water Allocations

Carryover policyholders (those with active policies prior to the current crop year) who have evidence of decreased water allocations due to an insurable cause PRIOR TO planting may report acreage for prevented planting for crops eligible for prevented planting provisions in accordance with the prevented planting provisions in the Basic Provisions. New policyholders are eligible for prevented planting payments only if the peril insured against occurred after the sales closing date for the current year. For more information regarding prevented planting, see the Prevented Planting Handbook.

(2) Perennial Crops

Perennial crop producers seldom have the option to respond to such announcements or knowledge by reducing plantings, other than refraining from planting additional acreage and removing less productive or less desirable plantings. Producers may allocate life sustaining amounts of water to their perennial crops to avoid long term losses to their operations, regardless of whether or not a perennial crop is insured. However, all other standards herein are to be followed to safeguard against adverse selection and other unacceptable risk exposure.

M Pre-Acceptance Inspections

Apply these irrigated practice standards to determine the adequacy of irrigation water and facilities when conducting pre-acceptance inspections that are required by current procedures. (Pre-acceptance inspections primarily affect perennial crop first-year policies and acreage increases exceeding 35 percent for a unit.)

N Properly Identifying Cause of Loss

- (1) Insurance providers are responsible for ensuring that damage and losses due to failure of the irrigation water supply are properly identified as such, and are not misidentified as drought, excessive heat, hot winds, etc. The insurance provider **MUST NOT** pay drought losses on acreage insured under the irrigated practice, except where drought has caused the failure of the irrigation water supply, and in that instance, the cause of loss code must be shown as failure of the irrigation water supply, not drought.
- (2) In some areas, it is a normal and recognized practice to prepare furrows for irrigation after the crop is planted and established. In some instances severe, prolonged drought may not allow a crop to mature to a height sufficient enough to allow furrows to be made without severe damage or destruction of the crop trying to establish the furrows. Also, in some instances severe, prolonged drought may cause some soil types to collapse when trying to make the furrows. In either instance, without the furrows, irrigation water cannot be properly distributed to all areas of the field, which may lead to loss of production. If it is determined that the severe drought was the sole reason for the furrows not being made, the resulting loss of production is covered. Confer with the local NRCS and other similar sources knowledgeable in furrow type irrigation operations to help make

(RESERVED)

45 UNIT STRUCTURES

- A Guidelines. Each insured crop has its own unit structure defined in the policy and/or respective endorsement. However, the CAT Endorsement limits the units available for each insured crop to BASIC units determined ONLY by the crop share arrangement on the date coverage begins for the crop year. Further unit division (examples: type, noncontiguous land, FSA FSN, etc.) as defined in the applicable crop endorsement, crop provisions, or actuarial document are not allowed under the CAT Endorsement. See the CAT Endorsement for the unit definition. All insurable acreage of each insured crop within the unit is the basis for determining coverage, premium, and indemnities.
- B Basic Units for Guaranteed Production Tobacco and Quota Tobacco. Unless specified otherwise in the Special Provisions, for Guaranteed Production Tobacco and Quota Tobacco policies with additional coverage, the basic unit consists of all insurable acreage of the crop covered by a single FSA FSN without regard to state or county lines.
- C CAT Coverage/Basic Units for Dry Beans and Quota Tobacco
- The CAT Endorsement changes the basic unit structure for dry beans and quota tobacco to units by crop share arrangement. However, producers of tobacco for which a marketing card is issued by FSA and who agree to insure 100 percent of the tobacco acreage covered by the marketing card under one policy, are limited to one basic unit for all of the acreage covered by the marketing card. A policy covering all landowners with an undivided interest in the land upon which an insured crop is planted is limited to one basic unit. GRP and CAT policies are limited to one unit per crop per county.
- D Unit Structures for Most Crops. For most other crops, the basic unit structures in the policies are as follows, except the CAT Endorsement limits to basic units. See subparagraph E for dry beans: (See applicable policy and crop provisions.)

*** (1) **Basic Units**

A basic unit for most other crops, is all of the insurable acreage of a crop in the county on the date coverage begins for the crop year in which the insured has:

- (a) **100 percent share in the crop.** This is one basic unit. See PAR. 13 B (1) and C for examples of 100 percent share arrangements.
- (b) **Less than 100 percent share in the crop** (acreage is owned by one entity and operated by another entity on a share basis). A crop shared with each different landlord, tenant, or sharecropper is a separate basic unit. Reversed roles do qualify for separate basic units. See PAR. 13 B(2) and C for various examples of crop share arrangements.

Example: The insured is a landlord on part of the farming operation and a tenant on another part of the farming operation.

NOTE: Varying percentages of shares within a basic unit do not qualify for separate basic units. However, for loss adjustment purposes, production commingled from two or more basic units (including high-risk land excluded from additional coverage and insured under a CAT policy) will be allocated

in proportion to the liability for the harvested acreage from the commingled units; see PAR. 115.

*** (2) **Optional Units**

When the policy allows, land that would otherwise be one basic unit may be divided into optional units according to the optional unit definition contained in the Basic Crop Provisions, Crop Provisions, and/or Special Provisions. Optional units may be available when the acreage of the insured crop is located in separate, legally identifiable sections, section equivalents, or FSA FSN's, whichever applies. Some perennial crops allow optional units for acreage of the crop grown on non-contiguous land and/or for different type/varieties. Most crops allow optional units for irrigated and non-irrigated practices. See subparagraph 45 E below for dry beans.

(a) **Qualification Requirements.** To qualify for optional units, all of the following must be met:

- 1 For crops requiring production reports (APH crops), the insured must file acceptable production reports for **all** planted insurable acreage for at least the most recent APH crop year in the base period **that have been arranged according to** the optional units that will be **requested for the current crop year.** (See 3 below for exceptions.) The insured must have supporting records which can be independently verified, of planted acreage and production used to determine the insured's production guarantee for each optional unit.

NOTE: "Files acceptable production reports," as used above, refers to the most recent APH crop year in the base period. When assigned yields are used for the most recent crop year of the base period, optional unit provisions **DO NOT** apply **for the crop/county.** Optional units will be combined at the time of loss adjustment if the insured failed to meet any provision required to qualify for optional units. Basic units cannot be further divided into optional units at the time of loss adjustment nor can further division of optional units occur at loss time.

- 2 The crop rows must **be planted in a manner that results in** a clear and discernable break in the planting pattern at the **boundaries** of each optional unit unless a written agreement is provided for this purpose by the RMA RO. Planting means the original planting, including any reseeded or replanting. (Cultivating, disking, mowing, etc., between sections, section equivalents, FSA FSN's, irrigated and non-irrigated practices, etc., after planting or harvesting does not qualify the acreage for optional units.) In addition, if irrigated and non-irrigated practices are carried out within a single section, section equivalent, or FSA FSN:
 - a Proper planting and fertilization practices must be carried out for each respective practice; and

- b Records of harvested production must also be maintained separately for each practice.

3 **EXCEPTIONS FOR CROPS REQUIRING PRODUCTION REPORTS (APH RECORDS):**

EXCEPTIONS: Insureds who do not provide production reports for the most recent crop year in the base period may qualify for optional units if either of the following apply:

- a The insured is a new producer who has not produced the crop and is not providing records from another person sharing in the crop, and intends to keep separate acreage and production records by practice, type, or variety according to the optional unit division requirements; or
- b New land or a new practice (irrigated or non-irrigated), type or variety is added to the operation for the current crop year which meets all optional unit requirements, and the insured:
 - i has not produced the crop,
 - ii is not providing records from another person sharing in the crop on that acreage, and
 - iii intends to keep separate acreage and production records according to optional unit provisions.

NOTE: Verifiers (as applicable, RMA RO or insurance providers) have the option of considering a bona fide zero acreage report for a unit as a production report for that unit.

(b) **Separate Optional Units Determined By.**

- 1 **Section**, for most crops, when the Rectangular Survey System is applicable. For the purpose of the unit structure, a section is defined as a unit of measure under the rectangular survey system describing a tract of land usually one mile square and containing approximately 640 acres.
- 2 **Section equivalents**, such as Spanish land grants, railroad surveys, leagues, labors, and Virginia Military Lands in the absence of section descriptions. Each section equivalent must contain 640 acres or more.
- 3 **Separate FSA FSN's:**
 - a in the absence of sections, section equivalents, or other unit division arrangements approved by FCIC;
 - b in areas where survey boundaries are not readily discernable;

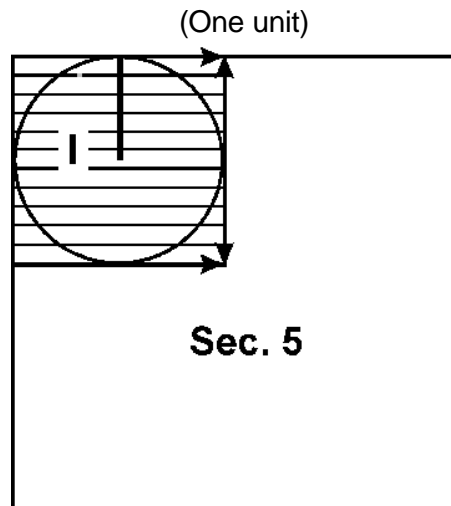
- c in Alabama, Arkansas, Florida, Louisiana, Mississippi, and South Carolina for barley, corn, cotton, grain sorghum, oats, rice, rye, soybeans, and wheat.

NOTE: See Exhibits 2, 3, 4, and 5 in the CIH for further explanation and illustrations. The boundaries of the section, section equivalent, or FSA FSN must be easily identifiable by the insurance provider without using survey instruments or locating survey markers.

- 4 **Irrigated and non-irrigated practices** within a single section (section equivalent, or FSA FSN) may qualify for separate optional units, provided such division is allowed by the crop policy and all requirements in subparagraph D (2) (a) above are met. For annual crops, this includes the non-irrigated corners of a field in which a center pivot irrigation system is used to irrigate the insured crop.

(c) **Center pivot irrigation systems for all annual crops for which the crop policy permits unit division for irrigated and non-irrigated practices.**

- 1 If the crop's planting pattern/rows continue **into one or more** non-irrigated corners of the field and the portion of the field irrigated by a center pivot irrigation system (circle), the acreage within intersecting lines drawn at right angles to the radius of the center pivot is NOT eligible for a separate optional non-irrigated unit.



NOTE: The acres and production from the non-irrigated corners of a field planted to the insured crop may be included in the irrigated acreage. A separate line entry for a non-irrigated practice is not required on the acreage report for the corners of the field when they are considered to be irrigated. Refer the CIH for further information.

NOTE: Optional units are not available for contract seed beans grown under a seed bean processor contract that specifies ONLY an amount of production.

F Optional Units by Written Agreement (Approved by RMA RO)

- (1) If basic and optional unit requirements are not consistent with good farming practices for the acreage involved, special optional-unit-written agreements may be requested on a limited basis. The CIH contains specific requirements for written unit agreements.
- (2) Optional units may be created from an oversized section or FSN via written agreement (oversized means the section or FSN must have enough acreage to allow it to be divided into two or more blocks of which each block would contain at least 640 acres). For more information, refer to the CIH or Written Agreement Handbook.

G Unit Division Option

For certain areas of Indiana, Illinois, Ohio, and Texas that have not been surveyed under the U.S. Rectangular Survey System or a similar system allowing for "sections" (640 or more acres), insureds may request this option to aggregate two or more (any shape) legally identifiable parcels of land into "sections." By doing this, such land will be eligible for optional units, if allowed by the policy provisions. However, the insured must have complied with the production reporting, record, and planting pattern guidelines specified in the applicable crop policy/endorsement or actuarial documents. Even though such land will be eligible for optional units under this option, the insured still has the choice each crop year of insuring each crop(s) under basic unit(s) or optional units. Refer to CIH.

H Optional Units ONLY Via Written Unit Agreement in the States of Maine, New York, and Pennsylvania

Consistent with the Basic Provisions, guidelines have been set up in the CIH to establish optional units on a section equivalent basis. Such optional units are restricted to annual crops whose basic and crop provisions allow for optional units located in separate sections, section equivalents (in the absence of sections), or FSN's (in the absence of sections or section equivalents or where boundaries are not readily discernable), and are applicable ONLY in areas:

- (1) that HAVE NOT been surveyed using sections or section equivalents such as Spanish grants, or
- (2) surveyed using sections or section equivalents and the boundaries are not readily discernable. Such optional unit arrangement must be done via a Written Agreement approved by the insurance provider. The specific parcels of land that establish the optional unit boundaries will be identified on a map attached to the approved Written Agreement. (The map may be a county road map, tax map, aerial photo, or other map that identifies each proposed sectional equivalent and optional unit that has been signed and dated by the insured.) Adjusters will use these maps to verify unit and unit production.

I Enterprise or Whole Farm Units

(1) General Information

- (a) Enterprise (EU) or whole-farm unit (WFU) coverage may be requested by the insured (in writing on or before the earliest sales closing date for the crop(s) and county insured) if shown as available in the Special Provisions.
- (b) The unit designation remains in effect from year to year unless written notification is provided to the insurance provider by the earliest sales closing date for the crop year for which the insured wishes to change this election.

(2) Enterprise Unit Determination

Enterprise units are available for some crops and counties. The requirements vary for different coverage plans. Refer to the crop provisions for unit composition requirements.

- (a) An EU, as defined in the MPCCI Basic Provisions (may vary for other plans), consists of all insurable acreage of the insured crop in the county in which the insured has a share on the date coverage begins for the crop year, and requires:
 - 1 Two or more basic units of the same insured crop that are located in two or more separate sections, section equivalents, or FSA farm serial numbers; or
 - 2 Two or more optional units of the same insured crop established by separate sections, section equivalents, or FSA farm serial numbers.
- (b) The insured may not combine qualifying basic units or optional units into a EU unless provided for by the applicable Special Provisions. A basic unit structure will be assigned if the insured does not qualify for a EU.
- (c) The insured may select the EU structure for one crop/county and basic/optional units for other crops/counties.
- (d) To allow the insured to elect basic or optional units in subsequent crop years, the insured must maintain ALL required production records for each basic or optional unit within the EU.
- (e) Although the insured must **have insurable acreage of the same crop for the current crop year and** request the enterprise unit structure by the earliest applicable sales closing date, qualification for the EU will be determined at acreage reporting time when the insured reports all insurable acreage of the insured crop in the county for all basic and/or optional units comprising the EU. Once elected and qualified, a EU may not be further divided except as specified in the individual policy. However, the unit structure may be changed based on information determined to be correct when adjusting a loss.

consideration of its mixed status must be made to determine the extent of any quality adjustment.

- (3) In all replant claims, the actual cost of replanting must be considered when making the replant payment. The policy/endorsement specifies that the replant payment cannot exceed the actual cost of replanting. In cases of interplanting, it is even more important to ascertain the actual cost of the replant operation to assure that the replant payment claimed does not exceed this cost.

H Inability of Insured to Replant

No potential production will be assessed to acreage the insured has destroyed with consent to replant if, due to weather and/or soil conditions, the insured is unable to replant. However, if it is determined that the insured could have replanted within the time frame that it was still practical, prepare a revised acreage report designating the acreage as uninsurable (see PAR.'s 28-29 for revised acreage report instructions).

I Inspection to Release Acreage to be Replanted

Even though a crop or crop coverage may not be eligible for replanting payments, a majority of the crops still have replanting requirements, and the insured must provide notice of damage as described in preceding paragraphs.

- (1) In all cases, the insurance provider representative, or other party responsible for recording notices, will record the notice of damage or loss and forward the notice to the person or office designated by the insurance provider to assign losses to adjusters.
- (2) The adjuster will contact the insured to determine the insured's intent for handling the damaged crop and to determine whether a field inspection is required. The insured will be informed that if a field inspection is not performed, the insured should be prepared to show original seed receipts/tickets and other supporting receipts/tickets to support that the crop was initially planted and replanted in case of an audit or final loss to this unit.
- (3) Determinations that field inspections are not required, must be fully supported by information documented in the insured's loss claim file, based on contact with the insured or the insured's authorized representative.

NOTE: Notices of damage MAY NOT require a field inspection when the crop provisions do not provide for replanting payments (or replant payments are not applicable because the policy has CAT coverage) for the crop and crop damage is consistent with other producers' crop damage in the area, and the other producers are replanting. See (5) below.

- (4) When the notice of damage is cleared without a field inspection, consent to replant will be considered given to the insured when the adjuster:
 - (a) documents why the insured's claim file does not require a field inspection, and

- (b) closes the notice of damage.
- (5) A field inspection MUST be completed WHEN:
- (a) Policy provisions provide for replant payments (except self-certification replant inspections and policies with CAT coverage);
 - (b) An insured requests consent to put insured acreage to another use;
 - (c) There is reason to suspect poor farming practices or uninsured causes of loss;
 - (d) Damage is inconsistent with other crops in the insured's area;
 - (e) There is any need to document actual field crop conditions; or
 - (f) It becomes evident (from contact with the insured or general crop conditions) that these insured crops have been damaged to the extent that replanting would be required, but the insured does not intend to replant the insured acreage. An inspection is required in order to determine practicability to replant and therefore insurability of the damaged acreage.
- (6) No potential production will be assessed to acreage the insured has destroyed with consent to replant (with or without a field inspection if, due to weather and/or soil conditions, the insured is unable to replant). However, if the insured could have replanted within the time frame that it was still practical, the acreage must be considered uninsured and the acreage report revised accordingly.

56 PURPOSE OF THE CERTIFICATION FORM

A Uses of the Certification Form

Prepare the Certification Form upon completing:

- (1) A replant inspection (for a replant payment) or;
- (2) The "final" inspection when any of the following apply:
 - (a) ALL the acreage on a unit has been appraised to be put to another use, and it is expected that the insured's intentions for such other use will not change.
 - (b) Mature appraised or harvested production with applicable quality adjustment is declared zero value (due to insured causes). See PAR. 85 I for zero value-harvested production.
 - (c) Production records are not readily available, for certain crops (or unavailability of price information to determine production value, if required to complete a claim; e.g., the value of cherries is not available until the marketing pools close. See PAR. 59 **C** 3.

NOTE: When an appraisal is deferred for immature crop acreage that has been released to go to another crop or use, the end of insurance period does not occur for such acreage until the representative areas left for the deferred appraisal have been appraised or harvested (within time frame specified in procedures or crop provisions where there is a disagreement of appraisal amount), unless the insured failed to care for the representative areas (i.e., abandons the acreage in the representative areas). See PAR.'s 75 C and 77 for more information about deferred appraisals.

B When authorization to the extend the time for harvest is provided, follow the instructions below:

(1) If harvest completion was delayed due to an insurable cause occurring within the insurance period, any subsequent damage to the crop, due to the insurable causes specified in the contract, is covered provided that it is determined on a case-by-case basis that the insured has:

(a) complied with the notice of damage or loss requirements identified in the policies and administered in accordance with the loss adjustment procedures, and

(b) made every reasonable attempt to harvest the crop timely and properly.

NOTE: This does not include a mature crop that could have been harvested by the calendar date for the end of the insurance period but was not because the insured was waiting for the moisture to decrease to avoid drying costs. In such cases, appraise the crop and finalize the claim as soon as possible after the calendar date for the end of the insurance period.

(2) The calendar date for the end of the insurance period is NOT extended. Rather, the insured is given additional time to attempt to harvest the crop in order to settle any loss on the basis of harvested production.

(3) In the above circumstances, any subsequent and unavoidable loss of production caused by insurable causes is to be considered as an unavoidable loss resulting from the original insurable cause, which prevented the timely harvest of the crop. Any avoidable loss of production is to be charged as an appraisal against the guarantee.

(4) The insured is expected to harvest the crop if a window of harvest opportunity arises. If the insured had the opportunity to harvest and failed to do so, insurance providers are to appraise the acreage and finalize the claim based on the appraisal. Damage occurring after the producer had an opportunity to harvest is uninsurable.

(5) Verify and document that damage resulted from insured causes occurring during the insurance period (as clarified in B (3) above). Items to verify include (but are not limited to) the following:

(a) Specific variety planted.

(b) Planting date.

- (c) Length of normal growing season needed for the insured crop variety.
 - (d) Insurable causes preventing timely harvest and dates of occurrence.
 - (e) Area conditions, surrounding producers' situations, percent of harvest completion in the area, the adequacy of the insured's harvest equipment and efforts to harvest, and windows of harvest opportunity.
 - (f) The rationale for establishing the portion of the loss resulting from causes which occurred during the insurance period and any appraisals for uninsured causes.
 - (g) The following is to be used if the insurance provider wishes to further document that the insured was informed of the above: Copy of notice sent to the insured outlining the insured's responsibility to mitigate the damage by harvesting at first opportunity, and informing the insured that if a window of harvest opportunity occurs and harvest does not occur, appraisals will be assessed for failure to follow recognized good farming practices.
 - (h) Photographs, video, etc., if they will conclusively verify the reasons that the crop could not be harvested by the end of the insurance period.
- (6) If a loss is anticipated and acreage remains unharvested, perform an inspection on the unharvested acreage in the unit as soon as possible after the calendar date for the end of the insurance period. Although it is preferred to provide the insured reasonable opportunity to harvest the crop and to settle losses on the basis of harvested production, very few claims should remain to be finalized beyond 60 days after the calendar date for the end of the insurance period. Such cases will require extensive documentation to support proper payment of the affected claims.
- (7) All applicable instructions in PAR. 57 also apply.

59 INDEMNITY INSPECTION (FINAL) - DELAYED NOTICE OF DAMAGE OR LOSS AND/OR DELAYED CLAIM

A Delayed Notice Definition

A DELAYED NOTICE is a notice that is filed after the time required in the policy.

Example: The policy requirements for coarse grains require that the insured provides notice, by unit, within 72 hours of the insured's initial discovery of damage (but not later than 15 days after the end of the insurance period). The insured finished harvest of the loss unit on October 1. (In accordance with the policy provisions, the insurance period ended upon harvest.) The insured mailed the notice on October 30, and the insurance provider received it on Nov 3. In order to meet the policy requirements, the notice would have to be received by the insurance provider by October 16. In this instance, the notice was 18 days late.

- (5) Types, classes, or varieties;
- (6) Planting dates;
- (7) Risk classifications;
- (8) APH yields as listed on the appropriate forms;
- (9) Unit arrangements; and
- (10) Any other information contained on the acreage report pertaining to the reported crop or/and acreage; e.g., contract prices for peas, information provided in the remarks or attachment pertinent to the report, etc.

B Revised Acreage Reports. Revised acreage reports will be prepared when appropriate. (See PAR. 29.)

C Recording the inspection. Record the results of the inspection on a Special Report or other form provided by the insurance provider.

64 CROP INSPECTION TO DETERMINE ACCEPTANCE OF UNREPORTED ACREAGE FOR INSURANCE

A This inspection can be initiated when the:

- (1) insured files a late-filed application (late-filed applications permitted only as specified in the CIH) and/or acreage report or wishes to add acreage that the insured had a share in at the time insurance attached but was initially not reported on the timely filed acreage report for the crop(s), or
- (2) insurance provider discovers that acreage in which the insured had an insurable share in at the time insurance attached was under-reported, a unit(s) was not reported, or no acreage was reported by the insured or for the crop. (See PAR. 32)

NOTE 1: Acreage, for which the insured did not have a share until after the time insurance would have attached, cannot be insured under the insured's policy.

NOTE 2: The following criteria also applies to crops covered under Crop Revenue Coverage, Income Protection, and Revenue Assurance.

B Crop Inspection. The crop inspection will consist of an on-the-farm visit to determine the number of acres and to perform crop appraisals and make observations of the current general crop, soil, and weather conditions to determine if the crop acreage for the unit will produce at least 90% of the yield upon which the per-acre guarantee or per-acre amount of insurance is based.

C Approval/Rejection. The approving official may accept (with the exception of subparagraph D below) or reject, by UNIT, at his/her discretion (based upon crop, soil, weather conditions, etc.) the unreported acreage when appraisals indicate that the crop acreage for the unit would produce at least 90% of the yield upon which the per-acre guarantee or per-acre amount of insurance is based. Unit acreage appraising below 90% of the yield will be rejected. **See exception in subparagraph D below.** Also, see "Note 1 in subparagraph A above.

NOTE: The unit acreage for the purpose of crop-inspection appraisals includes the reported acreage and unreported insurable acreage.

For example, if the reported acreage for unit 00100 was 90 acres but a field consisting of 80 insurable acres was omitted from this unit, the appraisal would be conducted for all 170 acres to determine if the unit acreage appraised at least 90% of the yield upon which the per-acre guarantee or per-acre amount of insurance was based. For unreported units, the individual unit acreage is comprised of all the acreage that could have been insured under the particular unreported unit. However, when there are unreported units involved, all units of the crop must be appraised until one unit fails or all units pass the criteria for accepting an unreported unit; see subparagraph D below.

- D Unreported Units. Unreported units CANNOT be added IF ANY reported insured unit for the crop at this time WILL NOT produce at least 90% of the yield upon which the per-acre guarantee or per-acre amount of insurance is based. When unreported units are rejected, the unreported unit procedure in PAR. 116 must be followed.
- E Recording the Appraisal. Record the appraisal performed during the crop inspection on the appropriate appraisal worksheet.
- F Inspection Report/Documents Submitted to Insurance Provider. Submit to the insurance provider, the original or revised acreage report prepared during the inspection, the appraisal worksheet, and a Special Report with the following information:
 - (1) Whether any significant damage has occurred on the unit, and
 - (2) Whether the appraisal for the unit acreage (reported and insurable unreported acreage) was at least 90% of the yield upon which the per-acre guarantee or per-acre amount of insurance is based can be expected under the current crop, moisture, and weather conditions.
- G Notification of Approval/Rejection. Inform the insured that he/she will be notified in writing by the insurance provider of approval or rejection of the acreage.

65 INTEREST PAYMENT ON CLAIMS

A Policy Provisions

Unless otherwise specified, the Basic Provisions (or as applicable, crop policy) state that simple interest will be paid from the 61st day on the net indemnity after the insured signs, dates, and submits the properly completed claim, if the reason for failure to pay within 60 days is not due to the insured's failure to provide information.

B Interest Determined From Adjuster's or Approving Official's Signature

FCIC has identified the following types of claim situations on which interest should be paid from the 61st day of the adjuster or approving officer's signature date rather than the insured's signature date. The claim situations are as follows:

- (1) Certification Form has been used on the unit.
- (2) The insured is an absentee insured (adjuster will enter the date when the claim form was mailed to insured for signature in the narrative).

- (3) Controversial or other unusual type of claim.

SECTION 2 VERIFYING THE CAUSE OF LOSS

66 GENERAL INFORMATION

- A The causes of loss insured against are clearly identified in the individual crop provisions. Insured causes of loss, by crop, are listed in Exhibit 3.
- B The insured must establish the cause of loss; the adjuster will:
- (1) Verify the cause of loss during the on-the-farm inspection.
 - (2) Be satisfied that the damage or loss is due to one or more insured causes(s) of loss; e.g., drought CANNOT be an insured cause of loss for acreage with an irrigated practice; however, failure of the irrigation water supply due to drought would be an insured cause of loss under an irrigated practice. Each inspection must be an individual determination. If the cause of loss appears to be different from what the insured has stated, document the facts on a Special Report. For more information see Unusual/Controversial Cases in Part 4.

67 HAIL AND FIRE EXCLUSION

When hail and fire have been excluded as insurable causes of loss and hail or fire is determined to be the sole cause of loss, there generally will be no indemnity. Refer to the individual crop handbooks for instructions. See verification requirements in PAR. 22.

68 UNINSURED CAUSES

It may be determined during the on-the-farm inspection that the cause of loss was not insurable. Refer to PAR. 110 for details.

69 ABANDON VERSUS NOT FOLLOWING A GOOD FARMING PRACTICE

There is a definite distinction between “not following a good farming practice” and “abandon.”

A Abandon

- (1) Basic Provision Definition of Abandon. “Failure to continue to care for the crop, providing care so insignificant as to provide no benefit to the crop, or failure to harvest in a timely manner, unless an insured cause of loss prevents the insured from properly caring for or harvesting the crop or causes damage to it to the extent that most producers of the crop on acreage with similar characteristics in the area would not normally further care for or harvest it.
- (2) Acreage where the producer has stopped caring for the crop, at whatever stage, is considered to have been abandoned, regardless of whether the crop was otherwise damaged by an insurable cause of loss. There does not need to be an express intent to abandon the crop. The producer must simply have stopped all care for the crop, or the care provided must be so insignificant as to provide no

benefit to the crop. An appraisal as stated in PAR. 75 (B) (9) below must be assessed when the crop is abandoned.

NOTE: Although rare, the insured may decide to harvest the abandoned acreage if there is production that can be harvested. If this happens, and the harvested production from the abandoned acreage is commingled with the harvested production from the acreage not abandoned, all of the harvested production from the abandoned acreage will be included in the production to count.

- (3) A crop damaged to the extent that harvest is not practicable will not be considered as abandoned because the producer fails to harvest the crop. In these cases, the producer should provide a notice of loss and the acreage should be appraised. For “failure to timely harvest” to be considered as abandonment, the crop must be in a condition where harvest would be considered as a good farming practice and no condition exists which would make it physically impossible to harvest the crop, such as the ground is too wet.
- (4) The insured turns in a notice of damage or loss after the act of abandonment.

It must be considered abandonment if the insured stops caring for the crop PRIOR to providing notice of damage or loss and the time elapsed is such that the insurance provider cannot satisfactorily distinguish whether damage is solely from the insured cause or a combination of the insured cause and the abandonment.

- (5) The insured abandons the crop for a length of time and then begins caring for the crop. If enough time has elapsed that the care is untimely and will not benefit the crop or the care is so insignificant that it does not benefit the crop, it is still considered abandonment as stated in (2) above.

B Not Following A Good Farming Practice

Acreage where the producer continues to care for the crop by performing all the practices needed to produce a mature crop, but does so inadequately, such as the application of an insufficient amount of fertilizer or herbicides, topping only a portion of the tobacco acreage, etc., will be considered not following a good farming practice. The amount of loss attributed to not following a good farming practice will be included as the production to count; i.e., an uninsured cause of loss appraisal. These determinations must be on a case-by-case basis. The insurance provider must first determine whether the necessary farming and cultural practices have been carried out by the producer and, if they have, whether they were adequate. Refer to PAR.'s 110 K and R for additional information.

SECTION 3 ACREAGE DETERMINATION

70 GENERAL INFORMATION AND METHODS

Determined acres are required on some preliminary claims and all final claims as specified in the crop handbooks. Determined acres must consist of ONLY crop acres. Significant

amounts of non-crop acres must also be measured so that this measurement can be deducted from the total measurement of the field, orchard, etc. See illustrated example in 71C (6). Use the following procedures for determining acreage:

A FSA Measured Acres

Acres measured through FSA Measurement Service requested by the insured or during FSA spot check of the insured's certified acres for the current crop year, may be used as the determined acres. If for some reason it is believed that the measured acres are incorrect, re-measure the acres.

NOTE: For CAT Policies: If the insured has requested FSA measurement service prior to the crop insurance acreage report date, the determined acres from the measurement service may be used on the claim. See PAR. 29 F.

B Previously Measured Acreage

(1) Use acres that have been previously measured for the current crop year by:

- (a) FSA as described in A above unless the insurance provider chooses to measure the acres for the current crop year or believes the measurement is incorrect, or
- (b) Another insurance provider (measurement of a companion contract) unless it is felt that measurement is incorrect.

NOTE: Because discrepancies between FSA's and insurance provider's acreage measurements may have to be reconciled at a later date, it is recommended that insurance providers verify with the FSA whether actual measurement of the acreage being inspected has been made, and if it has, that the FSA acreage measurement is used. HOWEVER, if the insurance provider believes the FSA measurement is incorrect and re-measures the acreage or chooses to make their own measurement and finds that their measurement is not in agreement with FSA's, the insurance provider should try to resolve the difference with FSA.

(2) Prior year(s) measurements of a field that was measured by an insurance provider, local FSA office, or firm engaged in land measurement services, will be used if the acres have not been measured for the current crop year, provided the:

- (a) entire field is planted to a single crop (same practices or types if there are separate guarantees), and
- (b) field boundaries have not changed.

If there is reason to suspect that the measurements are not accurate, the acres must be re-measured as described in D below.

C Acres Not Measured

If measured acres as described in subparagraphs A or B are not available:

- (1) The acres reported on the Crop Insurance Acreage Report may be considered “determined acres” for claim purposes, IF the:
 - (a) insured has signed the acreage report indicating certification of the reported information; AND
 - (b) the adjuster can determine through visual inspection of the acreage, the use of FSA certified acreage reports or aerial photo copies (obtained from the local FSA office or other acceptable sources), landmarks, etc., that the acreage would measure within 5 percent of the acreage reported on the acreage report.
- (2) When a determination is made that differs from the reported (certified) acreage, even within the 5 percent tolerance, the determined acreage must be used on the claim.

NOTE: The following is an example of a situation where the reported acreage is within the 5 percent tolerance, but cannot be used as the determined acreage:

- Previous measurement = 80 acres (field boundaries have not changed).
- Crop insurance acreage report = 80 acres of corn
- Entire field planted to boundaries, but about 2 acres are oats.
In this instance, the reported acres cannot be used as the determined acres. Either an actual measurement must be made (e.g., wheeled) OR because the reported acreage is within the 5 percent tolerance, the acreage can be determined as follows: estimate the oat acreage and deduct from the reported corn acreage. Determined corn acres = 78 acres (80 - 2 = 78).

D When Insurance Provider Must Measure Acreage

Acreage must be measured (or re-measured, as applicable) IF it fails to meet the criteria described in A, B, or C above OR if any of the following apply:

- (1) Part of a unit is released and that part released will lose its field identity (i.e., there will be no way to establish the amount of acres at the time of a final loss inspection because of the loss of field identity);
- (2) The insurance provider or the insured has reason to question the accuracy of the measurement or does not agree with the previously measured acres;
- (3) Field boundaries have changed;
- (4) Only a portion of a field is planted and measurements for determining the planted portion are unavailable; or
- (5) Acreages of varying practices, types, appraisals, etc. (as appropriate to separate on the claim) are not separated.

C Amount of Production Reported for Unit(s) is Questionable

Anytime the actual production reported is in question and you are going to meet with the insured about the questionable reported production follow the individual insurance provider's instructions.

D Documentation. Prepare a Special Report if there:

- (1) is unreported production, or
- (2) are unjustified differences in production between different shares or different units.

E Adjuster's Signature. DO NOT sign a claim if there is any evidence of additional production that has not been accounted for.

75 APPRAISALS

A General Information

Appraisals must not be made until an accurate appraisal of potential production can be made.

- (1) If during an inspection any crop acreage is not going to be carried to harvest and an accurate appraisal of potential production CANNOT be made, do not release acreage to another use or to replant when replant payment is applicable until an accurate appraisal can be made OR representative sample areas are left for later appraisals as described in subparagraph C below and PAR. 77.
- (2) If the inspection is performed at a time when production can be determined accurately by appraisal and the crop is not being carried to harvest (except when pre-harvest appraisals are required), appraise the production by unit, and grant written consent to put insured acreage to another use. Record this production on an appraisal worksheet and a Special Report, if needed. See applicable crop handbook for appraisal methods.

B Appraisals are made when:

- (1) The insured requests consent to put acreage to another use or to replant to the same crop originally planted if a replant payment will be claimed.
- (2) The insured chooses not to harvest all of the acreage.
- (3) The insured plans to use a crop in such a way that it will not be possible to determine production after harvest; e.g., a crop insured as grain (e.g. corn) will be partially or all cut for silage.
- (4) The insurance period ends for a crop. The appraisal will establish the potential production of the unharvested acreage at the time the insurance period ceases.
- (5) Late-filed acreage is requested or unreported acreage is discovered (to determine acceptance or rejection of such acreage).

- (6) An unreported unit (not reported on the acreage report) is discovered, and it is suspected or known that it will not be harvested or harvested and stored in such a manner that production cannot be accounted for. See PAR 116 for more information on unreported units.
- (7) The insured insists on replanting, but it is determined it is too late to replant. See PAR. 55 for more information.
- (8) The crop will be stored in such a manner that production cannot be measured; e.g., high-moisture corn, silage stored in an air-tight structure, etc.
- (9) Uninsured causes of loss are determined, acreage is destroyed without consent, abandoned, or if the insured has failed to provide production records that are acceptable. Acreage damaged solely from uninsured causes or if any of the other aforementioned reasons exist in this item, not less than the per-acre production guarantee for the acreage involved will be assessed.

NOTE: The definition for abandon in the Basic Provisions indicate that when the crop is not timely harvested, it is abandoned; however, exercise good judgment in establishing that a crop that has not been **timely harvested** is truly abandoned. See PAR. 69.

- (10) An unharvested portion of the field remains after harvest or harvested production that could have been removed from the field was not removed due to improperly functioning harvesting equipment, windrows of crop not all picked up; etc.

NOTE: This does not include unharvested representative samples areas the insured has left in accordance with policy requirements, unless the areas represent a significant portion of the acreage. See PAR. 57 E (2).

- (11) If the policy provisions, Special Provisions, or a Written Agreement authorizes direct marketing, conduct an appraisal within the time frame stated in the applicable policy that will be used to determine production to count for production that will be sold by direct marketing.

C Deferred Appraisals

Deferred appraisals are appraisals that are deferred to a later date in order to assess crop recovery **and/or** obtain more accurate appraisals.

- (1) Appraisals must be deferred when:
 - (a) Hail damage has occurred on immature crops. Defer appraisals 7-10 days from the date damage occurred. **Refer to the AUP & ELS Cotton Handbook for the deferral time of appraisals for hail-damaged ELS cotton and for the deferral time of appraisals for cotton damaged from blowing sand.**
 - (b) Frost/freeze damage has occurred on immature crop. Defer appraisals at least 7-10 days from the date of frost/freeze, **unless specified otherwise in an individual crop handbook.** If at the end of the 7-10 day period **(or end of other time period specified in an individual crop handbook)**, it is questionable that an accurate determination can be made, utilize local Cooperative Extension Service or other like source's recommendations for the length of time the appraisal should be deferred.

(c) A crop is in dormancy. Defer appraisal until the time the crop is out of dormancy. See (3) below.

(d) For spring-seeded crops, the seed, due to insufficient soil moisture, has not emerged. Appraisals must be deferred at least 15 days after the late planting period (final planting date if no late planting period applies.) When there is an appraisal involving non-emerged seed, use the stand reduction appraisal method.

- (2) Defer appraisals anytime a more accurate appraisal can be made at a later date due to type of damage or circumstances; e.g., extent of damage or recovery of crop after flooding, pollination problems, freeze, etc. See (3) below.
- (3) Utilize local Cooperative Extension Service or other like source's recommendation for the length of time appraisals should be deferred for the particular crop and situation. Include a copy of these recommendations with the paperwork pertaining to the inspection to support the insurance provider's actions.
- (4) If the insured wants immediate release of crop acreage in order to put it to another use or to replant it, the insured must agree to leave representative sample areas as described in PAR. 77. The representative sample areas will be used to perform the deferred appraisal.
- (5) In widespread deferral situations, all insurance providers should maintain coordination through Insurance Services so that uniform guidance can be provided to all insurance providers regarding the length of deferral time necessary to allow accurate appraisals to be made for the circumstances.

D When appraisals are made, inform the insured of the following:

- (1) The method used to determine potential production and how the appraisal will be used if an indemnity is claimed. If at all possible, the insured or an authorized representative of the insured should accompany you on the entire appraisal. Encourage the insured or authorized representative to participate in determining the appraisal.
- (2) Appraisals on acreage for which the insurance provider has given consent to be put to another use are final when the claim is signed by the insured or insured's authorized representative and the adjuster, unless such acreage is:
 - (a) not put to another use before harvest becomes general in the county and is reappraised by the insurance provider,
 - (b) further damaged by an insured cause and is reappraised by the insurance provider, or
 - (c) harvested.

For this reason, DO NOT finalize a claim until you are satisfied with all determinations. See PAR. 57 H.

- (3) The appraisal determination. (Never advise the insured whether or not to harvest the crop; this must be the insured's decision.)

E Approved Methods. The appraisal methods for the crop are identified in the individual crop handbooks.

F Harvested Representative Sample Appraisals

Appraise mature production by arranging with the insured to harvest representative sample areas, if possible. See PAR. 77 for representative sample area instructions. Use this production to determine the yield per acre.

G New Appraisals for Additional Damage

If an insured notifies the insurance provider of additional damage after consent to put acreage to other use and requests re-inspection, a new appraisal may be made provided the additional damage was due to an insured cause of loss and the acreage has NOT been put to another use.

H Unable to Mechanically Harvest

When crop acreage which is routinely mechanically harvested is damaged by INSURED cause(s) to the extent that it can NEVER be mechanically harvested with normal harvest equipment, no production will be counted for such acreage. If mechanical harvest is feasible with normal harvest equipment on any portion of the unharvested acreage, appraise and count only the production that you determine could have been mechanically harvested. **However, if the insured elects to hand harvest, such as handpick corn, or use specialized harvesting equipment, the harvested production will be counted.**

NOTE: Wet field conditions or snow covered fields that prevent harvest of the crop by the end of the insurance period does not mean it can NEVER be mechanically harvested with normal harvest equipment. This is only a temporary condition.

Examples: Hurricane, tropical depression, or tornado damage has rendered the crop unharvestable with normal harvesting equipment or small grain that has been drought-stressed may be so short that it cannot be mechanically harvested with the normal harvest equipment in the area. For grain height too short to harvest with normal harvesting equipment, the adjuster must establish and document the individual cutting height based on the terrain (rocky soil, level field, terraces, slopes, etc.) and the insured's farming practices (type of harvesting equipment, swathed grain, etc.). Remember, insureds employing good farming practices will lower the combine headers or swather bars to recover a short crop to the maximum extent possible.

- (1) Determine (on an individual basis) whether any portion of the acreage can ever be mechanically harvested with normal harvest equipment. Consider what other insured and noninsured growers in the area are doing with the same crop, similar soil and terrain, or equipment (whether owned or otherwise available to the insured).
- (2) Determine whether the insured did or could have made every reasonable effort to harvest such acreage, and whether the insured plans to hand harvest or use specialized harvesting equipment.
- (3) If it is difficult to determine what potential is machine harvestable, arrange with the insured to harvest representative areas of the crop. Use this production to determine the production to count.

(2) Representative areas of MATURE production

(a) **Representative areas established solely for the initial appraisal of the released acreage .**

Appraise these areas immediately upon the crop's maturity. If representative areas have not been adequately cared for, assess an appraisal for uninsured causes of loss.

NOTE: If the insured agrees, these representative areas can be harvested to obtain the per-acre appraisals as described in (2)(c) below.

(b) **Representative areas established because the insured disagreed with appraisal of immature crop acreage to be released.**

Appraise these areas immediately upon maturity. When these areas are not left intact or have not been sufficiently cared for, use the per-acre appraisal made prior to giving consent to put the acreage to another use. Any additional damage to the representative areas due to a named peril in the policy will be considered an insured cause of loss.

(c) **Representative areas established at the time the crop is mature (solely for the purpose of basing the appraisal on the harvest of the representative areas).**

After the representative areas have been harvested, establish the per-acre appraisal from the harvested production. If for some reason, the insured decides not to harvest the representative areas as agreed, appraise the unharvested representative areas immediately.

(d) **Representative areas of corn insured as silage for purpose of determining grain deficient silage when appraisals cannot be made before the corn is cut for silage.**

Appraise these areas **as soon as possible**. Additional damage after the date the corn was harvested as silage will not be considered an insured cause of loss even if the damage was from a named peril in the policy. This is because the insurance period ended at the time the crop was harvested; i.e., the corn was cut for silage. **The appraisal of the representative areas will determine whether the corn met the criteria for grain-deficient silage. If the silage was put in an air-tight structure, the representative strips can also be used to determine the production to count.**

78 VERIFYING HARVESTED PRODUCTION

A Harvested production will be determined by the following:

- (1) Acceptable evidence of sales and/or commercial storage.
- (2) Measuring farm-stored harvested production. (See Part 3, Section 6.)
- (3) Comparing fields to the appraisals made from unharvested sample areas left under the terms of the policy or crop endorsement.

(4) Comparing reported production to appraisals and production in the area when there is reason to question the reported harvested production.

(5) Weighed and farm-stored records (See PAR. 93).

B Caution. DO NOT rely solely on statements or evidence of sales to represent all of the production. Review all production evidence CLOSELY when the policyholder controls the transportation (e.g., trucking or handling company); manufacturing (processing plant); farm scales; or sales (warehouse) of a particular crop. If there is evidence that suggests the insured has misrepresented production, DO NOT (adjuster) sign the claim. Notify the insurance provider of the situation.

79 VERIFYING SOLD OR COMMERCIALY STORED PRODUCTION

A Names in which Production Was Sold. Verify with the insured the names(s) in which production has been sold on insured acreage under the contract.

B Harvested Production Records and Receipts. Follow up and verify harvested production records documented by receipts from but not limited to:

- (1) Commercial elevators
- (2) Seed companies
- (3) Packing Houses
- (4) Marketing Cooperatives
- (5) Mills
- (6) Warehouses
- (7) Gins
- (8) Processors

C Receipts/Settlement Sheets

Verify receipts against the entries on the summary/settlement sheets. Obtain GROSS PRODUCTION for the unit from the summary and/or settlement sheets after verification.

D Claim Entry

Enter the GROSS PRODUCTION (before deductions are made for dockage, moisture, percent of shell or sugar, or quality adjustment) in the appropriate column for gross production on the claim form.

E Individual Weight Tickets or Load Slips

DO NOT use individual weight tickets or load slips without supporting documentation of total production such as ledger sheet(s) or settlement sheet(s) to determine harvested production for an individual unit unless the storage facility or buyer will not provide ledger or settlement sheets. When the buyer or storage facilities will not provide ledger or settlement sheets, document the facts in the narrative of the claim or a Special Report.

available from which the adjuster can obtain samples. Refer to PAR. 93 B for what constitutes acceptable records.

- (d) No RIV is allowed if it is due to (1) moisture content, (2) damage due to uninsured causes, or (3) drying, handling, processing or any other costs associated with normal harvesting, handling, and marketing of the production.
- (e) Conditioning Costs: If an RIV can be decreased by conditioning the production, the RIV after conditioning may be increased by the cost of conditioning, provided the resulting RIV does not exceed the RIV before conditioning.
- (f) Contracted Production

NOTE: Contracted production as used in the context of this procedure refers to speculative-type contracts, not processor contracts.

1 Contract has been fulfilled (production delivered/sold):

The RIV will be the RIV applied by the buyer (who had the contract with the insured) as long as the RIV is usual, customary, and reasonable. To determine whether the RIV is usual, customary, and reasonable, the RIV must be compared to the RIV that would have been applied to the damaged production (same type/level of damage) if it had not been contracted.

For example:

Contracted grain: delivered October 1, RIV of \$2 applied.

Local Market Area - non-contracted grain: RIV would have been \$1 on October 1 for production of the same type/level of damage.

In this case, the \$2 RIV for the contracted and delivered grain was not usual and reasonable compared to the \$1 RIV in the local market. The \$1 RIV would be used to compute the quality adjustment factor.

2 Contract has not been fulfilled (production not delivered/unsold):

Since settlement has not been made, there is no way to establish the RIV with any certainty; therefore, the production will be considered to be unsold. Establish the RIV as instructed in (b) 2 above.

3 Disregard the fact that the insured may receive additional money after the claim has been finalized. The only RIV that can be considered is the actual RIV applied by the buyer on the date the production was sold unless the RIV applied by the buyer is not usual or reasonable (see (f) 1 above); or if unsold, the RIV determined at the time of the final inspection as instructed in (3) (b) 2 or 3, as applicable.

(4) Examples of Determining QAF's with Pre-established DF's and Derived DF's

NOTE: QAF's cannot be less than zero.

Example 1: Crop only qualifies for the pre-established DF for grade

Soft Red Wheat with a test weight of 54 pounds and 15% defects is designated as U.S. No. 5 wheat. There is no pre-established DF on the chart for a 54 pound test weight or 15% defects for soft red wheat (this test weight exceeds the point at which pre-established DF's begin for test weight), and there is no pre-established DF for 15% defects (15 % defects exceed the point at which pre-established DF's begin for defects); however, the 15% defects do cause the wheat to grade U.S. No. 5 which qualifies the wheat for quality adjustment. The grade DF for U.S. No. 5 wheat is .097.

(a) .097 (DF for U.S. No. 5 wheat) (b) $1.000 - .097 = .903$ QAF

Example 2: Individual pre-established DF's applied but crop does not have a pre-established DF listed for the applicable grade

Corn with kernel damage (12%) and test weight (47 pounds) per bushel is designated as U.S. No. 5 corn. The test weight and kernel damage DF's would only be applied to arrive at the QAF. There is no U.S. No. 5 grade DF for corn. The U.S. Sample grade DF's would not be used in this example.

(a)
$$\begin{array}{r} .063 \text{ (DF for kernel damage)} \\ .053 \text{ (DF for test weight)} \\ \hline .116 \text{ Total DF's} \end{array}$$
 (b) $1.000 - .116 = .884$ QAF

Example 3: Individual pre-established DF's applied in combination with pre-established DF for grade

Corn with kernel damage (25%) and test weight (47 pounds) is designated as U.S. Sample Grade (kernel damage qualifies). The individual kernel damage DF's and test weight DF's would be applied in combination with the U.S. Grade Sample DF's.

(a)
$$\begin{array}{r} .254 \text{ (DF for kernel damage)} \\ .053 \text{ (DF for test weight)} \\ + .226 \text{ (DF for Sample Grade)} \\ \hline .533 \text{ Total DF's} \end{array}$$
 (b) $1.000 - .533 = .467$ QAF

Example 4: Type/level of damage with NO pre-established DF

Wheat has only one type/level of damage (garlicky grade) that qualifies for quality adjustment. Since this type of damage has NO pre-established DF, the QAF will be derived from the RIV as follows:

(a) $\$1.80 \text{ RIV (for garlicky grade)} \div \$2.90 \text{ LMP} = .621 \text{ (DF)}$

(b) $1.000 - .621 = .379$ QAF

- (2) Another method applies additional dockage, relative to the amount of moisture, which is determined from established guidelines. Where the production shown on warehouse or elevator receipts has been reduced by applying such additional dockage, the gross units of wet production and the actual moisture percentage must be determined before the crop can be considered for a moisture adjustment.

D Consolidating and Averaging Moisture Percentages. For consolidating and averaging moisture percentages on the claim form, see PAR.'s 88 and 89.

E Moisture Tests of Farm-Stored Production. Make moisture tests for farm-stored production at the time of the farm inspection. The adjuster is responsible for ensuring that any moisture determination is representative of the production in the entire storage structure. This is done by using a probe (may need an extension on the probe) to take samples from various depths and areas of the bin or other various means to derive a moisture percentage that is representative of the entire storage structure.

NOTE : Only the adjuster can take samples of farm-stored production for moisture determinations.

F Claim Form Entries. Entries for moisture factors (and/or moisture percentages) on the claim form are made as instructed in the individual crop handbook.

87 ADJUSTMENTS FOR FOREIGN MATERIAL (FM)

A General Information

For the purpose of determining production to count, (except for dry peas*) only FM, as defined by FGIS for the respective crop, (or FGIS-"dockage" definition for crops that have no FGIS definition for FM) can be deducted from gross production. For a few seed crops, there are other terms used by FGIS to describe non-seed only material that can also be deducted from gross production; e.g., for mustard seed, the weight of stones, conspicuous admixture, and inconspicuous admixture is solely non-seed material. FM (and other terms as allowed above) is determined on the basis of weight (not volume).

The term "dockage" or "FM" is sometimes used by buyers to describe the same non-grain material. The adjuster must determine that the buyer's deductions are for only non-grain material, as defined by FGIS' definition for FM for the crop, (or for "dockage" if there is no FGIS definition for FM), or other FGIS terms for non-grain material. If the term(s) used by the buyer is not consistent with the FGIS definition(s), the adjuster must work with the buyer to determine the percentage of FM (dockage, if allowed above) deducted by the buyer that is consistent with FGIS' definitions for non-grain material (or as allowed for dockage above).

***NOTE 1:** In addition to FM, the Dry Pea Handbook allows the percentage of dockage as defined by the US Standards for Dry Peas, to be removed from the gross weight.

B Commercially Stored or Sold Production

- (1) When a FM percentage(s) is shown on producers' records; i.e., summaries, settlement sheets, individual load slips, enter in the FM column of the claim form the actual percent to the nearest tenth that the buyer has actually deducted from the gross production sold (the amount entered in the column for gross production on the claim form). See PAR. 96 for consolidating or averaging FM percentage entries on the claim form.

- (a) If you are not certain if the elevator allowed 1% of a 4% FM and only charged the producer for 3%, contact the elevator either by phone or visit to ascertain what percentage was actually deducted. If still in doubt, show the full FM and explain in the narrative.
 - (b) Show the FULL AMOUNT (percentage of dockage deducted regardless of the grade tolerance (e.g., the U.S. Standards for Grain allow 2% FM on soybeans which grade No. 2). If the producer's records show 4% FM, the 2% FM allowed in the U.S. Standards for Soybeans is NOT deducted from the 4% on the producer's records. Thus "4.0" is entered in the FM column on the claim form.
- (2) When FM is shown as a price discount and not as a percentage (provided production does not qualify for quality adjustment), try to ascertain the percentage of FM contained in the production. Make no entry in the FM column of the claim form if this percentage cannot be determined.
 - (3) If the FM is accounted for under quality adjustment, even though FM may not have been the quality adjustment determining factor, DO NOT show the FM percent in the FM column of the claim form.
 - (4) Do not include any adjustments for moisture in FM.

C Farm-Stored Production

- (1) If FM applies to the crop, have a sample of the farm-stored production tested at the local elevator if it has not already been done. If the local elevator does not have the proper equipment for determining FM, the producer may send the sample to a licensed grain grader, or
- (2) Perform FM tests, measuring, and weighing grain as described in subparagraph D below.
- (3) The FM percentage to the nearest tenth (that the buyer would actually deduct from the gross production) is entered in the appropriate column for FM on the claim form. See the specific crop handbook instructions.

D Determining Dockage and FM on the Farm

The following materials and instructions are to be used when determining dockage and FM on the farm for wheat and barley. For other crops, screen sizes and procedures can be obtained from FGIS procedures or from FGIS.

- (1) Materials
 - (a) Screen "A" - 12/64" round aperture (for wheat)
 - (b) Screen "B" - 8/64" triangular aperture. (for wheat)
 - (c) Screen "C" – 5/64" or 4.5/64" round aperture (for wheat).
 - (d) Screen "D" – 5/64" triangular aperture (for barley)
 - (e) Pan - round non-perforated (610-E).

- (f) Funnel.
 - (g) One-pint or one-quart grain measuring bucket.
 - (h) One-pint or one-quart grain measuring scale (each scale must be calibrated to the respective bucket).
 - (i) Leveling stick.
- (2) Weight and **FM**
- (a) Measure and weigh grain as outlined in PAR. 90 B, except the samples will not be "clean" (free of FM and/or dockage (as defined by FGIS)). Determine the weight of one pint or one quart of grain by use of the "lbs. & ozs." line on the scale. (One pint = one pound.)
 - (b) See subparagraph 1 above: screens "B" and "C" are both **wheat** screens. Use screen "B" in the presence of buckwheat infestation. Use screen "C" under normal conditions.
 - (c) **For wheat**, place screen "B" or "C," whichever is needed, in the non-perforated pan, insert screen "A" next (see subparagraph "a" above) and spread weighed grain over screen "A." Use a circular shaking motion to cause all dockage to pass through the screens into the pan. **For barley** follow all the same instructions, except only screen "D" is used.
 - (d) **The screenings in the pan along with anything remaining in the top screen is dockage.**
 - (e) **From the dockage-free sample, remove all the matter other than wheat that remains in the sample by hand picking. The matter that was handpicked is FM. Establish the amount of FM by weighing the handpicked matter with the bucket and scale. Use the "% of lbs." line on the scale to make the final determination of the FM percentage.**

E FM Factor

- (1) The FM factor is computed by subtracting the determined percent of FM (as defined by **FGIS** U.S. Standards for the crop) from 1.000. Example: 1.000 - .030 (FM) = .970 **FM factor**. When this factor is applied to the production to count, it is reduced. **(For dry peas, this factor would also include any applicable dockage; see subparagraph A above and the Pea Loss Adjustment Handbook.)**
- (2) Unhusked cribbed corn. (Husk factor is NOT TO BE ENTERED in the dockage column of the claim form.
 - (a) Unhusked cribbed ear corn on which none of the husks have been removed is unusual, but when it occurs, determine the husk factor and apply this factor to the calculated gross bushels to determine the production to be entered on the claim. Determine the husk factor as follows:
 - 1 Fill a straight-sided container (wooden box 24" x 24" x 12") with a representative sample packed to the same density as the crib.

- 2 Remove husks. Put husked ears in the box. Pack and measure depth.
- 3 Divide the depth of the husked corn by the depth of the unhusked sample. Round to two decimal places. Retain a copy of all calculations in the insured's contract folder.

88 CONSOLIDATING MOISTURE OR FM PERCENTAGE ENTRIES ON THE CLAIM FORM

A General Information and Instructions

Adjusters may consolidate moisture or FM percentage entries on a single line of the claim form (as listed below) unless separate lines are required for reasons other than FM differences. This applies to the following crops: barley, dry beans, canola/rapeseed (moisture percentage only, FM not applicable), corn, crambe, grain sorghum, hybrid corn seed, hybrid sorghum seed, millet, oats, dry peas (FM only, moisture percentage not applicable – see PAR. 87 and Pea Loss Adjustment Handbook for FM entries), popcorn, rice (moisture only, FM not applicable) rye, safflowers, soybeans, sunflowers, and wheat.

NOTE: Moisture adjustment is not allowed for flax in accordance with the Small Grains Crop Provisions.

- (1) When quality adjustment applies, list quality-adjusted production on separate lines.
- (2) When there are two or more individual settlements or summaries, list each on a separate line.
- (3) To consolidate percentages, total the production of the loads with the same percentages, and make a single entry for such loads.

89 AVERAGING MOISTURE OR FM PERCENTAGE ENTRIES ON THE CLAIM FORM

A General Information and Instructions

Adjusters may average moisture or FM (as stated in PAR. 87) percentage entries on a single line of the claim form or production worksheet (as listed below) unless separate lines are required for reasons other than FM differences. This applies to the following crops: barley, dry beans, canola/rapeseed (moisture percentage only, FM not applicable), corn, crambe, grain sorghum, hybrid corn seed, hybrid sorghum seed, millet, oats, dry peas (FM only, moisture percentage not applicable – see PAR. 87 and Pea Loss Adjustment Handbook for FM entries), popcorn, rice (moisture only, FM not applicable) rye, safflowers, soybeans, sunflowers, and wheat.

NOTE: Moisture adjustment is not allowed for flax in accordance with the Small Grains Crop Provisions.

- (1) When quality adjustment applies, list quality-adjusted production on separate lines.
- (2) When elevator settlements or summaries are based on consolidated or averaged FM and there are two or more individual settlements or summaries, list each on a separate line.

- (3) To enter averaged percentages, use the same average provided on the elevator settlement or summary sheet, after verifying its acceptability. Use of averaged percentages is authorized ONLY when the elevator has calculated and settled on the basis of an average on the settlement or summary sheet and the determined average is acceptable to the adjuster. **Exercise caution in determining acceptability of averages because of the potential for significant impact on indemnities; e.g., one 20,000# load @ 15% moisture and one 4000# load @ 25% moisture (Simple avg. = 20%; Weighted avg. = 16.7%). Use of the simple average in this case would not be acceptable.**

90 TEST WEIGHT AND TEST-WEIGHT FACTOR

A Test Weight For Farm-stored Production

- (1) The test weight must be used for farm-stored production to determine the number of bushels on the basis of gross weight or the number of pounds for crops that use pounds as the unit of measurement. (Crops that use pounds as the unit of measurement are: canola/rapeseed, crambe, dry beans, dry peas, millet, mustard seed, popcorn, rice, safflowers, and sunflowers.)
- (2) For grain storage structures, the test weight must be taken before dockage and FM is removed (FM will be accounted for in column specified for FM on the PW (claim form.)) See PAR. 87 for instructions on determining FM).

NOTE: If samples of farm-stored production of barley, flax, rye, non-oil type (confectionary) sunflowers, and wheat are going to be submitted to FGIS, a test weight must be taken during the farm inspection. This must be done because FGIS determines the test weight for the crops listed in this "Note" from a dockage-free sample (FM-free for oil-type sunflowers), and the test weight entered on the PW, as instructed above, is prior to removal of dockage or FM.

- (3) If test weight is measured in tenths of a pound, record weight to tenths in Section II of the Production Worksheet, unless the insurance provider has specified otherwise.

NOTE: For quality adjustment (QA), the test-weight determinations for barley, flax, rye, non-oil type (confectionary) sunflowers, and wheat must be made from a dockage-free sample (for oil-type sunflowers, from an FM-free sample). (Dockage and FM are as defined by FGIS.) Enter the test weight determined for QA purposes in the Narrative section of the PW (claim form). (The test-weight determined for QA purposes may differ from the test weight entered in the test-weight column on the Production Worksheet since the test-weight determinations specified in A (2) above must be made before the removal of dockage and/or FM.) **Reminder: Test-weight determinations for quality adjustment must be performed by the adjuster or by a grader licensed under the authority specified in the crop provisions.**

B Determine test weight by:

- (1) Mixing and pouring samples of the stored grain into the test bucket from a height of approximately four inches (a normal hand width) above the bucket to simulate natural fall.

- (2) Filling the test bucket to overflowing and leveling with prescribed leveling stick. Unless the test-bucket manufacturer's instructions specify otherwise, level by using THREE zig-zag motions across the rim of the grain bucket with the leveling stick (do not use scale bar to level the grain in the bucket and do not pack).
- (3) Weighing the leveled bucket of grain using a calibrated scale. Determine the weight by using the "pound per bushel" line from the scale.

NOTE: If test weight is measured in tenths of a pound, record weight to tenths in section II of the Production Worksheet, unless the insurance provider has specified otherwise.

C Test-Weight for Ear Corn

For ear corn, a representative sample must be shelled to make the test weight determination (refer to corn handbook for specific instructions).

D Test-weight for corn silage

See the Corn Handbook for specific instructions.

E Determine the test-weight factor as follows:

Divide **the determined** test weight by standard test weight, to three decimal places.

NOTE: DO NOT USE TEST-WEIGHT FACTOR FOR CANOLA/RAPESEED, **CRAMBE**, DRY BEANS, DRY PEAS, MILLET, **MUSTARD SEED**, POPCORN, RICE, SAFFLOWERS, OR SUNFLOWERS; USE ACTUAL TEST WEIGHT.

F Standard Bushel Weights

TABLE OF STANDARD BUSHEL WEIGHTS

CROPS	POUNDS PER BUSHEL
Soybeans, Wheat	60
Flax, Rye, Shelled Corn, Grain Sorghum	56
Corn-and-cob meal (ground ear corn)	45
Cracked corn, corn meal	50
Barley	48
Oats	32
Canola/Rapeseed, Crambe, Dry Beans, Dry Peas, Millet, Mustard Seed, Popcorn, Rice, Safflower, and Sunflowers	USE ACTUAL TEST WEIGHT

G Standard Weight for Corn Silage. See the Corn Handbook.

- (c) Consider markets outside the local area and supply such market information to the insured.
 - 1 For crops using RIV's, use the lowest reduction in value obtainable plus reasonable transportation costs. See PAR. 85 E for more information on RIV's and transportation.
 - 2 For crops that use actual value to determine the quality adjustment factor, use the highest value obtainable for the damaged grain less transportation costs. See PAR. 85 H for more information on actual value and transportation.
 - (d) If very low-valued or zero-valued grain can be conditioned to decrease the RIV (increase the value for crops using value for quality adjustment), handle as instructed in PAR. 85.
 - (e) If the insured can make disposition without exceeding the advisory levels for required destruction, this value (if agreed to by the insurance provider) may be accepted. See PAR. 85.
- (2) If the insured chooses NOT to harvest the field(s) or subfield(s) after the mycotoxin test results are received, quality adjustment for mycotoxin damage on the appraised production will be determined from the RIV of the damaged grain (actual value of the damaged grain for crops using value to determine quality adjustment factor) for each mycotoxin sample for the unit (field or subfield, if a mycotoxin sample was taken for each field or subfield). This determination will be based on the mycotoxin test results and any other reduction in value for any other insurable damage qualifying for quality adjustment of production. See PAR. 85 for more quality adjustment information.

L Potential Markets for Infected Grains

Since various mycotoxins affect animal species differently, document by name which potential markets were contacted in establishing a fair grain market price. Take into account use for feed for tolerant animal species, value for blending with other grain (where allowed), and commercial (alcohol fuel plant or other product) uses. Take steps to safeguard against any vulnerability involving claims of insureds who are directly involved in the buying or testing of damaged grains.

M Verification of Zero-Valued Grain

Follow procedures in PAR. 85 I.

- N Settlement of Claim. Claims involving mycotoxin infected production that exceeds the maximum amounts allowed by the Food and Drug Administration or other public health organization of the United States or agency of the applicable State may not be settled until the production is sold, used, or destroyed. NO claim for indemnity is to be finalized until you are satisfied with all determinations as stated in PAR. 57 H. When there is zero market value (net zero value) for the production, the claim cannot be settled with zero production to count until the production is destroyed as stated in the introductory paragraph in the quality adjustment (QA) section of the Special Provisions (for crops with

QA section in the Special Provisions), crop provisions, or in the procedural requirements in PAR. 85 I.

EXAMPLE 1:

For aflatoxin-infected corn, there are three main categories of aflatoxin.

Category 1 0-20 ppb (parts per billion)

(There are no advisory levels for this category; i.e. it is safe for humans and animals. Therefore, no discounts can be accepted for quality adjustment purposes. The claim would be settled when all determinations can be made. ***)

Category 2 21 ppb-maximum ppb

(There are FDA advisories at these levels. Settlement of the claim may be delayed until all determinations can be made and the production is sold, used, or destroyed. See requirement for destruction of zero value production as stated in N above.)

Category 3 Over the maximum ppb

(Must be destroyed before settlement can be made for unsold or undelivered production. See requirement for destruction of zero value production as stated in N above.)

NOTE: Always verify what the current action or advisory levels are. The above and following action levels for aflatoxin are based on the current FDA action levels for corn as of the date of this issuance, but they are subject to change. Corn with 400 ppb of aflatoxin is over the maximum FDA levels advised for any animal usage (300 ppb); however, in Texas such corn production could be blended to the level required by the State (200 ppb or less). Therefore, an elevator operation in Texas may be willing to buy corn at the 400 ppb level if the operation believes they have enough good corn to blend to the level required by the State. In a case such as this, and where the elevator has bought the corn, the corn would not have to be destroyed.

SEE EXAMPLE 2 ON THE NEXT PAGE

EXAMPLE 2:

For vomitoxin (DON), there are no advisory levels for human consumption. Following are some examples of vomitoxin-infected wheat and how the levels, discounts, etc., relate to quality adjustment: Using the minimum level for animal use (5 ppm for swine and most animals), the advisory level is 5 ppm. Therefore, to be eligible for quality adjustment purpose, lab results from approved labs would have to show the samples contained in excess of 5ppm.

SITUATION 1	IF Elevator Discounts:	THEN RIV is:	IF Elevator Discounts	THEN RIV is:
54 # of Hard Red Spring Wheat	\$.30	-----	\$0.30	-----
8% damage	\$0.50	-----	\$0.90	-----
5.1ppm DON	\$0.40	\$0.40	No Discount	-----
TOTAL RIV		\$0.40		-0-

NOTE: Test weight or kernel damage has not reached a level for which quality would apply for the wheat as described in the Small Grains Crop Provisions. No RIV for test weight or damage is allowed for insurance purposes, even though the elevator has applied a discount.

SITUATION 2	IF Elevator Discounts:	THEN RIV is:	IF Elevator Discounts	THEN RIV is:
54 # of Hard Red Spring Wheat	\$0.10	-----	\$0.10	-----
11% Damage	\$0.50	\$0.50	\$0.50	\$0.50
5.1 ppm DON	\$0.40	\$0.40	No Discount	-----
TOTAL RIV		\$0.90		\$0.50

NOTE: 11 % damage qualifies the grain for quality since this amount of damage would cause the grain to grade U.S. # 5.

SITUATION 3	IF Elevator Discounts:	THEN RIV is:	IF Elevator Discounts	THEN RIV is:
52# of Hard Red Spring Wheat	\$0.40	\$0.40	\$0.40	\$0.40
18% Damage	\$0.60	\$0.60	\$0.80	\$0.80
5.1 ppm DON	\$0.50	\$0.50	No Discount	-----
TOTAL RIV		\$1.50		\$1.20

NOTE: 52 # test weight qualifies the grain for quality since the 52-pound test weight would cause the wheat to grade U.S. # 5.

SECTION 6 RECORDING AND DETERMINING THE QUANTITY OF FARM-STORED PRODUCTION

92 DETERMINING AND RECORDING FARM-STORED PRODUCTION THAT REQUIRES MEASUREMENTS

A Accurate Measurements

Accurately measure storage structure(s). If possible, the measurements must be INSIDE measurements. If inside measurements are not possible, the measurements must reflect the wall-thickness of the structure. The circumference range on the Round Bin Conversion Chart (Exhibit 14) reflects the wall-thickness of a steel bin.

B Recording Measurements. Record measurements in feet to tenths.

C Claim Form Entries. Entries on the claim form must be legible and printed in ink.

D Deductions for Obstructions. All obstructions must be found and deducted from the volume of the grain or silage.

E Insured/Adjuster Cooperation. Cooperate with the insured while working in and around his/her property.

F Caution

DO NOT ENTER storage structures:

- (1) That are air tight (the result could be FATAL);
- (2) Without someone there to assist; and/or
- (3) If the stored production has been treated with any chemicals and the re-entry time has not elapsed.

G Stirring Device

If a stirring device is being used in stored grain, advise the insured that accurate measurements cannot be made unless stirring is stopped at least 4 to 6 days prior to the inspection.

H Accounting for all Farm-stored Production

Working with the insured, ensure that all storage structures containing production for the units being inspected have been accounted for and measured. DO NOT finalize the claim until the insured has confirmed that all structures have been accounted for and that production for ALL entities sharing in the crop(s) has been included (for all units being inspected). If TOTAL production for the crop (taking into consideration the soil type, practice carried out, etc.) does not seem reasonable, contact the insurance provider for further assistance. See PAR. 73 for information about establishing total production for the crop.

- (2) Failure to implement this authorization will result in a hardship to the insured; i.e., the insured will have to delay harvest while waiting for an adjuster to arrive to mark the structure or measure the grain.
- (3) The loads are recorded and/or the structure is marked and identified as outlined in subparagraph C below.
- (4) There is no production from prior years in the structure (UNLESS FSA or a reinsured company has previously measured this production, AND the adjuster is satisfied after verifying with the insured that the amount of production is unchanged).
- (5) The total production within the structure must be accounted for (i.e., all production stored in the storage structure can be identified separately by unit number or field I.D., uninsured acreage, etc.)
- (6) Authorization is used on a case-by-case basis to ensure compliance with the restrictions. Agents may not provide this authorization, but should assist in the coordination of individual cases with the insurance provider. **Document the date and name of insurance provider representative who provided authorization in the remarks section of the Production Worksheet or on a Special Report.**

C Insurance Provider's Authorization. The insurance provider's authorization allows the insured to identify production from separate units by load records or storage structure markings as follows:

- (1) Loads
 - (a) Maintain a ledger, recording loads of grain identified by unit and field number, date of harvest, identity of the vehicle or wagon, and weight or estimated bushel volume per load.

NOTE: Adjusters should measure empty vehicle or wagon to verify reasonableness.
 - (b) Load records will be used to prorate the commingled production contained in a larger structure (i.e., grain bin, semi-hopper, etc.) on a percentage basis. (See example below).

EXAMPLE: Insured's load records indicate six 250.0 bu. loads in bin "A" from unit 00101 and four 250.0 bu. loads also in bin "A" from unit 00102. The adjuster measures bin "A" and determines a total of 2,618.0 bu. in bin "A."

$$\begin{aligned}
 6 \text{ loads} \times 250.0 \text{ bu./load} &= 1,500.0 \text{ bu. unit 00101} \div 2,500.0 \text{ total} = 60\% \\
 4 \text{ loads} \times 250.0 \text{ bu./load} &= \underline{1,000.0 \text{ bu.}} \text{ unit 00102} \div 2,500.0 \text{ total} = 40\% \\
 &\quad 2,500.0 \text{ bu. total (in bin based on insured's} \\
 &\quad \text{records)}
 \end{aligned}$$

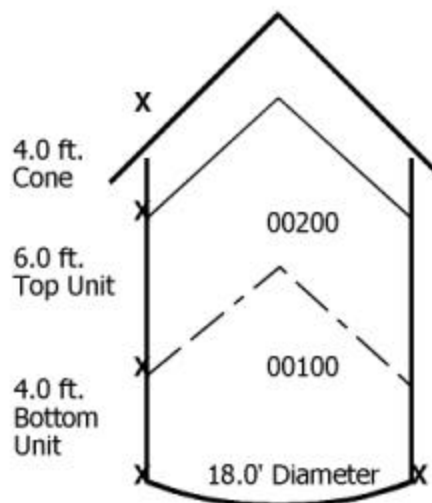
$$\begin{aligned}
 2,618.0 \text{ bu.} \times 60\% &= 1,570.8 \text{ bu. production to count for unit 00101} \\
 2,618.0 \text{ bu.} \times 40\% &= 1,047.2 \text{ bu. production to count for unit 00102}
 \end{aligned}$$

(2) Storage Structure Markings

Identify the depth of such production by marking the storage structure with a permanent marker. Write the unit number(s) (by field ID) from which the production was harvested, and date and initial the mark. Also, on the storage structure identify and mark the depth of uninsured-acreage production separately from insured-acreage production when the storage structure contains both.

NOTE: The adjuster must verify with the insured whether the bin was leveled prior to the addition of production from another unit (from uninsured acreage, if applicable), and whether the bin marking was made at the base of the cone or height of the cone. If the insured has not leveled the production before adding additional production from another unit (uninsured acreage, if applicable), the adjuster must measure the cone at the top of the bin and use this measurement for the cone measurement for the bottom unit of production in the bin. For any unit atop of the bottom unit of production in the bin, no cone measurement will be used for these upper units of production (uninsured acreage, if applicable). This is because the cone of the lower unit protrudes into the upper unit and offsets the cone that is atop of that unit. The volume of the grain in all cones in the bin is considered to be the same.

For example:



The diameter of the bin is 18 feet. The depth of the cone at the top of the bin is 4 feet. There are two units of corn in the bin. Unit 00100 is the unit at the bottom of the bin, and unit 00200 is the unit at the top of the bin. (The depth measurements for each unit marked on the bin did not include the height of the cone.) The depth of unit 00100 is 4 feet, and the depth of unit 00200 is 6 feet.

Unit 00100 gross stored production: (bottom unit in bin)
 $18^2 \times .7854 \times 4.0' \times .8 = 814.3 \text{ bu.}$
Cone - $18^2 \times .2618 \times 4.0' \times .8 = \underline{271.4 \text{ bu.}}$
Total 1085.7 bu.

Unit 00200 gross stored production (top unit in bin): $18^2 \times .7854 \times 6.0' \times .8 = 1221.5 \text{ bu.}$

To test the accuracy of the calculated individual unit production, the total production in the bin and the sum of the calculated production for the two individual units should be the same. Using the example above the total bin production calculates to be 2307.2 bu. ($18^2 \times .7854 \times 10.0' \times .8 = 2035.8$ + cone measurement $18^2 \times .2618 \times 4.0' \times .8 = 271.4$). The production for the two units stated above calculates to be the same amount; i.e., unit 00100 production, 1085.7 + unit 00200 production, 1221.5 = 2307.2.

If the bin marking was made at the height of the cone, the depth of the unit must be adjusted for the height of the cone by using the height of the cone for the top unit (uninsured acreage, if applicable) in the bin.

D Quality Adjustment Determinations

Quality adjustment is allowed if the production qualifies as provided in the policy and/or Special Provisions and if the samples are extracted from the storage structure by the insurance provider's representative (samples cannot be taken by the insured). Quality will be determined from the samples extracted from the bin by the adjuster. If significant differences in grain quality between (or among) units are indicated on the truck ledger, storage structure, or a storage structure ledger these significant differences (by individual unit) can be allowed only if the adjuster can assure that a sample can be extracted from the structure for each unit in the structure, and that the tested samples reflect the significant differences recorded on the truck ledger, storage structure, etc. Otherwise, the average sample of what is in the bin should be used/applied to all units in the bin; i.e., one test weight, one moisture percentage, etc.) Document in the narrative of the claim or on a Special Report any significant differences in grain quality.

E When Claims Can Be Finalized

DO NOT finalize claims on units with production in such structures until all production from all units, uninsured acreage, prior crop year(s), etc., within the structure can be accounted for (See subparagraph B (5) above).

F Additional Information

This authorization is to be used on a case-by-case basis, and is not to be considered as a routine means to satisfy the insured's responsibility to keep production separate by units and uninsured acreage, etc. The insured is still responsible for giving timely notice to the insurance provider that production from the unit needs to be measured so that the insurance provider has the opportunity to do so, rather than rely upon the insured's bin markings or load records.

G Adjuster Determination

The adjuster must be satisfied that the insured has met all the requirements of this procedure and the bin markings or load records are reasonable between units, uninsured acreage production, or crop years. Follow the procedures in **PAR. 74** to determine reasonableness of the unit production. If the adjuster is not satisfied with reasonableness of the production determinations for a unit(s) based on the storage structure markings or load records, such production will be considered commingled. Production for such units will be determined based on the procedure in PAR. 115.

95 RECORDING AND CONVERTING MEASUREMENTS

Record all measurements in feet and tenths. Inches are converted to tenths of a FOOT as follows:

INCHES	TENTHS		INCHES	TENTHS
1	.1		7	.6
2	.2		8	.7
3	.3		9	.8
4	.3		10	.8
5	.4		11	.9
6	.5		12	1.0

96 ROUNDING RULES

A Rounding Computations

Carry out computations to one digit beyond the digit to be rounded.

B Rounding Rules. If the last digit is 4 or less, disregard; if 5 or more, round upward. (See example below.)

EXAMPLE: Bushel fractions are to be rounded to tenths:

100.04 bushels ----- Record as 100.0 bushels
100.66 bushels ----- Record as 100.7 bushels

C General Rounding Applications - Round

FOR:	ROUND:
Acres	to tenths (10.0, 10.9) exceptions: tobacco acres, to hundredths (1.05); and raisin acres, to whole acres.
Linear measurement	in feet to tenths (10.0, 10.9).
Bushels	to tenths (100.0, 100.9) except APH yield entries, which are in whole bushels.
Hundredweights	to tenths (1.3, 0.6) except APH yield entries, which are in whole hundredweight.
Tons	to tenths (40.0, 40.9) except for raisin tonnage, round to hundredths (40.58).
Insured share percent	to three decimal places (.500, 1.000).
Monetary entries	to cents (\$1.00, \$1.97). Refer to crop handbooks for exceptions for cotton, peanuts, and peas for quality adjustment values and contract prices for peas and bush beans. (DO NOT USE "\$" when making an entry on the claim form. Final dollar indemnity amounts are rounded to whole dollars.
Cubic feet	to tenths (40.0, 40.9).
Moisture percentage	to tenths (15.7, 16.1).
Foreign Material (FM) percentage	to tenths (3.2, 5.0). Use the normal rounding procedure.
Test weight	to whole pounds (50, 58). See exception in PAR. 85 F.
Shelling percentage	to whole percentage points (80, 85).
Shelling percentage factor	to hundredths (.90, .98)
Corn silage sample weight	in pounds to tenths (12.0, 13.8).
Crops with contract prices	Except bush beans and peas (refer to the crop handbook), contract prices are to three decimal places (\$0.125, \$1.120; DO NOT USE "\$" WHEN MAKING ENTRY ON THE CLAIM FORM.
Pounds	to whole pounds (1752).
Percent of pick	to whole percentage points.

97 TABLE TO CONVERT FRACTIONS TO PERCENT FIGURES

TABLE TO CONVERT FRACTIONS TO PERCENT FIGURES																	
	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	14th	15th	16th	17th	18th	19th
1	.333	.250	.200	.167	.143	.125	.111	.100	.091	.083	.077	.071	.067	.063	.059	.056	.053
2	.667	.500	.400	.333	.286	.250	.222	.200	.182	.167	.154	.143	.133	.125	.118	.111	.105
3		.750	.600	.500	.429	.375	.333	.300	.273	.250	.231	.214	.200	.188	.176	.167	.158
4			.800	.667	.571	.500	.444	.400	.364	.333	.308	.286	.267	.250	.235	.222	.211
5				.833	.714	.625	.556	.500	.455	.417	.385	.357	.333	.313	.294	.278	.263
6					.857	.750	.667	.600	.545	.500	.462	.429	.400	.375	.353	.333	.316
7						.875	.778	.700	.636	.583	.538	.500	.467	.438	.412	.389	.368
8							.889	.800	.727	.667	.615	.571	.533	.500	.471	.444	.421
9								.900	.818	.750	.692	.643	.600	.563	.529	.500	.474
10									.909	.833	.769	.714	.667	.625	.588	.556	.526
11										.917	.846	.786	.733	.688	.647	.611	.579
12											.923	.857	.800	.750	.706	.667	.632
13												.929	.867	.813	.765	.722	.684
14													.933	.875	.824	.778	.737
15														.938	.882	.833	.789
16															.941	.889	.842
17																.944	.895
18																	.947

98 METRIC CONVERSION TABLE

FROM METRIC TO BRITISH UNITS OF MEASUREMENT				
LENGTH	SYMBOL	WHEN YOU KNOW	MULTIPLY BY:	TO FIND:
	mm	Millimeters	0.04	inches
	Cm	Centimeters	0.4	inches
	m	Meters	3.3	feet
	M	Meters	1.1	yards
	Km	kilometers	0.6	miles
AREA	Cm ²	square centimeters	0.16	square inches
	m ²	square meters	1.2	square yards
	Km ²	square kilometers	0.4	square miles
	Ka	hectares	2.5	acres
VOLUME	m ³	cubic meters	35	cubic feet
	m ³	cubic meters	1.3	cubic yards
MASS (Weight)	G	grams	0.035	ounces
	Kg	kilograms	2.2	pounds
	T	tonnes	1.1	tons

- (b) When unharvested potential remains in the field, appraise the potential remaining and subtract it from the yield determined in subparagraph (4)(a) above. The difference is the appraisal for uninsured cause(s) of loss.
 - (c) When no unharvested potential remains in the field, determine the yield as outlined in subparagraph (4) (a) above and use as the appraisal for uninsured cause(s).
 - (d) Enter any production harvested from acreage damaged solely by uninsured cause(s) as production not to count after proper appraisal entries are made.
- (5) Appraisals for uninsured cause(s) must always be discussed and the impact on the loss explained to the insured. Always include full information in the report as to the uninsured cause(s) of loss and the basis used for determining the amount of production lost by such causes.

M Using Other Farms to Determine Production Lost Due to Uninsured Cause(s)

Give proper weight to what other farmers, who did not have uninsured causes present, produced in the area. For crops which require cultivation or other care during the growing period, it is not unusual for an insured to allege that because of some insured cause, such as excessive rain, it was not possible to care for the crop in the proper way. While this may be true, consider what other farmers in the surrounding area accomplished under similar conditions. The following formula may be used to determine yields to use for an uninsured cause(s) of loss.

- (1) When comparable acreage is not available on the insured's operation, but is available on those of other producers in the area, try to get permission to appraise the other producers' fields to use as a comparison. For example, the insured's acreage, which has been damaged by uninsured causes of loss, appraised at 60.0 bushels per-acre. You obtain permission to appraise the fields of two neighboring producers who have comparable acreage (comparable as described in subparagraph L (2) above) that has NOT been damaged by uninsured cause(s) of loss. The appraisals are as follows:

Producer No. 1: Field appraisals indicate 105.0 bushels per acre.

Producer No. 2: Field appraisals indicate 99.0 bushels per acre.

The average yield produced in the area would be 102.0 bushels per acre, as determined from the average of producer 1's and 2's appraisals. $(105.0 + 99.0 \div 2 = 102.0)$. Use the insured's 60.0 bushel per-acre appraisal compared against the 102.0 bushel average area yield as a basis to determine the per-acre amount of production the insured lost due to uninsured causes.

- (2) When comparable acreage is not available in the area, the following may be used as a guide for determining a yield to use for uninsured cause(s):

Insureds' approved APH Yield: 90.0 bushels

Producer No. 1: "T" yield: 85.0 bushels

Producer No. 2: "T" yield: 83.0 bushels

Under normal conditions the insurance provider expects the crop to produce 86.0 bushels in the area (based on an average of the yields located on 3 farms of similar productivity in the area). The insured's production guarantee is 67.5 bushels per acre. The average yield expected in the area (with no insured or uninsured cause(s) of loss) is 86.0 bushels per acre and, therefore, would be used as the basis for uninsured cause(s) of loss.

N Judgment

Judgment is extremely important for establishing production lost due to uninsurable cause(s). A working knowledge of cultural practices and technical aspects of growing the crop in the area as well as publications available from Agriculture Experiment Stations and local CES should provide a firm foundation for making an impartial appraisal.

O Documentation

Document on a Special Report the circumstances involved, bearing in mind that any individual reviewing the claim generally knows nothing about the circumstance beyond the information conveyed on a Special Report.

P Insured's or Insured's Authorized Representative's Presence During Appraisals

If at all possible, the insured or the authorized representative should be present for appraisals involving uninsured cause(s) of loss. All aspects of the appraisal must be thoroughly discussed and explained to the insured. Mutual agreement is imperative if the insured is to be expected to sign the claim for indemnity and Special Report.

Q Other Causes of Loss Not Insured Against:

- (1) Damage caused by water contained by any governmental, public, or private dam or reservoir project. See subparagraph D above for more information.
- (2) Chemical damage as listed in subparagraph R (2) below.
- (3) Quarantine (e.g., Karnal Bunt in wheat or Plum Pox Virus in Peaches), unless the crop provisions or Special Provisions insure loss of production (or trees) due to required destruction of the crop under a State or Federal quarantine; e.g., Florida Fruit Tree when quarantine is due to Asiatic Citrus Canker.
- (4) Any cause not specified as an insured cause in the crop policy or endorsement as limited by the County Actuarial Documents.

R Partial Investigating Guide

Use the following to help detect any failure to follow recognized good farming practices (uninsured cause(s) of loss).

- (1) Livestock damage as indicated by tracks, leaves stripped from main stem stalk, main stem stalk severed, grain head absent, or ears separated from stalk. Percent of damage due to missing heads or ears can be determined as follows:
 - (a) Count missing heads or severed ear shanks and remaining heads or ears from a sample of 100 consecutive stalks.

EXAMPLE 2 - Example where indemnity for fire loss from other insurance company is smaller than indemnity payable under crop insurance

Assume: 1,425# per-acre guarantee Tobacco sold 5,000# X \$2.04 = \$10,200;
 15.15 acres in unit Tobacco lost in fire 18,000# (Fair Market Value (FMV) \$2.04/POUND)
 1.62 price election (for CAT coverage) Amount paid by other insurance \$26,616.

COMMON CROP INSURANCE POLICY 01-BR (BASIC PROVISIONS) SECTION 22 (b) (1) (2) and (c) 9. n. (1) and (2). 22 (b) If you (insured) have other insurance, whether valid or not, against damage to the insured crop by fire during the insurance period, and you (insured) have not elected to exclude coverage for fire from the policy we (insurance provider) will be liable for loss due to fire only for the smaller of:

(1) The amount of indemnity determined pursuant to this policy without regard to any other such insurance; or	(2) The amount by which the loss from fire is determined to exceed the indemnity paid or payable under such other insurance. For the purpose of subsection (b) of this section, the amount of loss from fire will be the difference between the fair market value of the production of the insured crop on the unit involved before the fire and after the fire, as determined from appraisals made by us (insurance provider).
GUARANTEED TOBACCO CROP PROVISIONS, (99-071) SECTION 12. (a) . . . on a unit basis. (1) . . (2) . (b) In the event of loss or damage covered by this policy, . . . : (1) Multiplying the insured acreage by its respective production guarantee; (2) Subtracting therefrom the total production of tobacco to be counted; (3) Multiplying the remainder by the applicable price election; and (4) Multiplying this results by your share.	FMV of tobacco before the fire 5,000 # sold at tob. market \$10,200 18,000 # lost in fire @\$2.04 + \$36,720 Total FMV of tob. before fire = \$46,920
(1) 15.15 acres X 1425 lbs. (per-acre guarantee) 21,589 lbs. unit guar.	FMV of tobacco after the fire 5,000 # sold at tob. market = \$10,200 18,000 # lost in fire @\$0.00 - \$ 0 Total FMV of tob. after fire = \$10,200
(2) 21,589 lbs. (unit guarantee) - 5,000 lbs. (production to count) 16,589lbs. production loss	Amount of loss from fire Total FMV of tob. before fire \$46,920 Total FMV of tob. after fire - \$10,200 Amount of loss from fire = \$36,720
(3) 16,589 lbs. production loss X \$1.62 price election * \$26,874 dollar loss before share *For Income Protection, CRC, or RA, or similar types of revenue insurance, the price election will be the projected price (base price for CRC).	Amount of loss from fire exceeding the indemnity paid from other insurance Amount of loss from fire \$36,720 Amount other insurance paid - \$26,616 Amount of loss exceeding = \$10,104
(4) \$26,874 dollar loss before share X 1.000 share \$26,874 dollar loss after share	THE INSURANCE PROVIDER IS LIABLE FOR THE LESSER OF THE TWO INDEMNITY CALCULATIONS WHICH IS \$10,104.

NOTE: The net production to be entered on the claim would be 15,352 lbs. (before share).

Determine the net production to count as follows

(1) \$10,104 (indemnity payable) ÷ by 1.000 share and \$1.62 price election =6,237 lbs. (unit loss).
 (2) 21,589 lbs. (unit guarantee) ! 5,000 lbs. (production to count) =16,589 lbs. (production loss)
 16,589 lbs. (production loss) ! 6,237 lbs. (unit loss) = 10,352 lbs. (production to count).
 Make a 2-line entry on the claim form: Line 1: 5,000 lbs. (production to count).
 Line 2: 10,352 lbs. (production to count)
 15,352 lbs. (total production to count)

Indemnity Due: 21,589 lbs.! 15,352 lbs. = 6,237 lbs. X \$1.62 =\$10,104.

EXAMPLE 3 - CLAIM CALCULATION WHEN THERE IS ANOTHER CAUSE OF LOSS BESIDES FIRE AND THE LOSS FROM FIRE IS LESS THAN THE AMOUNT PAID BY OTHER INSURER

Step 1

Calculate the claim as if there was no fire loss.

For example:

Guarantee

	<u>Acres</u>	<u>Stage</u>	<u>Guar.</u>	<u>Line Guar.</u>
Line 1	267.4	H	42.8	11444.7
Line 2	11.6	UH	42.8	<u>496.5</u>
				11941.2 Unit Guar.

Production

11201.6 ÷ 267.4 = 41.9 bu. (Average from harvested acreage.)

11235.3 X .997 (FM factor) = 11201.6 **(Actual Harvested Production)**
 11.6 acres X 41.9 bu. = 486.0 **(Additional production had fire not occurred)**
 11687.6 **(Production to Count)**

11941.2 **(Unit Guar.)**

-11687.6 **(Production to Count)**

253.6 Bu. Loss X \$2.60 Price Election = \$659.36 X .667 share = \$439.79 **(Drought Indemnity)**

Step 2

Calculate maximum amount payable for fire.

Loss from fire - 11.6 X 41.9 = 486.0 X \$3.77 (Fair Market Value) = \$ 1832.22
 Paid by other insurer (for unit) = - 2229.00
Amount payable for fire \$ 0.00

Step 3

Enter 41.9 bushels per acre (486.0 ÷ 11.6 acres) in the column for uninsured causes (column M) of the Production Worksheet on the line for the 11.6 unharvested acres.

Explain in the narrative of the claim that the line showing the uninsured cause appraisal is due to double-fire coverage and to see attached for calculations and explanations.

EXAMPLE 4 - CLAIM CALCULATION WHEN THERE IS ANOTHER CAUSE OF LOSS BESIDES FIRE AND FIRE THE LOSS FROM FIRE EXCEEDS THE AMOUNT PAID BY OTHER INSURER.

Using EXAMPLE 3 and assuming total amount for unit paid by other insurer to be \$1487.

Step 1

Same as step 1 in EXAMPLE 3 to arrive at the indemnity payable for drought.

Step 2

Calculate maximum amount payable for fire.

Loss from fire 11.6 X 41.9 = 486.0 X \$3.77 (Fair Market Value)	= \$1832.22
Paid by other insurer (for unit)	= <u>-\$1487.00</u>
	\$ 345.22
	(FIRE INDEM.)

\$ 439.79 payable for drought (from Example 3, step 1)	
+ \$ 345.22 payable for fire	
<u> </u>	
\$ 785.01 total indemnity	

Step 3

Calculate amount of production to be entered on the Production Worksheet (claim form).
(Work backward from the total indemnity payable).

\$785.01 (total indemnity) ÷ .667 share = \$1176.93 ÷ \$2.60 (price election) = 452.7 commodity loss

(a) 11941.2 (guarantee)	(b) 11488.5 (production to count)
- 452.7 (commodity loss)	11201.6 (actual harvested sold production)
11488.5 (production to count)	286.9 (production to count for the 11.6 unharvested acres 286.9 ÷ 11.6 = 24.7 bu. per acre X 11.6 acres will equal 286.5 PTC instead of 286.9)

(c) 11941.2 (guarantee)	
- 11488.5 (production to count)	
452.7 (bu. commodity loss)	

Step 4

In Section I, column J of the Production Worksheet, on the line for the unharvested 11.6 acres, enter 24.7 (the per acre bu. appraisal for the 11.6 unharvested acres- see Step 3 (b)). In section II, column I of the Production Worksheet, the actual harvested sold production of 11201.6 bu would be entered.

Total production to count = 11488.1 (11201.6 + 286.5)
11941.2 (guarantee) - 11488.1 = 453.1 bu. commodity loss
(Because of rounding the commodity loss may not always come out exactly the same as product shown in Step 3 (c)).

EXAMPLE 4 - Step 4 (Continued)

453.1 (commodity loss) X \$2.60 (price election) X .667 (share) = \$785.77 total indemnity (rounded to nearest dollar)

Explain in the narrative of the claim that the line showing the uninsured cause appraisal is due to double-fire coverage, and to see attached for calculations and explanations.

115 COMMINGLED PRODUCTION

A Different Types of Commingled Production

- (1) Harvested production from insured acreage commingled with harvested production from uninsured acreage;
- (2) Harvested production from two or more units is commingled;
- (3) Harvested production from more than one crop year is commingled; or
- (4) Harvested production from two or more practices/types within the same unit that have separate APH yields is commingled.

B Unsatisfactory Records or No Records

When the records are unsatisfactory or no records are available, handle as instructed below:

- (1) **Production from insured and uninsured acreage**. Prepare the claim to show all production as being from the insured acreage. In the narrative section, explain that the reported production is commingled production from insured and uninsured acreage.
- (2) **Production from current and prior crop year**. Prepare the claim to show all production as being from the current crop year acreage. In the narrative section of the claim explain that the reported production is commingled from current crop year and prior crop year production.
- (3) **Production from two or more optional units**. If production from two or more separate optional units is commingled, such commingling renders any such unit determination void. Any remaining optional units that were not commingled will retain their optional unit structure.
 - (a) Determine which optional units were commingled. If there were other optional units that were not commingled, combine only the commingled optional units into one optional unit. If ALL optional units were commingled, combine all optional units into applicable basic unit structure(s).
 - (b) The approved APH yields for each commingled unit are retained for the current crop year but will be processed on the acreage report and claim form (Production Worksheet) under one unit. The claim form will be prepared with separate lines representing the guarantees based on the approved yields for each of the units commingled.

NOTE: The CIH outlines the eligibility of commingled optional units for the next crop year.

Step 1: Unit 0101: 140.0 acres X 30.4 bu. guarantee X 1.000 share =
4256.0 bu. unit liability for unit 0101

Unit 0102 100.0 acres X 22.2 bu. guarantee X 1.000 share =
2220.0 bu. unit liability for unit 0102

Unit 0200: 200.0 acres X 24.8 bu. guarantee X .500 share =
2480.0 bu. unit liability for unit 0200

Step 2: Unit 0101 liability	4256.0 bu.
Unit 0102 liability	2220.0 bu.
Unit 0200 liability	+ 2480.0 bu.
Contract liability	8956.0 bu.

Step 3: 4256.0 bu. ÷ 8956.0 = .4752 unit 0101 liability factor
2220.0 bu. ÷ 8956.0 = .2479 unit 0102 liability factor
2480.0 bu. ÷ 8956.0 = .2769 unit 0200 liability factor

Step 4: 3000.0 bu. = insured's share from the unreported unit
(6000.0 X .500 = 3000.0)

3000.0 bu. X .4752 = 1425.6 ÷ 1.000 = 1425.6 bu to be allocated
to unit 0101

3000.0 bu. X .2479 = 743.7 ÷ 1.000 = 743.7 bu to be allocated to
unit 0102

3000.0 bu. X .2769 = 830.7 ÷ .500 = 1661.4 bu to be allocated to
unit 0200

NOTE: The allocated production for unit 0200 was increased to
1661.4 because it will be reduced to the correct share of production
(830.7) when the indemnity amount is multiplied by the reported unit
share (.500).

E Entering Allocated Production from Unreported Unit(s) on the Claim Form

- (1) For Claims Having a Harvested (H) Stage and/or "P" (Destroyed without Consent) Stage:

Enter the apportioned production on a separate line in the "Bu. Lbs. Cwt. or Tons" column. Identify this line as such by entering the words "Unreported Unit Production" in the "Length" and "Width, Depth, and Deduction" columns. If production is stored on the farm, enter net production in the "Bu. Lbs. Cwt. or Tons" column. See (3) below for documentation requirements.

- (2) For Claims Having ONLY an Unharvested (UH) Stage:

In the "Uninsured Causes" column, using only one line, enter a per-acre amount of production (total allocated production ÷ number of acres for the line) that will equal the total allocated production or come as close as possible to the total

allocated production without exceeding it when the per-acre amount is multiplied by the acres on that line. If possible, choose a line that does not have an actual uninsured-cause appraisal in the "Uninsured Causes" column. However, if you must use a line that will have an actual uninsured-cause appraisal in the "Uninsured Causes" column, add the per-acre amount of production calculated for the allocated production to the uninsured-cause appraisal. See (3) below for documentation requirements.

EXAMPLE: On the claim form, the line selected to make the entry in the "Uninsured Causes" column showed 50.3 acres in the "Final Acres" column. $50.3 \text{ acres} \div 743.7 \text{ (Total Allocated Production)} = 14.785$. This would be entered as 14.7 in the "Uninsured Causes" column) rather than 14.8 since $14.8 \times 50.3 = 744.4$ bushels, which would exceed 743.7 bushels (the total allocated production).

- (3) Document the following in the narrative of the claim or on a Special Report: (If a Special Report is used, attach a copy to each claim.)
 - (a) Actual production from the reported and unreported units. Identify the location of the unreported unit by legal description and field I.D. number;
 - (b) The calculations used to arrive at the production allocated to the reported unit(s); and
 - (c) If the "Uninsured Causes" column has been used for the unreported-unit production, identify which line was used; e.g., line 2. Also, if any actual uninsured-cause appraisal has been included with the allocated production in the "Uninsured Causes" column, separately identify the amount of each.

117 CLAIMS INVOLVING SEVERE INSECT, DISEASE, OR WEED INFESTATION

The first crop year damage resulting from severe insect, disease, or weed infestations (such as cheat grass) will generally be considered unavoidable if the insured was unaware of the conditions at planting time. However, if it is determined that the insured was (or should have been) aware of the infestation at planting time or later but did not follow appropriate recognized good farming practices, some or all of the loss will be considered an avoidable (uninsured) cause of loss. Failure to follow good farming practices might include not following recommended crop rotation or soil treatment practices, or not planting disease-resistant varieties. When the first crop year damage is considered unavoidable: **NOTE: Unless otherwise stated in the crop provisions or Special provisions (e.g., Florida Fruit Trees), disease is not an insured cause of loss when the sole loss of production is due to the required destruction of the diseased crop (or, if applicable tree) by a Federal or State quarantine; i.e., the per-acre guarantee prior to required destruction is above the insurance guarantee. See PAR. 110 Q (3).**

- A Inform Insured. Advise the insured that some or all of the damage due to the same cause in subsequent years on the same acreage will be considered avoidable (uninsured) unless recognized good farming practices have been followed. Suggest that the insured contact the local county extension office to obtain their recommendations for treating and eradicating the infestation.
- B Documentation. Record the details of the case and identify the cause and name of weed, disease, or other pest in the narrative section of the claim or on a Special Report.

(d) For quota tobacco:

In accordance with the Quota Tobacco Crop Provisions the following applies, unless stated otherwise in the Special Provisions:

For the first 10 days after the final planting date, the per-acre farm yield for those acres will be reduced 1 percent for each day delay in planting; however, if enough acreage is planted to fulfil the effective poundage marketing quota, no reduction in insured poundage quota will apply.

For the 11th day through the 15th day after the final planting date, the per-acre farm yield for those acres will be reduced an additional 2 percent for each day delay in planting; however, if enough acreage is planted to fulfil the effective poundage marketing quota, no reduction in insured poundage marketing quota will apply.

NOTE: The per-acre farm yield is reduced a maximum of 20 percent for planting 15 days after the final planting date.

(e) For AUP Cotton:

In lieu of the AUP Cotton Provisions and in accordance with the AUP Cotton Special Provisions, the per-acre production guarantee will be reduced by one (1) percent per day for each day planted after the final planting date, up to a maximum of 15 days.

NOTE: The maximum reduction of the per-acre production is 15 percent for planting 15 days after the final planting date.

(2) **Planted to the insured crop AFTER the LP period (after the final planting date for crops not having a LP period)**

Provided the crop was prevented from being planted, due to an insurable cause, as stated in PAR. 126 A (2) above and PP coverage is available for the crop, the insured may choose to insure such acreage. Insureds must report the date acreage is late planted if they decide to report it as insured acreage. The per-acre production guarantee or per-acre amount of insurance for such acreage will be the same as for the insured's PP guarantee for the insured crop.

EXAMPLE: The insured has 60 percent PP coverage level with a 100 bu. per-acre guarantee for timely planted acres. The guarantee for the LP acres will be 60 bu. (.60 X 100.0).

(3) **The definition of "planted acreage" was not met due to an insurable cause**

For acreage on which an insurable cause of loss prevents completion of planting as specified in the policy definition of "planted acreage" (e.g., seed is broadcast on the soil surface but cannot be incorporated and it would have been insurable had the seed been incorporated), is covered at a reduced guarantee provided that PP coverage is available for the crop. Such acreage will be considered as acreage planted after the final planting date, and the per-acre production guarantee will be the same as the PP guarantee for the crop; e.g., the insured

has 60 percent PP coverage level with a 100 bu. per-acre guarantee for timely planted acres. The guarantee for these acres will be 60 bu. (.60 X 100.0).

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DEFINITIONS

Abandonment	See PAR. 69.
Acceptable Determined Acres.	See PAR. 70.
Acreage Report (A/R) or Raisin Tonnage Report	An insurance document submitted annually by the policyholder used to establish the premium, and amount of coverage for the crop(s) insured by reporting the number of all acres (insurable and not insurable of the insured crop in the county in which the insured has a share), share percentage, location, practice, type, planting date, (if applicable), and any other information required for the crop.
Actual Production History (APH)	An individual crop insurance yield program in which the producer furnishes or certifies acreage and production records to qualify for a production guarantee calculated from a base period. A transitional or FCIC determined yield is used if production records are not available.
Actuarial	The statistical computation of probable risks and rates according to recorded facts. Includes all related documents.
Actuarial Documents	The material for the crop year which is available for public inspection in the agent's office, and which shows the premium rates, price elections, levels of coverage, production guarantees, amount of insurance, exceptions to the policy, and insurance program dates for a state, county, and crop program.
Actual Yield	The yield for a crop year calculated from the producer's records and/or claims for indemnities. The actual yield is determined by dividing total production (including harvested and appraised potential production) by planted insurable acreage for annual crops and by insurable acres for perennial crops (unless production from uninsurable acreage is commingled with production from insurable acreage).
Additional Coverage	A level of coverage greater than catastrophic risk protection.
Adjuster	A person under contract with or employed by the insurance provider and who is authorized to perform loss adjustment and related activities. Also known as Loss Adjustment Contractor, Loss Adjuster, or Claims Adjuster.
Administrative Fee	A fee the policyholder must pay each crop year on a per crop and county basis for catastrophic risk protection and additional coverage, as specified in the Basic Provisions and the Catastrophic Risk Protection Endorsement.
Agent	A person who is authorized by a reinsured company provider to solicit, and service crop insurance contracts for a set commission fee, and who meets the licensing requirements set by individual states and/or requirements set by FCIC for such activities.

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DEFINITIONS

Another Use, notice of	The written notice required when the insured wishes to put acreage to another use (see definition of other use).
Agreement in Writing	An agreement between two or more parties as would be permitted by the Crop Provisions or Special Provisions. For example, the Coarse Grains Crop Provisions provide that via an agreement between a tenant and landlord, the party who incurs the entire cost of the replant can receive a replanting payment based on the total share insured by the insurance provider. Written agreements are different from agreements in writing. See Written Agreement definition.
Application	The form used to apply for multiple peril crop insurance coverage in a specific state and county which identifies the applicant, entity of applicant, crop, endorsements (options) to the crop provisions, types, coverage levels, and price elections selected by the applicant. This form must be completed and filed in the agent's office not later than the sales closing date of the initial insurance year for each crop for which insurance coverage is requested. The insurance provider must accept the application before insurance coverage will commence.
Appraised Production	Production from unharvested acreage determined by the insurance provider that reflects potential production for the crop at the time of appraisal. (Appraised production can also be production assessed (harvested or unharvested acreage) for uninsured causes, destroying or putting acreage to another use without consent, abandoned acreage, or the insured's failure to provide records of production that are acceptable.) Appraisals made for production LOST due to uninsurable causes are not allowed for APH production records.
Appraisal Worksheet	A form used by an adjuster to enter appraisal information such as plant counts, tillers, sample weights, etc., to compute appraisals on unharvested or damaged crop acreage.
Approved APH Yield	The amount of production per acre computed and approved by the verifier after substitution of 60 percent of the applicable T-yield and in accordance with the Actual Production History Program 7 CFR part 400 subpart G, or for crops not listed under 7 CFR part 400 subpart G, the yield used to determine the guarantee in accordance with the crop provisions or the Special Provisions. The approved APH yield may contain up to ten consecutive APH crop years of actual and/or assigned yields.
Area Yield Plan	See GRP.
Assignment of Indemnity	A form signed by the insured that transfers any named crop indemnity payment to a lender or lending agency. (Commonly referred to as "collateral assignment.")
Assuming Agent	An insurance provider agent who assumes the contracts that were previously serviced by another insurance provider.

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DEFINITIONS

Assuming Company	An insurance provider that assumes the contracts that were previously serviced by another insurance provider.
Authorized Representative	A party that is authorized by the applicant/insured via a properly executed Power of Attorney to represent and sign crop insurance documents for the applicant/insured.
Basic Provisions	The multiple peril crop insurance policy (Common Crop Insurance Policy) that provides basic policy provisions common to all crops. Crop provisions that are specific to the crop are found in the crop provisions or crop endorsements.
Beneficiary	The entity determined by the insurance provider to receive indemnity payments, in the event of the death of the original policyholder.
Cancellation Date	The last date that an insured or insurance provider may cancel insurance coverage for the next crop year for a crop in a specific county or area as specified in the Actuarial Documents and crop provisions.
Carryover Insured	An entity who was insured the previous crop year without respect to the carrier or agent and is determined on crop policy (by county) basis. If the insured had an MPC, Income Protection, Crop Revenue Coverage, Group Risk Income Protection, Revenue Assurance, or Adjusted Gross Revenue plan of insurance and then switches from one plan to another plan, the insured is still considered a carryover insured.
CAT	Acronym for Catastrophic Risk Protection. It is the minimum level of Federal crop insurance coverage a producer can obtain.
Ceding Agent	A reinsured company agent who cedes or transfers a contract (that the agent previously serviced) to another reinsured company agent.
Ceding Company	The reinsured company that cedes or transfers a contracts (that the company previously serviced) to another company).
Certification Form	See PAR. 56.
Circumference	The distance around the outer boundary of a circular structure, such as a grain bin.
Claim Form	An insurance document used to record appraisals of potential or assessed production, unharvested and harvested production to count, guarantees, and acres by practice and type from which an indemnity will be computed.

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Claim for Indemnity	Loss and contract information documented on a claim form for the insured due to damage or loss to an insured crop unit and required by the Basic Provisions to be submitted to the insurance provider no later than 60 days after the end of the insurance period.
Claims Adjuster	See Adjuster.
Classified Land (Insurable Land)	Land on which both a coverage and rate have been established in the County Actuarial Documents, making crops shown on the table that are grown on the land eligible for insurance.
Collateral Assignment	See Assignment of Indemnity.
Commingled Production	See PAR. 115.
Companion Contracts	Multiple peril crop insurance contracts of individuals having a share in the same crop/crop units for the crop year.
Company	As used in the context of this handbook, Company refers to insurance providers.
Conical Pile	A quantity of crop whose base is a circle and whose sides taper evenly up to a point.
Consent	Approval in writing by the insurance provider allowing the insured to take a specific action; e.g., putting a damaged crop to another use.
Continuous Coverage	Insurance coverage not canceled or terminated for a crop year. Transfer of coverage to a different insurance provider is still continuous coverage.
Continuous Production Report	Production reports submitted by a producer for each consecutive APH crop year (within the base period) and must include the most recent APH crop year in the base period.
Contained Water	See paragraph 110.
Contract	See Insurance Contract or Policy.
Contract Changes	The form used to make changes to or cancel an existing crop insurance contract.
Contract Change Date	The calendar date by which FCIC makes any policy changes available for inspection in the agent's office.
Contract File	See Policyholder File.

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Contract Number	A number assigned by the insurance provider to identify insureds' specific contracts. Also known as policy number.
Contract Provisions	All the provisions that make up the contract. See insurance contract.
Controlled Substance Violation	See PAR.46.
County (Parish in Louisiana)	The county, parish, or other political subdivision of a state listed in the actuarial table and designated on the accepted application, (county includes acreage in a field that extends into an adjoining county or state if the county or state boundary is not readily discernible). For quota tobacco, "county" includes any land identified by an FSA farm serial number for the county but is physically located in another county.
County Crop Program	The offering of insurance coverage by FCIC on a crop in a specified county or parish as approved by FCIC's Board of Directors.
Coverage (Guarantee)	The amount of insurance protection against insured loss of production or value, by unit as shown on the insured's summary of coverage.
Coverage Begins Date	The calendar date insurance begins on the insured crop, as contained in the Crop Provisions, or the date planting begins on the unit.
Crop Endorsement	An adjunct to the General Crop Insurance Policy or Basic Provisions that contains crop-specific provisions.
Crop Handbooks	The FCIC-approved crop-specific procedures that must be used to perform loss adjustment. They contain appraisal methods, forms completions instructions, and any other loss adjustment instructions specific to the crop.
Crop Loss Adjustment Standards (CLAS)	The required crop-specific instructions and methods (standards) that must be utilized during loss adjustment. The insurance provider must comply with these standards when performing loss adjustment.
Crop of Economic Significance	A crop that has either contributed in the previous crop year, or is expected to contribute in the current crop year, 10 percent (10%) or more of the total expected value of the producer's share of all crops grown in the county. However, a crop will not be considered a crop of economic significance if the expected liability under the CAT Endorsement is equal to or less than the administrative fee required for the crop (\$100 per crop per county).
Crop Provisions	An adjunct to the Basic Provisions that contains crop-specific provisions (appraisal of production, production to count, indemnity calculations, definitions, etc.)

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Crop Year	The period within in which the insured crop is normally grown, regardless of whether or not it is actually grown, and designated by the calendar year in which the insured crop is normally harvested.
Damage	Injury, deterioration, or loss of production of the insured crop from insured and/or uninsured causes.
Delayed Claim	A claim for indemnity form signed by the insured later than the time required in the applicable policy.
Delayed Notice	A notice of damage or loss filed by the insured after the time required in the policy.
Destroyed Without Consent	A determination made by an adjuster that an insured has altered the condition of a crop (without permission) so that an accurate appraisal cannot be made.
Diameter	A straight line measurement passing through the center of a circle. Normally an inside measurement when measuring the volume of a round storage structure.
Digitizer	A measuring tool that computes areas and lengths by tracing an area and directly entering the results into a computer. Some digitizers have small internal computers. It is used to obtain acreage measurements.
Earliest Planting Date	See Initial Planting Date.
Employee	A person who works for FCIC or insurance provider in return for wages or salary.
End of Insurance Period	The date upon which the insured's crop insurance coverage ceases for the crop year.
Enterprise Unit	All insurable acreage of the insured crop in the county in which the insured has a share on the date coverage begins for the crop year. An enterprise unit must consist of: (1) Two or more basic units of the same insured crop that are located in two or more separate sections, section equivalents, or FSA farm serial numbers; or (2) Two or more optional units of the same insured crop established by separate sections, section equivalents, or FSA farm serial numbers. (For this definition under CRC and RA plans of insurance, see the applicable Basic Provisions for these plans of insurance.)
Established Price	The price per unit of production issued by RMA by each crop's filing date.

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Expected Market Price (Price Election)	The price per unit of production (or other basis as determined by FCIC) anticipated during the period the insured crop normally is marketed by producers. This price will be set by FCIC not less than 15 days before the sales closing date for the crop. The expected market price may be less than the actual price paid by buyers if such price typically includes remuneration for significant amounts of post-production expenses such as conditioning, culling, sorting, packing, etc. Expected market price is applicable to the following crops: barley, corn, grain sorghum, hybrid seed corn, hybrid sorghum seed, malting barley, oats, rye, soybeans, and wheat.
Farm Serial Number (FSN)	A number assigned by the FSA County Office to identify a specific tract of land. Also known as FSN.
Farming Organization	One or more individuals who participate in establishing a yield history; corporations, partnerships, and family operations are included under this title.
FCIC	An acronym for Federal Crop Insurance Corporation. A wholly owned government corporation under the control of the USDA and administered by the Risk Management Agency.
FCIC-approved Policies	Multiple Peril Crop Insurance (MPCI) policies, (including endorsements and amendments) approved by FCIC for use by the insurance provider to sell and service MPCI insurance.
Final Acreage Reporting Date	For each insured crop in the county on or before the acreage reporting date contained in the Special Provisions for the insured crop except as follows: (1) if multiple crops are insured (by the same insurance provider) that have final planting dates on or after August 15 but before December 31, the acreage report must be submitted for all such crops on or before the latest applicable acreage reporting date for such crops; (2) if multiple crops are insured (by the same insurance provider) that have final planting dates on or after December 31 but before August 15, the acreage report must be submitted for all such crops on or before the latest applicable acreage reporting date for such crops; (3) If the Special Provisions designate separate planting periods for a crop, the acreage report for each planting period must be submitted on or before the acreage reporting date contained in the Special Provisions for the planting period; and (4) If planting of the insured crop continues after the final planting date or is prevented from planting during the late planting period, the acreage reporting date will be the later of: (a) the acreage reporting date contained in the Special Provisions or applicable date described in (1) or (2) above if there are multiple insured crops insured by the same insurance provider; or (b) Five days after the end of the late planting period for the insured crop, if applicable. (See Late-Filed Acreage Reports for acreage reports filed after this date.)

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Final Claim	An FCIC-approved claim form insurance document submitted by the insured after a final inspection has been completed which records the amount of production to count, guarantee, and acres by practice and type from which an indemnity will be computed. Also, used to record and pay replant payments.
Final Inspection	An inspection that requires all of the production and acreage to be accounted for on a unit prior to processing a claim for indemnity or replant payment.
Final Planting Date	The latest date (as shown in the Actuarial Documents) established by FCIC to plant and expect a normal crop to be produced. (Crops initially planted after this date are not insurable unless the crop provisions provide for coverage that extends beyond the planting date. Also, see definitions for Timely Planted and Late Planting Period.)
Flood Irrigation	A method of irrigation other than sprinkler (traveling gun, center pivot, or other recognized forms of sprinkler systems) or furrow irrigation in which the cropland (wider than a furrow) between raised borders, embankments, or dikes of soil is inundated with controlled amounts of water.
Food Security Act	A law passed by Congress in 1985 that included provisions to discourage the planting of agricultural commodities on converted wetlands or land of predominately highly erodible soils.
FSA	Acronym for Farm Service Agency, an agency of the USDA.
FSA-425	See PAR. 50 and Exhibit 7.
FSA-426	See PAR. 49 and Exhibit 7.
Furrow Irrigation	A type of irrigation carried out by use of gravity water flow at the soil surface that is contained within furrows between planted rows. (Rows must be far enough apart to allow water furrows). The land must be formed to allow uniform distribution of water to the entire irrigated acreage without undue impoundment (ponding).
Good Farming Practice	See the definition for "Recognized Good Farming Practice."
Group Risk Plan (GRP)	A plan of insurance offered for certain crops in specific counties and states that compare an expected county average yield to the county yield for the insured year. A form of insurance coverage that provides protection against loss of crop production that affects an area rather than individual producers.
Guarantee (unit)	The guarantee for the unit expressed in the unit of measure for the crop (e.g., bushels, pounds, hundredweight, dollars, etc.) calculated by multiplying the total insured acres on the unit by the guarantee per acre times the insured's share.

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Harvest	To combine, thresh, cut, pick, dig, or otherwise remove the crop from the crop acreage. See crop policy/endorsement/crop provisions for specific harvest definition for the crop.
High-Risk Land	Land that has a loss frequency and severity potential that cannot be rated adequately on the standard rate table, such as a flood plain, high sand content soil, high aluminum toxicity soil, high sodium content soil, high alkali soil, peat soil, soil with high or low pH, etc.
Indemnity	The dollar amount paid in the event of an insured loss.
Indemnity Summary	A computer-generated document showing the insured's dollar amount of indemnity payment by crop and unit number.
Initially Planted	The first occurrence of planting the insured crop on insurable acreage for the crop year.
Initial Planting Date	The earliest calendar date that a crop may be planted under the replanting payment provisions. If planted prior to this date, the crop is not eligible for a replanting payment but is still insurable.
Insurable Acreage	Either: (1) the land classified as insurable by FCIC and shown as such on the County Actuarial Map or appropriate land identification list, or (2) the land owned or operated by a person to whom a farm classification is assigned by FCIC or as otherwise provided on the actuarial table.
Insurance Contract	A binding written agreement between the insurance provider and the insured producer specifying the terms and conditions under which each will operate. The insurance contract includes the accepted application for insurance, the Common Crop Insurance Policy (Basic Provisions), or Crop Provisions, Catastrophic Risk Protection Endorsement, (if applicable) Special Provisions, the published actuarial documents for the insured crop/county, any applicable endorsements or options in effect, and the applicable regulations published at 7 CFR Chapter IV.
Insurance Period	The period during which liability for loss due to insured causes is assumed according to the applicable endorsement or policy.
Insurance Policy	Defines the rights and responsibilities of the insured and the insurance provider. See Insurance Contract.
Insurance Premium	The dollar amount paid for insurance. (Does not include administrative fees.)
Insurance Provider	A company reinsured by FCIC to provide crop insurance coverage to producers participating in the Federal crop insurance program.
Insurance Provider Inspection	An inspection initiated by the insurance provider. These inspections may be initiated where misrepresentation is suspected or where routine spot checks are being performed.

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Insured	The named person as shown on the application accepted by the insurance provider. This term does not extend to any other person having a share or interest in the crop (for example, a partnership, landlord, or any other person) unless specifically indicated on the accepted application.
Insured Cause of Loss	An unavoidable cause of loss defined in the policy or endorsement for which an indemnity can be paid.
Interplanted	Acreage on which two or more crops are planted in a manner that does not permit separate agronomic maintenance or harvest of the insured crops.
Irrigated Practice	See PAR. 40.
Kansas City (RMA) Office	The national office responsible for the acceptance and processing of electronically transmitted data for the Federal crop insurance program, for issuing actuarial documents, for issuing approved underwriting and loss adjustment standards/procedures, and for approving reinsured company policies, forms and completion instructions, and procedures.
Late-Filed Acreage Report	Any original acreage report obtained from the policyholder after the final acreage reporting date established by the Actuarial Documents.
Late-Filed Application	Any original application for insurance signed by the producer after the sales closing date established by the Actuarial Document Book.
Late-Filed Claim	See Delayed Notice.
Late Planted	Acreage initially planted after the final planting date or as provided in some crop provisions, during the late planting period or if due to an insured cause occurring within the insurance period for PP coverage and PP provisions are applicable to the insured crop, the acreage is prevented from planting by the final planting date or during the late planting period (if applicable for the crop), but is planted after the late planting period (final planting date if a late planting period is not applicable).
Late Planting Coverage	See PAR. 126.
Late Planting Period	For crop provisions providing automatic late-planting coverage, this is the period that begins the day after the final planting date for the insured crop and ends twenty-five days after the final planting date, unless otherwise specified in the Special Provisions. (Not applicable for fall-planted wheat.)
Legal Description	A specified section, township, and range (or parts thereof) as identified by a land survey.
Legal Entity or Person	See PAR. 11.

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DEFINITIONS

Level Election	The percentage of coverage selected by the insured from those offered by FCIC that is used to determine the production guarantee, premium, and dollar amount of insurance.
Liability	Based on the insured's acreage reported, guarantee, price election and share, the maximum dollar amount the insurance provider assumes in the event of a complete loss on an insurable crop unit.
Loss Adjustment Contractor (LAC)	A person under a personal contract with the insurance provider who is authorized to perform loss adjustment and/or contract service activities and is reimbursed for services rendered.
Loss Ratio	The ratio of paid indemnities to net premium expressed as a percentage (i.e., 1.10, etc.).
Market Price Election	The price election offered by FCIC that represents expected market prices on specific crops. It is computed annually from the Chicago Board of Trade average market price for a set period of time (see Price Election).
Measuring Wheel	An instrument composed of a handle, wheel, and counter that is used to measure ground area. As the wheel is moved along the ground, the counter measures the number of revolutions of the wheel and then is converted to acreage measurements.
Multiple Peril Crop Insurance (MPCI)	Crop insurance policies which generally cover more than one cause of loss and that are sold and serviced by reinsured companies.
NAP	An acronym for Non-Insured Assistance Program. NAP covers non-insured commercial crops or other agricultural commodities (except livestock) for which CAT Coverage is not available and that is produced for food or fiber. NAP provides coverage similar to what CAT coverage would be if the crop were insurable under multiple peril crop insurance.
National Resources Conservation Services (NRCS)	Formerly the Soil Conservation Service.
New Crop Program	The offering of insurance or reinsurance coverage by FCIC on a crop that has not previously been entitled to insurance or reinsurance coverage.
Next Level Supervision	A person authorized by the insurance provider to supervise employees, agents, contractors, or other functions as assigned by the insurance provider.
Non-contiguous	Any two or more tracts of land whose boundaries do not touch at any point, except that land separated only by a public or private right-of-way, waterway, or an irrigation canal will be considered as contiguous.

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DEFINITIONS

Notice of Acceptance	See Policy Confirmation.
Notice of Damage or Loss	A responsibility of the insured, as stated in the crop endorsement, to notify his/her service office representative (agent) of any probable crop damage or loss within the time frame identified in the policy provisions.
Nurse Crop	Sometimes called companion crop. It is a crop planted into the same acreage as another crop, that is intended to be harvested separately, and which is planted to improve growing conditions for the crop with which it is grown.
Official File	Hard copy of all original documents for each insured maintained by the insurance provider in their headquarters or as otherwise specified in their agreement.
Operator or Tenant	See PAR. 14.
Original Acreage Report, or Raisin Tonnage Report	The initial report filed for a crop year, by crop, used to determine the liability, amount of coverage, and premium. (See Acreage Report).
Other Use	Using insured acreage in a manner that is different from the original intended use as provided in the insurance provisions for the crop.
Palmer Drought Severity Index	A meteorological index calculated by the National Weather Service to indicate prolonged and abnormal moisture deficiency or excess.
Person	See PAR. 11.
Planted Acreage	Land in which seed, plants, or trees have been placed appropriate for the insured crop and planting method, at the correct depth, into a seedbed that has been properly prepared for the planting method and production practice.
Polar Planimeter	An instrument moved along boundaries on aerial photography. The instrument readings are used to convert photograph measurements to acreages.
Policy	See Insurance Contract.
Policy Confirmation	A form or document issued to the insured indicating that the application, cancellation, etc., has been accepted.
Policyholder	The individual or entity listed on the application and who has been accepted and issued coverage by the insurance provider.

EXHIBIT 1

DEFINITIONS

Policyholder File or folder	The file(s) maintained for each insured. The file(s) contains copies of documents, such as, application, acreage report appraisal worksheets, claims, etc. (Also known as insured's contract file or folder.) Some insurance providers may have a file folder that maintains sales documents and another file folder for loss files.
Policy Number	See Contract Number.
Power of Attorney	A document signed by the insured naming another party to act on behalf of the insured. For crop insurance purposes, this document may be specific to only certain transactions or all transactions involved with the crop insurance contract.
Practical to Replant	See PAR. 55.
Practice	A special farming procedure or method, such as irrigation, summer fallow, continuous crop, etc., shown on the actuarial documents for which a separate premium rate and/or yield has been established.
Preliminary Inspection	A farm visit by an adjuster in which an appraisal is usually made on a part of an insured crop unit, and in some instances, written permission is given to make other use of or destroy the affected crop.
Preliminary Yield	The APH yield calculated by the agent prior to approval by the verifier. Preliminary yields are used to provide coverage estimates and premium quotations.
Premium Adjustment	A premium cost adjustment applicable to some policies, based on continuous favorable insurance experience or unfavorable insurance experience for the crop (also referred to as Experience Adjustment Factor).
Premium Discount	A reduction in the base premium rate for unit consolidation, good experience, as applicable, etc.
Premium Subsidy	The portion of the base premium paid by FCIC for the level elected as authorized by law.
Prevented Planting	Failure to plant the insured crop with proper equipment by the final planting date designated in the Special Provisions for the insured crop in the county. The insured may also be eligible for a prevented planting payment if the insured failed to plant the insured crop with the proper equipment within the late planting period. The insured must have been prevented from planting the insured crop due to an insured cause of loss that is general in the surrounding area and that prevents other producers from planting acreage with similar characteristics.
Previous Crop Year	The crop year immediately preceding the current crop year.

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Price Election	The dollar value selected by the insured from those offered by FCIC, which is used to establish the dollar amount of insurance coverage and premium due under a crop contract.
Prior Crop Year	Two or more crop years preceding the current crop year.
Prior APH Yield	The approved APH yield from the previous year's APH form.
Producer Premium	The insurance premium that a policyholder must pay after the subsidy is deducted.
Production Guarantee (Per Acre)	The number of pounds, bushels, tons, cartons, or other applicable units of measure determined by multiplying the approved APH yield per acre by the coverage level percentage selected by the insured. For some crops (e.g., onions, tomatoes), the guarantee per acre for harvested acreage is higher than the guarantee for unharvested acreage, or the guarantee may vary with the maturity (stage) of the crop. Refer to the crop provisions for specifics, by crop.
Production Not to Count	Harvested production of the same crop that is subtracted from the unit's production before the indemnity is computed.
Production Report	Written record showing the insured crop's annual production and planted acreage. It is used to determine the insured's actual yields for insurance purposes.
Production Reporting Date	The last date production reports will be accepted for inclusion in the base period to be used to calculate an approved APH yield for the current crop year, and is the earlier of the acreage reporting date or 45 days after the earliest cancellation date for the crop for the current crop year, unless stated otherwise in the Special Provisions.
Production to Count	Harvested and/or appraised quantities of a crop produced (including appraised production from uninsured causes of loss) from a unit, which are subtracted from the unit's production guarantee in computing an indemnity.
Quality Assurance	An established review process maintained by the insurance provider to inspect and document the performance of its operations, employees, and adjusters. (This review process is also known as quality control.)
Quality Adjustment Factor	A factor used to reduce production to count when the policy allows for reduction of production to count and the production grades at or lower than the specified quality stated in the policy.
Raisin Tonnage Report	See Acreage Report.
Range	One of the six-section north/south rows of a township identified as being east or west of the principal meridian.

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Recognized Good Farming Practices	The cultural practices generally in use in the county for the insured crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance and are those recognized by the local Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the area.
Regional Office (RO) (Previously known as Regional Service Office (RSO))	Regional Office(s) of the Risk Management Agency. For the assigned states, the RO performs program and underwriting services for the crop insurance program.
Reinsured Company	Private insurance companies selling and adjusting multiple peril crop insurance reinsured by FCIC. Also known as insurance provider.
Relative	A person connected with another by blood or marriage.
Releasing Agent	See ceding agent.
Replant Claim	An insurance document submitted by the insured after an inspection that records the number of acres replanted, not replanted, and the cost of replanting any damaged acres from which a replant indemnity will be computed.
Replanting	Performing the cultural practices necessary to prepare the land to replace the seed or plants of the damaged or destroyed insured crop, and then replacing the seed or plants of the same crop in the insured acreage with the expectation of producing at least the yield used to determine the production guarantee.
Replant Payment	The payment received when acreage qualifies for a replanting payment in accordance with the Basic Provisions and applicable crop provisions.
Reported Damage or Loss	A responsibility of the insured to promptly notify the Service Office Representative (agent) of any probable crop damage or loss.
Representative	Any person authorized by the insurance provider to work in the field or in an office to carry out in whole or in part the Federal crop insurance marketing, contract servicing, or loss adjustment functions for new applicants or present policyholders. See Agent.
Representative Sample Areas	See PAR. 77.
Representative Strips (Sample)	Strips of the unharvested crop that the insured is required, in accordance with policy provisions, to leave if damage is initially discovered within 15 days of or during harvest.

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Revised Acreage Report or Raisin Tonnage Report	Completed when changes and/or corrections are made to the original acreage or tonnage report. Revised acreage reports (tonnage reports) prepared after the acreage (tonnage) reporting date, must be approved by the insurance provider before they are processed.
RMA	An acronym for Risk Management Agency. RMA administers the Federal crop insurance program.
Sales Closing Date	The last date for the crop year that a producer may apply for insurance on a crop in a specific county and the last date by which an insured may change the crop insurance coverage for a crop year.
Section	See PAR. 45.
Scale Ruler	A calibrated ruler for use with tapes graduated in chains and feet. Scale rulers for chains are graduated in 660 feet (60 parts to inch and 2,000 feet (75.7 parts to inch.) A tool that can be used by FSA to determine acreage measurements.
Share	See PAR. 13.
Sketch Map	A diagram showing where fields or production are located.
Special Provisions	The part of the policy (contained in the county actuarial documents) that contains specific provisions of insurance for each insured crop that may vary by county; e.g., planting dates, rotational requirements, exclusions to the policy, etc.
Special Report	A form used to record facts; e.g., used as an attachment to claims or acreage reports when there is not enough room in the narrative to record required documentation and for additional documentation regarding controversial claims, unusual cases, uninsured causes, not following good farming practices, etc.
Standard Reinsurance Agreement	The agreement between a reinsured company and FCIC by which the insurer cedes to FCIC certain liabilities arising from the insurer's sales of insurance policies in return for a portion of premium monies and administrative expense reimbursements.
SSN or EIN	The social security number or Employer Identification Number used on insurance application forms to track an insured entity's insurance history. Insurance coverage cannot be offered if the SSN or EIN is not provided by the prospective insured.

EXHIBIT 1

DEFINITIONS

State Premium Subsidy	The portion of the premium paid by the state, when applicable.
Sub-field	A part of a field where damage is so variable within the field that smaller divisions of the field are necessary in order to make accurate appraisals.
Substantial Beneficial Interest (SBI)	A legal share or interest amounting to ten percent or more held by an individual in any crop insurance policy insured or reinsured by FCIC.
Successor-In-Interest Entity	A successor entity who is entitled to receive all of the experience earned by the previous entity, as determined by the insurance provider.
Summary of Coverage	Hard copy notification to the insured of premium and guarantee amounts, by unit, resulting from processing of acreage or tonnage report data.
Timely Planted	Planted on or before the final planting date designated in the Special Provisions for the insured crop in the county.
Termination for Indebtedness Date	The date specified in the crop policy or endorsement on which the insurance contract is subject to termination because of failure of the insured to pay the premium and/or administrative fee in full prior to this date.
Township	A tract of land approximately 6 miles square containing approximately 36 sections, each 1 mile square.
Transfer of Indemnity	A form signed by the insured that transfers the right to an indemnity payment to another party when land ownership or interest has been transferred on part or all of a unit.
Transfer of Coverage	See Transfer of Indemnity.
Transfer of Contract/Policy	Transfer of a contract or policy to another reinsured company.
Transferee	One who receives an insured right to an indemnity from another party.
Transferor	An insured who transfers an insured right to an indemnity to another party.
Unit	An identifiable, insurable segment of land on which an insurable crop is grown and separate production records have been kept, and meets other guidelines defined in the policy, endorsement, and/or actuarial documents.
Unrated Land	Land which is not rated on the actuarial map or actuarial listing, requiring a Written Agreement (FCI-2) (sometimes known as unclassified or uninsurable).

EXHIBIT 1

DEFINITIONS

USDA	An acronym for United States Department of Agriculture.
Varying Share	A landlord-tenant agreement that allows for different crop shares within the same unit.
Verifier	Individual or organization authorized by FCIC to verify APH records and data furnished by the insured to the insurance provider in order to calculate and determine the approved APH yield.
Verify	To confirm data by an on-site inspection or by checking records that an insured must furnish to the insurance provider.
Whole Farm Unit	All insurable acreage of the insured crops in the county in which the insured has a share on the date coverage begins for each crop for the crop year. (For this definition under CRC and RA plans of insurance, see the applicable Basic Provisions for these plans of insurance.)
Written Agreement	A written agreement between the insurance provider and the insured that alters designated terms of an additional coverage policy and that is authorized under the basic provisions, the crop provisions, or the Special Provisions for the insured crop.
Zero Acreage Report	An acreage report filed by an insured that certifies that the insured does not have a share in insurable acres of the crop for that crop year.

**EXHIBIT 2
CROP POLICY INFORMATION**

2002 CY INFORMATION (or 2003 CY where designated).	Crop Code	FCIC		NCIS		APH or Dollar (\$)	Late Planting Prov.	Prev. Planting Prov.	** Replant Payment Prov.	***Enterprise (E) ** Optional (O) Basic (B) Unit	** High-Risk Land Ex. Opt.
Crop		*Basic Provisions	*Crop Provisions	*Basic Provisions	*Crop Provisions						
Almonds	0028	01-BR	01-028	2001-700B	2001-719	APH				B/O	
Apples	0054	01-BR	01-054	2001-700B	2001-721	APH				B/O	
Avocados (Pilot - California Only)/	0019	01-BR	2002-0019	2001-700B	2002-711	\$				B/O	
Avocados (Pilot - Florida Only)	0019	01-BR	99-019A	2001-700B	1999-808	APH				B/O	
Avocado & Mango Tree (Pilot - Florida Only) Avocado Mango	0212 0214	01-BR	2001-212	2001-700B	2001-804	\$				B	
Beans, Fresh Market (Pilot)	0105	01-BR	00-105	2001-700B	2000-826	\$				B	
Beans (Processing)	0046	01-BR	98-046	2001-700B	1998-704	APH	Yes 1/	Yes 1/		B/O/O by type	
Blueberries (Pilot)	0012	01-BR	00-012	2001-700B	2000-794	APH				B/O by type 2/	
Cabbage (Pilot)	0072	01-BR	00-072	2001-700B	2000-810	APH			Yes	B/O	
Canola/Rapeseed	0015	01-BR	98-015	2001-700B	1998-795	APH	Yes 1/	Yes 1/	Yes	B/O	
Cherries (Pilot)	0057	01-BR	01-057	2001-700B	2001-812	\$				B/O	
Chile Peppers, Processing (Pilot)	0045	01-BR	00-045	2001-700B	2000-832	\$				B/O by Type	
California Citrus Dollar Plan (Pilot) Navel oranges	0215	01-BR	2002-0215	2001-700B	2002-836	\$				B/O	
Citrus (AZ & CA) Grapefruit Lemons Minneola Tangelos Navel Oranges Sweet Oranges Valencia Oranges Orlando Tangelos Kinnow Mandarins	0201 0202 0206 0215 0216 0217 0237 0239	01-BR	00-126	2001-700B	2000-731	APH				B by Crop/O	

1/ Refer to Part 5 for additional LP and instructions and the Prevented Planting Handbook for additional PP instructions. 2/ Optional units allowed by type if on Special Provisions.

*Current, up to signature date of this handbook. **Applies to additional coverage ONLY. *** Enterprise units if provided for in the Special Provisions.

Unit structures are as identified unless otherwise specified in the Special provisions. For pilot crops, only selected states and counties apply.

**EXHIBIT 2
CROP POLICY INFORMATION**

2002 CY INFORMATION (or 2003 CY where designated)	Crop Code	FCIC		NCIS		APH or Dollar (\$)	Late Planting Prov.	Prev. Planting Prov.	** Replant Payment Prov.	***Enterprise (E) Optional (O) Basic (B) Unit	** High-Risk Land Ex. Opt.
Crop		*Basic Provisions	*Crop Provisions	*Basic Provisions	*Crop Provisions						
Citrus Fruit (Florida) Citrus I Citrus II Citrus III Citrus IV Citrus V Citrus VI Citrus VII	0245 0246 0247 0248 0249 0250 0251	01-BR	99-026	2001-700B	1999-724	\$				B by type/O	
Citrus Fruit (Texas) Early & Midseason Oranges Late Oranges All Other Grapefruit Ruby Red Grapefruit Rio Red & Star Ruby Grapefruit	0224 0225 0226 0228 0238	01-BR	00-226	2001-700B	2000-733	APH				B/O	
Citrus Trees (Texas) Citrus Trees I Citrus Trees II Citrus Trees III Citrus Trees IV Citrus Trees V	0240 0241 0242 0243 0244	01-BR	99-025	2001-700B	1999-737	\$				B/O	
Cultivated Clams (Pilot)	0116	01-BR	2000-0116a43	2001-700B	2000-882 (rev. 12/99)	\$				B/O	
Coarse Grains Corn Grain Sorghum Soybeans	0041 0051 0081	01-BR	98-041	2001-700B	1998-702	APH	Yes <u>2/</u>	Yes <u>2/</u>	Yes	B/O/E	Yes <u>1/</u>
Cotton	0021	01-BR	99-021	2001-700B	1999-703	APH	Yes <u>2/</u>	Yes <u>2/</u>		B/O	Yes <u>1/</u>
Cotton (ELS)	0022	01-BR	99-022	2001-700B	1999-745	APH		Yes <u>2/</u>		B/O	Yes <u>1/</u>
Crambe (Pilot)	0068	01-BR	99-068	2001-700B	1999-814	APH	Yes <u>2/</u>	Yes <u>2/</u>	Yes	B/O	Yes <u>1/</u>
Cranberries	0058	01-BR	99-058	2001-700B	1999-742	APH				B/O	
Cucumbers, Processing (Pilot)	0106	01-BR	00-0106	2001-700B	2000-834	\$				B <u>4/</u>	
Dry Beans	0047	01-BR	98-047	2001-700B	1998-712	APH	Yes <u>2/</u>	Yes <u>2/</u>	Yes	B/O/O by type	Yes <u>1, 3/</u>
Figs	0060	01-BR	01-060	2001-700B	2001-792	APH				B by type/O	

1/ Requires Insured's Signature 2/ Refer to Part 5 for additional LP instructions, and Prevented Planting Handbook for additional PP instructions. 3/ Not available in Idaho, Oregon, Utah, and Washington

4/ Basic unit by planting period. *Current, up to signature date of this handbook. ** Applies to additional Coverage ONLY. * Enterprise units if provided for in the Special Provisions.**

Unit structures are as identified unless otherwise specified in the Special provisions. For pilot crops counties, only selected counties apply.

**EXHIBIT 2
CROP POLICY INFORMATION**

2002 CY INFORMATION (or 2003 CY where designated)	Crop Code	FCIC		NCIS		APH or Dollar (\$)	Late Planting Prov.	Prev. Planting Prov.	** Replant Payment Prov.	***Enterprise (E) ** Optional (O) Basic (B) Unit	** High-Risk Land Ex. Opt.
Crop		*Basic Provisions	*Crop Provisions	*Basic Provisions	*Crop Provisions						
Florida Fruit Trees (Pilot) Orange Trees Grapefruit Trees Lemon Trees Lime Trees All Other Citrus Trees Carambola Trees	0207 0208 0209 0210 0211 0213	01-BR	00-014	2001-700B	2000-748 (rev. 12/99)	\$				B by Type/O	
Forage Production	0033	01-BR	01-033 (Rev. 3/2000)	2001-700B	2001-729	APH				B/O	
Forage Seeding	0032	01-BR	01-032 (Rev. 4/2000)	2001-700B	2001-730 (Rev. 4/00)	\$			Yes	B/O	
Forage Seed (Pilot) Alfalfa Seed	0107	01-BR	02-0107	2001-700B	2002-886	\$			Yes	B/O/O by contract or by variety 4/	Yes 1/
Grapes	0053	01-BR	00-053	2001-700B	2000-717	APH				B/O Variety 3/	
Grapes, Table	0052	01-BR	01-052	2001-700B	2001-741	APH				B/O Variety 3/	
Hybrid Seed Corn	0062	01-BR	98-062	2001-700B	1998-738	\$	Yes 2/	Yes 2/		B/O	
Hybrid Sorghum Seed	0050	01-BR	98-050	2001-700B	1998-797	\$	Yes 2/	Yes 2/		B/O	
Macadamia Nuts	0023	01-BR	00-023	2001-700B	2000-790	APH				B/O	
Macadamia Trees	0024	01-BR	99-024 (rev. 6/98)	2001-700B	1999-791	\$				B/O	
Millet (Pilot)	0017	01-BR	98-017	2001-700B	1998-789	APH	Yes 2/			B/O	
Mint (Pilot)	0074	01-BR	00-74	2001-700B	2000-828	APH				B/O	Yes 1/
Mustard (Pilot)	0069	01-BR	99-069	2001-700B	1999-816	APH	Yes 2/	Yes 2/	Yes	B/O	Yes 1/
Nursery (Container/Field Grown)	0073	01-BR	99-073 (rev. 10/98)	2001-700B	1999-782	\$				B/O	
Onions	0013	01-BR	00-013 (rev. 6/30/99)	2001-700B	2000-709	APH	Yes 2/	Yes 2/	Yes	B/O/O by type	
Peaches	0034	01-BR	01-034	2001-700B	2001-720	APH				B/O	

1/ Requires Insured's Signature. 2/ Refer to Part 5 for additional LP instructions, and the Prevented Planting Handbook for additional PP instructions. ** Applies to additional Coverage ONLY.

3/ Basic unit by variety in CA/Optional units by non-contiguous land only - All other states B/O units. 4/ Optional unit by contract or variety only if permitted by the Special Provisions.

*Current, up to signature date of this handbook.

Unit structures are as identified unless otherwise specified in the Special provisions. For pilot crops, only selected states and counties apply.

**EXHIBIT 2
CROP POLICY INFORMATION**

2002 CY INFORMATION (or 2003 CY where designated)	Crop Code	FCIC		NCIS		APH or Dollar (\$)	Late Planting Prov.	Prev. Planting Prov.	** Replant Payment Prov.	***Enterprise (E)	**
Crop		*Basic Provisions	*Crop Provisions	*Basic Provisions	*Crop Provisions					** Optional (O) Basic (B) Unit	High-Risk Land Ex. Opt.
Peanuts	0075	01-BR	99-075 (Rev. 7/99)	2001-700B	1999-718 (rev. 7/99)	APH	Yes 2/	Yes 2/	Yes	B/O by FSN	
Pears	0089	01-BR	01-089	2001-700B	2001-715	APH				B/O	
Peas Dry Green	0067 0064	01-BR 01-BR	99-067 (rev. 7/98) 98-064	2001-700B 2001-700B	1999-713-D 1998-713-G	APH APH	Yes 2/ Yes 2/	Yes 2/ Yes 2/		B/O/O by Type	
Pecans (Pilot)	0020	01-BR	99-020	2001-700B	2001-802	\$				B by county	
Peppers, (Fresh Market)	0083	01-BR	99-083	2001-700B	1999-740	\$			Yes	B/O	
Plums	0092	01-BR	01-092	2001-700B	2001-706	APH				B/O	
Popcorn	0043	01-BR	99-043	2001-700B	1999-744	APH	Yes 2/	Yes 2/	Yes	B/O	Yes 1/, 5/
Potatoes (Central/Southern)	0084	01-BR	99-284	2001-700B	1999-734 CS	APH	Yes 2/	Yes 2/		B/O	
Potatoes (Northern)	0084	01-BR	98-184	2001-700B	1998-734N	APH	Yes 2/	Yes 2/		B/O	
Prunes	0036	01-BR	01-036	2001-700B	2001-747	APH				B/O 3/	
Raisins	0037	01-BR	98-037	2001-700B	1998-723	\$				B by variety /O 6/	
Raspberry/Blackberry (Pilot)	0108	01-BR	02-108	2001-700B	2002-884	\$				B/O 6/	
Rice	0018	01-BR	01-018	2001-700B	2001-716	APH	Yes 2/	Yes 2/	Yes	B/O	Yes 1/
Safflower	0049	01-BR	98-049 (rev. 12-97)	2001-700B	1998-749 (rev. 1/98)	APH	Yes 2/	Yes 2/	Yes	B/O	Yes 1/, 4/
Small Grains Barley Flax Oats Rye Wheat	0091 0031 0016 0094 0011	01-BR	98-011	2001-700B	1998-714	APH	Yes 2/	Yes 2/	Yes 5/ (Wheat Only)	B/O/E	Yes 1/
Stonefruit Fresh Apricots Processing Apricots Fresh Nectarine Processing Cling Peaches Processing Freestone Peaches Fresh Freestone Peaches	0218 0219 0220 0221 0222 0223	01-BR	01-077	2001-700B	2001-796	APH				B/O by type	

1/ Requires Insured's Signature 2/ Refer to Part 5 for additional LP instructions, and Prevented Planting Handbook for additional PP instructions. 3/ Unless limited by Crop Provisions or Special Provisions. 4/

Not available in Utah or Idaho. 5/ Not available for fall planted wheat. 6/ Optional units only by non-contiguous land. For pilot crops, only selected states and counties apply. *Current, up to signature date of this handbook. ** Applies to additional Coverage ONLY. *** Enterprise units if provided for in the Special Provisions. Unit structures are as identified unless otherwise specified in the Special provisions.

**EXHIBIT 2
CROP POLICY INFORMATION**

2002 CY INFORMATION (or 2003 CY where designated)	Crop Code	FCIC		NCIS		APH or Dollar (\$)	Late Planting Prov.	Prev. Planting Prov.	** Replant Payment Prov.	*** Enterprise (E) **Optional (O) Basic (B) Unit	** High-Risk Land Ex. Opt.
Crop		*Basic Provisions	*Crop Provisions	*Basic Provisions	*Crop Provisions						
Strawberries (Pilot)	0110	01-BR	01-110	2001-700B	2001-830	\$				B by type/O	
Sugar Beets	0039	01-BR	98-039	2001-700B	1998-707	APH	Yes 2/	Yes 2/	Yes	B/O	Yes 1, 5/
Sugarcane	0038	01-BR	99-038	2001-700B	1999-732	APH				B/O	
Sunflower Seed	0078	01-BR	98-078	2001-700B	1998-708	APH	Yes 2/	Yes 2/	Yes	B/O	Yes 1/
Sweet Corn (Processing)	0042	01-BR	98-042	2001-700B	1998-728	APH	Yes 2/	Yes 2/		B/O	Yes 1/
Sweet Corn (Fresh Market)	0044	01-BR	99-044	2001-700B	1999-746	\$			Yes	B/O	
Sweet Potatoes (Pilot)	0085	01-BR	98-085	2001-700B	1998-806	APH				B/O 3/	Yes 1/
Tobacco, Guaranteed Production Flue Cured Fire Cured Maryland Dark Air Cigar Filler Cigar Binder Cigar Wrapper	0229 0230 0232 0233 0234 0235 0236	01-BR	99-071	2001-700B	1999-736	APH	Yes 2/			B by/share/ type/ O by FSN 4/	
Tobacco (Quota) Burley	0231	01-BR	99-070	2001-700B	1999-710	\$	Yes 2/			B by FSN	
Tomatoes (Fresh Market Guar. Prod.)	0086	01-BR	99-186	2001-700B	1998-722	APH			Yes	B/O	
Tomatoes (Fresh Market Dollar Plan)	0086	01-BR	99-086	2001-700B	1999-739	\$			Yes	B/O	
Tomatoes (Processing)	0087	01-BR	98-087	2001-700B	1998-727	APH	Yes 2/		Yes		
Walnuts	0029	01-BR	01-029	2001-700B	2001-743	APH				B/O	
(Cultivated) Wild Rice (Pilot)	0055	01-BR	99-055	2001-700B	1999-820	APH				B/O	
Winter Squash (Pilot)	0065	01-BR	00-065 (Rev. 08-99)	2001-700B	2000-822	\$				B	
Catastrophic Risk Protection Endorsement		6/	01-CAT 6/	6/	2001-777 6/						

1/ Requires insured's signature. 2/ Refer to Part 5 for additional LP instructions, and the Prevented Planting Handbook for additional PP instructions.

3/ Standard optional units plus optional units by type in CA 4/ Basic unit by FSN (Wisconsin only). 5/ Not available in Colorado.

6/ Endorsement attaches to Basic Provisions and specific crop policies when CAT coverage is selected by the insured. Current, up to signature date of this handbook.

Applies to additional Coverage ONLY. * Enterprise units, if provided for in the Special Provisions. Unit structures are as identified unless otherwise specified in the Special provisions.

For pilot crops, only selected states and counties apply. NOTE:

**EXHIBIT 2
CROP POLICY INFORMATION**

2002 CY INFORMATION (or 2003 CY where designated) Crop	Crop Code	FCIC		NCIS		Expected County Yield	Late Planting Prov.	Prev. Planting Prov.	Replant Payment Prov.	Unit of Measure	Unit by County/ Basic (B)/ Optional (O) Enterprise (E) Whole Farm (WF)	High-Risk Land Ex. Option
		*Basic Provisions	*Crop Provisions	*Basic Provisions	*Crop Provisions							
Group Risk Plan (GRP)												
Corn	0041	01-102	00-141	2001-950	2000-954	Yes				bu.	Yes (C)	
Cotton	0021	01-102	00-121	2001-950	2000-956	Yes				lbs.	Yes (C)	
Forage Production	0033	01-102	00-133	2001-950	2000-942	Yes				tons	Yes (C)	
Sorghum	0051	01-102	00-151	2001-950	2000-962	Yes				bu.	Yes (C)	
Peanuts	0075	01-102	00-175	2001-950	2000-960	Yes				lbs.	Yes (C)	
Rangeland (Pilot)	0048	01-102	99-048	2001-950	1999-943	Yes				lbs.	Yes (c)	
Soybeans	0081	01-102	00-181	2001-950	2000-964	Yes				bu.	Yes (C)	
Wheat	0011	01-102	00-111	2001-950	2000-941	Yes				bu.	Yes (C)	
Group Risk Income Protection (GRIP)												
Corn	0041	01-GRIP-BASIC	01-GRIP-Corn	2001-950-GRIP	2001-954-GRIP	Yes					Yes (C)	
Soybeans	0081	01-GRIP-BASIC	01-GRIP-Soybeans	2001-950-GRIP	2001-964-GRIP	Yes					Yes (C)	
Income Protection (IP)												
Barley (Pilot)	0091	01-BR	2002-391	2001-700-B	2002-714B-IP	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>		bu/\$	Yes (E)	
Corn (Pilot)	0041	01-BR	2002-341	2001-700-B	2002-702C-IP	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	<u>1/</u>	bu./\$	Yes (E)	
Cotton (Pilot)	0021	01-BR	2002-321	2001-700-B	2002-703-IP	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	<u>1/</u>	lbs./\$	Yes (E)	
Wheat (Pilot)	0011	01-BR	2002-311	2001-700-B	2002-714W-IP	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	<u>1/</u>	bu./\$	Yes (E)	
Soybeans (Pilot)	0081	01-BR	2002-381	2001-700-B	2002-702S-IP	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	<u>1/</u>	bu./\$	Yes (E)	
Grain Sorghum (Pilot)	0051	01-BR	2002-351	2001-700-B	2002-702G-IP	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	<u>1/</u>	bu./\$	Yes (E)	

^{1/} ONLY available for Additional Coverage ONLY. ^{2/} Refer to Part 5 for additional LP instructions and the Prevented Planting Handbook for additional PP instructions. GRP, IP, CRC and RA insurance plans, if elected, meet the FSA linkage requirements. For pilot crops, only selected states and counties apply. *Current, up to signature date of this handbook. ** Applies to additional coverage ONLY. Unit structures are as identified unless otherwise specified in the Special Provisions.

**EXHIBIT 2
CROP POLICY INFORMATION**

2002 CY INFORMATION (or 2003 CY where designated)		FCIC		NCIS								
INSURANCE PLANS	Crop Code	*Basic Provisions	*Crop Provisions	*Basic Provisions	*Crop Provisions	Expected County Yield	Late Planting Prov.	Prev. Planting Prov.	Replant Payment Prov.	Unit of Measure	**Unit by County (C) Basic (B) Optional (O) Enterprise (E) Whole Farm (WF)	High Risk Land Exclusion Option
Crop												
Crop Revenue Coverage (CRC)												
Corn <u>1/</u>	0041	02-CRC-BASIC (rev. 9/26/01)	02-CRC-CG (9/26/01)	2002 -700B-CRC	2002702-CRC	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	bu./\$	YES (B/O/E)	YES <u>3/</u>
Soybeans <u>1/</u>	0081	02-CRC-BASIC (rev. 9/26/01)	02-CRC-CG (9/26/01)	2002 - 700B-CRC	2002-702-CRC	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	bu./\$	Yes (B/O/E)	Yes <u>3/</u>
Grain Sorghum <u>1/</u>	0051	02-CRC-BASIC (rev. 9/26/01)	02-CRC-CG (9/26/01)	2002 - 700B-CRC	2002-702-CRC	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	bu./\$	Yes (B/O/E)	Yes <u>3/</u>
Cotton <u>1/</u>	0021	02-CRC-BASIC (rev. 9/26/01)	02-CRC-021 (9/26/01)	2002 -700B-CRC	2002-703-CRC	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	No	lb./\$	Yes (B/O/E)	Yes <u>3/</u>
Rice <u>1/</u>	0018	02-CRC-BASIC (rev. 9/26/01)	01-CRC-RICE (9/26/01)	2002 - 700B-CRC	2002-716CRC	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	lb/\$	Yes (B/O/E)	Yes <u>3/</u>
Wheat <u>1/</u> <u>4/</u>	0011	01-CRC-BASIC (rev. 6/26/00)	01-CRC- WHEAT (05/00)	2001 - 700B-CRC	2001 - 714W- CRC	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	bu./\$	Yes (B/O/E)	Yes <u>3/</u> 1
Wheat <u>1/</u> , <u>5/</u>	0011	02-CRC-BASIC (rev. 9/26/01)	02-CRC WHEAT (9/26/01)	2002-700B-CRC	2002-714W- CRC	APH\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	bu./\$	Yes (B/O/E)	Yes <u>3/</u>

*Current, up signature date of this handbook.

**Applies to additional coverage only. Unit structures are as identified unless otherwise specified in the Special provisions.

1/ Available as Additional coverage Only

2/ Refer to Part 5 for additional LP instructions and the Prevented Planting Handbook for additional PP instructions.

3/ Requires insured's signature

4/ Applicable to wheat having a Contract Change Date of 6/30/01.

5/ Applicable to wheat having a Contract Change Date of 12/31/01

**EXHIBIT 2
CROP POLICY INFORMATION**

2002 CY INFORMATION (or 2003 CY where designated)		FCIC		NCIS								
INSURANCE PLANS	Crop Code	Basic Provisions	Crop Provisions	Basic Provisions	Crop Provisions	Expected County Yield	Late Planting Prov.	Prev. Planting Prov.	Replant Payment Prov.	Unit of Measure	Unit by County (C) Basic (B) Optional (O) Enterprise (E) Whole Farm (WF)	High Risk Land Exclusion Option
Crop												
Revenue Assurance (RA)												
Barley (Feed) <u>1/</u>	0091	02-RA (8/28/01)	02-RA-Barley-CP	2002- 700B-RA	2002-714B-RA	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>		bu./\$	Yes (B/O/E/WF)	
Canola/rapeseed <u>1/</u>	0015	02-RA (8/28/01)	02-RA-Canola-CP	2002 700B-RA	2002- 795-RA	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	lbs./\$	Yes (B/O/E/WF)	
Corn <u>1/</u>	0041	02-RA (8/28/01)	02-RA-Corn & Soybeans-CP	2002- 700B-RA	2002-702-RA	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	bu./\$	Yes (B/O/E/WF)	Yes <u>3/</u>
Soybeans <u>1/</u>	0081	02-RA (8/28/01)	02-RA-Corn & Soybeans-CP	2002- 700B-RA	2002-702RA	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	bu./\$	Yes (B/O/E/WF)	Yes <u>3/</u>
Sunflowers <u>1/</u>	0078	02-RA (8/28/01)	02-RA-Sunflower-CP	2002- 700B-RA	2002- 708-RA	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	lbs./\$	Yes (B/O/E/WF)	Yes <u>3/</u>
Wheat <u>1/</u> , <u>4/</u>	0011	01-RA (6/22/00)	01-RA-WH (6/22/00)	2001- 700B-RA	2001-714W-RA	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	bu./\$	Yes (B)/E/WP)	Yes <u>3/</u>
Wheat <u>1/</u> , <u>5/</u>	<u>0011</u>	02-RA (8/28/01)	02-RA-WH (8/28/01)	2002- 700B-RA	2002-714W-RA	APH/\$	Yes <u>2/</u>	Yes <u>2/</u>	Yes	bu./\$	Yes (B)/E/WP)	Yes <u>3/</u>
Adjusted Gross Revenue (AGR) (Pilot)												
Agricultural Commodities	0063	2001-AGR	N/A	2001-980	N/A	Revenue \$				\$	WF	

1/ Available as Additional coverage only

2/ Refer to Part 5 for additional LP instructions, and the Prevented Planting Handbook for additional PP instructions.

3/ Requires insured's signature

4/ Applicable to wheat having a Contract Change Date of 6/30/01.

5/ Applicable to wheat having a Contract Change Date of 12/31/01.

EXHIBIT 3

CAUSE OF LOSS NAMES AND CODES		
LOSS CAUSE	CODE	APPLICABLE TO:
NO INDEMNITY	(00)	ALL CROPS
DECLINE OF PRICE	(01)	All crops insured under, Adjusted Gross Revenue , Income Protection, Crop Revenue Coverage, and Revenue Assurance policies, and avocados (Revenue plan CA only) pecans, and CA Dollar Citrus. For income protection, CRC, and RA policies, this is applicable when the harvest price falls below the projected price (base price for CRC policies) and is the primary or secondary contributor of the loss. This is applicable for avocados (Revenue plan CA only) when there is a decline in the standardized season average price, for pecans when a decline in the market price used to determine the indemnity is the primary or secondary contributor of the loss, or for CA Dollar Citrus when there is a decline in the average net price received.
DROUGHT <u>1/</u> , <u>2/</u>	(11)	ALL CROPS EXCEPT: Avocado and Mango Trees, Texas Citrus Fruit, Texas Citrus Trees, Florida Citrus, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, Rice, FM Sweet Corn, FM Tomatoes (\$ Plan), unless this cause of loss is provided on the Special Provisions.
HEAT <u>2/</u>	(12)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).
FIS (Failure of irrigation (water) supply)	(13)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Cultivated Clams, Florida Fruit Trees, and Raisins.
FIE (Failure of irrigation equipment)	(14)	ONLY: CRANBERRIES.
HAIL <u>2/</u>	(21)	ALL CROPS EXCEPT: Avocado and Mango Trees, Cultivated Clams, Florida Fruit Trees, and Raisins.
EXCESS SUN	(22)	ONLY: Apples when Sunburn Option in effect.
EXCESS MOISTURE/PRECIP/RAIN <u>2/</u>	(31)	ALL CROPS* EXCEPT: Florida Citrus and Cultivated Clams.
FROST <u>2/</u> , <u>3/</u> (See footnote below.)	(41)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).
FREEZE <u>2/</u> , <u>3/</u> (See footnote below.)	(42)	ALL CROPS EXCEPT: Raisins.

NOTE: Some crop provisions may contain specific cause of loss definitions; e.g., wind, frost, or freeze. Please refer to the crop provisions for any such specifics.

1/ If the insured practice is irrigated, drought cannot be listed as the cause of loss. See PAR. **40 N** for more information.

2/ If the applicable crop provisions list “adverse weather” as a cause of loss, the footnoted cause is considered “adverse weather.” For statistical purposes, RMA, requires that “adverse weather” is broken down into the specific cause; e.g., drought.

3/ Special Provisions may state this is not an insurable cause if this cause occurs after the specified date or for some crops is not an insurable cause if adequate freeze protection is not in effect.

EXHIBIT 3

CAUSE OF LOSS NAMES AND CODES		
LOSS CAUSE	CODE	APPLICABLE TO:
COLD WINTER 2/	(43)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).
COLD WET WEATHER 2/	(44)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).
ICH (Insufficient Chill hrs.)	(45)	ONLY the following: Blueberries, Peaches, and Plums.
FLOOD 2/	(51)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).
GRP CROPS ONLY	(55)	CROPS INSURED UNDER THE GRP PLAN OF INSURANCE.
WIND/EXCESS WIND 1/ (See footnote below.), 2/	(61)	ALL CROPS EXCEPT: Florida Citrus, FM Peppers, Raisins, and FM Tomatoes (\$ Plan).
HOT WIND 2/	(62)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).
CYCLONE 2/	(63)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).
TORNADO 2/	(64)	ALL CROPS EXCEPT: Avocado and Mango Trees, Cultivated Clams, Florida Fruit Trees, and Raisins.
TIDAL WAVE	(65)	ONLY: CULTIVATED CLAMS.
OXYGEN DEPLETION	(66)	ONLY: CULTIVATED CLAMS.
STORM SURGE	(67)	ONLY: CULTIVATED CLAMS.
ASIATIC CITRUS CANCKER	(70)	ONLY: FLORIDA FRUIT TREES.
INSECTS 1/ (See footnote below.)	(71)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, Figs, and Raisins.
PREDATION 3/ (See footnote below.)	(73)	ONLY: CULTIVATED CLAMS.

NOTE: Some crop provisions may contain specific cause of loss definitions; e.g., wind. Please refer to the crop provisions for any such specifics.

1/ Some policies may be limited or restricted for this cause of loss; see the individual crop provisions for specifics.

2/ If the applicable crop provisions list “adverse weather” as a cause of loss, the footnoted cause is considered “adverse weather.” For statistical purposes, RMA, requires that “adverse weather” is broken down into the specific cause; e.g., drought.

3/ This cause of loss is excluded unless allowed by the Special Provisions.

EXHIBIT 3

CAUSE OF LOSS NAMES AND CODES		
LOSS CAUSE	CODE	APPLICABLE TO:
SALINITY	(76)	ONLY: CULTIVATED CLAMS.
DISEASE, AQUACULTURE	(80)	ONLY: CULTIVATED CLAMS.
PLANT DISEASE 3/ (See footnote below.)	(81)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, Figs, and Raisins.
MYCOTOXIN (e.g., AFLATOXIN)	(82)	ALL CROPS* EXCEPT: Almonds, Apples, Avocados (revenue and APH plans), Avocado and Mango Trees, FM Beans, Blueberries, Cabbage, Cherries, Crambe, AZ-CA Citrus, Florida Citrus Fruit, Texas Citrus, Texas Citrus Trees, Chile Peppers, Cultivated Clams, Cucumbers (Processing), Florida Fruit Trees, Figs, Grapes, Table Grapes, Macadamia Nuts, Macadamia Trees, Mint, Peaches, Pears, Pecans, FM Peppers, Plums, Prunes, Raisins, Raspberries/blackberries , (California) Stonefruit, Strawberries, Sweet Potatoes, FM Sweet Corn, FM Tomatoes (\$ and GP Plans), Walnuts, and Winter Squash.
***	***	***
FIRE 4/ (See footnote below)	(91)	ALL CROPS EXCEPT: Avocado and Mango Trees, Cultivated Clams, Florida Fruit Trees, and Raisins.
HURRICANE OR TROPICAL DEPRESSION 1/ (See footnote below), 2/	(92)	ALL CROPS EXCEPT: Avocado and Mango Trees, Texas Citrus Fruit, Texas Citrus Trees, Florida Fruit Trees, Peaches, Raisins, and FM Sweet Corn.
WILDLIFE 3/ (See footnote below.)	(93)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, Pears, Pecans, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).
HOUSE BURN/POLE BURN	(95)	ONLY: Tobacco
EARTHQUAKE	(97)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).
VOLCANIC ERUPTION	(98)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).
OTHER (Snow, Lightning, Etc.) 2/	(99)	ALL CROPS EXCEPT: Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Cultivated Clams, Florida Fruit Trees, FM Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan).

NOTE: Some crop provisions may contain specific cause of loss definitions; e.g., wind. Please refer to the crop provisions for any such specifics.

1/ The Florida Citrus Fruit Crop Provisions lists “Hurricane” as an insured cause of loss, but not “Tropical Depression.”

2/ If the applicable crop provisions list “adverse weather” as a cause of loss, the footnoted cause is considered “adverse weather.” For statistical purposes, RMA, requires that “adverse weather” is broken down into the specific cause; e.g., drought

3/ Some policies may be limited or restricted for this cause of loss; see the individual crop provisions for specifics.

4/ Fire must be due to an act of nature.

EXHIBIT 4

UNITS OF MEASURE OF PRODUCTION *, BY CROP	
CROP NAME	UNIT OF MEASURE
Almonds	Pounds
Apples (Eastern)	Bushels (42 lbs.)
Apples (Colorado)	Bushels (40 lbs.)
Apples (Western)	Boxes (35 lbs. lose/field box)
Avocados California Only (Pilot)	Pounds/Dollars ****
Avocados Florida Only (Pilot)	Bushels
Avocado and Mango Tree (Pilot)	% Stand Dollar *
Barley	Bushels (48 lbs.)
Barley (Malting)	Bushels (48 lbs.)
Beans (Fresh Market) (Pilot)	Pounds/Dollars ****
Beans (Processing)	Tons ***
Blueberries (Pilot)	Pounds
Cabbage (Pilot)	Hundredweight
Canola/Rapeseed	Pounds
Cherries (Pilot)	Pounds/Dollars ****
Chile Peppers, Processing (Pilot)	Pounds/Dollars ****
Citrus (AZ-CA) (Navel, Valencia, Sweet Oranges) (Lemons) (Grapefruit) (Tangerines, Tangelos, Mandarin Oranges)	Cartons (38 lbs.) Cartons (40 lbs.) Cartons (32 lbs.) Cartons (25 lbs.)
Citrus, California Dollar Plan (Pilot) (Navel Oranges)	Cartons (38 lbs.)/Dollars ****
Citrus (FL)	Boxes (85 or 90 lbs.-depends on type)
Citrus (TX)	Tons
Texas Citrus Trees	% Tree Damage/Dollar *
Cultivated Clams (Pilot)	Dollar (Individual Clam Value) ****
Corn (Grain)**	Bushels (56 lbs.)
Corn (Silage)	Tons ***
Cotton	Pounds
Cotton, ELS	Pounds

* For Tree Crops the loss measurement is first based on the % of tree damage, and then the dollar loss is determined from this.

** To convert weight of ear corn to equivalent bushels of shelled corn divide by 70.

*** Tons = 2,000 pounds

**** Claim value by size

EXHIBIT 4

UNITS OF MEASURE OF PRODUCTION*, BY CROP	
CROP NAME	UNIT OF MEASURE
Crambe (Pilot)	Pounds
Cranberries	Barrels (100 lbs.)
Cucumbers, Processing (Pilot)	Bushels (50 lbs.)/Dollars ****
Dry Beans	Pounds (60 lbs. per bu)
Figs	Pounds
Flaxseed	Bushels (56 lbs.)
Florida Fruit Trees (Pilot)	% Stand/Dollar *
Forage Production	Tons ***
Forage Seed (Pilot)	Pounds
Forage Seeding	% Stand/Dollar *
Grain Sorghum	Bushels (56 lbs.)
Grapes	Tons ***
Table Grapes	Lugs (20-21 lbs.**)
Hybrid Corn Seed	Bushels (56 lbs.)
Hybrid Sorghum Seed	Bushels (56 lbs.)
Macadamia Nuts	Pounds
Macadamia Trees	% Tree damage/Dollar *
Millet (Pilot)	Hundredweight
Mint (Pilot)	Pounds
Mustard (Pilot)	Pounds
Nursery	Dollar (Individual Plant Value)
Oats	Bushels (32 lbs.)
Onions	Hundredweight
Peaches	Bushels (50 lbs.)
Peanuts	Pounds
Pears	Tons ***
Peas, dry	Pounds (60 lbs. per Bu.)
Peas, green	Pounds

* For Forage Seeding, the loss measurement is first based on the % of stand, and then the dollar loss is determined from this. For Tree Crops, the loss measurement for a non-Asiatic-Citrus-Canker (ACC) loss is first based on the % of tree damage, and then the dollar loss is determined from this. For trees for which ACC is a covered cause of loss and for which there is an ACC loss, the loss measurement is based on number of trees destroyed and then dollar amount determined from this.

** 20 lbs. in Arizona and Coachella Valley, CA district; 21 lbs. in all other CA districts.

*** Ton = 2,000 pounds

**** Loss measurement is first based on weight/capacity measurement, as shown, then is converted to dollars.

EXHIBIT 4

UNIT OF MEASURE OF PRODUCTION, BY CROP	
CROP NAME	UNIT OF MEASURE
Pecans (Pilot)	Pounds/Dollar **
Peppers	1 1/9 bushels (per box)
Plums	Lugs (28 lbs.)
Popcorn	Pounds
Potatoes (Northern and Central/Southern)	Hundredweight
Prunes	Tons *
Raisins	Tons *
Rangeland (GRP)	Pounds
Raspberries/Blackberries	Crates – California Lbs. – Oregon, Washington
Rice	Pounds (45 lbs. per bu.)
Rye	Bushels (56 lbs.)
Safflowers	Pounds (35 lbs.)
Soybeans	Bushels (60 lbs.)
Strawberries (Pilot)	Pounds/Dollars **
Stonefruit (Apricots) (Nectarines) (Freestone Peaches) (Proc. apricots and Proc. Peaches)	Lugs (24 lbs.) Lugs (25 lbs.) Lugs (22 lbs.) Tons *
Sugar Beets	Tons *
Sugarcane	Pounds
Sugarcane (Hawaiian)	Pounds
Sunflower Seed (Oil)	Pounds (29 lbs. per bu.)
Sunflower Seed (Non-oil)	Pounds (25 lbs. per bu.)
Sweet Corn (Processing)	Tons *
Sweet Corn (Fresh)	Containers (42 lbs.)
Sweet Potatoes (Pilot)	Hundredweight
Tobacco (Guarantee & Quota)	Pounds
Tomatoes (Processing)	Tons *
Tomatoes (Fresh & Fresh Guarantee)	Cartons (25 lbs.)
Walnuts	Pounds
(Cultivated) Wild Rice (Pilot)	Pounds (25 lbs. per bu. for MN & 29 lbs per bu. for CA.)
Winter Squash (Pilot)	Hundredweight/Dollar **
Wheat	Bushels (60 lbs.)

*Ton = 2,000 pounds.

**Loss measurement is first based on weight/capacity measurement, as shown, then is converted to dollars.

EXHIBIT 5

ENTITIES AND DOCUMENTATION CHART

ENTITY	APPLICATION	*SIGNATURE(S) REQUIRED	DOCUMENTATION NEEDED	ID NUMBER
INDIVIDUAL	John C. Doe	John C. Doe	None	Individual EIN or SSN <u>1/</u>
INDIVIDUAL (Including a spouse or individual interest insured under the policy.)	John C. Doe	John C. Doe	None	Individual EIN or SSN <u>3/</u>
INDIVIDUAL	Northam Land Company c/o James T. Anderson	Northam Land Company By James T. Anderson, Sole Owner	None	EIN or SSN of The Owner <u>1/</u>
INDIVIDUAL (Female)	Anna M. Smith (Not Mrs. John C. Smith)	Anna M. Smith (Not Mrs. John C. Smith)	None	EIN or SSN of Individual <u>1/</u>
INDIVIDUAL (Joint & Survivor & Interest)	John W. Doe or Mary C. Doe	(Both must sign) John W. Doe Mary C. Doe	If they are not spouses, statements signed by both parties showing authority of one to act for the other	EIN or SSN of Individual <u>3/</u>
INDIVIDUAL (Minor, Natural Guardian)	John Doe, (minor) by Fred Doe, Guardian	Fred Doe, Guardian for John Doe	Statement signed by minor and guardian showing qualifications as separate entity	EIN or SSN of Minor <u>1/</u>
INDIVIDUAL (Minor Unable To Enter Into Contracts & Incompetent Court-Appointed Guardian)	Frank W. Doe c/o John H. Doe, Guardian	John H. Doe Guardian for Frank W. Doe,	Statements signed by court-appointed guardian showing where court decree can be verified	EIN or SSN of Minor or Incompetent <u>1/</u>
INDIVIDUAL (Authorized Signature)	John C. Doe c/o Richard C. Roe, Authorized Representative	John C. Doe By Richard C. Roe, Under Power of Attorney	Power of Attorney	Individual EIN or SSN of insured <u>1/</u>
CO-OWNERS JOINT OPERATORS	James L. Smith and John A. Brown, Co-Owners James L. Smith and John A. Brown, Joint Operators	(All must sign) James L. Smith John A. Brown	None, if all sign, Or Power of Attorney authorizing signature	Joint Interest EIN or SSN's <u>2/</u>
CORPORATION	ABC Company, Inc. c/o Richard Roe, (Title) First National Bank of Dallas c/o John H. Doe, (Title)	ABC Company, Inc. By Richard Roe, (Title) First National Bank of Dallas By John H. Doe, (Title)	Statements where articles of incorporation are on file. Application must be signed by authorized officer of the Corporation.	EIN For the Corporation <u>3/</u>
ESTATE	Estate of Richard Roe, Deceased, c/o John H. Doe, Executor (or Administrator)	Estate of Richard Roe, Deceased, by John H. Doe Executor (or Administrator)	Statement advising where authority can be found	Estate EIN Or Deceased SSN or EIN

1/ If EIN, Individual MUST be listed as SBI and SSN provided

2/ All ENTITIES/PERSONS Insured must be listed as SBI and EIN or SSN provided

3/ SSN of any individual holding a 10% or more interest; EIN if not individual.

EXHIBIT 5

ENTITY	APPLICATION	*SIGNATURE(S) REQUIRED	DOCUMENTATION NEEDED	ID NUMBER
TRUST (BIA) (Irrevocable) (Revocable)	John H. Doe Trust, c/o Richard Roe, Trustee or Administrator	John H. Doe, Trust by Richard Roe, Trustee or Administrator	Statement advising where authority can be found	EIN for Trust Or SSN Reported for the Trust <u>3/</u>
	Jones, Brown, Smith c/o Richard Roe, Trustee	Jones, Brown, Smith By Richard Roe, Trustee		EIN of Trust or SSN Reported for the Trust <u>3/</u>
	(Name of Trust) BIA Trust 0016	BIA Trust 0016 by John Doe Trustee or Power of Attorney	Statement advising where authority can be found	State County BIA# Example: 01 201 0016
	Ralph R. Doe, Trust, c/o Richard Roe, Trustee or Administrator	Ralph R. Doe Trust, c/o Richard Roe, Trustee or Administrator	Statement advising where authority can be found	EIN for Trust or SSN Reported for the Trust <u>3/</u>
	John H. Doe, Trust, c/o Richard Roe, Trustee or Administrator	John H. Doe, Trust, c/o Richard Roe, Trustee or Administrator	Statement advising where authority can be found	EIN for Trust or SSN Reported for the Trust <u>3/</u>
RECEIVER OR LIQUIDATOR	XYZ Company c/o John H. Doe, Receiver (or Liquidator)	XYZ Company By John H. Doe, Receiver or Liquidator & Court-Appointed	Statement advising where authority can be found	EIN of Named Insured or Correspondent's EIN and/or SSN
PUBLIC AGENCY (a state, a political subdivision of a state (county or parish), or any agency thereof)	Brown County Farms c/o Richard R. Roe Farm Manager	Brown County Farms By Richard R. Roe, Farm Manager (Other Authorized Title Acceptable)	Statement advising where authority can be found	EIN if issued
	State of Ohio, Board of Aeronautics, c/o John H. Doe, Director	State of Ohio, Board of Aeronautics, By John H. Doe, Director (Other Authorized Title Acceptable)		
	Fairtown Farms c/o I.M. Boss, City Mgr.	Fairtown Farms By I.M. Boss, City Mgr. (Other Authorized Title Acceptable)		
ASSOCIATION, CLUB OTHER TAX-EXEMPT ORGANIZATION	Park and Recreation Association c/o John H. Doe, Treasurer	Park and Recreation Association By John H. Doe, Treasurer	Statement advising where authority can be found	EIN for the Organization
PARTNERSHIP (Written or Verbal)	Jones and Smith, A Partnership c/o Sam Jones	Jones and Smith, A Partnership By Sam Jones, A Partner	Statement signed by all partners certifying they are members of the partnership	Partnership EIN <u>3/</u>

1/ If EIN, Individual MUST be listed as SBI and SSN provided

2/ All ENTITIES/PERSONS Insured must be listed as SBI and EIN or SSN provided

3/ SSN of any individual holding a 10% or more interest; EIN if not individual.

EXHIBIT 6

HAIL/FIRE EXCLUSION APPRAISAL FACTOR CHART

The following table lists the appraisal factors for the following levels of coverage when the percent of hail/fire loss exceeds the difference between 100% and the level of coverage percent.

% Hail Damage	65%	70%	75%	80%	85%
15%	0	0	0	0	0
16%	0	0	0	0	.0118
17%	0	0	0	0	.0236
18%	0	0	0	0	.0354
19%	0	0	0	0	.0472
20%	0	0	0	0	.0590
21%	0	0	0	.0125	.0708
22%	0	0	0	.0250	.0826
23%	0	0	0	.0375	.0944
24%	0	0	0	.0500	.1062
25%	0	0	0	.0625	.1180
26%	0	0	.0133	.0750	.1298
27%	0	0	.0267	.0875	.1416
28%	0	0	.0400	.1000	.1534
29%	0	0	.0533	.1125	.1652
30%	0	0	.0667	.1250	.1770
31%	0	.0143	.0800	.1375	.1888
32%	0	.0286	.0933	.1500	.2006
33%	0	.0429	.1067	.1625	.2124
34%	0	.0571	.1200	.1750	.2242
35%	0	.0714	.1333	.1875	.2360
36%	.0154	.0857	.1467	.2000	.2478
37%	.0308	.1000	.1600	.2125	.2596
38%	.0462	.1143	.1733	.2250	.2714
39%	.0615	.1286	.1867	.2375	.2832
40%	.0769	.1429	.2000	.2500	.2950
41%	.0923	.1571	.2133	.2625	.3068
42%	.1077	.1714	.2267	.2750	.3186
43%	.1231	.1857	.2400	.2875	.3304
44%	.1385	.2000	.2533	.3000	.3422
45%	.1538	.2143	.2667	.3125	.3540
46%	.1692	.2286	.2800	.3250	.3658
47%	.1846	.2429	.2933	.3375	.3776
48%	.2000	.2571	.3067	.3500	.3894
49%	.2154	.2714	.3200	.3625	.4012
50%	.2308	.2857	.3333	.3750	.4130
51%	.2462	.3000	.3467	.3875	.4248
52%	.2615	.3143	.3600	.4000	.4366
53%	.2769	.3286	.3733	.4125	.4484
54%	.2923	.3429	.3867	.4250	.4602
55%	.3077	.3571	.4000	.4375	.4720
56%	.3231	.3714	.4133	.4500	.4838
57%	.3385	.3857	.4267	.4625	.4956
58%	.3538	.4000	.4400	.4750	.5074
59%	.3692	.4143	.4533	.4875	.5192
60%	.3846	.4286	.4667	.5000	.5310
61%	.4000	.4429	.4800	.5125	.5428
62%	.4154	.4571	.4933	.5250	.5546
63%	.4308	.4714	.5067	.5375	.5664
64%	.4462	.4857	.5200	.5500	.5782

EXHIBIT 6

% Hail Damage	65%	70%	75%	80%	85%
65%	.4615	.5000	.5333	.5625	.5900
66%	.4769	.5143	.5467	.5750	.6018
67%	.4923	.5286	.5600	.5875	.6136
68%	.5077	.5429	.5733	.6000	.6254
69%	.5231	.5571	.5867	.6125	.6372
70%	.5385	.5714	.6000	.6250	.6490
71%	.5538	.5857	.6133	.6375	.6608
72%	.5692	.6000	.6267	.6500	.6726
73%	.5846	.6143	.6400	.6625	.6844
74%	.6000	.6286	.6533	.6750	.6962
75%	.6154	.6429	.6667	.6875	.7080
76%	.6308	.6571	.6800	.7000	.7198
77%	.6462	.6714	.6933	.7125	.7316
78%	.6615	.6857	.7067	.7250	.7434
79%	.6769	.7000	.7200	.7375	.7552
80%	.6923	.7143	.7333	.7500	.7670
81%	.7077	.7286	.7467	.7625	.7788
82%	.7231	.7429	.7600	.7750	.7906
83%	.7385	.7571	.7733	.7875	.8024
84%	.7538	.7714	.7867	.8000	.8142
85%	.7692	.7857	.8000	.8125	.8260
86%	.7846	.8000	.8133	.8250	.8378
87%	.8000	.8143	.8267	.8375	.8496
88%	.8154	.8286	.8400	.8500	.8614
89%	.8308	.8429	.8533	.8625	.8732
90%	.8462	.8571	.8667	.8750	.8850
91%	.8615	.8714	.8800	.8875	.8968
92%	.8769	.8857	.8933	.9000	.9086
93%	.8923	.9000	.9067	.9125	.9204
94%	.9077	.9143	.9200	.9250	.9332
95%	.9231	.9286	.9333	.9375	.9440
96%	.9385	.9429	.9467	.9500	.9558
97%	.9538	.9571	.9600	.9625	.9676
98%	.9692	.9714	.9733	.9750	.9794
99%	.9846	.9857	.9867	.9875	.9912
100%	1.0000	1.0000	1.0000	1.0000	1.0000

Instructions for using the “Decimal Part of a Percent” chart below: Add the whole number to the decimal %.
 Example: 58.7 hail damage @ 65 % level of coverage (.3538 + .0108) = .3646 appraisal factor
 .3646 X guarantee per acre = appraisal for uninsured causes.

	65%	70%	75%	80%	85%
.1	.0015	.0014	.0013	.0013	.0012
.2	.0031	.0029	.0027	.0025	.0024
.3	.0046	.0043	.0040	.0038	.0035
.4	.0062	.0057	.0053	.0050	.0047
.5	.0077	.0071	.0067	.0063	.0059
.6	.0092	.0086	.0080	.0075	.0071
.7	.0108	.0100	.0093	.0088	.0083
.8	.0123	.0114	.0107	.0100	.0094
.9	.0138	.0129	.0120	.0113	.0106