

United States
Department of
Agriculture



Federal Crop
Insurance
Corporation



Product
Development
Division

FCIC-25010 (01-1998)
FCIC-25010-1 (05-1998)
FCIC-25010-2 (05-1999)


LOSS ADJUSTMENT MANUAL (LAM)

Also Known As

**GENERAL LOSS
ADJUSTMENT
STANDARDS (GLAS)**

1999 and Succeeding Crop Years

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

| | |
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| FEDERAL CROP INSURANCE HANDBOOK | NUMBER: 25010 (01-1998) 25010-1 (05-1998) 25010-2 (05-1999) |
| SUBJECT: LOSS ADJUSTMENT MANUAL (LAM) (Also known as General Loss Adjustment Standards (GLAS)) 1999 AND SUCCEEDING CROP YEARS | DATE: May 28, 1999 |
| | OPI: Product Development Division |
| | APPROVED:  Deputy Administrator, Research and Development |

SUMMARY OF CHANGES/CONTROL CHART

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

Changes for May 1999 Issuance (FCIC-25010-2):

- (1) PAR. 12 C (1) (c) Removed the requirement to pay administrative fees by the sales closing date as one of the criteria for insuring high-risk land under a CAT policy. Administrative fees no longer have to be paid by the sales closing date.
- (2) PAR. 12 C (2) Modified the language to agree with the Crop Insurance Handbook.
- (3) PAR. 13 Added information about ineligibility for crop insurance due to delinquent debts or disqualification through administrative proceedings.
- (4) PAR. 15 C (1) and (C) (2) In subparagraph C(1) (b), removed filing individual tax returns as one of the criteria for individual entity. In C(1)(c), added information about an individual entity being able to insure the tenant's or landlord's share (as applicable) when the application clearly states this intent. In C(2) (c), clarified separate equipment in regards to one of the criteria required for a spouse to qualify as a distinct and separate entity from the other spouse.
- (5) PAR. 15 C (5) (a) Added that there is an exception for the requirement of a court-appointed guardian's co-signature when a minor has purchased CAT coverage.
- (6) PAR. 50 C Updated termination dates of plant growth for summerfallow practice qualification for North Dakota and Montana.

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SUMMARY OF CHANGES/CONTROL CHART (Continued)

- (7) PAR. 75 B (4) In (b)1, added that acreage planted after the late planting period (or after the final planting date for crops not having late planting periods) will not be considered in determining the 20 acres or 20 percent of insured planted acres needed to qualify for a replanting payment. Added subparagraph (e) to indicate that for wheat replanting payments, replanting must take place no later than 25 days after the spring final planting date.
- (8) PAR. 75 C (1) (a) Added spring wheat as one of the crops for which a self-certified replant payment can be used.
- (9) PAR. 76 E Added language that indicates this paragraph applies unless otherwise stated in the definition of Practical to Replant in the individual crop provisions.
- (10) PAR. 78 K Added language from the Basic Provisions (99-BR) stating that a claim can be finalized based on appraised production if the insured does not intend to harvest the crop; however, if the insured later harvests the crop after the claim has been finalized, the insured must notify the insurance provider if the crop is harvested and the claim will be recalculated based on the harvested acreage.
- (11) PAR. 104 B Removed specific crops listed in the "Note," and replaced with "some crops" rather than listing specific crops in order to eliminate updating the handbook when revised crop provisions would require listing additional crops.
- (12) PAR. 112 E Throughout this paragraph removed the word "rapeseed" from "canola/rapeseed." Quality adjustment is not allowed for rapeseed. In subparagraph E (2), added a note that IF the reduction in value (RIV) for each qualifying damage cannot be established from the buyer, the RIV is the reduction in value of the local market price of good quality grain.
- (13) PAR. 112 G (2) (b) Added that this "exception" does not apply to production infected by a type and level of mycotoxin for which state and/or Federal regulations require destruction of the infected production.
- (14) PAR. 112 (G) (4) Modified this paragraph so that the requirement to destroy zero-value production is stated in one sentence, and made a separate sentence stating that such product "should" be instead of "must" be destroyed in accordance with any applicable state and federal regulation. This sentence was modified since there are no crop insurance policy provisions requiring that such production be destroyed in accordance with federal or state

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SUMMARY OF CHANGES/CONTROL CHART (Continued)

regulations nor any policy requirements stating what actions would be taken if the insured did not destroy production in accordance with any such regulations.

- (15) PAR. 113 Corrected subparagraph lettering H, G, and J to H, I, and J respectively.
- (16) PAR. 118 Mycotoxins. Added procedures for obtaining field samples for mycotoxin testing, and revised procedures to consider testing facilities located at the buyer site (elevator) as approved testing facilities provided that the elevator has a testing facility which uses recognized industry testing methods, tests, equipments, etc. In subparagraph F (1), split into two sentences, the sentence that stated that when mycotoxin-contaminated grain is declared to be of zero value and is at a level of contamination that it "must" be destroyed in accordance with any applicable state or Federal regulations to be destroyed. Changed the word "must" to "should" in regards to destroying such grain in accordance with any applicable state or Federal regulations.
- (17) PAR. 122 Added location of scales used to weigh the farm-stored production must be documented on weight. ticket, verification, and documentation requirement.
- (18) PAR. 123 Modified the following in this paragraph: (1) Removed that there had to be extensive crop damage that resulted in critical crop shortages, and such damage had to be in widespread area before authorization for load records and bin markings could be used to separate commingled production; (2) Removed the requirement that load records could be used only when production that would be stored in structures could not be leveled and marked; (3) Added load records will be used to prorate the commingled production contained in a larger structure, semi-hopper, etc.) on a percentage basis, and added example for this; and (4) Added to use procedures in paragraph 101 to determine reasonableness of the farm-stored unit production.
- (19) PAR. 125 Changed paragraph title from "Rounding Fractions" to "Rounding Rules" and made correction in C (4) of this paragraph.
- (20) PAR. 128 In subsection B (2), removed conical pile as one of the structure components that must be hand calculated, and in subparagraph B (3), added "conical" measurement is a component part that can be entered in the measurement section of the Production Worksheet.

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SUMMARY OF CHANGES/CONTROL CHART (Continued)

- (21) PAR. 129 A (5) Added crambe, mustard, popcorn, to list of crops that use actual test weight rather than test-weight factor in the farm-stored production-to-count formula. Added reference to the Cultivated Wild Rice Handbook for specific weight to be used in this calculation; i.e., a specific weight will be used for California and a specific weight will be used for Minnesota.
- (22) PAR. 131 Updated entry instructions for conical piles in A (1) and (6).
- (23) PAR. 134 Added conversion factors for applicable new pilot crops.
- (24) PAR. 143 In subparagraph B, added a note explaining how crop insurance provisions relate to a producer using an organic farming practice. In subparagraph C (1), added that uninsured cause appraisals are not included in APH.
- (25) PAR. 151 A Clarified that production from any unreported unit will not be allocated to prevented planting acreage or will otherwise affect any prevented planting payment.
- (26) PAR. 151 C Removed special instructions for tobacco. Due to changes in the 1999 tobacco policies these instructions are no longer needed.
- (27) PAR.'s 162-
PAR. 172 Updated the late and prevented planting section with applicable changes and clarifications from the new Basic Provisions (99-BR). Combined prevented planting procedures that are under both Basic Provisions (98-BR) and Basic Provisions (99-BR) into one section. When procedures are applicable to crop/counties specifically under either 98-BR or 99-BR, the particular procedures are so identified.
- (28) PAR.'s 174-184 Removed late and prevented planting provision instructions labeled "Old LP/PP Provision Instructions."
- (29) Exhibit 1 Definitions. Updated some of the definitions contained in this exhibit.
- (30) Exhibit 2 Crop Policy Information. Made updates for the 1999 crop year (2000 crop year, as applicable for citrus, etc.) by updating the applicable Basic Provisions that are in effect, (by crop and contract change date, if applicable), added new pilot crops in effect for the 1999 crop year, and made other applicable changes.

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- (31) Exhibit 3 Causes of Loss. Updated changes due to revisions in policies, and updated information to include causes of loss for new pilot crops for 1999 crop year.
- (32) Exhibit 4 Units of Measure. Updated this chart to include the units of measure for new pilot crops.
- (33) Exhibit 12 Self-Certified Replant Payment Worksheet. Corrected error in item 21 completion instructions of the Self-Certification Replant Worksheet. Also, on the Self-Certification Replant Worksheet form, revised some of the language in the Guidelines to agree with crop provision revisions, changed item 19 so it is a direct question, and revised false claim statement to agree with the statement contained in the Documents Standards Handbook. This form serves as the forms standard for this form.
- (34) Exhibit 15 Index. Updated as needed.

SEE CONTROL CHART ON THE NEXT PAGE

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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 Handbooks (e.g., Almond Handbook). 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 General Information

This handbook serves as the basis for completing crop insurance appraisals, claims for indemnity and claims for replant payments, and is now interchangeably referred to as the Loss Adjustment Manual (LAM) and General Loss Adjustment Standards (GLAS). The LAM standards for the 1999 and succeeding crop years consist of FCIC-25010 dated January 1998, amended by FCIC-25010-1 slipsheets dated May 1998 and FCIC-25010-2 slipsheets dated May 1999.

B Specific Instructions

- (1) **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.
- (2) **Forms and Specific Entry Instructions.** Insurance providers must use FCIC-approved forms. The loss adjustment forms must be equivalent to the forms shown in the FCIC-approved loss adjustment handbooks (LAM and crop handbooks). Where instructions in these loss adjustment handbooks are not entry-specific to the FCIC-approved forms used by the insurance provider, insurance providers may update these procedures to show their specific item number that matches the entry instructions in this handbook or crop handbooks. However, any further changes in the instructions will require FCIC approval.

- (3) **Items/provisions or plans of insurance not applicable to Catastrophic Risk Protection (CAT) coverage:**
- (a) Written agreements.
 - (b) Hail-fire exclusion (also not applicable to Limited coverage).
 - (c) High-risk land exclusion.
 - (d) Options or endorsements (except Late Planting Agreement).
 - (e) Replant payments.
 - (f) Optional units.
 - (g) 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 Part 5 and Part 6 for details).
 - (h) Group Risk Plan (except for GRP Forage Production and GRP Rangeland).
 - (i) Crop Revenue Protection plan.
 - (j) Revenue Assurance plan.
 - (k) Adjusted Gross Revenue plan.
 - (l) Group Risk Income Protection plan.
- (4) **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.

PART 2 INSPECTION DUTIES

SECTION 1 PRODUCER ELIGIBILITY AND ENTITIES

11 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.

12 INSURANCE PROVISIONS

A Eligibility

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

B Definition

A "Person" or "Insured" is an individual, partnership, association, corporation, estate, trust, other business enterprise, or legal entity and, wherever applicable, a State, a municipality, a political subdivision of a State, or any agency thereof.

C 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 which is excluded from a limited or additional coverage policy and insured under a separate CAT policy. High-risk land which is excluded from limited or additional coverage and insured under the CAT endorsement is considered a separate crop for administrative fee and unit division 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,
 - (b) Obtains a CAT policy from the **same** Insurance Provider, and

- (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 different policy. There will be no more than one unit for all production contracted with each processor contract.

- (b) Payment of losses must be made accordingly and coordinated between policies/insurance providers.

NOTE: Arizona and California Citrus, Florida Citrus, Texas Citrus, Texas Citrus Trees, Grapes (California ONLY), Peas, 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.

13 INSURANCE QUALIFICATIONS

A Who Can Be Insured

Only producers who receive all or part of a crop, by reason of their ownership or tenancy, and who are not classified as ineligible can be insured. Ineligibility occurs when a producer (entity): (1) has a delinquent debt to FCIC or an insurance provider; or (2) is disqualified through administrative proceedings and 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. 61 and for the length of time stated therein.

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.

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.
- (c) If a spouse operates a SEPARATE farming operation independently of the other spouse, each spouse (if they choose) may submit a separate application and insure his or her interest separately. To

qualify as a separate farming operation ALL of the following criteria must be met: separate ownership of land, separate capital, separate equipment (can be owned jointly, but share of costs, payments, etc., must be accounted for separately), separate accounting of labor, separate management, and separate records maintained.

(3) **Individual Entity: An Individual Operating as a Company**

The guidelines for an individual operating as a company (not a Corporation) are identical to those of an individual. The application must be signed by the owner or authorized representative of the company. A statement from the company which lists the authorized representative must be maintained in the insured's file folder in the service office.

(4) **Individual Entity: Joint and Survivor Interests**

"Joint and Survivor Interests" are applicable in "community property" states in which a husband and wife have joint and survivor interest in insurable acreage and in states where such an interest may be created by deed. In such states the application is completed in the name of the joint and survivor interest (e.g., "John W. Doe, James C. Smith", or whomever).

- (a) Both parties must sign the application. Exceptions: husband and wife or when a statement is prepared and signed by both parties showing the authority of either to act as agent for the other for crop insurance purposes.
- (b) If either party dies, the contract continues, but a successor-in-interest application must be obtained. The CIH contains information concerning the effective crop year for which the successor-in-interest application must be prepared.

(5) **Individual Entity: Minors or Mental Incompetents**

- (a) A minor must provide evidence that an insurable share exists and must have a court appointed guardian or a parent co-sign the application and other crop insurance documents. **EXCEPTION: Under the CAT level of coverage, a minor who is competent and capable of entering into a contract is not required to have a co-signer.**
- (b) A mental incompetent may be insured ONLY if a court appointed guardian signs the documents.

- (c) A written statement describing the farming operation and the insurable share must be provided and maintained in the insured's file folder in the service office.
- (d) When a minor becomes capable of entering into a binding contract or when incompetency is dissolved, a successor-in-interest application is required. See the CIH for information concerning the effective crop year for which the successor-in-interest application must be prepared.

SECTION 6 SPECIAL FARMING PRACTICES**48 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 RSO. 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.

49 CONTINUOUS CROPPING PRACTICE

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

50 SUMMERFALLOW PRACTICE

- A Definition. The tillage or chemical control of vegetation on the uncropped land, generally during the summer, to control weeds and store moisture in the soil for the growth of a later crop.
- B General Qualification. 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 if the crop was planted on acreage:
- (1) In the fall of 1997 or spring of 1998 that qualified for the summerfallow practice for the previous (1998) crop year, the crop failed, and/or was destroyed before the date specified in C (1) below. If all other requirements were carried out, a crop planted on such acreage for the 1999 crop year (fall of 1998 or spring of 1999) 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 C (1) below, and the insured plants to a different (second) crop, the second crop also qualifies for the summerfallow practice.

NOTE: If the first crop is harvested (see crop provisions for definition of harvest), the second crop will not qualify as summerfallow.

C Requirements

- (1) Summerfallow practice requires the termination of all plant growth 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.

D 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.

51 IRRIGATED PRACTICE

The crop insurance contract provides that insureds are to report as irrigated, and insurers will insure as irrigated, only the acreage for which the insured has adequate facilities and water, at the time insurance attaches, to carry out a good irrigation practice for the insured crop. In general, insurance attaches at planting for annual crops (except for first year applications received after planting) and on a specified date for perennial crops. 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.

NOTE: This procedure does not change other contract provisions such as the requirement that flood-irrigated soybean acreage will be considered as non-irrigated for insurance purposes in certain areas unless we agree in writing, prior to the acreage reporting date, to provide coverage at premium rates and yields applicable to the irrigated practice.

- (3) See individual crop handbooks for completion instructions for preliminary and final replant claims.
- (4) Decisions regarding whether or not the unit qualifies for a replant payment will be made on the basis of:
 - (a) The Date of the Initial Planting

Crop acreage planted earlier than the initial planting date specified in the Special Provisions for the applicable crop and county is not eligible for a replanting payment. However, if acreage is replanted after the earliest planting date, and then this acreage is replanted a second time, the acreage replanted a second time may be eligible for a replant payment.
 - (b) The Acreage Damaged
 - 1 The acreage to be replanted must be at least the lesser of 20 acres or 20 percent of the insured planted acreage for the unit as determined on the final planting date or within the late planting period if a late planting period is applicable. (This is not applicable to forage seeding.) **NOTE:** Acreage planted after the final planting date for crops not having late planting periods or after the late planting period for crops having late planting periods, will not be considered in determining the 20 acres or 20 percent of insured planted acres to qualify for a replanting payment.
 - 2 If this determination cannot be made because additional insured acreage on the unit is to be planted and the minimum may not be met, consent to replant may be given, but the replant claim is to be handled as a preliminary replant inspection as instructed in the appropriate crop handbook and below.
 - (c) An appraisal of potential production cannot exceed the amount stated in the crop policy. See the individual crop provisions for specific amount.
 - (d) A previous replanting payment must not have been made on the same acreage for the same crop year.
 - (e) For wheat, replanting must take place no later than 25 days after the spring final planting date. (Replanting payments do not apply to wheat having **ONLY** a fall final planting date.)
- (5) If the unit qualifies for a replant payment, the notice will be changed from a preliminary notice to a FINAL notice (Final replant claim) utilizing a Certification Form (Exhibit 11).

- (6) An acreage report must be submitted with the final replant claim, if not previously submitted. If the acreage report is revised for the replant units after submission of a replanting payment (final) claim, a corrected claim must be submitted with the revised acreage report.
- (7) A Certification Form cannot be accepted until the ENTIRE unit has been INITIALLY PLANTED. The adjuster must have the completed Certification Form (by personal contact or otherwise) prior to signing the claim form.
- (8) Certification Form spot-checks should be conducted regularly by the adjuster. The insurance provider will determine the number of reviews to be conducted. Any questionable Certification Form should always be reviewed.
- (9) If the unit did not qualify for a replant payment but later has a routine final claim filed, the original preliminary inspection entries should be reviewed and corrected as necessary.
- (10) Replant payments, as determined by individual crop policy, endorsements, or crop provisions, will be based on the insured's actual cost per acre not to exceed the amount specified by individual crop policy, endorsement, or crop provisions.

Some crop provisions allow that if more than one person insures the same crop on a share basis, a replanting payment based on the total shares insured by the insurance provider may be made to the insured person who incurs the total cost of replanting. Payment will be made in this manner only if an agreement exists between the insured person(s) which requires one person to incur the entire cost of replanting or gives the right to all replanting payments to one person. Refer to applicable crop handbooks and specific Crop Provisions for more information. The amount of the replant payment paid cannot exceed the total sum that each is entitled to receive under the respective replant policy provisions.

Example: There are three parties sharing in the crop. Each insured has one-third share in the crop. There has been 80 acres replanted. Insured A and B have additional coverage with insured A having a \$5 price election and insured B having a \$3.75 price election. Insured C has CAT coverage. Insured A incurs the total replant costs and there is an agreement between all parties for insured A to receive a replanting payment based on the total shares. If, in accordance with the replant provisions for the crop, the maximum amount that each individual can receive is as follows:

Insured A: 8 bu. X \$5 price election X 80 acres X .333 share = \$1065.60
(rounded to \$1066.00)

Insured B: 8 bu. X \$3.75 price election X 80 acres X .333 share = \$799.20
(rounded to \$799.00)

Insured C: \$0.00. No payment is allowed on insured C's share since replant payments are excluded from CAT coverage

The maximum replant payment that insured A is entitled to receive is \$1865.00 (\$1066.00 + \$799.00 + \$0.00).

- (11) If the insured replants the acreage to a different planting practice, the crop will continue to be insured under the practice originally planted and reported even when the crop is replanted by a practice that was uninsurable as an original planting. (This is not applicable to such practices as irrigated, non-irrigated, staked tomatoes, ground tomatoes, etc.; they are considered **production** practices rather than **planting** practices. This is also not applicable to skip-row planting patterns for cotton.) If the insured files a claim for indemnity, the practice originally reported will be entered in the appropriate column for practice on the claim form, and the replanted practice will be documented in the narrative.
- (12) Some crop provisions have a liability limitation when the crop is replanted by a practice that was uninsurable as an original planting. Specific claim preparation instructions will be found in the applicable crop handbooks.

C Self-Certification Replant Inspections

- (1) General Information
 - (a) If authorized by the insurance provider, the self-certification inspection can be used on the following crops provided replanted acreage will be 50 gross acres (before share) or less on a unit and the unit acreage qualifies for a replanting payment in accordance with policy/endorsement replanting provisions. **Authorized crops: corn, dry Beans, grain Sorghum, popcorn, peanuts, soybeans, sugar beets, sunflowers, and spring wheat (if replant payment allowed by crop provisions and/or effective endorsement).**
 - (b) No provisions of the contract are waived. As outlined below, the Self-Certification Replant Worksheet (Exhibit 12) will be used in lieu of the on-the-farm-visit and in place of the Certification Form. The APPROVED Self-Certification Replant Worksheet constitutes the insurance provider's determination that all replanting payment requirements are considered to have been met.
 - (c) To claim a replanting payment, the insured must give notice of damage to his/her insurance provider prior to obtaining consent to replant without an inspection. (The agent CANNOT give consent to replant without an inspection.) The insurance provider upon receiving the notice of damage will prepare the claim form as a Preliminary Notice.

- (d) A Self-Certification Replant Worksheet is mailed to the insured when insurance provider consent is given to replant. A form letter provided by the insurance provider which highlights the insured's requirements will be attached to the worksheet.
- (2) Prior to mailing the Self-Certification Replant Worksheet to the insured, the adjuster will:
- (a) Contact the insured to determine if the insured's damaged acreage to be replanted is 50 gross acres or less per unit and if the unit acreage will qualify for a replanting payment.
 - 1 Unit replanting acreage qualifications are based on the same qualifications as in subparagraph B (4) (a)-(d) above.
 - 2 If this determination cannot be made because additional insured acreage on the unit is to be planted and the minimum may not be met, consent to replant may be given, but handle as a preliminary replant inspection with an on-the-farm visit.
 - 3 Refer to subparagraph B (9) above if the unit does not qualify for a replanting payment at this time.
 - 4 Damaged acreage appraisals will be based on the insured's judgment that the potential production from the damaged acreage will not exceed the amount stated in the applicable policy. Obtain the insured's estimated yield per acre to determine this, and enter in item 18 of the worksheet. The insured must certify to this information by completing and signing the worksheet.
 - (b) Complete as many items as possible from information obtained from the insured's file folder information and/or from the insured. Circle the uncompleted items that are to be completed by the insured. (Completion instructions are included in Exhibit 12.)
- (3) The insured is to be advised:
- (a) To review the Self-Certification Replant Worksheet items completed by the adjuster, line through any incorrect information, insert the correct information, and initial any changes;
 - (b) To complete the circled uncompleted items on the worksheet (upon replanting the acreage), sign and date, and immediately return the completed worksheet to the person/office instructed by the insurance provider;
 - (c) To submit a copy of receipts to support his/her actual replanting cost;

C When It Is Determined That It Is (Was) IMPRACTICAL to Replant

(1) **Insured notifies insurance provider of intent to replant, but the insurance provider determines that it is TOO LATE TO REPLANT.**

- (a) During the farm visit, appraise the acreage. Inform the insured that the insurance provider no longer considers it practical to replant the crop (subparagraph A(2)above), but the insurance provider will release the acreage for ANOTHER USE. **(Replanting to the same crop (even to a different practice) IS NOT putting the ACREAGE to another use. See exception in subparagraph A (3) above.)** If the entire unit acreage is damaged, the claim can be finalized AFTER the insured certifies that the entire unit acreage was put to another use. (If the entire unit is released to go to another use, a Certification Form must be left with the insured, see PAR. 77.)
- (b) If the insured replants rather than putting the acreage to another use, inform the insured of the following:
- 1 IF it is a crop which has a replant-payment provision, no replant payment will be made on such acreage,
 - 2 The claim cannot be finalized at this time,
 - 3 The greater of, harvested and/or appraised production (from appraisal before replanting) from the replanted acreage will be counted against the guarantee, and
 - 4 If an indemnity is later claimed on the unit, any loss of production (reappraised and/or harvested) below the initial appraisal will be assessed against the guarantee as an uninsured-cause appraisal. HOWEVER, if comparisons of surrounding acreages reveal that the replanted acreage would have suffered all or part of the additional damage even if the acreage had not been replanted, adjust the uninsured-cause appraisal accordingly.

NOTE: Document all facts. Anytime the replanted-acreage production is less than the initial appraisal and you have determined that the additional loss of production should not be assessed against the production guarantee as described in (1)(b)4 above, indicate why and how you arrived at your figures.

(2) **Insured Does Not Notify Insurance Provider of Intent to Replant**

If the insured replants without giving proper notification of damage and the insurance provider determines that the replanting was done later than was practical to do so (subparagraph A (2) above), any potential

production lost as a result of this will be assessed against the production guarantee as an uninsured-cause appraisal. If the potential production lost can be solely attributed to the late replanting, an uninsured-cause appraisal of NOT LESS than the PRODUCTION GUARANTEE will be assessed against the acreage.

D Replant Provision/Herbicide Usage

- (1) When a herbicide has been properly applied as a recommended farming practice, and the label restrictions prohibit replanting the crop by the final planting date, replanting the acreage will generally be considered impractical. The individual circumstances should be documented using label restrictions and local CES information to make individual determinations.
- (2) Advise the insureds that to protect their interest in determining the impracticality to replant they should notify the insurance provider of the circumstances in order to provide timely documentation of the facts.
- (3) No standard response can be given as to the practicality to replant in this situation. Every case may have varied conditions that will affect the decision. Included in these conditions are the following:
 - (a) Label restrictions for herbicide used;
 - (b) Crop variety;
 - (c) Planting date;
 - (d) Soil, moisture, and temperature conditions; and
 - (e) Stage of plant growth;

E Availability or Cost of Seed/Plant

Unless specified otherwise in the definition of "Practical to Replant" in the individual crop provisions, availability or cost of seed/plants IS NOT a consideration in determining if it is practical to replant. The insured must pursue normal options to obtain necessary seed to replant (if necessary) in the same manner that a noninsured producer would make prudent management decisions.

F Planting Other Acreage in Lieu of Replanting the Acreage Initially Planted

- (1) Susceptibility to plant disease, susceptibility to damage due to soilborne insects or herbicides, blowing ground, or other soil conditions may make it impractical to replant on the initially-planted acreage. The insured IS NOT allowed to receive a replanting payment on other acreage planted to replace the initially-planted and subsequently destroyed acreage. Any such "replacement" acreage is treated as any other initially-planted acreage.

D Procedures. Refer to specific areas of this handbook for more information regarding determinations of total production, acreage, appraisals, insured/uninsured causes, shares, etc. Refer to PART 5 for claims involving late or prevented planting acreage.

E Comparison of Representative Strip Production to Harvested Production

Use representative strips that are left to determine whether harvested production is comparable to production in the strips.

- (1) If there is a large discrepancy between harvested production and production within the strips, obtain all pertinent information needed; however, DO NOT sign the claim(s) at this time. Contact the insurance provider for assistance in completing these cases. If necessary, controversial claims will be prepared (some insurance providers use Non-Waiver Agreements rather than controversial claims). See PAR. 140.
- (2) In the event representative strips are comparable to harvested production and the representative strips do not represent a significant portion of the insured acreage, the acreage strips will be considered as harvested; however, no production from the strips will be counted. The insurance provider has the authority to develop guidelines for determining the portion of the insured acreage involved for representative strips which would be considered "significant." IF the strips represent a "significant" amount of the acreage, the production from the amount of acreage that is excessive will be included in the production to count.
- (3) If the representative strips have not been left or have been destroyed prior to the inspection, determine if production is reflective of crop residue and conditions in the area. If you are satisfied the production to count is reasonable, prepare the claim accordingly. If production to count is not reflective of crop residue and area conditions, refer the case to the insurance provider for assistance in handling. (In some cases, this may be grounds for rejection of the claim by the insurance provider in accordance with the applicable Basic Provisions and crop provisions.

F Review Prior Determinations. Review the determinations of any inspection giving written consent for other use of a part of the total acreage in a unit. If the earlier inspection was incomplete or the information is incorrect, explain in narrative of the claim form or submit documentation on a Special Report.

G Claims of Persons Affiliated With MPCl Program

If the claim is filed by any FSA, FCIC, or insurance provider employee; or loss adjustment contractor, agent, or anyone directly affiliated with FSA, FCIC, or an insurance provider; the claim must be reviewed by the insurance provider (or other disinterested party assigned by the insurance provider) prior to

payment of the claim. Generally, the insurance provider will accompany the adjuster on the initial loss adjustment inspection and will conduct the review at the same time. If it is not known prior to the loss adjustment inspection that the claim is for an employee or any other person described herein, the adjuster is to notify the insurance provider immediately so that an insurance provider representative has the opportunity to accompany the adjuster during the inspection.

H DO NOT finalize claims until you are satisfied with all determinations, including but not limited to:

- (1) Total disposition of the crop;
- (2) Value (or reduction in value (RIV), if applicable) of the crop needed for quality adjustment purposes. Special care must be given when there are zero value (1.000 RIV) offers (or non-marketability) in a local area or extremely low market price (or extremely high RIV, if applicable) for the crop in the local marketing area (See PAR. 112 G.); and
- (3) The insured's Certification Form, if applicable, has been received and verified. See PAR. 77.

I Indemnity Due. If an indemnity is due, refer to the individual crop handbooks for procedure in completing the claim.

J "No Indemnity Due" Claims

- (1) "No Indemnity Due" claims must be verified by an APPRAISAL or NOTIFICATION from the insured that the production exceeded the production guarantee.
- (2) If it is determined that NO INDEMNITY IS DUE during an inspection:
 - (a) Complete the inspection;
 - (b) Record all pertinent information on either of the following:
 - 1 the claim as instructed in the crop handbook, OR
 - 2 if directed by the insurance provider, complete and have the insured sign a "Withdrawal of Claim NCIA-M920 or other FCI approved "Withdrawal of Claim" form" rather than prepare a "No Indemnity Due;" and
 - (c) If inspection determinations indicate a reduction in premium is applicable, follow the insurance provider's instructions.

K Final Claims Based on Appraised Production that Is Later Harvested

For 1999 crop year, this is applicable only to county crop programs under the Basic Provisions (99-BR). See Exhibit 2 for applicable crops under the 99-BR.

If a claim is to be settled on the basis of appraised production, the insured must agree to notify the insurance provider if the appraised acreage is later harvested. The harvested production will then be used to determine any additional indemnity due or any indemnity amount that will have to be repaid.

For the purpose of administering this policy provision, claims settled on appraised acreage that is subsequently harvested will only be recalculated using harvested production when:

- (1) The amount of harvested production **is greater than the amount of appraised production** (it does not matter whether harvest is completed before or after the calendar date for the end of the insurance period); or
- (2) Harvested production is lower than the appraised production, AND harvest was completed on or prior to the calendar date for the end of the insurance period, AND no cause of loss occurred between the end of the insurance period (any event that ends the insurance period including failure to timely harvest which is considered abandonment) and the date of harvest.

NOTE: The standard corrected claim tolerances apply to these procedures.

79 INDEMNITY INSPECTION (FINAL) - END OF THE INSURANCE PERIOD

A When the end of the insurance period has been reached, a final inspection is required as soon as possible unless FCIC's Product Development Division and Insurance Services authorizes insurance providers to allow additional time for harvest because of insurable perils (listed in the policy) delaying or preventing harvest of the crop. When such authorization has been 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 A (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. 78 also apply.

NOTES

- (3) The insured does not plan to harvest the acreage, and agrees to harvest the representative areas for appraisal purposes.
- (4) The insured does not agree with the initial appraisal of the acreage to be released, and the insurance provider agrees to allow the insured to leave representative sample area, as described herein.
- (5) Such sample areas are otherwise required by the policy (e.g., for grain deficient corn silage).

NOTE: This is not referring to the policy provision that requires the insured to leave representative areas if the insured initially discovers damage to the insured crop within 15 days of, or during harvest.

B Insured's Agreement. When representative sample areas of immature production are established for appraisal purposes, the insured **MUST** agree:

- (1) to leave the representative sample areas intact until they have been appraised or harvested;
- (2) to care for the sample areas in the same manner as if they were to be harvested; and
- (3) that production will be determined from appraisals from the sample areas.

NOTE: Insurance providers may choose to leave representative sample areas due to disagreement with prior appraisals. When this is done, some crop provisions state that the representative areas must be left and properly cared for until the crop has matured.

C Instructions for First On-the-Farm Inspection

Do the following while on the first on-the-farm inspection (see exception to on-the-farm inspection in (2) below):

- (1) Select representative areas that:
 - (a) are sufficient enough in size to provide accurate appraisals of the crop in accordance with the minimum recommendations for representative samples in the crop handbook,
 - (b) include buffer areas to ensure that the actual appraised samples will not be exposed to damage in excess of what would be experienced had the crop around the sample areas remained intact (e.g.; excessive drying, insect or weed infestation, grazing, etc.);
 - (c) are not located at the edge of the field or in other areas that fail to be representative of the acreage to be appraised; and

- (d) will enable, at least, the minimum recommended number of samples to be selected on a proportional basis to the acreage represented.

EXAMPLE: The minimum recommended number of samples are five for the acreage being appraised; the adjuster has determined that splitting the field into subfields is inappropriate because although one-third of the field is in uniformly satisfactory condition and two-thirds of the field is in uniformly poor condition, the respective portions are randomly scattered across the field. To maintain the proper proportionate sampling, six samples are to be utilized, two in the satisfactory areas and four in the poor areas. The six samples may be taken from less than six sample areas if any of the sample areas are large enough (e.g., strips 10 feet wide the length of the field, large non-strip areas, etc.) to select one or more separately distinct representative samples.

- (2) When there is a heavy workload and the adjuster cannot make a timely farm visit to select and identify representative sample areas, and release acreage that the insured wishes to put to an alternative or another use, the insurance provider may on a case-by-case basis permit insureds to leave representative sample areas; provided, the following guidelines are adhered to. **NOTE: It is not intended that this authorization be utilized on a routine basis to avoid advance selection and identification of acceptable sample areas for appraisal purposes.**
 - (a) The insured must agree to leave intact, two or more representative strips of the crop (per field) at least 10 feet wide and the entire length of the field for appraisal purposes. For some situations such as contour farming or row crop plantings with the rows planted in a direction other than the length of the field, it may be more practical that the strips not actually be the entire "length" of the field. However, the shorter strips must accumulatively reflect the minimum area stated in the preceding sentence.
 - (b) Document in writing on the claim or a Special Report an agreement with the insured on the approximate location of the strips authorized to be left for appraisal purposes when advance identification and marking of the fields are not possible. Include the reason for immediacy, date, authorization method (by phone, in person, etc.), and name of the person providing the authorization. Authorization is to be provided ONLY by individuals authorized to adjust losses. Any strips are to comply with C (1) (a), (b), (c), and (d) above. Following are two examples of documentation.

EXAMPLE 1: "Insured needs to chisel ground immediately, agrees with authorization to leave two strips of the crop intact, each at least 10 feet wide and the length of the field, approximately one-third in from each edge of the field."

D Actual Test Weights to Tenths of Pound

Use actual test weight to tenths of a pound for quality adjustment determinations for grain crops.

- (1) GENERAL INFORMATION. Some grain handlers have the capability to determine test weight to tenths of a pound. As instructed in most individual crop handbooks, test weights are rounded to a whole number when entered on the claim form. Some crop handbooks may indicate that the test weight may be entered to tenths if so instructed by the insurance provider. In some cases, the rounded test weight can cause the grain to appear to be ineligible for quality adjustment. For example: Oats having an actual test weight of 26.5 would be eligible for quality adjustment, but when the weight is entered on the claim form as a rounded weight (27 pounds), it does not appear to qualify.
- (2) For the purpose of determining quality adjustment, the tenths determination will be utilized when weights have been determined to tenths-of-a pound accuracy.
- (3) If the crop handbook and insurance provider instructions require test weight entries in whole pounds, ENTER IN the NARRATIVE of the claim, the ACTUAL TEST WEIGHT, TO TENTHS, that qualifies the grain for quality adjustment.

E Crops having Quality Adjustment Charts in the Special Provisions

For barley, canola, corn, flax, grain sorghum, oats, rye, safflowers, soybeans, sunflowers, and wheat production that is eligible for quality adjustment, the quality adjustment factor (QAF) is determined by subtracting from 1.000, the sum of all applicable pre-established discount factors (DF's) listed in the Special Provisions and/or DF's derived from reductions in value (RIV) of the damaged grain. The QAF (not less than 0.00) is multiplied by the number of bushels remaining AFTER any reduction due to excessive moisture (in accordance with the crop provisions).

- (1) Pre-established DF's from the Chart
 - (a) When there is an pre-established DF for the type or level of damage shown on the chart in the Special Provisions, the pre-established DF must be used to establish the QAF, unless (1) (b) applies.
 - (b) If the damaged grain has a zero market value in the insured's local marketing area AND a net zero value* at a market within reasonable distance outside the local marketing area, **no production will be counted if the production is destroyed. The method of destruction must result in the production having no possibility of being marketed or possibility of salvage use that could result in any type of compensation to the insured.** See

subparagraph G below for detailed information pertaining to zero market values and destruction of the production. **NOTE: When there are pre-established DF's for the level/type of damage, there should be very few instances, if any, where a value cannot be found for such grain.**

*Net Zero Value means: The additional costs to transport the grain to a market within reasonable distance outside the insured's local marketing area (distant market) exceeds the value in the distant market. Additional costs means: Costs in excess of costs to transport to the local marketing area.

- (c) When it has been established that there is a zero market value in the insured's local marketing area and a positive value for grain that would be transported to a distant market (of reasonable distance) OR the insured refuses to destroy the grain, the applicable pre-established DF's for the level or type of damage (without adjustments for additional transportation costs) will be used to determine the QAF to adjust the production to count.
 - (d) Other than to consider whether there is net zero value as described in (1) (b) above, transportation costs are not allowed when there are pre-established DF's shown on the chart for the types or levels of damage, regardless of the market value of the grain. Additionally, conditioning costs are not allowed when there are pre-established DF's on the chart for the types/levels of damage.
 - (e) Caution: Carefully read the quality adjustment section in the Special Provisions. For example, pre-established DF's for both damaged kernels and sound barley cannot be applied. Of the two types of damage, the one which results in the higher DF is used rather than both.
- (2) DF's Derived From RIV's

In the absence of pre-established DF's for types or levels of damage, DF's are derived by dividing the total RIV's by the Posted County Price (PCP) (Regionally Constructed Price (RCP) for canola, safflowers, and sunflowers) (rounded to three places). See definition of Posted County Price and Regional Constructed Price in Exhibit 1 or in the Special Provisions. If the RIV for each qualifying damage cannot be established from the buyer, the RIV will be the reduction in value of the local market price of good quality grain. (Local market price for good quality grain would be as defined in the applicable crop provisions; e.g., U.S. # 2 for small grains.)

- (3) Establishing RIV's
 - (a) The adjuster is responsible for ensuring that only usual, customary, and reasonable RIV's are used. When determining RIV's it is not necessary to determine the actual **value** of the production if the buyer is able to specifically provide, to the adjuster's satisfaction, the reduction in value (RIV) requested.
 - (b) RIV's and PCP (or RCP for canola, safflowers, and sunflowers) will be those in effect on the earlier of, the date such quality-adjusted grain is sold or the date of final inspection for the unit.

containing a statement indicating that the crop will not be harvested and will be destroyed. THIS DOES NOT APPLY TO PRODUCTION INFECTED BY A TYPE AND LEVEL OF MYCOTOXIN FOR WHICH STATE AND/OR FEDERAL REGULATIONS REQUIRE DESTRUCTION OF THE INFECTED PRODUCTION. SEE NOTE IN PAR. 77C.

- (3) Every effort should be made by the insured and insurance provider to find a market for the production before it is declared zero. Communication through the RSO is essential to ensure that insurance providers are aware of available markets for damaged production. The following items are to be followed when trying to find a market for the zero-value production.
- (a) Determine if there are buyers outside of the insured's local marketing areas (within a reasonable distance). Transportation costs (in excess of costs to local market) incurred as a result of transporting production outside the insured's local marketing area in order to obtain a value will be considered in determining:
- 1 The value of the damaged production, or
 - 2 For crops using RIV's, transportation costs will be considered in determining the RIV of the damaged production (see subparagraph E (1) (b) above or the Special Provisions for the specific crop), or
 - 3 For crops having quality provisions in the Special Provision and for which there is a pre-established discount factor for the type and level of damage, whether there is a net zero value; i.e. value minus transportation cost (in excess of cost to local market) equals zero or negative value. If after the consideration of the transportation cost there is a positive value, the grain must be adjusted in accordance with the pre-established discount factors, and there will be no consideration in adjusting the discount factor for the transportation cost.
- (b) Determine if the production can be sold directly to cattle or poultry feeding operations or other types of buyers.
- (c) Determine if the damaged production can be conditioned and sold. Conditioning costs will be considered in determining the value of the damaged production; or as applicable, for some crops, the RIV of the damaged production.

NOTE: Conditioning costs are not allowed if for the types/levels of damage(s) there are pre-established discount factors shown on the chart in the Special Provisions.

- (d) If a market still cannot be found after the determinations in subparagraph G (3) (a)-(c) above have been made, insurance providers may delay finalization of claims if there is a reasonable probability that there will be a market for the damaged production within the next 2 to 3 weeks. This may happen if the markets have bought enough higher quality grain to enable them to buy the lower quality grain.
- (e) For crops having quality adjustment provisions in the policy or for crops having quality adjustment provisions in the Special Provisions and the production has a type or level of damage for which there are no established discount factors (i.e. RIV's are used):

The insured may offer a value for the production rather than having to destroy the production IF it has been determined that there are no markets or other outlets that will offer a value for the production, and the insurance provider considers this a reasonable offer. A value cannot be accepted for mycotoxin-infected grain that CANNOT be disposed of in a manner that will not exceed advisory levels. See PAR. 118.

NOTE: For crops with QA provisions within the Special Provisions- If for the type(s)/level(s) of damages, there are pre-established DF's shown on the chart in the Special Provisions, offers will not affect the quality adjustment of the grain. If the grain is not destroyed, the production will be adjusted in accordance with the established DF's on the chart.

- (f) Document all determinations made in subparagraph G (3) (a)-(e) above, including names and locations of marketing outlets, values quoted for the damaged production, any information pertinent to possible conditioning of the damaged production, any allowable transportation costs of the damaged production, etc. If multiple above-zero-values are determined, use the highest obtainable value (after allowable adjustments for conditioning or transportation costs, if applicable).
- (4) Prior to the finalization of the claim, zero-value production must be destroyed. Destruction of such grain should be done in accordance with any applicable method prescribed by state or Federal regulations. See PAR. 118 for additional information pertaining to mycotoxin-infected grains.

NOTE: See exception of requirement to destroy unharvested mature production prior to indemnification in subparagraph G (2) (b) above.

113 ADJUSTMENTS FOR MOISTURE

A Policy or Endorsement Provisions

- (1) When the moisture percentage of barley, dry beans, canola/rapeseed, corn, crambe, grain sorghum, millet, mustard, popcorn, rye, rice, safflowers, sunflowers, oats, soybeans, or wheat exceeds the percentage shown in the policy or endorsement; the mature production will be reduced when it meets the requirement stated in the crop policy/endorsement.
- (2) For barley, canola/rapeseed, corn, grain sorghum, oats, rye, soybeans, sunflowers, and wheat: If moisture adjustment is applicable, make it prior to making any adjustment for quality.
- (3) For adjustments of hybrid corn seed and hybrid sorghum seed, see the specific Crop Provisions.

B Policy Formula for Computing the Moisture Adjustment Factor (MAF)

Adjusted Gross Production (by weight) will be reduced by .12 percent for each .1 percentage point of moisture in excess of the Policy or Endorsement Standard Percentage (except for corn, with 30.1 - 40.0 percent moisture). Following are the steps to determine the MAF:

- (1) Actual Moisture Percent (to tenths) minus Policy or Endorsement Standard Percentage equals Excess Moisture Percent above Policy or Endorsement Standard.
- (2) Excess Moisture Percent (to tenths) times .0120 equals Percent Reduction. Round to 4 decimal places.
- (3) 1.0000 minus Percent Reduction equals Moisture Adjustment Factor (4-place decimal).

C Adjusting Gross Production for Excess Moisture. To adjust Adjusted Gross Production (by weight) for excessive moisture content, multiply the Adjusted Gross Production (by weight) times the Moisture Adjustment Factor.

D References. Moisture charts are contained in applicable crop handbooks. Use these charts only when computing net production.

E Moisture Adjustment for Hybrid (Corn) Seed (EAR Corn)

The weight of ear corn required to equal 1 bushel of shelled seed corn (70 pounds) will be increased 1.5 pounds for each full percentage point of moisture in EXCESS of 14 percent; any portion of percentage point will be disregarded.

F Moisture Adjustment (Deficient Moisture) for Shelled Hybrid (Corn) Seed and Hybrid Sorghum Seed

Mature (gross) production (adjusted by weight) will be adjusted (increased) .12 percent for each .1 percentage point of moisture BELOW 15.0 percent for shelled hybrid (corn) seed and BELOW 13.0 percent for hybrid sorghum seed unless production records provided by the seed company have already been adjusted TO these percentages. Following are the steps to determine adjusted production for deficient moisture:

- (1) Policy or Endorsement Standard Percentage minus Actual Moisture Percent (to tenths) equals Moisture Deficiency Percent (to tenths).
- (2) Moisture Deficiency Percent times .0120 equals Increased Adjustment Percent. Round to 4 decimal places.
- (3) 1.0000 plus Increased Adjustment Percent equals Moisture Adjustment Factor (4-place decimal).
- (4) Adjusted Gross Production (by weight) times Moisture Adjustment Factor equals Adjusted Production for Deficient Moisture.

G Grain Dealers Use Various Methods to Dock High Moisture Grain

- (1) One method reduces the price in relation to the amount of moisture on the basis of currently established standards (charts).
- (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.

H Consolidating and Averaging Moisture Percentages. For consolidating and averaging moisture percentages on the claim form, see PAR.'s 115 and 116.

I 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 grain 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 for moisture determinations.

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

B What Are Mycotoxins

Mycotoxins are the by-products of fungal activity promoted by environmental conditions which are stressful to the affected host plant. Actual grain yields may or may not be adversely affected by the presence of the organism, but harvestability and grain quality (hence market value) may be adversely affected. Although over 200 mycotoxins have been identified, Aflatoxin and Vomitoxin have specifically caused insured grain to be unmarketable.

C Level of Mycotoxin Can Cause Reduced Value

Production to count will be determined in accordance with the applicable policy provisions for quality adjustment. If the level of mycotoxin presence results in a reduction in the value of the insured crop, such reduction will be considered due to disease if ALL of the following criteria are met:

- (1) An economic level of mycotoxin is present in the grain PRIOR TO GRAIN STORAGE (field infested). Economic levels of mycotoxin are defined as levels exceeding those of the particular mycotoxin at which advisory levels and/or feeding restrictions have been placed by university research and/or the Federal Food and Drug Administration (FDA). Contact the FGIS or RSO for the latest advisory levels. Since many mycotoxins can increase in grain storage, any potential loss due to mycotoxin presence in stored grain will be covered ONLY if it is determined that economic levels occurred before storage. In the absence of pre-storage testing, this determination must be made by taking into consideration the circumstances of each individual case, such as the grain moisture, the specific mycotoxin and its growth "triggering" requirements, and the level of contamination. Some mycotoxins, such as Aflatoxin, can likely increase in storage under normal storage conditions; thus, the need to test suspected grain prior to storage.
- (2) There is no evidence that the mycotoxin Vomitoxin increases in storage, other than in ear corn stored in cribs at moisture levels high enough for the fungus to continue to develop from infections that occurred in the field (approximately 22-25 percent moisture in corn and approximately 16 percent in small grains). Likewise, grains that are free of Vomitoxin at harvest will not develop in storage. Therefore, only under extremely unusual circumstance would Vomitoxin-infected stored grain not be considered to have Vomitoxin levels before storage.
- (3) Mycotoxin presence must be due to insured causes. Factors contributing to plant stress and subsequent mycotoxin presence such as insufficient irrigation (under an irrigated practice), the use of marginally adapted varieties, non-weather-related delayed harvest, inappropriately high plant populations, etc., will result in the determination that the mycotoxin was the result of uninsured causes.

D Sample Requirements

- (1) The minimum number of representative samples and size of the representative sample area must be at least the required number and size stated for appraisals in the applicable crop handbook. The representative samples are to be used for determining the appraised production as well as the samples needed for the mycotoxin testing and any other quality considerations.
- (2) The adjuster must obtain samples for mycotoxin testing if the insured is not going to harvest, is uncertain of whether to harvest, or has discontinued harvest due to mycotoxin levels of the harvested production.
- (3) Adjusters are to obtain samples for mycotoxin testing from the selected representative sample areas of the field(s) or subfield(s) utilizing the Hand Sample Method, or if the insured will agree, the Harvested Sample Method (See E below).
- (4) For mycotoxin testing, one blended sample of all the hand harvested or harvested samples obtained from the appraised representative samples of all fields or subfields for the unit appraised is permitted. However, since mycotoxin levels can vary from field to field (or subfield to subfield), the insured and insurance provider may agree to obtain a mycotoxin testing sample for each field or subfield (e.g., Three fields in a unit (no subfields used) would equal three separate mycotoxin samples for the unit.
- (5) See subparagraph G for required mycotoxin testing sample size.

CAUTIONARY NOTE: RMA has been advised by grain specialists that adjusters should wear protective clothing, including protective gloves and dust mask when handling mycotoxin infected grains. If a dust mask is not used, adjusters should at least position themselves so they are NOT downwind of any grain dust coming from the harvesting equipment or from any grain dust that might occur during the collection of the required representative samples.

E Representative Area Sampling Methods

- (1) Hand Harvested Method
 - (a) If the insured is not willing to harvest the selected representative sample areas, the adjuster must hand harvest representative sample areas of the production.
 - (b) After the representative samples have been taken, the mycotoxin sample (see required size in subparagraph G (1) below) must be obtained and must be identified by unit number if one blended mycotoxin sample for a unit is used (or field I.D. and/or subfield

I.D. (if applicable) and unit number if a mycotoxin sample was taken for each field or subfield).

(2) Harvested Method

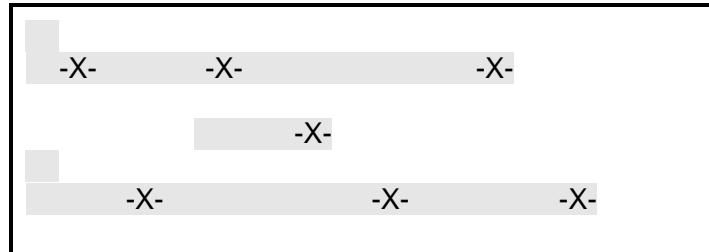
- (a) If the insured will agree, have the insured harvest the selected representative sample areas of the field(s) or subfield(s).
- (b) After the representative samples have been harvested, the adjuster MAY obtain the mycotoxin samples by either of the following methods:
 - 1 If the adjuster has a **hand probe**, the adjuster can extract grain from the combine hopper, wagon, or other structure. Obtain the required sample size (see subparagraph G (1) below) by using the hand probe and the FGIS sampling patterns as shown in (d) below as a guide to collect samples.
 - 2 If the adjuster **does NOT have a hand probe**, have the insured unload the combine hopper into a wagon, truck or other structure; and collect the required sample size (see subparagraph G (1) below) from the stream of production at the beginning, at the end, and periodically in between as the production is being emptied from the combine.
- (c) After the mycotoxin sample(s) have been taken, the mycotoxin sample must be identified by unit number if one blended mycotoxin sample for a unit is taken (or field I.D. and/or subfield I.D.(if applicable) and unit number if a mycotoxin sample was taken for each field or subfield).

NOTE: Because of the possible increase in mycotoxins due to high humidity, heat, and moisture content of the grain, the adjuster is to take the samples immediately after harvest. (Do not have the insured harvest and leave the grain in a wagon, combine hopper, or other structure, then return the next day to obtain the samples).

(d) Representative Sampling Pattern Guidelines

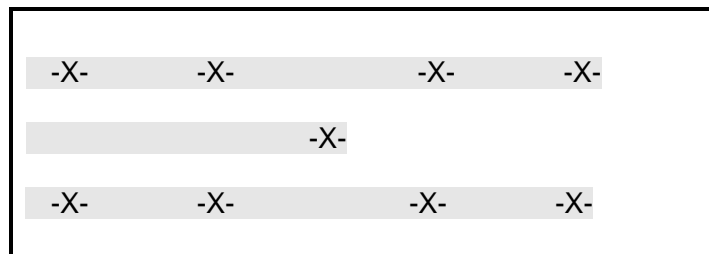
The following examples are standard sampling patterns recommended by FGIS, and are to be used as a guide for locations of extraction when extractions are made with a probe. Insert the probe at the points marked, with the tip of the probe angled ten degrees. (FGIS indicates that nearly 90 percent of error associated with aflatoxin testing can be attributed to how the original sample was extracted.) 1/

Example 1:



Seven-probe pattern flat-bottom truck or trailer containing grain more than four feet deep. 1/

Example 2:



Nine probe pattern for flat-bottom trucks or trailers containing grain less than four feet deep. 1/

Example 3:

Probing Combine Hoppers. From the top of the combine hopper, insert the probe slightly off-center at a ten degree angle, and probe the entire depth of the hopper. 1/

1/ Grain Fungal Diseases & Mycotoxin Reference book published by GIPSA, Technical Service Division

F Criteria for Insurance Provider Approved Testing Facilities

To be an approved testing facility, the testing facility must meet all of the following criteria:

- (1) Perform quantitative tests on the grain, itemizing results in parts per million (ppm) or parts per billion (ppb) of mycotoxin present;
- (2) Be a recognized commercial, governmental, or university testing laboratory (including approved testing facilities on site at the delivery point of the buyer; i.e., elevators) that uses industry recognized sample sizes, equipment, and procedures for testing the specific type of mycotoxin;
- (3) Be a disinterested testing facility, unless RMA issues written authorization to waive this requirement.* (A disinterested testing facility is a facility not involved in the sale of the grain. A facility which buys grain is not restricted if it does not buy the grain from the insured for whom it is doing the testing.)

***NOTE:** In situations where a large number of policyholders in a geographic area have mycotoxin infected production, RMA may waive this requirement. In such situations, companies are to request the waiver of this requirement through NCIS to Insurance Services and/or the Product Development Division.

G Mycotoxin Sample Size and Transportation of Mycotoxin Samples

- (1) Sample size to be submitted for testing will be dictated by the approved testing facility. (For aflatoxin, most facilities will likely require at least a ten pound sample).
- (2) Follow the approved testing facilities recommendations for storage and transportation, including required container composition (e.g., paper or other material), provisions for maintaining proper temperatures of the sample, any special requirements for high-moisture production, and any other specific information pertaining to handling/and transporting the sample to ensure and maintain the integrity of the sample.

H Harvested Production Delivered to Elevator

If the insured harvests and delivers production to an elevator, any mycotoxin testing done by the elevator cannot be accepted for insurance purposes unless the elevator has a testing facility that meets the criteria for an approved testing facility for testing mycotoxins.

- (1) If the elevator to which the insured delivers production does not meet the criteria for an approved testing facility (see subparagraph F above), the adjuster must obtain the samples prior to hauling the production to the elevator or the elevator must be advised to extract an additional

sample per load (**samples per load can be blended into one sample per unit**) that can be sent to an approved testing facility in order for the mycotoxin damage to be considered for quality adjustment purposes. (For sample size, see subparagraph G (1) above.) The sample must be tagged in a way that will identify the insured's name, load number and/or unit from which the sample was obtained, and any other pertinent information. The same care in transportation that is stated in subparagraph G (2) above must be used.

- (2) If the elevator has a testing facility that meets the criteria for an approved testing facility, and there is a mycotoxin test result for each load, use the results of each load to determine the RIV for quality adjustment (value of damaged grain for crops that use value of damaged production instead of RIV's for quality adjustment purposes.)

NOTE: Loads having the same quality adjustments factors can be combined and entered on one line on the claim form as stated in the crop handbooks.

I Discrepancy Between Test Results

If the elevator is NOT an approved testing facility and their test results shows a lower mycotoxin level than the approved testing facility; and therefore, would result in a lower RIV than would have been offered if the test results from the approved testing facility had been used, the RIV from the elevator may be used. However, if the test results from the approved testing facility indicates a lower mycotoxin level than the test results from the elevator's unapproved testing facility; and therefore, would result in a higher RIV than would have been offered if the test results from the approved testing facility had been used, the RIV offered or paid by the elevator must be adjusted to agree with the test results from the approved testing facility rather than the elevator.

EXAMPLES: In both examples the elevator is discounting mycotoxin grain 20 cents for every 50 PPB. The elevator's testing facility is not an approved facility.

Example 1: The elevator's test results show 100 PPB with a total RIV of 40 cents per bushel. The approved testing facility's test results show 200 PPB, which if used by the elevator, would have resulted in a RIV of 80 cents per bushel. The elevator RIV will be used in this case.

Example 2: The elevator's test results show 200 PPB with a total RIV of 80 cents per bushel. The approved testing facility's test results show 100 PPB, which if used by the elevator, would have resulted in a RIV of 40 cents per bushel. The RIV will be adjusted to agree with the approved testing facility's results; i.e., a 40 cent/bu. rather than an 80 cent/bu. RIV will be used.

J Determining the Reduction in Value

- (1) Presence of the mycotoxins must have resulted in an ACTUAL reduction in grain value.
 - (a) If the final settlement for grain does not reflect a value reduction due to mycotoxins, the grain does not qualify for quality adjustment for mycotoxins.
 - (b) Absence of a local market does not automatically give the grain a zero value.
 - (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. 112 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. 112 F 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. 112.
 - (e) If the insured can make disposition without exceeding the advisory levels, this value (if agreed to by the insurance provider) may be accepted. See PAR. 112.
- (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. 112 for more quality adjustment information.

K Documentation of Mycotoxins

Document in the narrative of the claim form or on a Special Report, the following:

- (1) Test name and type of mycotoxin for which the grain is being tested,

- (2) Test type - qualitative or quantitative,
- (3) Name and location of testing facility,
- (4) Type of testing facility,
- (5) Test date, and
- (6) Type and level of mycotoxin established from test.

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

- (1) Any mycotoxin-contaminated grain which is declared to be of zero value and are of levels of contamination that are required to be destroyed by Federal or state laws must be destroyed prior to finalizing the claim. Destruction of such grain should be destroyed in accordance with any applicable method prescribed by state or Federal regulations.
- (2) Leave a Certification Form with the insured, and:
 - (a) Explain why the form is being left,
 - (b) Instruct the insured on how to complete the form after destruction of the affected production in order to certify to its destruction, and
 - (c) Where the completed form is to be returned.

Follow regular Certification Form procedures in the subject crop handbook and in PAR. 77 as applicable, when completing the portion of the form that the adjuster completes and in providing instructions to the insureds for the portion that they are to complete. See PAR. 77 for required field visit after insured has certified destruction of the damaged production on the Certification Form.

119 (RESERVED)

120 (RESERVED)

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

121 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 some 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. 100 for information about establishing total production for the crop.

122 PRODUCTION WEIGHED AND FARM-STORED

A Weighed/Weight Tickets. Weighed production weighed either by farm scales or commercial elevator scales prior to storing on the farm may be used to determine production, provided:

- (1) Acceptable weight tickets are available as described in B below;
- (2) The weighed production is reasonable for the unit (see paragraph 101);
- (3) If farm scales are used, the location of the scales used to weigh the production can be verified;
- (4) It can be satisfactorily verified that there is not more production in the storage structure than is shown on the corresponding weight tickets. Generally, satisfactory verification can be accomplished by visually inspecting the storage-structure contents rather than measuring the contents. For example: two units of production has been identified to be stored in a bin that has a 10,000 bushel capacity. Weight tickets for the two units total 7,500 bushels. From the visual inspection of the bin, it is determined that the bin is approximately 3/4 full which would be satisfactory. On the other hand, if it is determined that the bin is filled to its capacity (10,000 bushels), the weight tickets (total of 7,500 bushels) cannot be accepted (unless the discrepancy can be satisfactorily resolved) since more grain is in the bin than is shown on the submitted weight tickets.

NOTE: For farm stored production, samples for moisture and quality adjustment can only be taken by the adjuster, UNLESS (1) the load(s) have been weighed at a commercial facility and at the same time load samples were extracted by authorized personnel (not insured) at the commercial facility, and (2) the samples were analyzed by a grain grader licensed under the authority of the United States Grain Standards Act or the United States Warehouse Act (for mycotoxin damage, see paragraph 118F for acceptable testing facility), AND (3) the adjuster is able to verify the preceding with the elevator. See Section 5 for more information regarding adjustments to production.

B The insured and adjuster working together must ensure that the weight tickets provide at least the following information:

- (1) Insured's name,
- (2) Load number or ticket number,
- (3) Crop,

- (4) Gross weight,
- (5) Unit number (and FSN where optional units are designated by FSN),
- (6) Tare weight,
- (7) Date weighed,
- (8) Net weight of production,
- (9) Legal description of the land from which the production was harvested,
- (10) Identification and/or location of farm-storage structure in which the load(s) are stored and/or satisfactory explanation of disposition of the production if any or all of the production is no longer stored at the time of inspection, and
- (11) Location of the scales used to weigh the production.

C Converting Scale Weights to Unit of Measure Used for the Crop

To convert scale weight to units of measure, divide the weight by the standard weight per unit of measure. (See PAR. 117 F for standard bushel weights).
 Example: The standard weight for a bushel of wheat is 60 lbs. (10256 lbs. ÷ 60 lbs. = 170.9 bushels). This bushel amount would be entered in the column to enter gross production on the claim form. See Exhibit 4, Unit of Measure by Crop.

D Verification and Documentation of the Weighed Production.

Verify and document that the weight tickets met the criteria stated in subparagraph A above. Weight tickets and supporting documentation are to be retained in the policyholder's file.

123 AUTHORIZATION TO ACCEPT INSUREDS' LOAD RECORDS AND BIN MARKINGS

A Measurements Prior to Insured Commingling Production

For the purpose of indemnities, insurance providers generally cannot accept the insureds's determinations of separate unit production when production has been commingled with other units, uninsured acreage production, or different crop years (PAR. 150). When a loss situation is probable, the insured should request measurement of existing production in a storage structure PRIOR TO adding production from other units, uninsured acreage, etc. See (PRODUCTION PRE-MEASUREMENT SERVICE, (PAR. 81). However, when authorized and in accordance with conditions and requirements described in B below, the insured's load records and/or bin markings may be used.

B Authorization of Insureds' Load Records or Bin Markings in Lieu of Insurance Provider Measurements

Sometimes the insurance provider may not be able to timely perform Pre-Measurement Services due to the large number of requests. Under these conditions, the insurance provider may authorize the use of insureds' truckload (or wagon load, etc.) records or bin (or other structure) markings if all the following conditions apply:

- (1) The loss work load indicates that individual unit production determinations cannot be made timely.
- (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.

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."

6 loads X 250.0 bu./load = 1,500.0 bu. unit 00101 ÷ 2,500.0 total = 60%
 4 loads X 250.0 bu./load = 1,000.0 bu. unit 00102 ÷ 2,500.0 total = 40%
 2,500.0 bu. total (in bin based on insured's records)

2,618.0 bu. X 60% = 1,570.8 bu. production to count for unit 00101

2,618.0 bu. X 40% = 1,047.2 bu. production to count for unit 00102

(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. Identify uninsured-acreage production 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 for the last unit of production in the bin. 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. To determine unit production in the bin, the cone measurement for the last unit of production (uninsured acreage, if applicable) in the bin will be applied to the top unit and all of the units (uninsured acreage, if applicable) in the bin that had not been previously leveled before additional production was added.

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 paragraph 101 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. 150.

124 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 |

125 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

- (1) Acres to tenths (10.0, 10.9) exceptions: tobacco acres, to hundredths (1.05); and raisin acres, to whole acres.
- (2) Linear measurement in feet to tenths (10.0, 10.9).
- (3) Bushels to tenths (100.0, 100.9) except APH yield entries, which are in whole bushels.
- (4) Hundredweights to tenths (1.3, 0.6) except APH yield entries, which are in whole hundredweight.
- (5) Tons to tenths (40.0, 40.9) except for raisin tonnage, round to hundredths (40.58).
- (6) Insured share percent to three decimal places (.500, 1.000).
- (7) 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.
- (8) Cubic feet to tenths (40.0, 40.9).
- (9) Moisture to tenths (15.7, 16.1).
- (10) Dockage to tenths (3.2, 5.0). Use the normal rounding procedure.
- (11) Test weight to whole pounds (50, 58). See exception in PAR. 112 D.
- (12) Shelling percentage to whole percentage points (80, 85).
- (13) Shelling percentage factor to hundredths (.90, .98)
- (14) Corn silage sample weight in pounds to tenths (12.0, 13.8).
- (15) 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.
- (16) Pounds to whole pounds (1752).
- (17) Percent of pick to whole percentage points.

126 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 |

127 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 |
| | ha | 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 |

128 RECORDING FARM-STORED PRODUCTION ON THE CLAIM FORM

A Reference. For production weighed prior to farm-storage, see PAR. 122.

B For Production Not Weighed Prior to Storage

- (1) For square, rectangular, and round storage structures.

Entries for internal measurements of structural space occupied by the crop, test weight, and any entries for moisture, dockage, production not to count, and/or quality will be entered in the appropriate columns on the claim form as instructed in the crop handbook. From these entries the net production-to-count will be calculated for the storage structure(s). **NOTE:** Outside measurements of storage structures may be used when internal measurements cannot be obtained; however, the dimension used should reflect the internal space occupied by the crop taking the wall-thickness into consideration. Do not adjust circumference measurements of steel bins for the wall-thickness of the structure because the circumference range on the Round Bin Conversion Chart (Exhibit 14) accommodates varying wall-thickness.

- (2) ALL OTHER STRUCTURES (Hexagon, Octagon, etc.)

- (a) Gross production adjusted by test weight from these structures **MUST** be hand calculated and entered in the column used for gross production on the claim form **UNLESS** component parts from an odd shape structure are square, rectangular, or round as explained in B (3) below.
- (b) Any applicable entries for moisture, dockage, quality, or production not to count will be entered in the appropriate columns on the claim form as instructed in the crop handbook and from these entries further adjustments to the production entered in the column for gross production will be made to determine the net production.
- (c) PAR. 129 shows the steps to calculate gross production adjusted for test weight and PAR. 130 provides gross cubic feet formulas for these structures.

- (3) Odd Shaped Structures

Odd shaped structures must be separated into component parts to make determinations. If the odd-shaped structure consists of component parts that are square, rectangular, conical, or round, the individual component part measurement for each square, rectangular, conical, or round part in the odd-shaped structure may be entered on the claim as stated in PAR. 128 above. See PAR 131 for unusual (odd-shaped) storage configurations for measurement and computations.

C Documentation

Document any calculations you have made, on a Special Report or other form provided by the insurance provider, for storage structures requiring entries in the column used for gross production on the claim form or calculations used to obtain square, round, or rectangular component part measurements for odd shaped structure that were entered on the claim form. Copies of calculations are to remain in the contract folder.

129 FARM-STORED PRODUCTION-TO-COUNT FORMULA

AT THE INSURANCE PROVIDER'S CHOICE, ADJUSTERS ARE TO ROUND AFTER EACH STEP OR AT THE END OF THE CALCULATION.

A Regular structures - Round, Square, Hexagon, Octagon, Conical Pile, etc.

The step-by-step process used to determine production for these structures is:

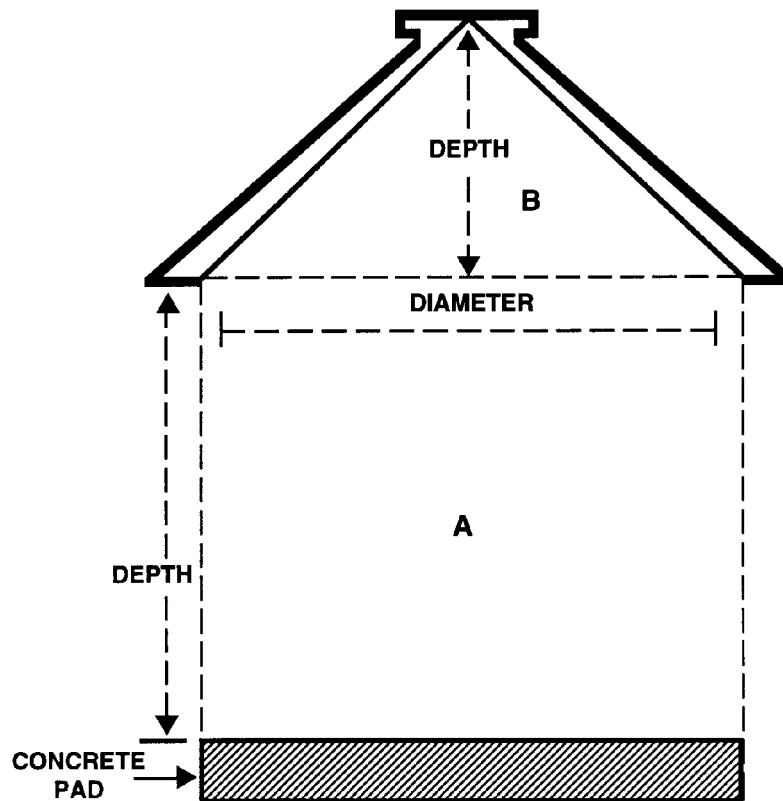
- (1) Record measurements accurately.
- (2) Determine gross cubic feet (See PAR. 130).
- (3) Gross cubic feet minus deductions in cubic feet equals net cubic feet (See PAR. 133).
- (4) Net cubic feet times Conversion factor equals unadjusted gross production (See PAR. 134).
- (5) Unadjusted gross production times actual test weight divided by standard test weight*(X percent of shell factor for ear corn) equals adjusted gross production for weight (see PAR. 117). *Actual test weight will be used for canola/rapeseed, crambe, dry beans, rice, dry peas, millet, mustard, popcorn, safflowers, and sunflowers. See the Cultivated Wild Rice Handbook for specific test weights to be used.
- (6) Adjusted gross production (by weight) times moisture adjustment factor (if applicable) equals Adjusted gross production for moisture (see PAR. 113).
- (7) Adjusted gross production (for moisture) times dockage (FM) factor (if applicable) equals adjusted gross production for dockage (see PAR. 114).
- (8) Adjusted gross production (for dockage) times quality adjustment factor (if crop provisions allow for quality adjustment and production qualifies for quality adjustment) equals production to count (see PAR. 111 and 112).
- (9) Adjusted gross production by test weight minus production not to count equals adjusted gross production by weight.

131 UNUSUAL STORAGE CONFIGURATIONS: MEASUREMENTS AND COMPUTATION**A Inverted Cone**

- (1) The dimensions of an inverted cone are recorded on the claim form in the items used for recording structure measurements. "Cone" is entered in the column entitled "width" on the claim form.
- (2) If the inverted cone is a permanent part of a storage structure, record the measurements on a Special Report or other FCIC-approved form used for measurement purposes, prior to harvest to be retained permanently with the insured's file folder. To record this information, ask the insured if any of the storage structures have an inverted cone while on a pre-harvest appraisal, acreage report review, growing season inspection, etc. The manufacturer's or builder's specifications may be used if it is not possible to measure the inverted cone during the inspection. If these are not available, FSA may have measurements on record for the particular storage structure in question.
- (3) To determine the amount of grain in an inverted cone, obtain these measurements:
 - (a) Diameter if round; width and length if square or rectangular.
 - (b) Depth - by actual measurement.
- (4) To determine the unadjusted gross production of grain in an inverted cone, follow this formula:
 - (a) Square. Length times width times 1/3 recorded depth equals gross cubic feet.

Round. Diameter squared times .2618 times x recorded depth equals gross cubic feet.
 - (b) Gross cubic feet minus deductions in cubic feet equals Net cubic feet
 - (c) Net cubic feet times Conversion factor equals unadjusted gross production.
- (5) To determine adjusted gross production (by test weight), follow this formula: Multiply the unadjusted gross production by the test weight factor (see Test Weight and Test-Weight Factor, PAR. 117) equals adjusted gross production (by test weight).
- (6) Enter on the claim line entry any adjustments necessary for correct computation of grain; i.e., entries for dockage, moisture, or quality if applicable.

B Cone on a cylinder



There will be two (2) line entries in the part of the claim form used to record structure measurements.

- (1) One line will be identified by "RND" (for production in A) with all determined measurements and adjustments entered for that line.
- (2) One line will be identified as "Cone" (for production in B) with all determined measurements and adjustments entered for that line on the Production Worksheet.

132 ROUND BIN CHART

See Exhibit 14 for converting circumference to diameter and square feet.

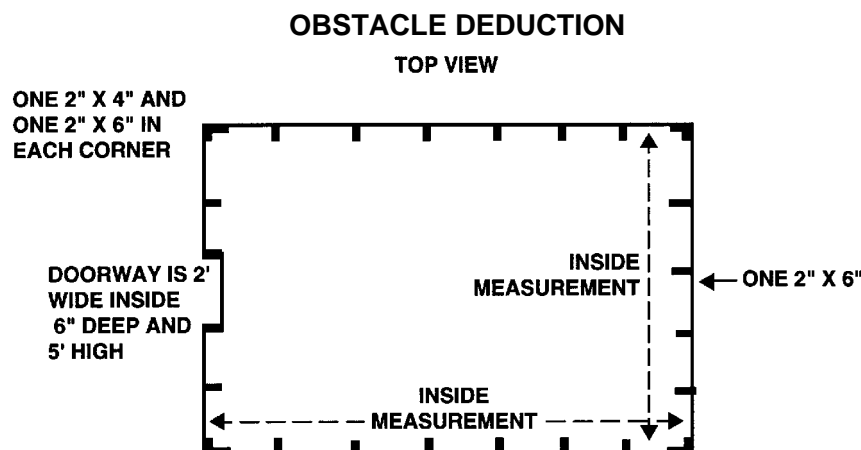
133 NET CUBIC FEET FORMULA (CUBIC FEET DEDUCTIONS)

- A Net Cubic Feet Calculation. Gross cubic feet minus Cubic feet of deductions equals net cubic feet.
- B Determining Deductions. Calculate net cubic feet by computing the cubic feet of studs, vents, etc., which displace the crop inside the structure and deducting that amount from the gross cubic feet.
- C Deductions for Regular Type Structures. For regular type structures (round augers, square air vents, etc.) use the formulas given in PAR.'s 129 and in D below to determine cubic feet deductions.
- D To compute studs and joists which displace the crop:
- (1) 2" x 4" - multiply the number of studs times depth of the stored crop and divide by 18.
 - (2) 2" x 6" - multiply the number of studs times depth of the stored crop and divide by 12.
 - (3) 2" x 8" - multiply the number of studs times depth of the stored crop and divide by 9.

EXAMPLE: A bin with 30 studs (2" x 6") with a depth of 5 feet in the crop:

$$\frac{30 \times 5}{12} = 12.5 \text{ cu. ft.}$$

- (4) Angled (diagonal, etc.) support studs should be calculated by dividing the total length of the studs by the appropriate factor.



134 CONVERTING VOLUME TO BUSHELS, HUNDREDWEIGHT, OR POUNDS

Net cubic feet times conversion factor, hundredweight, or pounds shown in the chart below equals unadjusted gross production (before adjustments for weight, moisture, and dockage).

CONVERSION FACTOR CHART

| CROPS | FOR BUSHELS | FOR HUNDREDWEIGHT | FOR POUNDS |
|-----------------------------|-------------|-------------------|------------|
| Barley | 0.8 | | |
| Beans (Dry) | 0.8 | | * |
| Canola/rapeseed | 0.8 | | * |
| Crambe (Pilot) | 0.8 | | * |
| Corn (Shelled) | 0.8 | | |
| Corn (ear) | 0.4 | | |
| Corn (Ground Shelled) | 0.7 | | |
| Corn (Ground Ear) | 0.6 | | |
| Corn (Hybrid Seed) | 0.8 | | |
| Flaxseed | 0.8 | | |
| Grain Sorghum | 0.8 | | |
| Hybrid Seed Sorghum | 0.8 | | |
| Millet (Pilot) | 0.8 | | * |
| Mustard (Pilot) | 0.8 | | * |
| Oats | 0.8 | | |
| Peanuts (Spanish SW & SE) | | | 19.7 |
| Peanuts (Runner) | | | 16.9 |
| Peanuts (Virginia) | | | 13.5 |
| Peanuts (Valencia) | | | 17.5 |
| Peas (Dry) | 0.8 | | * |
| Popcorn (Shelled) | 0.8 | | * |
| Popcorn (Ear) | 0.4 | | * |
| Potatoes | | 0.4167 | * |
| Rice | 0.8 | | |
| Rye | 0.8 | | * |
| Safflowers | 0.8 | | * |
| Soybeans | 0.8 | | |
| Sunflower (oil and non-oil) | 0.8 | | * |
| Sweet Potatoes (Pilot) | | 0.4283 | |
| Wheat | 0.8 | | |
| Wild Rice (Cultivated) | 0.8 | | ** |

* To convert to pounds: Net cubic feet x Conversion Factor x Actual Test Weight (÷ 100 for millet)= adjusted Gross Production for test weight. **See Cultivated Wild Rice Handbook for specific weight to use for calculations.

SECTION 2 UNUSUAL/CONTROVERSIAL CASES

143 CONTROVERSIAL CLAIM: UNINSURED CAUSES OF LOSS

A General Information

The contract provides protection only against unavoidable loss of production due to the named insured causes. It is specific as to what causes of loss are insured against; therefore, all other causes of loss are not insured. Moreover, any loss from the cause(s) named is not insured if it was avoidable. For example, loss due to failure of the insured to take adequate measures to control insects, plant disease, or weeds when such measures are practical and have proven effective in the area is AVOIDABLE and is an UNINSURED cause of loss. However, if the insured carried out recognized and accepted measures to control insects or plant disease (if provided as insured causes) or weeds, these causes are considered UNAVOIDABLE INSURED CAUSES. Although weeds are not a stated insured cause, the FCIC will consider damage caused by them as insured IF recognized and accepted control measures were used, and if adverse weather directly caused the control measures to be less effective.

B The uninsured causes of loss can be found in the Basic Provisions, individual crop provisions, and actuarial documents.

NOTE: ORGANIC FARMING PRACTICE - Until the time that FCIC provides specific policy language that is specific to organic farming practices and/or provides for an organic farming practice on the actuarial, the following will apply:

The same policy terms and conditions apply when a producer utilizes an organic farming practice as would apply to a producer utilizing a non-organic practice (conventional farming practice). Policy provisions allow only for unavoidable loss of production due to named perils with no special considerations for an insured using an organic farming practice; i.e., the producer using an organic farming practice is expected to use the same control measures to avoid disease, insects, and weeds as the producer using a non-organic or conventional farming practice. Therefore, if an insured (regardless of whether they used organic or conventional practices) chooses not to apply a generally used and recognized control measure, (e.g., chemical controls) but instead uses an alternative control measure (e.g., non-chemical) and that choice results in an avoidable loss of production, the insured would be assessed an uninsured cause appraisal for such loss of production. However, if a recognized control measure generally used in the county by conventional producers for the insured crop (but not used by the organic producer) was rendered ineffective or less effective due to adverse weather and this similarly affected both groups of producers in the same general area, comparable losses of production would be allowed for the insured using the organic farming practice unless insects or disease is not a named peril in the specific crop provisions. (Most crop provisions list insects or disease; however, some may

not.) For example, the production practices used by an organic producer to control weeds included crop rotations and cultivation. Conventional producers in the same area of the county relied primarily on chemical herbicides. Persistent rains resulted in a similar loss of production for both groups of producers due to the inability to control weeds. The loss of production in this instance would be insurable for both groups. On the other hand, if the chemical weed controls had been effective for conventional producers, any loss of production that organic producers suffered due to the inability to control weeds would be uninsurable.

C Included in Total Production to Count

Most policy provisions require that total production to count include all of the following:

- (1) An appraisal for potential production lost due to uninsured causes. (Uninsured cause appraisals are not included in APH determinations.)
- (2) An appraisal of not less than the per-acre guarantee (per-acre dollar amount of insurance for dollar crops) for any acreage:
 - (a) Abandoned,
 - (b) put to another use without the insurance provider's prior written consent,
 - (c) damaged solely by an uninsured cause, and
 - (d) for some crops, for which the insured fails to provide records of production that are acceptable to the insurance provider.

NOTE: Some crop provisions may also require notification to the insurance provider when the crop will be direct marketed and failure to provide such notification may result in at least an appraisal of the per-acre guarantee or per-acre dollar amount of insurance.

- D Chemicals. Any loss of marketability of crops due to misapplication of chemicals **or application of chemicals which are controversial, withdrawn from sale, etc.**, IS NOT INSURED under the insurance contract unless provided specifically as a condition of the contract.

E Loss Due Solely to Uninsured Causes

The insurance provider cannot indemnify an insured when all of the loss is due solely to uninsured cause(s). In such cases, the appraisal must not be less than the production guarantee. When the appraisal is more than the production guarantee, use the actual appraisal.

F When loss is due to uninsurable cause(s):

- (1) Consider production on same or similar crop(s) on other farms in the area.
- (2) Verify cause of loss (e.g. apparent loss may be poor weed control; however, the damage may have been indirectly caused by insufficient rainfall to activate a properly applied herbicide).
- (3) Make an appraisal which represents only that part of the loss which is due to uninsured or avoidable cause, and a separate appraisal for potential production remaining.
- (4) Discuss appraisals with insured.
- (5) Determine efforts to prevent or control the situation (chemical used and/or methods followed). Record the number of applications and dates they were applied based on receipts or other third party records.
- (6) Determine efforts neighbors and others in the community used to prevent or control the same situation.
- (7) Photograph the evidence of the crop in question and surrounding farms, with identifying landmarks in each photograph.
- (8) Compare productivity and yields of surrounding farms. The suggested comparison formula is found in subparagraph "K and L."

G In every case, establish that the damage or loss is due:

- (1) Solely to one or more unavoidable insured causes(s).
- (2) To both unavoidable insured cause(s) and uninsured cause(s).
- (3) Solely to one or more uninsured causes, (including avoidable insured causes).

LINE 2: 15.0 acres (002 irrigated practice) X 80.0 bu. (harvest guarantee) = 1,200.0 bu. (Line Guar.)

Step 2: 450.0 bu. (Line 1 Guar.) + 1200.0 bu. (Line 2 Guar.) = 1650.0 bu. unit guarantee (U Guar.)

Step 3: 450.0 bu. (Line 1 Guar.) ÷ 1650.0 bu. (U Guar.) = .2727
Commingled Production (CP) Factor.

1200.0 bu. (Line 2 Guar.) ÷ 1650.0 bu. (U Guar.) = .7273 CP Factor.

Step 4 1500.0 bu. (TOTAL prod.) X .2727 (Line 1 CP factor) = 409.0 bu. to be allocated for line 1 (003 dryland practice).

1500.0 (TOTAL prod.) X .7273 (Line 2 CP factor) = 1091.0 bu. to be allocated for line 2 (002 irrigated practice).

- (b) Enter the allocated production from the different practices/types in Part III of the claim form as instructed in the individual crop handbooks.
- (c) Show all calculations on a Special Report and attach to the claim form.

151 UNREPORTED UNITS

A General Instructions

If the insured fails to report acreage which could have been established as a separate unit, the insured's share of production from the acreage in the unreported unit will be allocated to the acreage in the REPORTED unit(s) in proportion to the liability on the insured acreage on each reported unit. However, no production from unreported units will be allocated to prevented planting acreage or otherwise affect any prevented planting payment. The calculation examples in subparagraph E below show how the production is proportioned to the liability. No premium will be charged for the acreage on the unreported unit(s). See notes below.

NOTE 1: Production from the unreported unit(s) is allocated to reported units of the same crop in the SAME county, unless the "county" definition in the policy/endorsement or a written agreement specifies otherwise

NOTE 2: Production from the unreported unit(s) can only be established from harvested and/or appraised production. If no production has been harvested and/or appraised from an unreported insurable unit and this unit is destroyed prior to the adjuster's knowledge of its existence, potential production cannot be assessed for this unreported unit. At the time an unreported unit is

discovered, appraise unreported unit acreage any time it is suspected or known that the crop will not be harvested or production will be harvested and stored in such a manner that such production cannot be established at a later date.

B Inform the Insured

Advise the insured that production from the unreported unit WILL NOT be counted for APH purposes for the reported unit even though it will be apportioned to it; however, the unreported unit production will be counted for APH purposes for the unreported unit.

C ***

D When Claim Can Be Finalized. Claims CANNOT be finalized until the production (preferably harvested rather than appraised) from unreported units is established for allocation.

E Calculation Instructions

Calculate the production from the unreported acreage unit, as follows:

- (1) If only one unit is reported, the insured's share of the production from the unreported unit divided by the insured's share of the reported unit will be the amount allocated to the reported unit.

Example: An unreported unit consisting of 50 acres with 1500.0 bushels of harvested production was found when completing a final loss inspection. It was determined that the insured had a 50 percent share in the unreported unit. The insured's share in the reported unit was 75 percent.

Step 1 $1500.0 \text{ bu.} \times .500 = 750.0 \text{ bu.}$ share of unreported unit.

Step 2 $750.0 \text{ bu. (insured's production share of unreported unit)} \div .750$
(share percent of reported unit) = 1000.0 bu. to be allocated to the reported unit.

NOTE: Although the allocated production to the reported unit was increased in this example, it will be reduced to the correct share of production (750.0 bushels) when the indemnity amount is multiplied by the reported unit share (.750).

- (2) If more than one unit was reported, calculate the allocation of production from the unreported unit to each reported unit in proportion to the liability on the insured acreage as follows:
- (a) For each reported unit, calculate the liability for the insured acreage (insured acres X guarantee X share = unit liability).

PART 5 LATE PLANTING AND PREVENTED PLANTING INSTRUCTIONS**162 GENERAL INFORMATION**

This part covers late planting (LP) provisions and/or prevented planting (PP) provisions that are contained in the Basic Provisions. These provisions provide automatic LP and PP coverage, unless the specific crop provisions or Special Provisions specifies otherwise. For 1999, the 98-BR (Basic Provisions) will pertain to crops having a Contract Change Date (CCD) prior to November 30, 1998, and the 99-BR (Basic Provisions) will pertain to crops having a CCD of November 30 or December 31, 1998.

These procedures list the crops for which LP and PP provisions are in effect and identify procedures that are specific only to LP and PP provisions under the 98-BR or 99-BR. If there is no identifier, the procedures are applicable to crops under the 98-BR and 99-BR.

163 LATE PLANTING COVERAGE**A General Information****(1) LP Period**

For applicable crops planted during the LP period (regardless of the reason for the delayed planting), the per-acre production guarantee for those acres will be reduced as stated in C below, unless otherwise specified in the Special Provisions. The LP period, as specified in the Basic Provisions, is 1-25 days after the final planting date unless specified otherwise in the crop provisions or Special Provisions. (Crop Provisions for millet, guaranteed tobacco, and quota tobacco specify less than 25 days).

(2) After the LP Period

If the insured crop was prevented from being planted, due to an insurable cause, by the final planting date or during the LP period by an insurable cause occurring within the insurance period for PP coverage AND PP provisions are applicable to the insured crop, coverage will be provided for acreage planted to the insured crop after the LP period (or after the final planting date for crops that do not have a LP period). See PAR. 163C (2) for more information.

B Crops having automatic LP coverage are:

Barley, canola/rapeseed, corn, cotton (except no late planting period for ELS cotton), crambe, dry beans, dry peas, flax, grain sorghum, green peas 1/, hybrid seed corn, hybrid sorghum seed, millet, oats, onions, peanuts, popcorn 1/, mustard, central and southern potatoes, northern potatoes, processing sweet corn 1/, processing beans 1/, rice, rye safflowers, soybeans, sugar beets 2/, sunflower seed, tobacco (Guaranteed Production (GP)), tobacco (Quota (QTA)) and wheat 3/.

- 1/ Late planting period allowed ONLY if provided in the Special Provisions, and the insured provides written approval from the processor by the acreage reporting date that it will accept the production from the late planted acres when it is expected to be ready for harvest.
- 2/ LP is not available in California Counties with an April 30 CCD and a July 15 cancellation date.
- 3/ Late planting period not applicable to fall-planted wheat. Winter wheat planted after the fall final planting date, in counties where Special Provision also contain a spring final planting date, will not be insured. Winter wheat that is planted after the fall final planting date, in counties where Special Provisions contain only fall final planting date, will not be insured unless the producer was prevented from planting the winter wheat by the fall final planting date.

C Guarantee

(1) **Planted within the LP period**

- (a) For all the crops **except millet, GP tobacco, QTA tobacco** that are listed in subparagraph B above, the per-acre production guarantee or per-acre amount of insurance will be reduced by one (1) percent per day for each day planted after the final planting date, **unless otherwise specified in the Special Provisions.**

NOTE: the per-acre production guarantee is reduced a maximum of 25 percent for planting 25 days after the final planting date.

- (b) For millet:

In accordance with the Millet 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 production guarantee for those acres will be reduced 1 percent for each day delay in planting.

For the 11th day through the 20th day after the final planting date, the per-acre production guarantee for those acres will be reduced an additional 3 percent for each day delay in planting.

NOTE: The per-acre production guarantee is reduced a maximum of 40 percent for planting 20 days after the final planting date.

(c) For Guaranteed Production (GP) Tobacco:

In accordance with the GP 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 production guarantee for those acres will be reduced 1 percent for each day delay in planting.

For the 11th day through the 15th day after the final planting date, the per-acre production guarantee for those acres will be reduced an additional 2 percent for each day delay in planting.

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

(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 production guarantee is reduced a maximum of 20 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. 163 A (2) above and PP coverage is available for the crop, the per-acre production guarantee or per-acre amount of insurance 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).

164 PREVENTED PLANTING COVERAGE AND ELIGIBLE ACREAGE

A Use the PP Procedures for:

Barley, canola/rapeseed, corn, cotton, ELS cotton, crambe, dry beans, dry peas, flax, grain sorghum, green peas, hybrid seed corn, hybrid sorghum seed, mustard, oats, onions, peanuts, popcorn, central and southern potatoes, northern potatoes, processing sweet corn, processing beans, rice, rye, safflowers, soybeans, sugar beets ^{1/}, sunflower seed, and wheat.

^{1/} PP is not available in California counties with an April 30 CCD and a July 15 cancellation date.

B Insurance Period

(1) The insurance period begins:

- (a) For First Year Crop Coverage: on the sales closing date for the insured crop in the county for the crop year the producer's application is accepted.
- (b) For Continuous Crop Coverage (not terminated or canceled for a crop year): on the sales closing date for the insured crop in the county for the prior crop year.

NOTE: Transfer of coverage (cancellation/re-write) to a different insurance provider is still considered continuous coverage.

(2) The insurance period ends for PP acreage the earlier of the calendar date for the end of the insurance period or the date the claim is finalized for the PP acreage.

C PP Payment is provided if:

- (1) The insured crop cannot be planted 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 PP payment if the insured failed to plant the insured crop with the proper equipment within the late planting period (ELS cotton and winter wheat in counties with only a fall planting date do not have a LP period);

***NOTE:** (latest final planting date for the crop in the county for barley, oats, and wheat)

- (2) The insured was prevented from planting the insured crop due to an insured cause of loss** (that occurred during the PP insurance period- see subparagraph B above for PP insurance period) and

- (For crop policies under 99-BR (crop/counties having CCD's of November 30, 1998, or December 31, 1998) that is general in the surrounding area and that prevents other producers from planting acreage with similar characteristics.
- (For crop policies under 98-BR (crop/counties having CCD's prior to November 30, 1998) that prevented most producers with acreage of similar characteristics in the surrounding area from planting.

- (3) The acreage of the insured crop that was prevented from being planted is listed on a timely submitted acreage report. (See PAR. 166.)

- (4) The insured did not plant the insured crop during or after the late planting period. If such acreage is planted to the insured crop during or after the late planting period, it is covered under the late planting provisions. See PAR. 163.

- (5) There is enough eligible PP acreage (after deducting planted acreage) to cover the unplanted acreage. (See PAR. 164 F and H.)

- (6) The premium that would be required to be paid by the insured for the PP acreage DOES NOT exceed the liability for such acreage. See PAR. 165.

****NOTES:**

For crops policies under 98-BR (crop/counties having CCD's prior to November 30, 1998): PP is not covered for drought or failure of the irrigation water supply UNLESS on the final planting date:

- For non-irrigated acreage, the area (in which the acreage is located) that is prevented from being planted is classified by the Palmer Drought Severity Index (see definition in Exhibit 1) as being in a severe or extreme drought; or
- For irrigated acreage, there is not a reasonable probability of having adequate water to carry out an irrigated practice.

For crop policies under 99-BR (crop/counties having CCD's of November 30, 1998 or December 31, 1998): drought or failure of the irrigation water supply will be an insurable cause of loss for PP purposes only if on the final planting date or within the late planting period the insured elects to try and plant the crop:

- For non-irrigated acreage, the area that is prevented from being planted has insufficient soil moisture for germination of seed and progress toward crop maturity due to a prolonged period of dry weather. Prolonged precipitation deficiencies must be verifiable using information collected by sources whose business it is to record and study the weather, including but not limited to, local weather reporting stations of the National Weather Service; or
- For irrigated acreage, there is not a reasonable probability of having adequate water to carry out an irrigated practice.

D Prevented Planting Coverage Level Percents

- (1) The crop provisions contain the PP coverage level percentage that will automatically apply to the insured's crop policy if the insured does not elect an available PP coverage level percentage on or prior to the sales closing date.
- (2) The actuarial documents may contain additional levels of PP coverage the insured may purchase for the insured crop on or before the sales closing date.
- (3) If the insured has a CAT Endorsement for any crop, the additional levels of PP coverage will not be available for that crop.
- (4) The insured may not increase the elected or assigned PP coverage level percent for any crop year if a cause of loss that will or could prevent planting is evident prior to the time the insured wishes to change his/her PP coverage level percent.

Continued on the next page

E Production Guarantees

| IF ACREAGE IS PREVENTED FROM PLANTING TO THE INSURED CROP... | THEN THE GUARANTEE IS... |
|---|--|
| <p>, and acreage is left idle or planted to a cover crop not to be harvested (cover crop can be hayed* or grazed - see PAR. 164 K below for acceptable cover crops)</p> <p>* NOTE: haying includes silage, forage, haylage, and green chop.</p> | <ul style="list-style-type: none"> • 60, 65 *, or 70 * percent of the per-acre production guarantee for timely planted acres of barley, corn, canola/rapeseed, crambe, dry beans, dry peas, flax, grain sorghum, hybrid sorghum seed, mustard, oats, popcorn, rye, safflowers, soybeans, sunflower seed, and wheat. • 50, 55 * or 60 * percent of the per-acre amount of insurance for hybrid seed corn, cotton, and ELS cotton. (Note: production guarantee for cotton and ELS cotton is based on the solid planted approved APH yield.) • 50 percent of the per-acre production guarantee for timely planted acres of peanuts. • 45, 50 * or 55* percent of the per-acre production guarantee for timely planted acres of rice. • 45, 50* or 55* percent of the <u>final stage</u> per-acre production guarantee of timely planted acres of onions and sugar beets. • 40, 45* or 50* percent of the per-acre production guarantee of timely planted acres of green peas, processing sweet corn, and processing beans. • 25, 30* or 35* percent of the per-acre production guarantee for central and southern potatoes and northern potatoes. <p>* If the insured has limited or additional coverage and elects one of these higher PP coverages by the sales closing date.</p> <p>NOTE: PP coverage for double-cropped acreage is not available for CAT.</p> <p>NOTE: The PP guarantee for eligible double-cropped acreage is the same as for PP acreage that is not planted to any crop (e.g.; 60 percent for corn).</p> |

F Eligible Acres

(1) Acreage eligible for PP must be:

- Insurable.
- Available for planting.

NOTE: Available for planting means land is free of trees, rocky outcroppings, or other factors that would prevent proper and timely preparation of the seedbed for planting and harvest of the crop for the crop year.

- Acreage for which the insured can provide evidence that there was intent to plant an insured crop. Evidence that the insured had previously planted the crop on the unit will be considered adequate proof unless the insured's planting practices or rotational requirements show the acreage would have remained fallow or would have been planted to another crop.

(2) Maximum eligible acreage for ALL crops.

The maximum is the TOTAL number of acres eligible for PP coverage for ALL crops. This total cannot exceed the number of cropland acres in the insured's farming operation for the crop year, unless the insured is eligible for PP coverage on double-cropped acreage. See subparagraph H (4) below.

Continued on the next page

(3) Maximum eligible acreage for each crop

| <p>TYPE OF CROP:</p> | <p>Eligible acres if, in any of the 4 most recent policy crop years, the insured has planted ANY crop in the county for which PP insurance was available or has received a PP insurance guarantee:</p> | <p>Eligible acres if, in any of the 4 most recent policy crop years, the insured HAS NOT planted ANY crop in the county for which PP insurance was available or has not received a PP insurance guarantee:</p> |
|--|--|---|
| <p>For crops not required to be contracted with a processor to be insured.</p> <p>Applicable crops not requiring processor contracts are as follows:</p> <p>Barley, canola/rapeseed, corn, cotton, ELS cotton, dry beans*, dry peas*, flax, grain sorghum, oats, onions, peanuts, central and southern potatoes, northern potatoes, rice, rye, soybeans, safflowers, sunflower seed, and wheat</p> <p>*This does not include contract seed beans or contract seed peas. See contract seed beans or contract seed peas below.</p> | <p>The maximum number of acres certified for APH purposes or reported for insurance for the crop in any one of the 4 most recent policy crop years (not including reported PP acreage that was planted to a substitute crop other than an approved cover crop).</p> <p>The number of acres determined above for a crop may be increased by multiplying it by the ratio of the total cropland acres that the insured is farming in the current policy crop year (if greater) to the total cropland acres that the insured farmed in the previous year, provided that the insured submits proof to the insurance provider that for the current policy crop year the insured has purchased or leased additional land or that acreage will be released from any USDA program which prohibits harvest of a crop. Such acreage must have been purchased, leased, or released from the USDA program in time to plant it for the current policy crop year using good farming practices. No cause of loss that will or could prevent planting may be evident at the time the acreage is purchased, leased, or released from the USDA program.</p> | <p>The number of acres specified on an intended acreage report submitted to the insurance provider by the sales closing date for ALL crops insured for the policy crop year and that is accepted by the insurance provider. The total number of acres listed (for all crops) cannot exceed the number of acres of cropland in the insured's farming operation at the time the intended acreage report is submitted. The number of acres determined above for a crop can only be increased by multiplying it by the ratio of the total cropland acres that the insured is farming in the current policy crop year (if greater) to the number of acres listed in the intended acreage report, if the insured submits proof to the insurance provider that for the current policy crop year the insured has purchased or leased additional land or that acreage will be released from any USDA program which prohibits harvest of a crop. Such acreage must have been purchased, leased, or released from the USDA program in time to plant it for the current policy crop year using good farming practices. No cause of loss that will or could prevent planting may be evident at the time the acreage is purchased, leased, or released from the USDA program.</p> |

| TYPE OF CROP: | Eligible acres if, in any of the 4 most recent policy crop years, the insured has planted ANY crop in the county for which PP insurance was available or has received a PP insurance guarantee: | Eligible acres if, in any of the 4 most recent policy crop years, the insured HAS NOT planted ANY crop in the county for which PP insurance was available or has not received a PP insurance guarantee: |
|---|--|---|
| <p>For crops that require a processor contract in order for the crop to be insured.</p> <p>Applicable crops requiring processor contracts are as follows:</p> <p>Crambe, Hybrid seed (corn), hybrid sorghum seed, contract seed beans under the dry bean crop provisions, mustard, contract seed peas under the dry pea crop provisions, green peas, popcorn, processing sweet corn, processing beans, and sugar beets.</p> | <p>The number of acres specified in the processor contract, if the contract specifies a number of acres contracted for the policy crop year; or insured.</p> <p>The result of dividing the quantity of production stated in the processor contract by the insured's approved yield, if the processor contract specifies a quantity of production that will be accepted. (For the purposes of establishing the number of PP acres, any reductions applied to the transitional yield for failure to certify acreage and production for four prior years will not be used.)</p> | <p>The number of acres specified for the crop in the processor contract, if the contract specifies a number of acres contracted for the policy crop year; or insured.</p> <p>The result of dividing the quantity of production stated in the processor contract by the insured's approved yield, if the processor contract specifies a quantity of production that will be accepted. (For the purposes of establishing the number of PP acres, any reductions applied to the transitional yield for failure to certify acreage and production for four prior years will not be used.)</p> |

- (4) Any eligible acreage determined in accordance with the table in subparagraph F (3) above will be reduced by subtracting the number of acres of the crop (insured and uninsured) that are timely and late planted.
- (5) PP acreage is established when insureds report their acreage by the acreage reporting date. See PAR. 166 for acreage reporting information and PAR. 172 for information about verifying eligibility of reported PP acreage and examples thereof.
- (6) **For crop policies under 99-BR (crop/counties having CCD's of November 30, 1998, or December 31, 1999):** If an insured has a limited or additional coverage policy for a crop, executes a High Risk Land Exclusion Option that separately insures high-risk acreage for that crop under a CAT policy, the maximum number of acres eligible for a

prevented planting payment will be limited for each crop policy as specified in PAR. 164 F and H.

- (7) If the insured is prevented from planting a crop for which the insured does not have an adequate base of eligible PP acreage, as determined in accordance with the table in F (3) above, the PP production guarantee or amount of insurance, premium, and PP payment will be based on the crops insured for the current crop year, for which the insured has remaining eligible PP acreage.

For crop policies under 99-BR (crop/counties having CCD's of November 30, 1998, or December 31, 1998): The crops used for this purpose will be those that result in a PP payment **most similar** to the PP payment that would have been made for the crop that was prevented from being planted. The PP payment may or may not be made from crop eligibility that is in the same physical location as the acreage that was actually prevented from being planted. For example, the land upon which the crop was prevented from being planting may be located in section 12 and the crop and unit for which the PP payment is the most similar may be associated with section 10. See example in PAR. 172 E.

G Irrigated Practice

For crop policies under 98-BR (crops/counties with CCD'S prior to November 30, 1998): Acreage intended to be planted under an irrigated practice will be limited to the number of acres for which the insured had adequate irrigation facilities prior to the insured cause of loss which prevented the insured from planting.

H Acreage Which is NOT ELIGIBLE for PP Coverage

Regardless of the number of eligible acres determined from using the table in subparagraph F (3) above, PP coverage will not be provided for any acreage:

- (1) **For crops policies under 98-BR (crop/counties having CCD's prior to November 30, 1998):** If at least one contiguous block of PP acreage does not constitute at least 20 acres or 20 percent of the insurable crop acreage in the unit, whichever is less (after the minimum acreage requirement on the unit is met, PP payments are on a per acre basis);

For crops policies under 99-BR (crop/counties having CCD's of November 30, 1998, or December 31, 1998): If the prevented planting acreage does not constitute at least 20 acres or 20 percent of the insurable acreage in the unit, whichever is less (after the minimum acreage requirement on the unit is met, PP payments are on a per acre basis);

Any PP acreage within a field that contains planted acreage will be considered to be acreage of the same crop, type, and practice that is

planted in the field, unless the PP acreage in the field constitutes at least 20 acres or 20 percent of the total insurable acreage in the field and the insured produced both crops, crop types, or followed both practices in the same field in the same crop year (**For crop policies under 99-BR (crop/counties having CCD's of November 30, 1998, or December 31, 1998)**), within any of the 4 most recent policy crop years);

- (2) For which the actuarial documents do not designate a premium rate unless a written agreement designates such premium rate;
- (3) Used for conservation purposes or intended to be left unplanted under any program administered by the USDA;
- (4) On which the insured crop is prevented from being planted, if the insured or any other person receives a PP payment for any crop for the same acreage in the same policy crop year (excluding share arrangements), unless the insured has coverage greater than CAT coverage and for the insured crops has records of acreage and production that are used to determine the insured's approved yield that show the acreage was double-cropped in each of the last 4 years in which the insured crop was grown on the acreage (If one of the crops being double-cropped is not insurable, verifiable records of it being planted, other than APH records, may be used.);
 - (a) For the purposes of PP, the following definitions apply:

Double-Cropped Acreage. Acreage is considered to be double-cropped for a policy crop year if a spring-planted crop follows a different fall-planted crop on the same acreage during the same policy crop year (e.g., soybeans or grain sorghum follows a fall-planted wheat crop on the SAME acreage.)
 - (b) Crop Year Grown. When determining the number of years that insured crops were double-cropped in previous policy crop years, the following situations will be considered the same as if the crop was grown on the affected acreage for that policy crop year. Excluding acreage which was considered to be a substitute crop, the insured crop will be considered to have been grown on acreage which:
 - 1 The insured or another person received a prevented planting payment;
 - 2 A crop was planted and failed and a benefit was derived under any program administered by the USDA; or
 - 3 A crop other than a cover crop (which may be hayed or grazed after the final planting date for the insured crop) was harvested, hayed, or grazed.

- (5) On which the insured crop is prevented from being planted, if any crop from which any benefit is derived under any program administered by the USDA is planted and fails, or if any crop is harvested, hayed, or grazed on the same acreage in the same policy crop year (other than a cover crop which may be hayed or grazed after the final planting date for the insured crop), unless the insured has coverage greater than CAT coverage and has records of acreage and production that are used to determine the insured's approved yield that shows the acreage was double-cropped in each of the last 4 years in which the insured crop was grown on the acreage; (If one of the crops being double-cropped is not insurable, verifiable records of it being planted, other than APH records, may be used.)
- (6) Of a crop that is prevented from being planted if a cash lease payment is also received for use of the same acreage in the same policy crop year (not applicable if acreage is leased for haying or grazing only);
- NOTE: If the insured falsely states that he/she did not cash rent the acreage, and he/she claims a PP payment, the insured is subject to civil and criminal sanctions if they do not return the PP payment.
- (7) For which planting history or conservation plans indicate that the acreage would have remained fallow for crop rotation purposes;
- (8) That exceeds the number of acres eligible for a PP payment;
- (9) That exceeds the number of eligible acres physically available for planting;
- (10) For which the insured cannot provide proof that he/she had inputs available to plant and produce a crop with the expectation of at least producing the yield used to determine the production guarantee or amount of insurance; (See subparagraph F (1) above.)
- (11) Based on an irrigated practice production guarantee or amount of insurance unless adequate irrigation facilities were in place to carry out an irrigated practice on the acreage prior to the insured cause of loss that prevented the insured from planting **(For crop policies under 99 BR (crops/counties with CCD's of November 30, 1998 or December 31, 1998)): Acreage with an irrigated practice production guarantee will be limited to the number of acres allowed for that practice within the eligible acres determined as described in PAR. 164 F (3) (4) and (5) and 164 H; or**
- (12) Of a crop type or variety that the insured did not plant or has not received a PP insurance guarantee in at least one of the four most recent policy crop years. Types or varieties for which separate price elections, amounts of insurance, or production guarantees are available must be included in the APH database in at least one of the most recent

four policy crop years, or crops that do not require yield certification (crops for which the insurance guarantee is not based on APH) must be reported on the insured's acreage report in at least one of the four most recent policy crop years, except as otherwise allowed and approved on an intended acreage report as specified in F (3) above.

NOTE: Eligible acreage for a crop type or variety is limited to the maximum number of acres allowed for that crop type or variety as specified in 164 E and F above. For example: The insured's dry bean history in the 4 most recent policy crop years is 10 acres for black turtle beans and 90 acres for navy beans. If the insured reports 100 prevented planting acres of black turtle beans on his/her acreage report, the acreage report should be corrected to reflect 10 acres PP for black turtle beans and 90 acres PP for navy beans. The insured would be eligible for 100 acres of PP since no crop was planted on it, but the PP payment would have to be based on 10 acres of black turtle beans and 90 acres of navy beans.

I PP Coverage for Spring Crops Intended to Follow a Failed Fall Crop

- (1) A producer may be eligible for a PP guarantee for a spring-planted crop that was intended to be planted, even though a fall-planted crop had been planted on the acreage, if the acreage has a history of double-cropping (not applicable to CAT) or if all of the following apply:
 - (a) The fall-planted crop failed, crop insurance coverage was not available for the fall-planted crop, and the producer is not eligible for any payment associated with the crop loss;
 - (b) Failure of the fall-planted crop occurs prior to the time that planting of spring crops normally begins in the county;
 - (c) The producer does not derive a benefit from the failed fall-planted crop by harvesting it (haying or grazing is allowed); and
 - (d) An insurance policy with PP coverage is in place for the spring crop that is intended to be planted.
- (2) A producer may be eligible for a PP guarantee when he/she intends to destroy an existing forage stand and plant a spring crop on the acreage, if the insured is unable to destroy the forage stand and plant the spring crop due to insurable causes, provided all of the following apply:
 - (a) Insurance coverage was not available for the forage crop and the producer is not eligible for any payment associated with the forage crop;
 - (b) Producers with acreage of similar characteristics in the surrounding area were prevented from planting;

- (c) The forage crop was not hayed or grazed until after the spring crop's final planting date; and
- (d) An insurance policy with PP coverage is in place for the spring crop that is intended to be planted.

J Eligibility for a Fall-planted Crop Intended to Follow Spring-planted Crops

A producer may be entitled to a PP payment for a fall-planted crop if most producers (**For crop policies under 99-BR (crops/counties with CCD's of November 30, 1998, or December 31, 1998)**: other producers) with acreage of similar characteristics in a surrounding area were prevented from harvesting a mature spring-planted crop (due to adverse weather), on such acreage, and in turn, the producers were prevented from planting the same fall-planted crop on such acreage. In counties that have crops with only spring final planting dates or both fall and spring final planting dates (e.g., Small Grains), the insured crop must be prevented from being planted until the spring final planting date in order to be eligible for a PP guarantee.

K Acceptable Cover Crops

- (1) Acceptable cover crops which qualify for a full PP guarantee are the following:
 - Annual, biennial, or perennial grasses and legumes, including sweet sorghum, sorghum grass crosses, sudans, volunteer stands other than weeds and crop residue from using no till or minimum till practices.
 - Barley, oats, rice, wheat, or any other small grains qualify provided they are not harvested for grain or seed.
- (2) The cover crops may be hayed or grazed after the final planting date for the insured crop only if allowed by PP policy provisions, but may not be harvested for grain or seed.
- (3) The above cover crops are commonly recognized in the farming community and are consistent with those previously approved by the Department of Agriculture for ACR and CU acres.
- (4) Corn planted for silage is not considered to be a cover crop. If a crop other than corn is prevented from being planted and corn is subsequently planted, the insured would not be eligible for PP on such acreage. If corn is prevented from being planted and the insured plants corn after the end of the LP period, the corn would be covered under the LP provisions. The LP guarantee would be the same as the per-acre PP guarantee. Production to count would be determined in accordance with all applicable policy provisions. (*See exception on the next page.)

***Exception:** In a county where the actuarial documents provide a premium rate for grain only, a variety of corn adapted for silage use only will be considered as uninsurable, unless otherwise allowed by a written agreement. Since the acreage intended for grain type corn was planted to a crop (silage type corn) intended for harvest, a PP payment would not be allowed for such acreage.

165 PREMIUM

The premium for LP and PP is based upon the original per-acre production guarantee for timely planted acreage, less any premium for acreage deleted (by a revised acreage report) that was not eligible for LP or PP coverage. If the premium amount for acreage that the insured is required to pay (gross premium less FCIC subsidy) for LP or PP acreage exceeds the liability on such acreage, no premium will be due (coverage will not be provided for those acres and no indemnity will be paid for such acreage).

166 ACREAGE REPORTING

The acreage report is the primary tool for implementing the LP and PP provisions, reducing the unit guarantee for LP and PP acreage.

A Insured's Responsibility

With the agent's assistance:

- (1) On or before the final acreage reporting date, report all timely planted, LP, and PP acreage along with any information required to complete an accurate initial acreage report by the final acreage reporting date (also see subparagraph E below for final acreage reporting dates);
- (2) Report any change in status of any PP acreage, including the planting of PP acreage. A revised acreage report must be prepared by the agent as needed. See subparagraph H below for revised acreage report examples.
- (3) Identify on the acreage report (or on an attachment) all uninsurable and non-eligible PP acreage and the factors used in that determination; i.e., acreage planted for an uninsurable use (e.g., planted for pasture, etc.), adjustment of reported acreage due to eligible PP acreage limitations, planted for cover crop to be harvested, etc.

NOTE: Acreage planted to the insured crop after the LP period (after the final planting date for crops that do not have a late planting period) must be reported appropriately as insured or uninsured acreage.

- If the crop was prevented from planting, due to an insured cause, prior to the final planting date or during the LP period and it is a crop for which PP coverage is available, the crop acreage would be insured and would be reported as LP acreage.
- If it was not prevented from planting, it would be reported as uninsured acreage.

B Agent/Insurance Provider Responsibility

- (1) Verify eligible PP acres.
- (2) Retain documentation of notification and any actions taken for adjuster verification and review.
- (3) Inform insureds that their actions subsequent to finalizing a claim, such as planting a crop for harvest on PP acreage, harvesting a cover crop (other than haying or grazing), may disqualify them from a PP payment or may affect the PP coverage.

C Loss Adjuster Responsibility

For required acreage report spot checks (as identified by FCIC-14010 (Manual 14) and/or when completing a claim for indemnity, verify eligible PP acreage and whether the correct PP guarantee has been reported and processed.

D Intended Acreage Report

WHEN, IN THE FOUR MOST RECENT POLICY CROP YEARS, AN INSURED DID NOT PLANT ANY CROP IN THE COUNTY FOR WHICH PP INSURANCE WAS AVAILABLE OR HAS NOT RECEIVED A PP INSURANCE GUARANTEE, the insurance provider must take an intended acreage report prior to or on the sales closing date for the purpose of determining eligible PP acres. This is not to be considered the final acreage report for reported PP acres, nor is it to be confused with the Intended Acreage Report Pilot Program. The final date for reporting PP acres is as stated in subparagraph E below. The eligible PP acres established by an approved intended acreage report, by crop, cannot be altered when acres are reported at acreage reporting time. For example: if the intended acreage report indicates 1,000 acres of corn, the insured cannot later claim 500 acres of PP corn and 500 PP soybean acres. The PP acres must remain as PP corn. Also, see example in subparagraph H below (revised acreage report examples).

E Acreage Reporting Date

- (1) If all insurable acreage is planted by the final planting date, the acreage report is due by the published acreage reporting date for the crop shown in the Special Provisions, unless the insured insures multiple crops. If the insured insures multiple crops with the same insurance provider, the acreage reporting date for all the insured crops will be the

latest applicable acreage reporting date for such crops. Acreage reporting dates for fall-planted crops and spring-planted crops are considered two separate reporting dates.

- (2) For LP, PP, or a combination of timely planted, LP, or PP acreage, the acreage report is due the later of: (1) the date for the crop shown in the Special Provisions, or (2) if multiple crops are insured with the same insurance provider, the latest applicable reporting date for such crops (fall-planted and spring-planted are considered two separate reporting dates), or (3) 5 days after the end of the LP period (no LP period for ELS cotton or winter wheat).

NOTE: Filing acreage reports for LP or PP acreage does not extend the policy-stated acreage reporting period nor the 10-week requirement for acreage data transmission for full commission reimbursement.

F Separate line entries are required on the acreage report for the following:

- (1) Basic, enterprise, and optional units, and within each unit, separate line entries for differing practices, types, varieties, shares, APH yields, and risk classifications (For whole farm units, a separate line entry is required for each crop and for each crop with differing practices, types, varieties, shares, APH yield, and risk classifications);
- (2) Timely planted acres (full production guarantee);
- (3) LP acres, with a separate line entry for each day of planting during the LP period, or if insurable, acreage planted after the LP period or after the final planting date for crops that do not have a LP period (with a reduced production guarantee based upon the planting date); and
- (4) Eligible PP acres not planted to any crop.

NOTE: For the purpose of determining acreage eligible for PP coverage, the total amount of PP and planted acres cannot exceed the maximum number of acres eligible for PP coverage.

G Identifying PP Acreage on Acreage Report

| For... | Enter... |
|--|--|
| acres not planted to any crop (can be planted to cover crop not to be harvested (can be hayed or grazed after the final planting date for the insured crop)) | as instructed by the insurance provider, the respective PP coverage codes "P2, PF, or PT" or respective PP coverage percentage. (The appropriate guarantee will be applied by line.) See PP codes in Table in PAR. 171 A. Note: Such acres will NOT be counted for APH purposes. |

H Revised Acreage Reports

The following revisions are those that should be made by the agent when the insured does something other than the intentions reported on the acreage report; e.g., (cover crop not harvested, cover crop harvested, or intended crop planted after the LP period). However, if it is discovered during the loss adjustment inspection that the acreage report had not been revised to reflect what was actually done, the adjuster/insurance provider may need to revise the acreage report.

If all the PP acres reported for the unit are PP acres that are found to be ineligible for PP coverage, the acreage report must be revised. However, if there is a combination of planted and PP acres, revised acreage reports to delete ineligible PP acres do not have to be made by the adjuster/insurance provider at the time the indemnity is worked, unless the insurance provider's claim processing system will not:

- (1) automatically refund excess premium, or
- (2) reduce the liability to the "determined liability" for over-reported PP acres."

Example:

The liability calculated from the acreage report for the unit is \$180 (\$100 for LP acreage and \$80 for PP acreage). However, the "determined acres" liability is \$150 (\$100 for LP and \$50 for PP acreage). Premium would be refunded for the over reported PP acres.

NOTE: Revisions to raise liability at loss time are not permitted except as noted in the examples below and as stated in Part 2, Section 3. For example, if there had been an obvious inadvertent error in switching the reported PP and timely planted acres, a revision to raise liability could be made. (The following

might be considered an inadvertent error, reported 60 PP acres and 40 timely planted acres, but it was actually just the opposite.)

| IF... | THEN... |
|--|--|
| PP acreage initially reported to be left idle or to be planted to a cover crop not for harvest, but is planted to another crop to be harvested | delete PP acreage. If the planted crop is an insured crop, the insured acreage (and uninsured acreage, if applicable) must be reported, which will also cause a revised acreage report for that crop if it has not previously been reported. |
| PP acreage reported with intent to plant cover crop (not for harvest), but the insured decides to harvest the cover crop | delete the PP acreage. If the insured harvests the cover crop without revising the acreage report and it is subsequently discovered during a loss inspection that the insured harvested the cover crop, the determined PP acreage on the claim form must not reflect this ineligible acreage. |
| the insured reported PP acres for a crop for which no eligible PP acres are provided under the policy (e.g., 100 acres of soybeans with no crop insurance history) but has eligible PP acres for another crop (e.g, 90 acres of corn). | For crop policies under 98-BR: revise the acreage report to reflect the other crop. The acreage will be limited to the lesser of the acreage eligible under the policy (e.g., 90 acres of corn) or the reported acreage. This may increase liability, but the intent is to allow a PP payment based on crop acreage for which the insured has insurance history. For crop policies under 99-BR see PAR. 172 E for example. |
| the insured reported 100 PP acres of black turtle beans, and the insured's dry bean history in the 4 most recent policy crop years shows the maximum acres for types of dry beans are: 10 acres for black turtle beans and 90 acres for navy beans | revise the acreage report to show 10 acres of PP acres for black turtles and 90 acres PP for navy beans. |
| acreage reported as PP is found to not be eligible for PP coverage | delete such acreage from the acreage report. |
| acreage reported as PP acres to be left idle (or planted to a cover crop not for harvest) is planted during or after the LP period (after the final planting date for crops that do not have a late planting period) to the crop reported as PP | delete the PP acreage. Revise the acreage report with the correct planting dates for the planted acreage. |

CONTINUED ON THE NEXT PAGE

| IF... | THEN... | | | | | | | | | | | | | | |
|--|---|-----------------------------|----------------|-------|------------------|---------------|----------------|--|--|------------------------------|----------------|-------|----------------|---------------|----------------|
| <p>the number of PP and planted acres reported do not match the PP and planted acres that were determined to exist, and the determined liability for the unit (PP and planted) is less than the reported liability for the unit and the PP acres, if increased, does not result in exceeding the eligible PP acres for the crop and/or total eligible PP acres for ALL crops</p> | <p>revise the acreage report to reflect the number of acres of PP and planted acres that were actually determined to exist. However, total unit acreage cannot be increased.</p> <p>EXAMPLE:</p> <table border="0"> <tr> <td>Reported Acres-100 planted-</td> <td>\$10,000 liab.</td> </tr> <tr> <td> 50 PP</td> <td>- \$ 3,000 liab.</td> </tr> <tr> <td> Total liab. =</td> <td>\$13,000 liab.</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td>Determined Acres-75 planted-</td> <td>\$ 7,500 liab.</td> </tr> <tr> <td> 75 PP</td> <td>\$ 4,500 liab.</td> </tr> <tr> <td> Total liab. =</td> <td>\$12,000 liab.</td> </tr> </table> <p>Determined acres liability < reported liability</p> | Reported Acres-100 planted- | \$10,000 liab. | 50 PP | - \$ 3,000 liab. | Total liab. = | \$13,000 liab. | | | Determined Acres-75 planted- | \$ 7,500 liab. | 75 PP | \$ 4,500 liab. | Total liab. = | \$12,000 liab. |
| Reported Acres-100 planted- | \$10,000 liab. | | | | | | | | | | | | | | |
| 50 PP | - \$ 3,000 liab. | | | | | | | | | | | | | | |
| Total liab. = | \$13,000 liab. | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| Determined Acres-75 planted- | \$ 7,500 liab. | | | | | | | | | | | | | | |
| 75 PP | \$ 4,500 liab. | | | | | | | | | | | | | | |
| Total liab. = | \$12,000 liab. | | | | | | | | | | | | | | |
| <p>in the most four recent policy crop years, an insured has not planted any crop in the county for which PP insurance was available or has not received a PP insurance guarantee, and the insured reports that he/she intends to plant all his/her cropland acres (1,000 acres) to fall wheat on the intended acreage report prior to the sales closing date for fall wheat, and the insured later reports 500 PP acres for wheat and 500 PP acres for corn by the final acreage reporting date</p> | <p>revise the acreage report to list 1,000 wheat PP acres if it is determined that the insured was prevented from planting all 1,000 acres due to an insurable cause. The acreage report must be revised to 1,000 wheat PP acres because the insured did not have any eligible PP acres for corn due to the eligible acres being established on the intended acreage report in accordance with the Basic Provisions (i.e., eligible PP acres for producer who in the most four recent crop years has not planted any crop in the county for which PP insurance was available or has not received a PP guarantee).</p> | | | | | | | | | | | | | | |
| <p>the insured reported 100 acres that had been prevented from being planting as uninsured acreage because it had been planted to an approved cover crop to be harvested; however, the insured decided not to harvest or was prevented from harvesting, thus, deriving no income from the acreage;</p> | <p>revise the acreage report to show 100 PP acres.</p> | | | | | | | | | | | | | | |

167 NOTICE REQUIREMENTS

- A Insured's Requirements. If prevented from planting, the insured must report on or before the acreage reporting date.
- B Acreage Report - Preliminary Notice. Notice of PP acreage through the filing of the acreage report is considered to be a preliminary notice of damage for the insurance unit for a PP Payment Claim. From this notice, an inspection

will be conducted later in the crop year as indicated in PAR.'s 168 and 171 D.

168 FIELD INSPECTIONS

A General Information

Field inspections are to be performed as needed to document acreage planted to the insured crop, planted to other crops, and/or left as PP acreage.

B Field Inspections for Units Containing PP Acres

On units containing PP acres, at least one field inspection is suggested to be made by the earlier of:

- (1) Fifty-five (55) days after the final planting date (the latest planting date for the crop in the county for spring-seeded barley, oats or wheat) for the insured crop, or
- (2) The general harvest date for the crop in the area. At that time, a revised acreage report must be prepared if necessary (see PAR. 166 H above), and it may be possible to finalize the claim. See PAR. 171 D.

169 REPLANTING PAYMENT ELIGIBILITY

Replanting payment eligibility is determined on a unit planted-acre basis. Acreage initially qualifying for a replanting payment may become non-qualifying if the insured later decides to plant on acres initially reported as PP acres.

A Timely Planted Acres or Acres Planted Within LP Period

Acreage initially planted timely or initially planted within the LP period is eligible if replanted before the end of the LP period (before the final planting date for ELS cotton) when it is considered practical by the insurance provider.

B Acres Planted After LP Period

Acreage initially planted after the LP period (final planting date for ELS cotton) will be eligible for a replanting payment only if replanting to the insured crop is generally occurring in the area, and the insurance provider considers it practical to replant the crop.

NOTE: Crop acreage that WAS NOT prevented from planting prior to the final planting date or within the late planting period for crops having a late planting period, and/or for which PP is NOT available for the crop, is not insurable.

170 HAIL/FIRE EXCLUSION

To be eligible for Hail/Fire exclusion, the hail and fire policy liability must equal or exceed the Multiple Peril Crop Insurance liability for all acres PLANTED to the insured crop, regardless of whether the crop was timely planted, late planted, or planted after the end of the LP period (final planting date for ELS cotton). The insurance provider must be certain that hail and fire coverage attaches to any insured-crop planted on PP acreage as required. If such coverage does not exist, the contract is not eligible for hail/fire exclusion.

171 CLAIMS**A PP Codes for Claims**

| PP Codes | Explanation |
|----------------------|--|
| P2 | <p>When the PP coverage for the insured crop stated in the Basic Provisions is applicable and acreage of the insured crop is prevented from planting (left idle or planted to a cover crop (not harvested, but can be hayed and grazed after the final planting date for the insured crop).</p> <p>(Applicable policy percentage is 60 percent coverage for all crops eligible for PP except: hybrid seed corn, cotton, ELS cotton, and peanuts (50 percent); onions, rice, and sugar beets (45 percent); green peas, processing beans, and processing sweet corn (40 percent); and potatoes (central and southern and northern) (25 percent).)</p> |
| PF | <p>When the insured has limited or additional coverage and elects a 5 percent increase of the policy stated PP coverage, if provided in the actuarial documents, by the sales closing date and acreage of the insured crop is prevented from planting (left idle or planted to a cover crop (not harvested), but can be hayed and grazed after the final planting date for the insured crop).</p> |
| PT | <p>When the insured has limited or additional coverage and elects a 10 percent increase of the policy stated PP coverage, if provided in the actuarial documents, by the sales closing date and acreage of the insured crop is prevented from planting (left idle or planted to a cover crop (not harvested), but can be hayed and grazed after the final planting date for the insured crop).</p> |
| PA | <p>Indicates "planted acres;" i.e., not prevented from planting. Used only when a claim is prepared solely as a PP payment.</p> |
| "P2P," PFP," or PTP" | <p>Used ONLY on an Indemnity Payment claim (planted acres) when a "PP Payment Claim" was previously paid or prepared via a PP Payment Claim. These codes indicate a prevented planting payment (showing the appropriate PP coverage) was previously paid or will be paid for the acreage shown on that line of the claim form; i.e., if a PP payment for 25 acres of corn at 60% PP coverage was previously paid, the line with the 25 acres would be coded "P2P."</p> |

B Claim Entry Instructions

With the exception of the instructions for PP acreage in the following table, adjusters are to follow instructions in the appropriate crop handbooks.

| Item Name & Number | Entry Instruction |
|---|--|
| "Date Harvest Completed" column of the claim form | <ul style="list-style-type: none"> • If the insured crop was prevented from being planted to the intended crop and no crop was planted on the insured acreage on the unit, enter P2, PF, or PT as appropriate for the insured's selected PP coverage. • If acreage was planted to the insured crop, determine the entry as instructed in the appropriate crop handbook. |
| "Stage" column of the claim form | <ul style="list-style-type: none"> • When acreage is eligible PP acreage, enter the appropriate PP code. • If the claim is being prepared solely for a PP payment, enter "PA" for any acres that have been planted. • If the claim is being prepared solely for a Indemnity Payment Claim, and there has been a previously prepared PP claim, enter, as appropriate, "P2P," "PFP," or "PTP." <p>See codes in Table in subparagraph A above.</p> |
| "Intended or Final Use" column of the claim form. | <ul style="list-style-type: none"> • If PP code in the "Stage" column is "P2," enter "P2." • If PP code in the "Stage" column is PF, enter "PF." • If PP code in the Stage column is "PT," enter "PT." • If code in the Stage column is "PA," enter "Planted Acres." (USE ONLY ON CLAIMS PREPARED SOLELY FOR PP PAYMENT.) • If code in the Stage column is "P2F," "PFP," or "PTP," enter "Prev. Paid." |

C APH for PP Acreage

PP acreage will NOT be included in APH records when there are planted and PP acres within the same unit; e.g. 100 acres PP and 200 acres planted within the same unit - only the 200 planted acres will be reported on the APH record for the unit. If none of the acreage for the unit was planted, it will be considered a zero-planted year for APH record purposes.

D Indemnity and/or PP Payment Determinations

(1) Planted Acreage (timely or LP)

- (a) Any harvested or appraised production from the insured crop, regardless of when planted, will be counted against the unit guarantee for timely and/or LP acreage UNLESS it is production from acreage that was planted for an uninsured use, planted on uninsurable land, and/or planted after the LP period and is not insurable - see PAR. 163 A (2). If the crop was planted for an originally insured use (e.g., corn for grain) and:
 - (b) Harvested for such use, the production will be counted on that basis (bushels of grain).
 - (c) Subsequently put to another use, an appraisal must be made on the basis of the original intended use. If notice was not given prior to destruction of the crop or harvest for another use, not less than the appropriate guarantee will be assessed on such acreage.
 - (d) Production from uninsured acreage of the insured crop MUST be kept separate or it will be considered production to count for the insured acreage.

(2) PP Acreage

The guarantees for timely, late, and PP acreage are determined separately. Production from planted acreage (timely and late planted) is not counted against the PP guarantee.

(3) Claims

A claim for a PP payment can be made separate from a claim for timely and late planted acres or they can be combined onto one claim form.

(a) **PP Payment Claim**

When preparing a separate claim for a PP payment, the PP acreage and PLANTED acres must be shown on the claim form. For example, 70.0 acres were planted and 30.0 acres were prevented. The line with the 70 "planted" acres will show the appropriate entries in the "Stage and "Intended Use" columns as indicated in the tables in subparagraphs A and B above. The line with the 30 PP acres will be coded "P2," "PF," or "PT" respectively in the "Stage" and "Intended Use" columns. The "Total" final acres for the unit will be 100.0 acres. Only the line of PP acres will be transmitted to the RMA Data Acceptance System.

(b) Indemnity Payment (planted acres) Claim

If a PP Claim has already been prepared and submitted previous to an Indemnity Payment (planted acres) Claim, or the insurance provider prefers that separate claim forms are prepared for each type of claim, list the planted acres as instructed in the appropriate crop handbooks. List the PP acres for which a separate claim form has already been prepared, and make the appropriate entries (as instructed in subparagraphs A and B above) in the "Stage" and "Intended Use" columns that indicate the PP payment has already been made. This would also include acreage planted after the LP period due to an insured cause that prevented planting prior to the respective crop's final planting date or during the LP period for the respective crop.

For example, there are 100 acres in the unit. A separate PP payment was previously paid on the 30 acres. The 70 acres of planted acres have been harvested. On the line with the 70 acres, the entry in the "Stage" column would be "H" and the "Intended Use" would be "H." On the line showing the 30 acres of previously paid PP acres (60% PP coverage), the "Stage" column entry would be "P2P, " and the "Intended" column entry would be "Prev. Paid." The entry for "Total" final acres for the unit would be 100.0 acres.

(c) Combination Indemnity Payment (planted acres) and PP Payment Claim

If the insured is eligible for a PP payment which has not been claimed previously and an indemnity payment for the planted acres, a combination of both types of claims can be entered on the same claim form.

- 1 For all lines of planted acres, follow the instructions in the appropriate crop handbook for making the appropriate claim entries.
 - 2 For all lines of PP acres, make the appropriate claim entries as instructed in subparagraph B above.
 - 3 The indemnity payment for the planted acres will be determined separately from the PP payment.
- (4) The insurance provider must be reasonably certain that PP acreage is not shared in common between two or more crops insured through different insurance providers before finalizing a claim for indemnity.
 - (5) The PP acreage reported on the acreage report for the unit will be considered the PP acres for the unit UNLESS ineligible PP acreage was reported. Verify eligible PP acreage as described in PAR. 172 below.

If ineligible PP acreage is reported, the entry for “determined acres” on the claim form for the PP acres must reflect only the ELIGIBLE PP acres. The acreage report does not need to be revised during loss adjustment except as stated in PAR. 166 H.

E PP Payment Calculation

The PP guarantee is separate from the timely and late planted guarantees, and the guarantees are not added together to determine the PP payment. The PP payment is considered a separate payment from the indemnity payment. The PP payment is determined as follows:

- per-acre production guarantee for timely planted acreage X
- the price election for the crop (or type if applicable) X
- the PP coverage level elected by the insured X
- the number of eligible PP acres in the unit X
- the insured’s share.

NOTE: See PAR. 173 for peanut PP payment calculation examples.

F Unit Guarantee for the Claim

- (1) For planted acreage, the claim will reflect the total of the guarantees, by line, of the timely planted and LP acreage, and
- (2) For PP acres, the claim will reflect the PP guarantee.

G How Many PP Planting Payments? Only ONE PP payment (excluding share arrangements) can be made for each acre for the crop year for CAT coverage. For additional and limited coverage, only ONE PP payment can be made for each acre for the crop year unless, the insured provides records showing that the acreage and crop has a history of double-cropping in each of the last four years in which the insured crop was grown on the acreage. Double-cropping must be an insurable practice in the county for the crop.

H Finalizing Claims

DO NOT finalize claims:

- (1) For units **without** PP acreage, until:
 - (a) It is considered impractical to replant damaged acreage; and
 - (b) The entire unit production potential has been accounted for (destroyed, appraised, harvested, or a combination thereof).
- (2) For units **with** PP acreage, until:
 - (a) It is too late to plant any crop on the PP acreage which could be harvested in the same crop year or conditions prohibit soil

preparation or seeding the acreage beyond the date any crop could be established to be harvested in the same crop year.

- (b) You are satisfied with all determinations, including eligible PP acreage. If eligibility of any of the reported PP acreage is questionable, contact the insurance provider.

172 VERIFYING ELIGIBLE PREVENTED PLANTING ACREAGE

- A Documentation. Factors used in the determination of eligible acreage must be maintained in the insured's file for review.
- B Maximum Eligible PP Acres. Determine the maximum number of eligible PP acres by totaling the number of eligible PP acres for ALL crops in the county in which the insured has a share. Refer to PAR. 164.
- C Examples of Maximum Eligible Acres for the Contract (County/Crop)

| | |
|---|---|
| EXAMPLE 1 - No Added Land (leased, purchased, or transferred out of CRP) | |
| <u>TOTALS:</u> | <u>Maximum PP Acres by Crop and for ALL CROPS</u> |
| Cropland = 900 acres | Corn = 400 acres |
| Corn History = 400 acres | Soybeans = 400 acres |
| Soybean History = 400 acres | <u>Wheat = 100 acres</u> |
| Wheat History = 100 acres | TOTAL = 900 acres eligible for all crops. |

Continued on the next page.

EXAMPLE 2 - Added Land (purchased, leased, or transferred out of CRP)

Previous Year:

700 acres of crop land acres
farmed the previous year.

350 acres corn history

350 acres soybean history

Added 200 acres of cropland for the current crop year.

(Added land that was purchased, leased, or released from CRP in time to plant meets the policy provisions for allowing it for eligible PP acres and no cause of loss that will or could prevent planting was evident at the time the land was purchased, leased, or released from CRP.)

Total cropland to be farmed in current crop year = 900 acres

Calculate the maximum eligible PP acres by crop, as follows:

(1) 900 cropland acres (to be farmed the current crop year)
700 cropland acres (farmed the previous crop year)
= 1.286 factor

(2) 350/A corn history X 1.286 = 450.1 acres *
350/A soybean history X 1.286 = 450.1 acres*

*** NOTE: Since the sum of 450.1 + 450.1 is greater than the cropland acres, the acres will have to be adjusted to equal 900 acres.**

Totals, including new land

900 cropland acres

Maximum PP Acres by Crop and for All Crops

Corn = 450.0 acres

Soybeans = 450.0 acres

TOTAL = 900.0 acres
eligible for ALL crops

Continued on the next page

Continued - Examples of Maximum Eligible Acres for the Contract (County/Crop)

EXAMPLE 3 - Added Land - (leased, purchased, or transferred out of CRP)

Previous Year:

| | |
|---|--|
| 900 acres of crop land acres farmed the previous year. | 400 acres corn history 300 acres wheat history 300 acres soybean history |
|---|--|

Added 300 acres of cropland for the current crop year.
(Added land that was purchased, leased, or released from CRP in time to plant meets the policy provisions for allowing it for eligible PP acres and no cause of loss that will or could prevent planting was evident at the time the land was purchased, leased, or released from CRP.)

Total cropland to be farmed in current crop year = 1200 acres

Calculate the maximum eligible PP acres by crop, as follows:

- (1) $\frac{1200 \text{ cropland acres (to be farmed the current crop year)}}{900 \text{ cropland acres (farmed the previous crop year)}}$
= 1.333 factor
- (2) 400/A corn history X 1.333= 533.2 acres
300/A soybean history X 1.333 = 399.9 acres
300/A wheat history X 1.333 = 399.9 acres

| <u>Totals, including new land</u> | <u>Maximum PP Acres by Crop and for All Crops</u> |
|-----------------------------------|---|
| 1200 cropland acres | Corn = 533.2 acres |
| | Soybeans = 399.9 acres |
| | Wheat = 399.9 acres |
| | *TOTAL = 1333.0 acres eligible for ALL crops |

*The total exceeds the cropland acres, so the maximum eligible acres for corn, soybeans, and wheat for this crop year will have to be based on the insured's intent, limited by the policy limitations and cropland acres. For example, the insured intends to plant 525.0 acres of corn, 375.0 acres of soybeans, and 300.0 acres of wheat, which would be within the maximum eligible PP acres.

D Examples of remaining eligible acreage when there is planted and prevented planting acreage:

| (1) FSN # 1 (00101) | FSN # 2 (00102) |
|---------------------------------|---|
| 100 corn acres planted timely | 100 corn acres planted timely |
| 50 soybean acres timely planted | 50 soybean acres PP |
| 50 soybean acres LP | 50 soybean acres LP |
| 100 corn acres planted timely | 100 acres soybeans planted after the LP period due to insured cause preventing planting |
| FSN # 3 (00103) | FSN # 4 (00104) |

4 FSN's with 150 cropland acres each = 600 cropland acres
 100 acre corn history on each FSN= 400 corn history total.
 300 acres soybean history. Insured's potential PP acres was 400 corn and 300 soybeans; however, the combination of the two exceeds the cropland acres, and one of these crop would be limited.

Insured Reports - 300.0 acres corn planted
 250.0 acres soybeans planted
 50.0 acres PP soybeans

Cropland acres 600 minus 550 planted acres = 50 acres eligible PP acres.

The 50 PP soybean acres reported meets all of the PP qualifications and is eligible for PP payment.

Continued on the next page

(3)

| FSN #1 (00101) | FSN # 2 (00102) |
|-------------------------------|----------------------------------|
| 100 PP Wheat acres | 50 corn acres timely planted |
| 100 PP Soybeans (double-crop) | 50 corn LP |
| 100 acres of corn LP | 100 corn acres timely planted |
| 100 corn timely planted | 100 soybean acres timely planted |

2 FSN's (each FSN represent an optional unit)

300 cropland acres in each FSN = 600 total cropland acres

Wheat History = 100 acres
 Corn History - = 400 acres
 Soybean History - = 100 acres
 DC Soybean History = 100 acres (acceptable DC history)

| | | |
|------------------|---------------|---|
| Insured reports: | <u>Units:</u> | |
| | 00101 | 100 wheat acres PP 100 corn acres timely planted 100 corn acres LP 100 soybean acres PP (int. double-crop) |
| | 00102 | 150 corn timely planted 50 corn acres LP <u>100 soybean acres timely planted</u> |
| | TOTAL | 700 acres for both units |

Insured has coverage greater than CAT coverage. It is determined that there was an insured cause that prevented planting of wheat and soybeans. Since the insured met the policy requirements of a history of double-cropping soybeans after wheat, both the PP wheat and PP soybeans are eligible.

Eligible for PP payment by crop: wheat = 100 acres
 soybeans = 100 acres

Individual crop acres do not exceed maximum eligible PP acres by crop, and the 200 acres does not exceed the remaining eligible acres for ALL crops. All planted and PP acres do not exceed cropland when the eligible double-cropped acreage is considered in determining the insured's maximum eligible PP acreage.

E Prevented from Planting - Not enough eligible acreage for the crop**FOR CROP POLICIES UNDER 99-BR (crop/counties having CCD's of November 30, 1998 or December 31, 1998):**

EXAMPLE: An insured plants 75 acres of Unit 00101 to corn and is prevented from planting 25 acres. The insured has a 100 percent share on this unit. The adjuster determines that there are 75 acres MAXIMUM eligible acres for corn. Since the insured has planted 75 acres of corn and there is no more eligible corn acres, the PP payment must be based on another crop that will result in the most similar PP payment as corn. The corn Unit 00101 per acre PP amount is \$146.25. The insured also has soybeans and grain sorghum on the policy and has another policy for fall wheat for the same crop year. The per-acre PP guarantee dollar amounts (without regard to share) are:

| <u>Soybeans</u> | <u>Grain Sorghum</u> | <u>Wheat-Fall Policy</u> |
|-------------------------|------------------------|--------------------------|
| 00101 - \$112.50 | 00100 - \$44.10 | 00101- \$35.88 |
| 00102 - \$101.25 | 00201 - \$53.75 | 00102 - \$32.48 |
| 00103 - \$123.75 | 00202 - \$58.50 | 00200 - \$40.50 |

The maximum eligible PP acres for each crop is as follows:

Corn = 75.0 acres

Grain Sorghum = 42.0 acres

Soybeans = 47.0 acres

Wheat = 105.4 acres

Eligible acres for each crop after deduction for planted and prevented planting acres for the specific crop:

Corn = 75 eligible PP acres minus 75 planted acres = 0 acres

Soybeans = 47.0 acres minus 32.0 planted acres = 15 acres

Grain Sorghum = 42.0 acres minus 30.0 planted acres minus 7 PP acres of actual PP acres of grain sorghum in this unit = 5 acres

Fall Wheat = 105.4 acres minus 100.4 planted acres = 5 acres.

Unit 00103 Soybeans per-acre PP amount of \$123.75 is the closest amount to the corn PP amount of \$146.25. Since there is not enough eligible soybean acres, the next similar payment must be found on another crop, which is Unit 00202 Grain Sorghum at \$58.50. Since there is not enough eligible grain sorghum acreage, the next most similar payment on another crop with eligible acreage must be used. The next most similar payment is on unit 00200 wheat at \$40.50. The insured would be paid a PP payment on the following crops, units as follows:

Soybeans unit 00103 - 15 acres X \$123.75 X (same share as unit 00101 corn)

Grain Sorghum unit 00202 - 5 acres X \$58.50 X (same share as unit 00101 corn). The actual 7 PP acres for grain sorghum for this unit will be the share reported for this grain sorghum unit.

Wheat unit 00200 - 5 acres X \$40.50 X (same share as qualifying corn unit)

When making comparisons to determine the crop/unit for which the PP payment would be the most similar to the crop prevented from planting (qualifying unit) and when making PP payments in this type of situation (for the PP acreage for the qualifying unit), the share used will be the share from the crop unit on which the acreage was prevented from planting (qualifying unit).

Acreage reports will also be revised to show PP acreage that will be used to pay the PP acreage for the qualifying unit. The share will be the same as the qualifying unit (in this example unit 00101 corn).

When preparing the claim form for the PP payment for each crop unit that eligible PP acreage was used to pay the PP claim for the qualifying unit acreage, document the crop, unit number, and legal description of the qualifying crop/unit.

NOTE: The most similar PP payment could be either a higher amount or a lower amount than the qualifying crop's per acre PP amount would have been. For crops insured under a CRC or RA plan of insurance, when determining the PP payment most similar to the qualifying crop's PP acre amount, use the price election that is in force at the time the loss is worked.

173 PEANUT PP PAYMENT CALCULATION EXAMPLES

When quota and non-quota peanuts are involved on the same contract, the following examples show how a PP payment will be made on peanuts.

Common set of facts for each example: The insured has a 2,200 pound per-acre guarantee for timely planted (TP) acres, a 100 percent share, and a price election percentage of 100 percent. The insured's PP guarantee = 1,100 lbs. per acre (2,200 pound timely-planted (TP) guarantee X .50). The quota price is 30 cents; the non-quota price is 15 cents. The effective poundage marketing quota for each example is 50,000 pounds.

A EXAMPLE 1

The insured was prevented from planting **ALL** of the eligible PP peanut acres for the unit (25 acres). The PP payment is calculated as follows:

1,100 lbs./acre PP guarantee X 25.00 acres = 27,500 lbs. (Total Guarantee - ALL quota).

Since the quota for the unit is 50,000 pounds, the quota has not been completely filled. Therefore, the 27,500 pounds determined to be used for the PP payment will be paid at the quota price election as follows:

27,500 pounds of quota peanuts X .30 (quota price election) X 1.000 share = \$8250.00 PP payment for 25 PP acres

NOTE: The above example is for **ALL** 25 acres prevented from being planted. If the same relationship is maintained for the quota peanut versus non-quota peanut acres that are reported on a pro-rata basis, then the calculation in the above example would be applicable for any PP acre situation. For example: 20 TP acres versus 5 PP acres as shown in Example 2 below.

B EXAMPLE 2

In this example, there is a total of 25 insurable acres in the unit. Part of the unit acres were timely planted and part were prevented from planting. The PP payment is calculated as follows:

20 TP acres X 2,200 lbs. TP guarantee/A. = 44,000 lbs. (Quota)*

5 PP acres X 1,100 lbs. PP guarantee/A. = 5,500 lbs. (Quota)*

***NOTE:** 44,000 lbs. of quota for TP acres + 5,500 lbs. of quota for PP acres = 49,500 lbs. of quota used. Since the quota for the unit is 50,000 pounds and the quota has not been completely filled, the PP payment would be paid on the quota price election as follows:

5,500 pounds of quota X .30 (quota price election) X 1.000 share = \$1,650 PP payment for 5 PP acres

C EXAMPLE 3

In this example, there is a total of 40 insurable acres in the unit. The insured timely planted (TP) 30 acres and was prevented from planting 10 acres of peanuts. The PP payments is calculated as follows:

30 TP acres X 2,200 lbs. TP guarantee/A = 66,000 lbs.

22.73 quota peanut acres (50,000 ÷ 2,200 TP guarantee/A)

7.27 non-quota peanut acres (66,000 - 50,000 ÷ 2,200 TP guarantee/A)

10.00 PP acres X 1,100 PP guarantee = 11,000 lbs. Non-Quota* for PP acres

11,000 lbs. X .15 (Non-Quota price election) = **\$1,650.00 PP payment for 10 PP acres.**

***NOTE:** Since the quota for the unit is 50,000 pounds, the quota was filled with the TP acres. Therefore, all the PP acres were paid on the non-quota price election.

D Effect of PP Payment on Effective Poundage Marketing Quota

If the insured receives a PP payment on quota peanuts, the effective poundage marketing quota (as defined in the 99-075 Peanut Crop Provisions) will not be reduced for purposes of determining any subsequent indemnity for the insured **PLANTED** acreage. In other words, in Example 2, a PP payment is determined based on 5,500 pounds of quota peanuts; however, the PP payment will not reduce the quota available (quota remains at 50,000 lbs.) for the 20 acres of TP acres in the event the acreage is damaged and a claim is completed.

DEFINITIONS

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|---|---|
| Abandonment | See PAR. 92. |
| Acceptable Determined Acres. | See PAR. 95. |
| 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 acres planted (tonnage laid down for raisins), share, location, practice, type, planting date, 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 based on the producer's records of planted acreage and total production (harvested and appraised) for a crop. Total crop production divided by the number of planted acres for the crop is the actual yield for the crop year. |
| Additional Coverage | An amount of insurance coverage providing a level of coverage equal to or greater than 65% of the applicant's/insured's approved yield indemnified at 100% of the expected market price (price election), or a comparable coverage as established by FCIC. |
| 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, limited, and additional coverage, as specified in the Basic Provisions and the Catastrophic Risk Protection Endorsement. |

DEFINITIONS

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| 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. |
| 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 that is applicable to all coverages. For example, an agreement in writing approved by the insurance provider to increase the eligible amount of prevented planting acres. 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. |
| 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 insureds failure to provide records of production that are acceptable.) |
| 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 yield approved by the authorized verifier (which is taken from the APH form, or the transitional or determined yield table) that is used to determine the production guarantee. (Coverage level percent selected X approved APH yield = production guarantee.) |
| Area Yield Plan | See GRP. |
| Assignment of Indemnity | A form signed by the insured which transfers any named crop indemnity payment to a lender or lending agency. (Commonly referred to as "collateral assignment.") |
| Assuming Agent | An insurance provider office who assumes the contracts that were previously serviced by another insurance provider. |

DEFINITIONS

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| Assuming Company | An insurance provider office 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 which 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 policy/endorsement/ crop provisions. |
| Carryover Insured | An entity who was insured the previous crop year without respect to the carrier or agent and is determined by crop policy (by county). |
| 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. 77. |
| 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. |
| 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. |

DEFINITIONS

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| 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 which are grown on the land eligible for insurance. |
| Collateral Assignment | See Assignment of Indemnity. |
| Commingled Production | See PAR. 150. |
| Conical Pile | A quantity of crop whose base is a circle and whose sides taper evenly up to a point. |
| 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. |
| 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. |
| 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. |
| 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. |

DEFINITIONS

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|---------------------------------------|---|
| Controlled Substance Violation | See PAR. 61. |
| County (Parish in Louisiana) | The county, parish, or other political subdivision of a state shown on the accepted application, including acreage in a field that extends into an adjoining county if the county boundary is not readily discernible. |
| 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 which 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 (\$60 [\$50 plus an additional fee of \$10] per crop per county.) |
| Crop Provisions | An adjunct to the Basic Provisions which contains crop-specific provisions (appraisal of production, production to count, indemnity calculations, definitions, etc.) |

DEFINITIONS

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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. |
| 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.) |
| 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 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. |

DEFINITIONS

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| 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.) |
| 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. |

DEFINITIONS

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| 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 planting date is extended by a timely signed Late Planting Agreement or is extended by the crop provisions. |
| 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 which 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-424 | See PAR. 69 and Exhibit 7. |
| FSA-425 | See PAR. 69 and Exhibit 7. |
| FSA-426 | See PAR. 68 and Exhibit 7. |
| Furrow Irrigation | A type of irrigation carried out by use of gravity water flow at the soil surface which 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). |
| Group Risk Plan (GRP) | A plan of insurance offered for certain crops in specific counties and states which compares 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 which affects an area rather than individual producers. |
| 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. |

DEFINITIONS

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|-------------------------------|---|
| 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 General Crop Insurance Policy or Basic Provisions, crop policy or endorsement 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, 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 FCIC. 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. |
| 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. |

DEFINITIONS

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| Irrigated Practice | See PAR. 51. |
| 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. |
| Late Planting Agreement | See PAR. 175. |
| Late Planting Coverage | See PAR. 163 and 175. |
| 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. 12. |
| Level Election | The percentage of coverage selected by the insured from those offered by FCIC which 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. |

DEFINITIONS

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| Limited Coverage | An amount of insurance coverage that is equal to or greater than 50 percent of the producer's approved yield indemnified at 100 percent of the expected market price but less than 65 percent of the producer's approved yield indemnified at 100 percent of the expected market price (price election) or a comparable coverage as established by FCIC. |
| 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). |
| Multiple Peril Crop Insurance (MPCI) | Crop insurance policies which generally cover more than one cause of loss and which are sold and serviced by reinsured companies. |
| NAP | An acronym for Non-Insured Assistance Program. NAP covers noninsured 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. See SCS. |
| New Crop Program | The offering of insurance or reinsurance coverage by FCIC on a crop which 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. |
| Not Rated 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). |

DEFINITIONS

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| 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. 15. |
| 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. 12. |
| 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. |
| 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. |

DEFINITIONS

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| Policyholder File | The file maintained for each insured. The file contains copies of documents such as application, appraisal worksheets, claims, etc. (Also known as insured's contract file.) |
| Policy Number | See Contract Number. |
| Posted County Price | The price established by the Commodity Credit Corporation for the crop, by county. It is used in the calculation of a quality adjustment factor for any of the small grain crops or coarse grain crops when, due to an insured cause, the grain suffers one of the stated quality damages listed in the Special Provisions for which there is not an established discount factor. |
| 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. 76. |
| 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 nonbinding APH yield calculated and quoted by the agent prior to its being approved. |
| 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. The discount as defined in the actuarial data for optional/guideline unit consolidation, which is identified by the second two characters of the unit number. If the second two characters are "00", the premium discount is applicable. If the characters are greater than "00" and acreage is not planted on more than one optional/guideline unit for the same basic/policy unit (designated by the first two characters), then a premium discount is applicable. |

DEFINITIONS

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| Premium Subsidy | The portion of the base premium paid by FCIC for the level elected as authorized by law. |
| Prevented Planting | See PART 5. |
| Previous Crop Year | The crop year immediately preceding the current crop year. |
| 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. |
| Production Not to Count | Harvested production of the same crop which 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 current crop year. |
| 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. |

DEFINITIONS

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| 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. |
| 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 and are those recognized by the local Cooperative Extension Service as compatible with agronomic and weather conditions in the area. |
| Regional Service Office (RSO) | Regional Service Office(s) of the Risk Management Agency. For the assigned states the RSO performs program and underwriting services for the crop insurance program. |
| Regionally Constructed Price | A price established by the Commodity Credit Corporation (CCC) for sunflower seed, by county. It is used in the calculation of a quality adjustment factor when due to an insured cause, the sunflower seed suffers one of the stated quality damages listed in the Special Provisions for which there is not an established discount factor. |
| 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 which 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 <u>Basic Provisions</u> and <u>applicable crop provisions</u> . |

DEFINITIONS

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| 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. 104. |
| 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. |
| 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. 58. |
| Sketch Map | A diagram showing where fields or production are located. |
| Special Provisions | The part of the policy (contained in the Actuarial documents) that contains specific provisions of insurance for each insured crop that may vary by geographic area; 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. |

DEFINITIONS

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| 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. |
| 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 which 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. |

DEFINITIONS

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|-------------------|--|
| 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. |
| USDA | An acronym for United States Department of Agriculture. |
| Varying Share | A landlord-tenant agreement which 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 you have 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 a policy as authorized by the policy. |

EXHIBIT 2
1999 CROP POLICY INFORMATION

| Crops | Crop Codes | FCIC | | NCIS | | APH or Dollar (\$) | Late Planting Prov. | Prev. Planting Prov. | ** Replant Payment Prov. | ** Optional(O) Basic (B) Unit | ** High-Risk Land Ex. Opt. |
|---|--|--|--|--|--|--------------------|---------------------|----------------------|--------------------------|-------------------------------|----------------------------|
| | | *Basic Provisions | *Crop Provisions | *Basic Provisions | *Crop Provisions | | | | | | |
| Almonds | 0028 | 98-B1 | 99-028 | 1998 700-B | 719 | APH | | | | B/O | |
| Apples | 0054 | 98-B1 | 99-054 | 1998 700-B | 721 (6-98) | APH | | | | B/O | |
| Avocados (Pilot - California Only) | 0019 | 92B1 (for 1999 and 2000 CY) | 98-019 (for 1999 and 2000 CY's) | 1995 700-B (for 1999 CY and 2000 CY) | 1998 711 (for 1999 CY and 2000 CY) | \$ | | | | B/O | |
| Avocados (Pilot - Florida Only) | 0019 | 98-B1 | 99-019A | 1998-700B | 808 | APH | | | | B/O | |
| Avocado & Mango Tree (Pilot - Florida Only) Avocado Mango | 0212 0214 | 98-B1 | 98-212 (Rev. 10/97) | 1995-700-B | 804 | \$ | | | | B | |
| Blueberries (Pilot) | 0012 | 92B1 | 97-012 | 1995-700-B | 794 | APH | | | | B | |
| Beans (Processing) | 0046 | 99-B1 | 98-046 | 1999-700-B | 704 | APH | Yes 1/ | Yes 1/ | | B/O/O by type | |
| Cabbage (Pilot) | 0072 | 99-B1 | 99-072 | 1999- 700-B | 810 | APH | | | Yes | B/O | |
| Canola/Rapeseed (Pilot) 2/ | 0015 | 98-B1 | 98-015 | 1998-700-B | 795 | APH | Yes 1/ | Yes 1/ | Yes | B/O | |
| Canola/Rapeseed 3/ | 0015 | 99-B1 | 98-015 | 1999-700-B | 795 | APH | Yes 1/ | Yes 1/ | Yes | B/O | |
| Cherries (Pilot) | 0057 | 98-B1 | 99-057 | 1998-700B | 812 | \$ | | | | 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 | 92-B1 (for 1999 CY) 98-B1 (for 2000 CY) | 98-001 (for 1999 CY) 00-126 (for 2000 CY) | 1995-700-B (for 1999 CY) 1998-700-B (for 2000 CY) | 1998 731 (for 1999 CY) 2000 731 (for 2000 CY) | APH | | | | B by type/O | |
| Citrus Fruit (Florida) Citrus I Citrus II Citrus III Citrus IV Citrus V Citrus VI Citrus VII | 0245 0246 0247 0248 0249 0250 0251 | 98-B1 | 99-026 | 1998-700-B | 724 | \$ | | | | B by type/O | |

1/ Refer to Part 5 for additional LP and PP instructions. 2/ For counties with a CCD prior to 11/30/98. 3/ For counties with a 11/30/98 or 12/31/98 CCD.

*Current, up to signature date of this handbook. **Applies to limited and additional coverage ONLY For pilot crops, only selected states and counties apply.

NOTE: The Basic Provisions (98-B1 and 99-B1) represents the FCIC version. The 98-B1 and 99-B1 are referred to as the 98-BR and 99-BR respectively for industry purposes and are maintained on the RO Server.

EXHIBIT 2
1999 CROP POLICY INFORMATION

| Crops | Crop Codes | FCIC | | NCIS | | APH or Dollar (\$) | Late Planting Prov. | Prev. Planting Prov. | ** Replant Payment Prov. | ** Optional(O) Basic (B) Unit | ** High-Risk Land Ex. Opt. |
|--|--|---|---|--|------------------|--------------------|---------------------|----------------------|--------------------------|-------------------------------|----------------------------|
| | | *Basic Provisions | *Crop Provisions | *Basic Provisions | *Crop Provisions | | | | | | |
| Citrus Fruit (Texas) Early & Midseason Oranges Late Oranges All Other Grapefruit Ruby Red Grapefruit Rio Red & Star Ruby Grapefruit | 0224 0225 0226 0228 0238 | 92B1 (for 1999 CY) 98-B1 (for 2000 CY) | 98-049 (rev. 11/96) 00-226 for 2000 CY | 1995-700-B (for 1999 CY) 1998-700-B (for 2000 CY) | 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 | 98-B1 | 99-025 | 1998-700-B | 737 | \$ | | | | B/O | |
| Coarse Grains Corn Grain Sorghum Soybeans | 0041 0051 0081 | 99-B1 | 98-041 | 1999-700-B | 702 | APH | Yes <u>2/</u> | Yes <u>2/</u> | Yes | B/O | Yes <u>1/</u> |
| Cotton | 0021 | 99-B1 | 99-021 | 1999-700-B | 703 | APH | Yes <u>2/</u> | Yes <u>2/</u> | | B/O | Yes <u>1/</u> |
| Cotton (ELS) | 0022 | 99-B1 | 99-022 | 1999-700-B | 745 | APH | | Yes <u>2/</u> | | B/O | Yes <u>1/</u> |
| Crambe (Pilot) | 0068 | 99-B1 | 99-068 | 1999-700-B | 814 | APH | Yes <u>2/</u> | Yes <u>2/</u> | Yes | B/O | Yes <u>1/</u> |
| Cranberries | 0058 | 98-B1 | 99-058 | 1998-700-B | 742 | APH | | | | B/O | |
| Dry Beans | 0047 | 99-B1 | 98-047 | 1999-700-B | 712 | APH | Yes <u>2/</u> | Yes <u>2/</u> | Yes | B/O/O by type | Yes <u>1, 3/</u> |
| Figs | 0060 | 98-B1 | 99-060 | 1998-700-B | 792 | APH | | | | B by type/O | |
| Florida Fruit Trees (Pilot) Orange Trees Grapefruit Trees Lemon Trees Lime Trees All Other Citrus Trees Carambola Trees | 0207 0208 0209 0210 0211 0213 | 92-B1 | 96-014 | 1995-700-B | 748 | \$ | | | | B | |
| Forage Production | 0033 | 98-B1 | 99-033 | 1998-700-B | 729 | APH | | | | B | |
| Forage Seeding <u>4/</u> | 0033 | 98-B1 | 99-032 | 1998-700-B | 730 | \$ | | | Yes | B/O | |
| Forage Seeding <u>5/</u> | 0032 | 99-B1 | 99-032 | 1999-700-B | 730 | \$ | | | Yes | B/O | |

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

4/ For counties with a CCD prior to 11/30/98 5/ For counties with a 11/30/98 or 12/31/98 CCD

*Current, up to signature date of this handbook. ** Applies to limited and additional Coverage ONLY For pilot crops, only selected states and counties apply.

NOTE: The Basic Provisions (98-B1 and 99-B1) represents the FCIC version. The 98-B1 and 99-B1 are referred to as the 98-BR and 99-BR respectively for industry purposes and are maintained on the RO Server.

EXHIBIT 2
1999 CROP POLICY INFORMATION

| Crops | Crop Codes | FCIC | | NCIS | | APH or Dollar (\$) | Late Planting Prov. | Prev. Planting Prov. | ** Replant Payment Prov. | ** Optional(O) Basic (B) Unit | ** High-Risk Land Ex. Opt. |
|---------------------------------|--------------|---|---------------------|--|------------------|--------------------|--------------------------------|--------------------------------|--------------------------|-------------------------------|----------------------------|
| | | *Basic Provisions | *Crop Provisions | *Basic Provisions | *Crop Provisions | | | | | | |
| Grapes | 0053 | 98-B1 | 99-053 | 1998-700-B | 717 | APH | | | | B/O Variety ^{3/} | |
| Grapes, Table | 0052 | 98-B1 | 99-052 | 1998-700-B | 741 | APH | | | | B/O Variety ^{3/} | |
| Hybrid Seed Corn | 0062 | 99-B1 | 98-062 | 1999-700-B | 738 | \$ | Yes <u>2/</u> | Yes <u>2/</u> | | B/O | |
| Hybrid Sorghum Seed | 0050 | 99-B1 | 98-050 | 1999-700-B | 797 | \$ | Yes <u>2/</u> | Yes <u>2/</u> | | B/O | |
| Macadamia Nuts | 0023 | 92B1(for 1999 CY) 98-B1 for 2000 CY) | 99-023 | 1995-700-B (for 1999 CY) 1998-700B for 2000 CY) | 790 | APH | | | | B/O | |
| Macadamia Trees | 0024 | 98-B1 | 99-024 (rev. 6/98) | 1998-700-B | 791 | \$ | | | | B/O | |
| Millet (Pilot) | 0017 | 99-B1 | 98-017 | 1999-700-B | 789 | APH | Yes <u>2/</u> | | | B/O | |
| Mustard (Pilot) | 0069 | 99-B1 | 99-069 | 1999 700-B | 816 | APH | Yes <u>2/</u> | Yes <u>2/</u> | Yes | B/O | Yes <u>1/</u> |
| Nursery (Container/Field Grown) | 0073 | 98-B1 | 99-073 | 1998 700-B | 1999-782 | \$ | | | | B/O | |
| Nursery (Container) | 0056 | 92B1 | 96-056 | 1995 700-B | 1996-782 | Unique | | | | 5 mile radius | |
| Onions <u>4/</u> | 0013 | 98-B1 | 98-013 (rev. 12/97) | 1998-700-B | 1998-709 (1/98) | APH | Yes <u>2/</u> | Yes <u>2/</u> | Yes | B/O by type | |
| Onions <u>5/</u> | 0013 | 99-B1 | 98-013 (rev. 12/97) | 1999-700-B | 1998-709 (1/98) | APH | Yes <u>2/</u> | Yes <u>2/</u> | Yes | B/O by type | |
| Peaches | 0034 | 98-B1 | 99-034 | 1998-700-B | 720 | APH | | | | B/O | |
| Peanuts | 0075 | 99-B1 | 99-075 | 1999-700-B | 718 | APH | Yes <u>2/</u> | Yes <u>2/</u> | Yes | FSN | |
| Pears | 0089 | 98-B1 | 99-089 | 1998-700-B | 715 | APH | | | | B/O | |
| Peas Dry Green | 0067 0064 | 99-B1 99-B1 | 99-067 98-064 | 1999-700-B 1999-700-B | 713-D 713-G | APH APH | Yes <u>2/</u> Yes <u>2/</u> | Yes <u>2/</u> Yes <u>2/</u> | | B/O/O by Type | |
| Pecans (Pilot) | 0020 | 98-B1 | 99-020 | 1998-700-B | 802 | \$ | | | | | |
| Peppers | 0083 | 98-B1 | 99-083 | 1998-700-B | 740 | \$ | | | Yes | B/O | |

^{1/} Requires Insured's Signature ^{2/} Refer to Part 5 for additional LP and PP instructions.

^{3/} Basic unit by variety in CA/Optional units by non-contiguous land only - All other states B/O units.

^{4/} For counties with a CCD prior to 11/30/98

^{5/} For counties with a 11/30/98 or 12/31/98 CCD

*Current, up to signature date of this handbook.

** Applies to limited and additional Coverage ONLY

For pilot crops, only selected states and counties apply.

NOTE: The Basic Provisions (98-B1 and 99-B1) represents the FCIC version. The 98-B1 and 99-B1 are referred to as the 98-BR and 99-BR respectively for industry purposes and are maintained on the RO Server.

EXHIBIT 2
1999 CROP POLICY INFORMATION

| Crops | Crop Codes | FCIC | | NCIS | | APH or Dollar (\$) | Late Planting Prov. | Prev. Planting Prov. | ** Replant Payment Prov. | ** Optional(O) Basic (B) Unit | ** High-Risk Land Ex. Opt. |
|---|--|-------------------|--------------------|-------------------|------------------|--------------------|---------------------|----------------------|--------------------------|-------------------------------|----------------------------|
| | | *Basic Provisions | *Crop Provisions | *Basic Provisions | *Crop Provisions | | | | | | |
| Plums | 0092 | 98-B1 | 99-092 (rev. 6/98) | 1998-700-B | 706 | APH | | | | B/O | |
| Popcorn | 0043 | 99-B1 | 99-043 | 1999-700-B | 744 | APH | Yes 2/ | Yes 2/ | Yes | B/O | Yes 1/ |
| Potatoes (Central/Southern) 6/ | 0084 | 98-B1 | 99-284 | 1998-700-B | 734 CS | APH | Yes 2/ | Yes 2/ | | B/O | |
| Potatoes (Central/Southern) 7/ | 0084 | 99-B1 | 99-284 | 1999-700-B | 734 CS | APH | Yes 2/ | Yes 2/ | | B/O | |
| Potatoes (Northern) | 0084 | 99-B1 | 98-184 | 1999-700-B | 734N | APH | Yes 2/ | Yes 2/ | | B/O | |
| Prunes | 0036 | 98-B1 | 99-036 | 1998-700-B | 747 | APH | | | | B/O 3/ | |
| Raisins | 0037 | 99-B1 | 98-037 | 1999-700-B | 723 | \$ | | | | B by variety /O | |
| Rice | 0018 | 99-B1 | 98-018 | 1999-700-B | 716 | APH | Yes 2/ | Yes 2/ | Yes | B/O | Yes 1/ |
| Safflower Seed 6/ | 0049 | 98-B1 | 98-049 | 1998-700-B | 749 (1/98) | APH | | | Yes | B/O | Yes 1/, 4/ |
| Safflower Seed 7/ | 0049 | 99-B1 | 98-049 | 1999-700-B | 749 (1/98) | APH | Yes 2/ | Yes 2/ | Yes | B/O | Yes 1/, 4/ |
| Small Grains 6/ Barley Flax Oats Rye Wheat | 0091 0031 0016 0094 0011 | 98-B1 | 98-011 | 1998-700-B | 1998-714 | APH | Yes 2/ | Yes 2/ | Yes 5/ (Wheat Only) | B/O | Yes 1/ |
| Small Grains 7/ Barley Flax Oats Rye Wheat | 0091 0031 0016 0094 0011 | 99-B1 | 98-011 | 1999-700-B | 1998-714 | APH | Yes 2/ | Yes 2/ | Yes 5/ (Wheat Only) | B/O | Yes 1/ |
| Stonefruit Fresh Apricots Processing Apricots Fresh Nectarine Processing Cling Peaches Processing Freestone Peaches Fresh Freestone Peaches | 0218 0219 0220 0221 0222 0223 | 98-B1 | 99-077 | 1998-700-B | 796 | APH | | | | B by type /O | |
| Sugar Beets 6/ | 0039 | 98-B1 | 98-039 | 1998-700-B | 707 | APH | Yes 2/ | Yes 2/ | Yes | B/O | Yes 1, 8/ |
| Sugar Beets 7/ | 0039 | 99-B1 | 98-039 | 1999-700-B | 707 | APH | Yes 2/ | Yes 2/ | Yes | B/O | Yes 1, 8/ |

1/ Requires Insured's Signature

2/ Refer to Part 5 for additional LP and 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/ For counties with a CCD prior to 11/30/98

7/ For counties with a 11/30 or 12/31/98 CCD.

8/ Not available in Colorado

*Current, up to signature date of this handbook.

** Applies to limited and additional Coverage ONLY For pilot crops, only selected states and counties apply.

NOTE: The Basic Provisions (98-B1 and 99-B1) represents the FCIC version. The 98-B1 and 99-B1 are referred to as the 98-BR and 99-BR respectively for industry purposes and are maintained on the RO Server.

EXHIBIT 2
1999 CROP POLICY INFORMATION

| Crops | Crop Codes | FCIC | | NCIS | | APH or Dollar (\$) | Late Planting Prov. | Prev. Planting Prov. | ** Replant Payment Prov. | ** Optional(O) Basic (B) Unit | ** High-Risk Land Ex. Opt. |
|---|--|-------------------|--------------------------------------|-------------------|------------------|--------------------|---------------------|----------------------|--------------------------|-------------------------------|----------------------------|
| | | *Basic Provisions | *Crop Provisions | *Basic Provisions | *Crop Provisions | | | | | | |
| Sugarcane | 0038 | 98-B1 | 99-038 | 1998-700-B | 732 | APH | | | | B/O | |
| Sunflower Seed | 0078 | 99-B1 | 98-078 | 1999-700-B | 708 | APH | Yes <u>2/</u> | Yes <u>2/</u> | Yes | B/O | Yes <u>1/</u> |
| Sweet Corn (Processing) | 0042 | 99-B1 | 98-042 | 1999-700-B | 728 | APH | Yes <u>2/</u> | Yes <u>2/</u> | | B/O | Yes <u>1/</u> |
| Sweet Corn (Fresh Market) <u>4/</u> | 0044 | 98-B1 | 99-044 | 1998-700-B | 746 | \$ | | | Yes | B/O | |
| Sweet Corn (Fresh Market) <u>5/</u> | 0044 | 99-B1 | 99-044 | 1999-700-B | 746 | \$ | | | Yes | B/O | |
| Sweet Potatoes (Pilot) | 0085 | 99-B1 | 98-085 | 1999-700-B | 806 | APH | | | | B/O <u>3/</u> | Yes <u>1/</u> |
| Tobacco, Guaranteed Production Flue Cured Fire Cured Maryland Dark Air Cigar Filler Cigar Binder Cigar Wrapper | 0229 0230 0232 0233 0234 0235 0236 | 99-B1 | 99-071 | 1999-700-B | 736 | APH | Yes <u>2/</u> | | | B by type/ O by FSN | |
| Tobacco (Quota) Burley | 0231 | 99-B1 | 99-070 | 1999-700-B | 710 | \$ | Yes <u>2/</u> | | | B by FSN | |
| Tomatoes (Fresh Market Guar. Prod.) <u>4/</u> | 0086 | 98-B1 | 99-186 | 1998-700-B | 722 | APH | | | Yes | B/O | |
| Tomatoes (Fresh Market Guar. Prod.) <u>5/</u> | 0086 | 99-B1 | 99-186 | 1999-700-B | 722 | APH | | | Yes | B/O | |
| Tomatoes (Fresh Market Dollar Plan) | 0086 | 98-B1 | 99-086 | 1998-700-B | 739 | \$ | | | Yes | B/O | |
| Tomatoes (Processing) <u>4/</u> | 0087 | 98-B1 | 98-087 | 1998-700-B | 727 | APH | | | Yes | B/O | |
| Tomatoes (Processing) <u>5/</u> | 0087 | 99-B1 | 98-087 | 1999-700-B | 727 | APH | Yes <u>2/</u> | | Yes | | |
| Walnuts | 0029 | 98-B1 | 99-029 | 1998-700-B | 743 | APH | | | | B/O | |
| Watermelon (Pilot) | 0040 | 99-B1 | 99-040 | 1999 700-B | 818 | APH | | | | B/O | |
| (Cultivated) Wild Rice (Pilot) | 0055 | 99-B1 | 99-055 | 1999 700-B | 820 | APH | | | | B/O | |
| Winter Squash (Pilot) | 0065 | 99-B1 | 99-065 (rev. 12/98) | 1999 700-B | 822 (12-98) | \$ | | | | | B |
| Catastrophic Risk Protection Endorsement | | <u>6/</u> | 97-CAT <u>6/</u> 99-CAT <u>7/</u> | <u>6/</u> | 1997-777 | | | | | | |

1/ Requires insured's signature. 2/ Refer to Part 5 for additional LP and PP instructions. 3/ Standard optional units plus optional units by type in CA. 4/ For counties with a CCD prior to 11/30/98. 5/ For counties with a 11/30/98 or 12/31/98 CCD. 6/ Endorsement attaches to specific crop policies or endorsements when CAT coverage is selected by the insured. 7/ For counties with a sales closing date prior to July 1, 1998. 8/ For counties with a sales closing date on or after July 1, 1998. *Current, up to signature date of this handbook. **Applies to limited and additional Coverage ONLY. For pilot crops, only selected states and counties apply. NOTE: The Basic Provisions (98-B1 and 99-B1) represents the FCIC version. The 98-B1 and 99-B1 are referred to as the 98-BR and 99-BR respectively for industry purposes and are maintained on the RO Server.

1999 CROP POLICY INFORMATION

| Crops | Crop Codes | 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 Exclusion Option |
|--|------------|-------------------|---------------------|-------------------|------------------|-----------------------|---------------------|----------------------|-----------------------|-----------------|--|---------------------------------|
| | | *Basic Provisions | *Crop Provisions | *Basic Provisions | *Crop Provisions | | | | | | | |
| Group Risk Plan (GRP) | | | | | | | | | | | | |
| Corn (Pilot) ^{1/} | 0041 | 99-102 | 99-141 | 1999-950 | 954 | Yes | | | | bu. | Yes (C) | |
| Cotton (Pilot) ^{1/} | 0021 | 99-102 | 99-121 | 1999-950 | 956 | Yes | | | | lbs. | Yes (C) | |
| Forage Production (Pilot) | 0033 | 97-102 | 97-133 | 1997-950 | 942 | Yes | | | | tons | Yes (C) | |
| Sorghum (Pilot) ^{1/} | 0051 | 99-102 | 99-151 | 1999-950 | 962 | Yes | | | | bu. | Yes (C) | |
| Peanuts (Pilot) ^{1/} | 0075 | 99-102 | 99-175 | 1999-950 | 960 | Yes | | | | lbs. | Yes (C) | |
| Rangeland (Pilot) | 0048 | 99-102 | 99-048 | 1999-950 | 943 | Yes | | | | lbs. | Yes (c) | |
| Soybeans (Pilot) ^{1/} | 0081 | 99-102 | 99-181 | 1999-950 | 964 | Yes | | | | bu. | Yes (C) | |
| Wheat (Pilot) ^{1/} | 0011 | 97-102 | 97-111 | 1997-950 | 941 | Yes | | | | bu. | Yes (C) | |
| Group Risk Income Protection (GRIP) | | | | | | | | | | | | |
| Corn (Pilot) ^{1/} | 0041 | 99-GRIP-BASIC | 99-GRIP-Corn | 950-GRIP (11-98) | 954-GRIP | YES | | | | | YES (C) | |
| Soybeans (Pilot) ^{1/} | 0081 | 99-GRIP-BASIC | 99-GRIP-Soybeans | 950-GRIP (11-98) | 964-GRIP | YES | | | | | YES (C) | |
| Income Protection (IP) | | | | | | | | | | | | |
| Barley | 0091 | 99-B1 | 99-391 | 1999 700-B | 714B-IP (12-98) | APH/\$ | Yes ^{2/} | Yes ^{2/} | | bu/\$ | YES (E) | |
| Corn | 0041 | 99-B1 | 99-341 | 1999 700-B | 702C-IP | APH/\$ | Yes ^{2/} | Yes ^{2/} | ^{1/} | bu./\$ | YES (E) | |
| Cotton | 0021 | 99-B1 | 99-321 | 1999 700-B | 703-IP | APH/\$ | Yes ^{2/} | Yes ^{2/} | ^{1/} | lbs./\$ | YES (E) | |
| Wheat ^{3/} | 0011 | 98-B1 | 99-311 | 1998-700-B | 714-IP | APH/\$ | Yes ^{2/} | Yes ^{2/} | ^{1/} | bu./\$ | YES (E) | |
| Wheat ^{4/} | 0011 | 99-B1 | 99-311 (rev. 11/98) | 1999-700-B | 714-WIP | APH/\$ | Yes ^{2/} | Yes ^{2/} | ^{1/} | bu./\$ | YES (E) | |
| Soybeans | 0081 | 99-B1 | 99-381 | 1999-700-B | 702S-IP | APH/\$ | Yes ^{2/} | Yes ^{2/} | ^{1/} | bu./\$ | YES (E) | |
| Grain Sorghum | 0051 | 99-B1 | 99-351 | 1999-700-B | 702G-IP | APH/\$ | Yes ^{2/} | Yes ^{2/} | ^{1/} | bu./\$ | YES (F) | |

^{1/} ONLY available as Limited or Additional Coverage ONLY.

^{2/} Refer to Part 5 for additional LP and PP instructions

^{3/} For counties with a CCD prior to 11/30/98.

^{4/} For counties with a 11/30/98 or 12/30/98 CCD.

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 limited and additional Coverage ONLY

NOTE: The Basic Provisions (98-B1) represents the FCIC version. The 98-B1 is referred to as the 98-BR for industry purposes and are maintained on the RO Server.

EXHIBIT 2
1999 CROP POLICY INFORMATION

| CROPS | Crop Codes | FCIC | | NCIS | | 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 |
|----------------------------------|------------|---------------------------|----------------------|------------------|-----------------|-----------------------|---------------------|----------------------|-----------------------|-----------------|--|---------------------------------|
| | | Basic Provisions | Crop Provisions | Basic Provisions | Crop Provisions | | | | | | | |
| Crop Revenue Coverage (CRC) | | | | | | | | | | | | |
| Corn (Pilot) <u>1/</u> | 0041 | 99-CRC-BASIC (rev. 11/98) | 99-CRC-CG (11/98) | 700B-CRC (12-98) | 702-CRC | APH/\$ | Yes <u>2/</u> | Yes <u>2/</u> | Yes | bu./\$ | YES (B/O/E) | YES <u>3/</u> |
| Soybeans (Pilot) <u>1/</u> | 0081 | 99-CRC-BASIC (rev. 11/98) | 99-CRC-CG (11/98) | 700B-CRC (12-98) | 702-CRC | APH/\$ | Yes <u>2/</u> | Yes <u>2/</u> | Yes | bu./\$ | Yes (B/O/E) | Yes <u>3/</u> |
| Grain Sorghum (Pilot) <u>1/</u> | 0051 | 99-CRC-BASIC (rev. 11/98) | 99-CRC-CG (11/98) | 700B-CRC (12-98) | 702-CRC | APH/\$ | Yes <u>2/</u> | Yes <u>2/</u> | Yes | bu./\$ | Yes (B/O/E) | Yes <u>3/</u> |
| Cotton (Pilot) <u>1/</u> | 0021 | 99-CRC-BASIC (rev. 11/98) | 99-CRC-021 (11/98) | 700B-CRC (12-98) | 703-CRC | APH/\$ | Yes <u>2/</u> | Yes <u>2/</u> | No | lb./\$ | Yes (B/O/E) | Yes <u>3/</u> |
| Rice (Pilot) <u>1/</u> | 0018 | 99-CRC-BASIC (rev. 11/98) | 99-CRC-RICE (11/98) | 700B-CRC (12-98) | 716-CRC | APH/\$ | Yes <u>2/</u> | Yes <u>2/</u> | Yes | lb/\$ | Yes (B/O/E) | Yes <u>3/</u> |
| Wheat (Spring) (Pilot) <u>1/</u> | 0011 | 99-CRC-BASIC (rev. 11/98) | 99-CRC-WHEAT (11/98) | 700B-CRC (12-98) | 714W-CRC | APH/\$ | Yes <u>2/</u> | Yes <u>2/</u> | Yes | bu./\$ | Yes (B/O/E) | Yes <u>3/</u> |
| Wheat (Fall) (Pilot) <u>1/</u> | 0011 | 99-CRC-BASIC (rev. 6/98) | 99-CRC-WHEAT (6/98) | 700B-CRC (1999) | 714W-CRC (1999) | APH/\$ | Yes <u>2/</u> | Yes <u>2/</u> | Yes | bu/\$ | Yes (B/O/E) | Yes <u>3/</u> |

1/ Available as Limited or Additional coverage Only

2/ Refer to Part 5 for additional LP and PP instructions

3/ Requires insured's signature

4/ Available as Additional Coverage Only

5/ Available as Limited Coverage Only

**EXHIBIT 2
1999 CROP POLICY INFORMATION**

| | | FCIC | | NCIS | | | | | | | | |
|---|------------|-----------------------|-----------------|------------------|-----------------|-----------------------|---------------------|----------------------|-----------------------|-----------------|--|---------------------------------|
| PILOT INSURANCE PLANS (Only in Selected States/Countries) | Crop Codes | 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 |
| CROPS | | | | | | | | | | | | |
| Revenue Assurance Cov. (RA) | | | | | | | | | | | | |
| Corn (Pilot) <u>4/</u> | 0041 | 99-RA-BP (rev. 11/98) | 99-RA-C&S-CP | 700B-RA (1999) | 702RA (1999) | APH/\$ | Yes <u>2/</u> | Yes <u>2/</u> | Yes | bu./\$ | Yes (B/O/E/WF) | Yes <u>3/</u> |
| Soybeans (Pilot) <u>4/</u> | 0081 | 99-RA-BP (rev. 11/98) | 99-RA-C&S-CP | 700B-RA (1999) | 702RA (1999) | APH/\$ | Yes <u>2/</u> | Yes <u>2/</u> | Yes | bu./\$ | Yes (B/O/E/WF) | Yes <u>3/</u> |
| Wheat (Pilot) <u>4/</u> | 0011 | 99-RA-BP (rev. 11/98) | 99-RA-WH | 700-RA (1999) | 714-RA (1999) | APH/\$ | Yes <u>2/</u> | Yes <u>2/</u> | Yes | bu/\$ | Yes (B)/E/WP) | Yes <u>3/</u> |
| Adjusted Gross Revenue (AGR) <u>5/</u> | | | | | | | | | | | | |
| Agricultural Commodities | 0063 | 99-AGR | N/A | 980 | N/A | Revenue \$ | | | | \$ | WF | |

1/ Available as Limited or Additional coverage Only

2/ Refer to Part 5 for additional LP and PP instructions

3/ Requires insured's signature

4/ Available as Additional Coverage Only

5/ Available as Limited Coverage Only

| CAUSE OF LOSS NAMES AND CODES | | |
|--|------|--|
| LOSS CAUSE | CODE | APPLICABLE TO: |
| NO INDEMNITY | (00) | ALL CROPS |
| DECLINE OF PRICE | (01) | All crops insured under Income Protection, Crop Revenue Coverage, and Revenue Assurance policies., and avocados (Revenue plan-CA. Only) and pecans. 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 or for pecans when a decline in the market price used to determine the indemnity is the primary or secondary contributor of the loss. |
| DROUGHT | (11) | ALL CROPS EXCEPT : Avocado and Mango Trees, Texas Citrus Fruit, Texas Citrus Trees, Florida Citrus, Florida Fruit Trees, Peppers, Raisins, Rice, FM Sweet Corn, FM Tomatoes (\$ Plan), AND any crop insured under an irrigated practice. |
| HEAT | (12) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Florida Fruit Trees, 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, Florida Fruit Trees, and Raisins. |
| FIE (Failure of irrigation equipment) | (14) | ONLY : CRANBERRIES. |
| HAIL | (21) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Fruit Trees, and Raisins. |
| EXCESS SUN | (22) | ONLY : Apples when Sunburn Option in effect |
| EXCESS MOISTURE/PRECIP/RAIN | (31) | ALL CROPS* EXCEPT : Florida Citrus. |
| FROST 1/ (See footnote below.) | (41) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Florida Fruit Trees, Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan). |
| FREEZE 1/ (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/ 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..

| CAUSE OF LOSS NAMES AND CODES | | |
|---|------|---|
| LOSS CAUSE | CODE | APPLICABLE TO: |
| COLD WINTER | (43) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Florida Fruit Trees, Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan). |
| COLD WET WEATHER | (44) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Florida Fruit Trees, Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan). |
| ICH (Insufficient Chill hrs.) | (45) | ONLY the following : Blueberries, Peaches, and Plums. |
| FLOOD | (51) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Florida Fruit Trees, 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.) | (61) | ALL CROPS EXCEPT : Florida Citrus, Peppers, Raisins, and FM Tomatoes (\$ Plan). |
| HOT WIND | (62) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Florida Fruit Trees, Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan). |
| CYCLONE | (63) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Florida Fruit Trees, Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan). |
| TORNADO | (64) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Fruit Trees, and Raisins. |
| INSECTS ^{1/} (See footnote below.) | (71) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Texas Citrus Trees, Florida Fruit Trees, Figs, and Raisins. |
| PLANT DISEASE ^{1/} (See footnote below.) | (81) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Texas Citrus Trees, Florida Fruit Trees, Figs, and Raisins. |

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.

| CAUSE OF LOSS NAMES AND CODES | | |
|---|------|--|
| LOSS CAUSE | CODE | APPLICABLE TO: |
| MYCOTOXIN (e.g., AFLATOXIN) | (82) | ALL CROPS* EXCEPT : Almonds, Apples, Avocados, Avocado and Mango Trees, Blueberries, Cabbage, Cherries, Crambe, AZ-CA Citrus, Florida Citrus Fruit, Texas Citrus, Texas Citrus Trees, Florida Fruit Trees, Figs, Grapes, Table Grapes, Macadamia Nuts, Macadamia Trees, Peaches, Pears, Pecans, Peppers, Plums, Prunes, Raisins, (California) Stonefruit, Sweet Potatoes, FM Sweet Corn, FM Tomatoes (\$ and GP Plans), Walnuts, Watermelon, and Winter Squash. |
| FORCE FIRE | (90) | ONLY : Tobacco. |
| FIRE <u>2/</u> (See footnote below) | (91) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Fruit Trees, and Raisins. |
| HURRICANE OR TROPICAL DEPRESSION <u>1/</u> (See footnote below) | (92) | ALL CROPS EXCEPT : Avocado and Mango Trees, Texas Citrus Fruit, Texas Citrus Trees, Florida Fruit Trees, Peaches, Raisins, and FM Sweet Corn. |
| WILDLIFE <u>2/</u> (See footnote below.) | (93) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Texas Citrus Trees, Florida Fruit Trees, Pears, Pecans, 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, Florida Fruit Trees, 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, Florida Fruit Trees, Peppers, Raisins, FM Sweet Corn, and FM Tomatoes (\$ Plan). |
| OTHER (Snow, Lightning, Etc.) | (99) | ALL CROPS EXCEPT : Avocado and Mango Trees, Florida Citrus, Texas Citrus Fruit, Texas Citrus Trees, Florida Fruit Trees, 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/ Some policies may be limited or restricted for this cause of loss; see the individual crop provisions for specifics.

| 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) | Dollars |
| Avocados Florida Only (Pilot) | Bushels |
| Avocado and Mango Tree (Pilot) | % Stand Dollar * |
| Barley | Bushels (48 lbs.) |
| Barley (Malting) | Bushels (48 lbs.) |
| Beans (Processing) | Tons *** |
| Blueberries (Pilot) | Pounds |
| Cabbage (Pilot) | Hundredweight |
| Canola/Rapeseed | Pounds |
| Cherries (Pilot) | Dollar |
| Citrus (AZ-CA) (Navel, Valencia, Sweet Oranges) | Cartons (38 lbs.) |
| Citrus (AZ-CA) (Lemons) | Cartons (40 lbs.) |
| Citrus (AZ-CA) (Grapefruit) | Cartons (32 lbs.) |
| Citrus (AZ-CA) (Tangerines, Tangelos, Mandarin Oranges) | Cartons (25 lbs.) |
| Citrus (FL) | Boxes (85 or 90 lbs.-depends on type) |
| Citrus (TX) | Tons |
| Texas Citrus Trees | % Tree Damage/Dollar * |
| Corn (Grain)** | Bushels (56 lbs.) |
| Corn (Silage) | Tons *** |
| Cotton | Pounds |
| Cotton, ELS | Pounds |
| Crambe (Pilot) | 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

| UNITS OF MEASURE OF PRODUCTION*, BY CROP | |
|---|--------------------------|
| CROP NAME | UNIT OF MEASURE |
| Cranberries | Barrels (100 lbs.) |
| Dry Beans | Pounds (60 lbs. per bu) |
| Figs | Pounds |
| Flaxseed | Bushels (56 lbs.) |
| Florida Fruit Trees (Pilot) | % Stand/Dollar * |
| Forage Production | Tons *** |
| Forage Seeding | % Stand/Dollar * |
| Grain Sorghum | Bushels (56 lbs.) |
| Grapes | Tons *** |
| Table Grapes | Lugs (22-23 lbs.**) |
| Hybrid Corn Seed | Bushels (56 lbs.) |
| Hybrid Sorghum Seed | Bushels (56 lbs.) |
| Macadamia Nuts | Pounds |
| Macadamia Trees | % Tree damage/Dollar * |
| Millet (Pilot) | Hundredweight |
| Mustard (Pilot) | Pounds |
| Nursery Stock (Container and Container/Field Grown) | Dollar (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 |
| Pecans (Pilot) | Dollar |
| Peppers | 1 1/9 bushels (per box) |

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

** 22 lbs. in Coachella Valley, CA district; 23 lbs. in all other CA districts.

*** Ton = 2, 000 pounds

| UNIT OF MEASURE OF PRODUCTION, BY CROP | |
|---|------------------------------------|
| CROP NAME | UNIT OF MEASURE |
| Plums | Lugs (28 lbs.) |
| Popcorn | Pounds |
| Potatoes (Northern and Central/Southern) | Hundredweight |
| Prunes | Tons * |
| Raisins | Tons * |
| Rice | Pounds (45 lbs. per bu.) |
| Rye | Bushels (56 lbs.) |
| Safflowerseed | Pounds (35 lbs.) |
| Soybeans | Bushels (60 lbs.) |
| Stonefruit (Apricots) | Lugs (24 lbs.) |
| Stonefruit (Nectarines) | Lugs (25 lbs.) |
| Stonefruit (Freestone Peaches) | Lugs (22 lbs.) |
| Stonefruit (Proc. apricots and Proc. Peaches) | 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) | Crates (42 lbs.) |
| Sweet Potatoes (Pilot) | Hundredweight |
| Tobacco (Guarantee & Quota) | Pounds |
| Tomatoes (Processing) | Tons * |
| Tomatoes (Fresh & Fresh Guarantee) | Cartons (25 lbs.) |
| Walnuts | Pounds |
| Watermelon (Pilot) | Dollar (Hundredweight) |
| (Cultivated) Wild Rice (Pilot) | Pounds (25 lbs. MN. & 29 lbs. CA.) |
| Winter Squash (Pilot) | Dollar (Hundredweight) |
| Wheat | Bushels (60 lbs.) |

* Ton = 2,000 pounds

SELF-CERTIFICATION REPLANT WORKSHEET AND COMPLETION INSTRUCTIONSItem
No.

- 18 Insured's estimate of yield potential per acre on acres to be replanted.
- 19 Mark "YES or "NO" as indicated.
- 20 Mark "landlord", "tenant", or "owner/operator" to indicate insured entity.
- Insured's TOTAL ACTUAL cost to replant the acreage. (Only the dollar amount the insured paid or is liable for.)
- 21 Indicate whether an agreement exists with any other insured party to incur the entire cost of replanting or to receive all replant payments. If question in item 21 is answered "yes" include documentation of the agreement. If such provision is not shown in the policy, replant payments are limited to the insured's actual cost times the share no matter what agreement is in effect.
- 22 Insured's signature and date, certifying to information on the worksheet.
- 23 Adjuster's signature, code number, and date (after reviewing and determining worksheet is correctly completed and crop acreage is eligible for a replanting payment.)

GENERAL RANDOM REVIEW (AUDIT) INFORMATION.

- (a) Items 24-31 of the worksheet are to be completed when a random review (audit) is done.
- (b) Use a Special Report when there is not room in item 23 for documenting additional information or reasons for differences found during the review.
- (c) As part of the random review determine the unit acreage. If the determined acreage does not agree with what is on the worksheet, enter this fact in item 23 or on a Special Report.
- (d) Any information recorded on the Self-Certification Replant Worksheet or on the claim form that is found to be incorrect, line through the incorrect information, enter the correct information, and have the insured initial the change. (If you find it necessary or if instructed by the insurance provider, prepare a new claim form and void the original.)

SELF-CERTIFICATION REPLANT WORKSHEET AND COMPLETION INSTRUCTIONSItem
No.

- 24 Enter information pertinent to audit. If additional room is needed, use a Special Report and write appropriately, "See attached (Title or number of form used for documentation purposes)." in item 23.
- 25 Enter the reviewer code number and the date of review.
- 26 Enter "O.K." if you verify that the number of acres actually replanted agree with the entry in item 10. If you verify that the number of acres do not agree with item 10, enter the correct number of acres replanted.
- 27 Enter "O.K." if you verify that the date of damage agrees with the entry in item 13. If you verify that the date of damage does not agree with the entry in item 13, determine the correct date and enter.
- 28 Enter "O.K." if you verify that the cause of damage is insurable and agrees with the entry in item 12. If you verify that the entry does not agree with the entry in item 12, enter the cause of damage you have determined. If the cause of damage is not insurable, identify as such.
- 29 Enter "O.K." if you verify that the type or practice used for replanted acreage agrees with the entry in item 17. If you verify that the practice replanted does not agree with item 17, enter the practice you have determined.
- 30 Enter "Yes" or "No" to indicate whether the acreage recorded in item 10 and 26 appears to qualify for the replanting payment. If you answered no, document why the acreage did not qualify for the replant payment in item 24 or on a Special Report.
- 30 Enter "O.K." after you have verified with the insured or insured's authorized representative that the total cost incurred by the INSURED for the replanting operation (without regard to crop share and substantiated by receipts) is the same as the entry in item 20. If you verify that the total cost incurred by the INSURED in item 20 does not agree with your determination, enter the total cost you have determined and explain the difference in item 24 or on a Special Report.

DISTRIBUTION:

Adjuster:

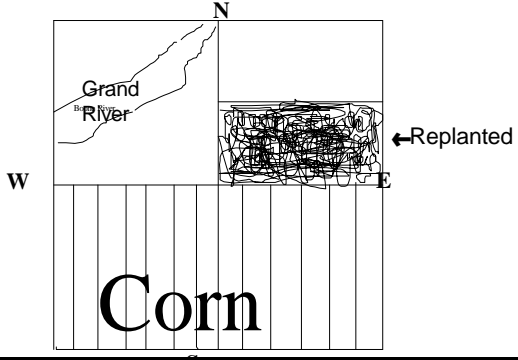
- 1 Transmit partially completed original and two copies to the insured to be completed by the insured.

SELF-CERTIFICATION REPLANT WORKSHEET AND COMPLETION INSTRUCTIONS

- 2 Attach the completed original and copies (with receipts showing replanting costs) to all copies of the completed claim form and transmit in accordance with instructions from your insurance provider.

After the Self-Certified Replant claim is approved for processing, the minimum distribution of the Self-Certified Replant Worksheet is as follows:

- (a) Original attached to original claim to the office designated by the insurance provider to maintain insureds' file of original documents.
- (b) One copy to the insured along with a legible copy of the claim.

| SELF-CERTIFICATION REPLANT WORKSHEET | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-------------------|--|---|----------------------------------|--------------------------------|--|----------|---------|---------|--|--|-----------|--|--|-----------------|--|--|-------|---|---|---------------|--|--|----------------|--|--|-------|--|--|
| <p>GUIDELINES: The self-certification Replant Worksheet may be used when the acreage to be replanted is 50 acres or less for a unit. Per policy provisions, in order to qualify for a replant payment, the number of acres to be replanted must be at least the lesser of 20 acres or 20% of the insured planted acreage for the unit (as determined on the final planting date or within the late planting period if a late planting period is applicable). The potential for the acres to be replanted must not exceed the amount stated in the crop policy. A replant payment may be made only once on acreage in the same location for the same crop. The maximum replant payment for eligible crops is your actual cost not to exceed the amount indicated in your policy.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>INSTRUCTIONS: Please fill out the following information completely.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. COMPANY ABC | | 2. INSURED'S NAME I.M. Insured | | 3. POLICY NUMBER XX-XXX-XXXXX | 4. CROP/CROP YEAR Corn YYYY | | | | | | | | | | | | | | | | | | | | | | | | |
| 5. CLAIM NUMBER xxxxx | 6. SHARE 1.000 | 7. UNIT NO. 0 0100 | 8. FSA FSN 1234 | 9. UNIT ACRES 100.0 | 10. REPLANT ACRES 20.0 | | | | | | | | | | | | | | | | | | | | | | | | |
| 11. LEGAL DESCRIPTION E ½ 6 8 10 Section Township Range | | 12. CAUSE OF DAMAGE Excess Precipitation | 13. DATE OF DAMAGE MM-YYYY | 14. ORIGINAL PLANT DATE MM-DD | 15. REPLANT DATE MM-DD | | | | | | | | | | | | | | | | | | | | | | | | |
| 16. Draw the field where the crop is planted. Shade the area actually replanted. <p style="text-align: center;">FIELD DIAGRAM</p>  | | | 17. Indicate the practice/type utilized (✓). <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">ORIGINAL</th> <th style="text-align: center;">REPLANT</th> </tr> </thead> <tbody> <tr> <td>Drilled</td> <td></td> <td></td> </tr> <tr> <td>Broadcast</td> <td></td> <td></td> </tr> <tr> <td>Airplane-seeded</td> <td></td> <td></td> </tr> <tr> <td>Rowed</td> <td style="text-align: center;">✓</td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Dry bean type</td> <td></td> <td></td> </tr> <tr> <td>Tillage method</td> <td></td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td></td> </tr> </tbody> </table> | | | | ORIGINAL | REPLANT | Drilled | | | Broadcast | | | Airplane-seeded | | | Rowed | ✓ | ✓ | Dry bean type | | | Tillage method | | | Other | | |
| | ORIGINAL | REPLANT | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Drilled | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Broadcast | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Airplane-seeded | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rowed | ✓ | ✓ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Dry bean type | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tillage method | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 18. My yield potential for the acres to be replanted is 100.0 bu. per acre. | | 20. The following represent my ACTUAL REPLANT COSTS as landlord _____ tenant _____ owner/operator ✓ MY TOTAL ACTUAL COST FOR REPLANTED ACRES: SEED \$ XX.XX (Attach seed receipt) CLEANING \$ _____ (Bin run seed) HERBICIDE \$ XX.XX (Attach receipt) labor \$ XX.XX \$ XXX.XX (other) TOTAL EXPENSE | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19. Is damage on your farm similar to other farms in the area? YES _____ ✓ NO _____ (explain) | | 21. I have an agreement with the other insured party(ies) to incur the entire cost of replanting or to receive all replant payments as provided by policy provisions. YES _____ NO X _____ (If yes, provide documentation) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>I certify the information provided above to the best of my knowledge, to be true and complete, and I understand that it will be used to determine my replanting payment, if any, for damage to the above crop. I also understand that this Worksheet and supporting papers are subject to audit and approval by the insurance provider, and that my signature herein authorizes the insurance provider to process a replanting payment in accordance with the terms of my insurance contract. I understand that any false or inaccurate information may result in the sanctions outlined in my policy and administrative, civil, and criminal sanctions under 18 U.S.C. §§ 1006 and 1014, 7 U.S.C. § 1506; 31 U.S.C. §§ 3729 and 3730 and other federal statutes.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 22. I, M. Insured (Insured's Signature) | | MM-DD-YYYY (Date) | 23. I.M. Adjuster (Adjuster's Signature and Code No.) | XXXXX | MM-DD-YYYY (Date) | | | | | | | | | | | | | | | | | | | | | | | | |
| FOR OFFICE USE ONLY - AUDIT INFORMATION | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 24. Review Remarks | | 25. Reviewer code/Date | 26. Actual/Replant Acres | 27. Date of Damage | 28. Cause of Damage | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 29. Replant Practice | 30. Did acreage appear to qualify? | 31. Actual Cost | | | | | | | | | | | | | | | | | | | | | | | | | |

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