

United States  
Department of  
Agriculture



Federal Crop Insurance  
Corporation



Product  
Administration &  
Standards  
Division

# FRESH MARKET TOMATO (DOLLAR PLAN) LOSS ADJUSTMENT STANDARDS HANDBOOK

FCIC-25180 (09-1999)  
FCIC-25180-1(08-2008)

2009 and Succeeding Crop Years



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

<b>FEDERAL CROP INSURANCE HANDBOOK</b>		<b>NUMBER: 25180-1</b>
<b>SUBJECT:</b>	<b>OPI: Product Administration and Standards Division</b>	
<b>FRESH MARKET TOMATO (DOLLAR PLAN) LOSS ADJUSTMENT STANDARDS HANDBOOK 2009 AND SUCCEEDING CROP YEARS</b>	<b>APPROVED:</b>  <i>/S/ Tim B. Witt</i>  <b>Deputy Administrator, Product Management</b>	<b>DATE:</b>  <i>8/15/08</i>

**THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-ISSUED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2009 AND SUCCEEDING CROP YEARS. ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.**

**SUMMARY OF CHANGES/CONTROL CHART**

The following list contains significant changes to this handbook, as determined by us. It may not represent all changes made. All changes made to this handbook are applicable regardless of whether or not listed.

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

Changes for Crop Year 2009 (FCIC-25180-1) issued **AUGUST 2008:**

- A. **Section 6 C (8)** - Changed the average number of pounds per carton for cherry, grape, and plum tomatoes to 25 pounds.
- B. **Section 8 B, Item 18** – Changed the number of pounds per carton to 25 pounds for cherry, grape, globe, and plum tomatoes.
- C. **Section 8 D, Item 14** – Added Column for Minimum Value/Minimum Value Option I and II entries.
- D. **Section 8 D, Item 15** - Revised Total Value Per Load calculation in order to coincide with the Crop Provisions.
- E. **Summary of Harvested Production Illustration** – Inserted Column 14, Minimum Value and revised applicable column headings for clarification purposes.
- F. Revised according to current RMA approved standard language.
- G. **Subsection 9 C, Section II, Column “Q<sub>1</sub>”** – Revised instructions to clarify that entry will come from Summary of Harvested Production Worksheet, Item 20.

**FRESH MARKET TOMATO (DOLLAR PLAN)  
LOSS ADJUSTMENT STANDARDS HANDBOOK**

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

<b>Control Chart For: Fresh Market Tomato (Dollar Plan) Loss Adjustment Standards Handbook</b>						
	<b>SC Page(s)</b>	<b>TC Page(s)</b>	<b>Text Page(s)</b>	<b>Reference Material</b>	<b>Date</b>	<b>Directive Number</b>
Remove	1-2		13-14 17-18 21-24 35-36		09-1999 09-1999 09-1999 09-1999	FCIC-25180 FCIC-25180 FCIC-25180 FCIC-25180
Insert	1-2		13-14 17-18 21-24 35-36		08-2008 08-2008 08-2008 08-2008	FCIC-25180-1 FCIC-25180-1 FCIC-25180-1 FCIC-25180-1
Current Index	1-2	1-2	1-12 13-14 15-16 17-18 19-20 21-24 25-34 35-36 37-40	41-43	08-2008 09-1999 08-2008 09-1999 08-2008 01-1999 08-2008 09-1999 08-2008 09-1999	FCIC-25180-1 FCIC-25180 FCIC-25180-1 FCIC-25180 FCIC-25180-1 FCIC-25180 FCIC-25180-1 FCIC-25180 FCIC-25180-1 FCIC-25180

- (8) The average number of pounds for the samples divided by the number of pounds per carton (25 lbs.) equals the average number of cartons in the samples. The average number of pounds per carton for cherry, grape, and plum tomatoes will be 25 pounds.
- (9) The average number of cartons in the samples multiplied by the acreage factor (1000 for 1/1000 acre or 100 for 1/100 acre) equals the average number of cartons per acre.

## **7. APPRAISAL DEVIATIONS AND MODIFICATIONS**

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### **A. DEVIATIONS**

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

### **B. MODIFICATIONS**

There are no pre-established modifications or deviations in this handbook. See the LAM for additional information.

## **8. APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES**

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### **A. GENERAL INFORMATION**

- (1) Include the insurance provider's name in the appraisal worksheet title if not preprinted on the insurance provider's worksheet, when a worksheet entry is not provided.
- (2) Include the claim number on the appraisal worksheet (when required by the insurance provider), when a worksheet entry is not provided.
- (3) Separate appraisal worksheets are required for each unit appraised and field or subfield with a different farming practice. Refer to section 5 for sampling instructions.
- (4) The minimum value option I and II are applicable only to harvested production.
- (5) An appraisal for potential production is to be completed on any probable loss unit acreage that has **not** been harvested the prescribed number of times.
- (6) Standard appraisal worksheet items are numbered consecutively in subsection B. An example appraisal worksheet is also provided to illustrate how to complete entries.

## **B. WORKSHEET ENTRIES AND COMPLETION INFORMATION**

### **PLANTING TO FRUIT SET AND REPLANT**

**Verify or make the following entries:**

**Item  
No.**

**Information Required**

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

**Claim No.:** Claim number as assigned by the insurance provider, if required.

1. **Insured's Name:** Name of insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy No.:** Insured's assigned policy number.
3. **Unit No.:** Five digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
4. **Stage:** Production stage at time of damage (e.g. 1, 2, 3, or 4). See section 5.
5. **Fraction of An Ac.:** Use 1/100 of an acre. See section 5 for sample row length.
6. **Crop:** "Fresh Market Tomatoes" (0086).
7. **Crop Year:** Crop year, as defined in the policy, for which the claim has been filed.
8. **Planting Period:** Planting period (e.g. Fall, Winter, or Spring). See the Summary of Coverage for the planting date and the actuarial documents to determine the planting period.
9. **Row Width:** Row width, rounded to the nearest whole foot.
10. **Plant Spacing:** Plant spacing within the row in whole inches (e.g., 18 inches).
11. **Fld. ID:** Field identification symbol.
12. **Acres:** Number of determined acres, to tenths, in field or subfield being appraised.
13. **Planting Date:** Planting date in month/day/year format. See the Summary of Coverage for the planting date.
14. **Number of Surviving Plants/Sample Plot:** Number of surviving plants in sample plot (1/100 Acre)
15. **Number of Original Plants/Sample Plot:** Number of original plants in sample plot.

## AFTER FRUIT SET

Verify or make the following entries:

**Item  
No.**

**Information Required**

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

**Claim No.:** Claim number as assigned by the insurance provider, if required.

1. **Insured's Name:** Name of the insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy No.:** Insured's assigned Policy Number.
3. **Unit No.:** The five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
4. **Crop:** "Fresh Market Tomatoes" (0086).
5. **Crop Year:** Crop year, as defined in the policy, for which the claim has been filed.
6. **Planting Period:** Planting period (e.g. Fall, Winter, or Spring). See the Summary of Coverage for the planting date and the actuarial documents to determine planting period.
7. **Row Width:** Row width, rounded to the nearest whole foot.
8. **Field ID:** Field identification symbol.
9. **Acres:** Determined acres (to tenths) in the field or subfield.
10. **Stage:** Production stage at time of damage (e.g., 1, 2, 3, or 4). See section 5.
11. **Fraction of an Acre:** Fraction of acre used to complete the appraisal (1/1000, or 1/100). See section 5 for sample row length.
12. **Tomatoes in each Sample:** Enter the number of:
  - a. Tomatoes which have potential to reach the mature stage by the end of the insurance period if the acreage has **NOT** been harvested the prescribed number of times.
  - b. Unharvested mature green and ripe tomatoes for:
    - (1) Globe-type 6 X 7 and larger tomatoes remaining on acreage harvested the second time for ground-cultured, or the third time for staked tomatoes.
    - (2) Cherry-type 3/4 inch and larger tomatoes remaining on acreage harvested the fifth time for ground-cultured or staked tomatoes.

- (3) Plum-type 2 inches long and 1.5 inches diameter tomatoes remaining on acreage harvested the second time for ground-cultured, or the third time for staked tomatoes.

13. **Total No. Tomatoes in all Samples:** Sum the number of tomatoes in each sample entry for the field or subfield (item 12).
14. **No. Sample Plots:** Total number of sample plots for the field or subfield (item 12).
15. **Average No. Tomatoes Sample:** Result (to tenths) of dividing total number of tomatoes in all samples (item 13) by total number sample plots (item 14).
16. **Average Weight of One Tomato in Lbs.:** Enter “.3125” for (globe-type) tomato appraisals prior to the second picking, “.25” for the second picking and thereafter for the acreage, unless a calculated average weight is used.

**NOTE:** For cherry, grape, and plum tomatoes the calculated average weight method will be used. See section 6.

17. **Average No. Pounds Per Sample:** Result, to tenths, of multiplying average number of tomatoes per sample (item 15) by average weight of one tomato (item 16).

18. **No. Lbs. Per Carton:** Enter “25” for cherry, grape, globe, and plum tomatoes.

19. **Average Number of Cartons in Sample:** Result (to thousandths) of dividing average pounds per sample (item 17) by pounds per carton (item 18), rounded to three decimal places.

20. **Acreage Factor:** If entry in fraction of an acre (item 11) is 1/1000, enter “1000” or 1/100, enter “100.”

21. **Average Number Cartons per Acre:** Result of multiplying average number of cartons (item 19) by acreage factor (item 20). Round to nearest whole carton.

22. **Remarks:** Specify, by line, the number of harvests which have been completed on the acreage and which appraisals have been reduced by 30 cartons per acre, as applicable.

23. **Insured Signature and Date:** Insured’s (or insured’s authorized representative’s) signature and date. BEFORE obtaining insured’s signature, REVIEW ALL ENTRIES on the Appraisal Worksheet WITH THE INSURED, particularly explaining codes, etc., which may not be readily understood.

24. **Adjuster Signature, and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insured’s authorized representative) has signed. If the appraisal is performed prior to signature date, document the date of appraisal in the Remarks/Narrative section of the Appraisal Worksheet (if available); otherwise, document the appraisal date in the Narrative of the Production Worksheet.



## **C. SUMMARY OF HARVESTED PRODUCTION WORKSHEET ENTRIES AND COMPLETION INFORMATION**

- (1) Use this worksheet to record production of marketable fresh market tomatoes which are harvested. Use separate Summary of Harvested Production Worksheets for:
  - (a) Harvested production, U-Pick production (including “penhookers,” etc.), and unsold production.
  - (b) Each packer or processor.Scavenged (“penhooker”) tomatoes and other production harvested and sold to other than the packing house is to be reported as “Au-pick.”
- (2) Packout computer printout sheets may be used to record harvested production in lieu of the Summary of Harvested Production Worksheets, provided that they establish the total value per load in the same manner with no load valued at less than zero after subtracting allowable costs. (See Special Provisions for allowable costs.) File a copy of the printout sheets in the contract folder.
- (3) Allowable cost of harvested production will include only those allowable costs shown in the Special Provisions including picking, grading, packing containers, and selling, not to exceed the amount shown in the Special Provisions. The actual allowable costs can be obtained from the grower. Allowable costs are to be deducted only for production actually packed.
- (4) This worksheet is used to determine average value per carton actually received for harvested production. Actual value according to the crop provisions or Minimum Value Option I or Option II, if applicable, is recorded on the production worksheet.

### **Verify or make the following entries:**

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

**Claim No.:** Claim number as assigned by the insurance provider, if required.

1. **Insured’s Name:** Name of the insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
2. **Crop:** “Fresh Market Tomatoes” (0086).
3. **Crop Year:** Crop year, as defined in the policy, for which the claim has been filed.
4. **Policy No.:** Insured’s assigned policy number.
5. **Planting Period:** Planting period (e.g., Fall, Winter, or Spring). See the Summary of Coverage for the planting date and the actuarial documents to determine planting period.
6. **Unit Number:** Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
7. **Name, Address, and Phone No. of Buyer/Packer:** Name, address, and telephone number of the buyer/packer of the production. MAKE NO ENTRY for unsold production.

If applicable, identify the minimum value option selected in the lower right hand corner of item 7.

8. **Sale Date:** Enter date the load was sold. Enter “unsold” for unsold production (harvested and/or packed but could not be sold due to insured causes).
9. **Load No.:** Ticket number of the load. For unsold production enter the number of the USDA certificate of inspection, if available, and attach a copy of the certificate to the appraisal worksheet. Enter “u-pick” for u-pick and penhooker production.
10. **No. of Boxes/Cartons:** Circle cartons. For packed production, enter the number of cartons per load. For u-pick, penhooker, and unsold production, enter the number of cartons of such production.
11. **Gross Value:** Circle cartons. Enter the value per carton, determined by dividing the gross value of sales (from the sales invoice) by the number of cartons sold, rounded to dollars and cents. For unsold production, MAKE NO ENTRY.
12. **Allowable Cost:** Enter the allowable cost (for packed production only). See the Special Provisions. If the actual allowable cost is less than the value provided in the Special Provisions, enter the actual allowable cost. For u-pick and penhooker production enter “0.” For unsold production, MAKE NO ENTRY.
- Gassing and palletizing costs should neither be considered gross sales income for fresh market tomatoes nor included as allowable costs.
13. **Net Value:** Subtract allowable cost (item 12) from value per carton (item 11). If the value is negative enter “0.00” MAKE NO ENTRY for unsold production.

14. **Minimum Value:**

Enter one of the following, as applicable:

- a. Minimum Value as stated in the Special Provisions, if no minimum value option is selected;
- b. Minimum Value Option I price as stated in the Special Provisions, if Minimum Value Option I is elected; or
- c. Minimum Value Option II price as stated in the Special Provisions, if Minimum Value Option II is elected.

Refer to the crop provisions for more information on minimum value, minimum value option I, and minimum value option II.

15. **Total Value per Load:** Enter the results in dollars and cents.

- a. Multiply number of boxes (item 10) by the greater of:
  - (1) Net Value (item 13); or
  - (2) Minimum Value (item 14).
- b. For unsold production, MAKE NO ENTRY.

16. **Total Boxes/Cartons:** Sum the number of boxes for all loads from number of boxes column (item 10).

17. **Total (\$) All Loads:** Sum total dollar value for all loads from total value per load column (item 14).

## PART II – WEIGHTED VALUE

18. **Total (\$) All Loads:** Transfer entry from item 16.

19. **Total Boxes/Cartons:** Transfer entry from item 15.

20. **Value per Box/Carton:** Divide total dollars for all loads (item 17) by total boxes/cartons/crates (item 18). Enter the result in dollars and cents.

**The following required entries are not illustrated on the Summary of Harvested Production Worksheet example below.**

21. **Insured Signature and Date:** Insured's (or insured's authorized representative's) signature and date. BEFORE obtaining the signature, REVIEW ALL ENTRIES on the appraisal worksheet WITH THE INSURED (or insured's authorized representative), particularly explaining codes, etc., which may not be readily understood.

22. **Adjuster Signature, Code Number, and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insured's authorized representative) has signed.

**Page:** Page numbers – (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.)

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## **9. CLAIM FORM ENTRIES AND COMPLETION PROCEDURES**

### **A. GENERAL INFORMATION**

- (1) The claim form (hereafter referred to as “Production Worksheet”) is a progressive form containing all notices of damage for all preliminary, replant, and final inspections on a unit.
- (2) If a Production Worksheet has been prepared on a prior inspection, verify each entry and enter additional information as needed. If a change or correction is necessary, strike out all entries on the line and re-enter correct entries on a new line. The adjuster and insured should initial any line deletions.
- (3) Refer to the LAM for instructions regarding the following:
  - (a) Acreage report errors.
  - (b) Delayed notices and delayed claims.
  - (c) Corrected claims or fire losses (double coverage) and cases involving uninsured causes of loss, unusual situations, controversial claims, concealment, or misrepresentation.
  - (d) Claims involving a Certification Form (when all the acreage on the unit has been appraised to be put to another use, when acreage is being appraised for a replanting payment and all acreage on the unit has been initially planted, or other reasons described in the LAM).
  - (e) “No Indemnity Due” claims (which must be verified by an APPRAISAL or NOTIFICATION from the insured that the production exceeded the guarantee).
- (4) The adjuster is responsible for determining if any of the insured’s requirements under the notice and claim provisions of the policy have not been met. If any have not, the adjuster should contact the insurance provider.
- (5) Instructions labeled “**PRELIMINARY**” apply to preliminary inspections only. Instructions labeled “**REPLANT**” apply to replant inspections only. Instructions labeled “**FINAL**” apply to final inspections only. Instructions not labeled apply to ALL inspections.

### **B. FORM ENTRIES AND COMPLETION INFORMATION**

Verify or make the following entries:

**Item**

**No.            Information Required**

1.            **Crop/Code #:** “Fresh Tomatoes” (0086).

- d. If the case involves a Certification Form, enter the date from the Certification Form when the entire unit is put to another use, replanting is complete for the unit, etc. See the LAM.

19. **Similar Damage:**

**PRELIMINARY:** MAKE NO ENTRY.

**REPLANT AND FINAL:** Check “Yes” or “No.” Check “Yes” if amount and cause of damage due to insurable causes is similar to the experience of other farms in the area. If “No” is checked, explain in the narrative.

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

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

- A<sub>1</sub>. **Share:** RECORD ONLY VARYING SHARES on SAME unit to three decimal places.

- A<sub>2</sub>. **Field ID:** If only one practice and/or type of harvested production is listed in Section I, MAKE NO ENTRY. If more than one practice and/or type of harvested production is listed in Section I, indicate for each practice/type the corresponding Field ID (from Section I, **Column** “A”).

B. - E. **Length or Diameter, Width, Depth, and Deduction:**

- a. For production stored or sold, enter the name and address of the buyer, packinghouse, or processor as applicable.
- b. For unsold marketable production enter “UNSOLD.”
- c. For u-pick production sold off insurable acreage, enter “U-PICK.”

F. - H. MAKE NO ENTRY.

I. **Bu., Ton, Lbs., Cwt.:**

- a. Line through Bu., Ton, Lbs., CWT. (~~Bu., Ton, Lbs., CWT~~) and enter “Ctns.”
- b. Total harvested sold or unsold production in whole cartons (from item 18 Summary of Harvested Production). Account for production harvested but not delivered to a packing house separately from packed production.

- c. The insured is obligated to provide the number of cartons of “u-pick” (and penhooker) production harvested from insurable acreage. If the insured will not or cannot provide the number of cartons harvested from “u-pick” acreage and the value or number of cartons for such production cannot be determined, not less than the amount of insurance per acre must be assigned for the actual acres affected.

J. - M.<sub>2</sub>. MAKE NO ENTRY.

N. **Adjusted Production:** Enter whole cartons from column “I.”

O. **Prod. Not to Count:**

- a. Number of cartons from harvested acreage damaged solely by uninsured causes.
- b. If production records are NOT available from acreage damaged solely by uninsured causes, MAKE NO ENTRY.

**NOTE:** THIS ENTRY MUST NEVER EXCEED PRODUCTION SHOWN ON THE SAME LINE. EXPLAIN ANY “PRODUCTION NOT TO COUNT” IN THE NARRATIVE.

P. **Production:** Result of subtracting the entry in Column “O” from Column “N.”

Q<sub>1</sub>. **Value:** Enter the dollars and cents value per carton for harvested sold and unsold marketable tomatoes.

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- a. For SOLD production, enter the value per carton from item 20 of the Summary of Harvested Production. This entry may not be less than zero for any carton of tomatoes.

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- b. For UNSOLD MARKETABLE production, enter not less than the applicable minimum value per carton as listed in the Special Provisions.

- c. For UNSOLD, UNMARKETABLE production damaged or defective due to insurable causes, enter “0.00.”

Q<sub>2</sub> . - R.. MAKE NO ENTRY.

S. **Production to Count:** Production from Column “P” times Column “Q<sub>1</sub>,” rounded to whole dollars.