

United States  
Department of  
Agriculture



Federal Crop Insurance  
Corporation



Product  
Development  
Division

FCIC 25300 (02-1999)  
FCIC 25300-1 (03-1999)  
FCIC-25300-2 (01-2001)  
FCIC-25300-3 (05-2001)  
FCIC-25300-4 (05-2002)  
FCIC-25300-5 (06-2002)

# PEA LOSS ADJUSTMENT STANDARDS HANDBOOK

**2002 and Succeeding Crop Years**

**(For Green Pea and Dry Pea Policies)**



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

<b>FEDERAL CROP INSURANCE HANDBOOK</b>		<b>NUMBER:</b> 25300 (02-1999) 25300-1 (03-1999) 25300-2 (01-2001) 25300-3 (05-2001) 25300-4 (05-2002) 25300-5 (06-2002)
<b>SUBJECT:</b>  PEA LOSS ADJUSTMENT STANDARDS HANDBOOK 2002 AND SUCCEEDING CROP YEARS	<b>DATE: JUNE 18, 2002</b>	
	<b>OPI: Product Development Division</b>	
	<b>APPROVED:</b> /s/ Tim B. Witt Deputy Administrator, Research and Development	

**THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-APPROVED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2002 AND SUCCEEDING CROP YEARS. IN THE ABSENCE OF INDUSTRY-DEVELOPED, FCIC-APPROVED PROCEDURE FOR THIS CROP FOR 2002 AND SUCCEEDING CROP YEARS, ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.**

**SUMMARY OF CHANGES/CONTROL CHART**

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

**Changes for Crop Year 2002 (FCIC-25300-5) issued JUNE 2002:**

Corrected Items I and K<sub>1</sub> - Test Wt. in Part 9 CLAIM FORM ENTRIES AND COMPLETION PROCEDURES, SECTION II – HARVESTED PRODUCTION to clarify existing language.

**PEA LOSS ADJUSTMENT STANDARDS HANDBOOK**

**SUMMARY OF CHANGES/CONTROL CHART (Continued)**

Control Chart for: Pea Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Remove	1-2		33-34		05-2002	FCIC-25300-4
	3-4				01-2001	FCIC-25300-2
Insert	1-2		33-34		06-2002	FCIC-25300-5
					06-2002	FCIC-25300-5
Current Index	1-2	1-2	1-2		06-2002	FCIC-25300-5
			3-4.2		02-1999	FCIC-25300
			5-6		02-1999	FCIC-25300
			7-8		01-2001	FCIC-25300-2
			9-10		02-1999	FCIC-25300
			11-12		01-2001	FCIC-25300-2
			13-16		02-1999	FCIC-25300
			17-18		03-1999	FCIC-25300-1
			19-20		02-1999	FCIC-25300
			21-26		01-2001	FCIC-25300-2
			27-28		02-1999	FCIC-25300
			29-30		01-2001	FCIC-25300-2
			31-32		02-1999	FCIC-25300
			33-34		06-2002	FCIC-25300-5
			35-36		02-1999	FCIC-25300
			37-40		03-1999	FCIC-25300-1
			41-44		02-1999	FCIC-25300
			45-46		01-2001	FCIC-25300-2

**NOTE:** The base contract price(s) must agree with the acreage report. If the insured has contracts with two or more different processors showing different prices per pound, record on separate lines and explain on a Special Report.

If an insured receives a regular payment for harvested green peas PLUS a special payment (such as a “bonus” to fulfill a guarantee in the processor contract), use only the regular payment received when dividing by the contract price per pound. Identify SEPARATELY any “special/bonus” payments in the Narrative. Determine whether the regular payment(s) for harvested production is a reasonable amount.

**SHELL TYPE AND POD TYPE GREEN PEAS HARVESTED AS DRY PEAS (if consent has been given to harvest as dry peas):** Enter to the nearest whole pound, the amount of **dry pea production** after deduction of dockage.

**NOTE:** No quality adjustment is allowed on this production.

**CONTRACT SEED PEAS -** Enter the result of the total dollar amount paid or payable from the seed company, or which should have been paid under the terms of the seed company contract for the quality and quantity of the seed peas delivered, divided by the base contract price per pound to five places (document price per pound in the narrative). The base contract price must agree with the acreage report.

**NOTE:** No quality adjustment is allowed on this production.

If contract seed peas have no market value (rejected for low germination), enter zero (“0”) pounds and explain in the Narrative.

**DRY PEAS** -Enter the gross production in whole pounds, before deductions for moisture, dockage, and foreign material, for production:

- a. Weighed and stored on the farm.
- b. Sold or Stored in commercial storage - Obtain gross production for the UNIT from the summary and/or settlement sheets. (Individual load slips only WILL NOT suffice unless the storage facility or buyer WILL NOT provide summary and/or settlement sheets to the insured, and this is documented in the narrative.)
- c. Stored in odd-shaped structures, conical piles, or a cone on the top or bottom of a bin - The adjuster must compute the amount of gross production. (Refer to the LAM for cubic footage and production computations). A copy of ALL production calculations must be left in the file folder.

**NOTE: For farm stored production, calculate the pounds of production as follows: Column “H” times Column “M<sub>1</sub>” (actual test weight). rounded to the nearest whole pound.**

**NOTE:** For mycotoxin-infected peas, enter ALL production even if it has no market value.

J. **Shell/Sugar Factor:** MAKE NO ENTRY.

K<sub>1</sub> **FM%:**

**GREEN PEAS** - MAKE NO ENTRY.

**DRY PEAS** - Enter the dockage/foreign material which the buyer deducted or could deduct from the gross production.

**NOTE:** Dockage as defined in the current United States Standards for Whole Dry Peas, Split Peas, and Lentils (U.S. Standards) is allowed provided that the dockage is due to insurable cause. In addition, foreign material **in dockage-free dry peas is allowed.**

**EXAMPLE:** If the Commodity Certificate from the Federal Grain Inspection Service shows 4.5% "Total Dockage" listed under "Dockage" and .4% "Foreign Material" listed under "Defects and Foreign Material," the result of adding the two percentages together would be 4.9%. "951" would be entered in item K<sub>2</sub>. NO other percentages listed under "Defects and Foreign Material" on the Commodity Certificate will be considered as part of the "**dockage entry**" in item K<sub>1</sub>.

K<sub>2</sub> **Factor:** For dockage (as defined above), enter the three place factor determined by subtracting the percent of dockage/FM from 1.000.

**Example:** For 4 percent, enter ".960." Subtract the entry in K<sub>1</sub> from 100 and divide by 100.

L<sub>1</sub> - L<sub>2</sub> MAKE NO ENTRY.

M<sub>1</sub> **Test Wt.:**

**GREEN PEAS** - MAKE NO ENTRY.

**DRY PEAS** – Enter test weight (ONLY when structure measurements are entered) in whole pounds (or pounds to tenths IF so instructed by the insurance provider). Refer to the LAM for instructions on determining test weight.

M<sub>2</sub> **Factor:**

**GREEN PEAS** - MAKE NO ENTRY.

**DRY PEAS** - MAKE NO ENTRY.

**NOTE:** Do not enter a factor when there are bin measurements. The peas have been converted to actual pounds in column "T" above, therefore, no further adjustment is necessary. Column "H" instructions require bushels to tenths.

N. **Adjusted Production:**

**GREEN PEAS** - Enter figure from Column "T".

**DRY PEAS** - Result of multiplying column I by column "K<sub>2</sub>"(when a factor has been entered in K<sub>2</sub>), round to whole pounds.

**NOTE:** The test weight factor is not used in this step. The production was previously converted to the actual whole pounds in Column "T" (refer to Column "I c").