

United States of Agriculture
Farm and Foreign Agriculture Services
Risk Management Agency

BULLETIN NO.: MGR-02-012

TO: All Reinsured Companies

All Risk Management Agency Field Offices

FROM: Ross J. Davidson, Jr. /s/ Ross J. Davidson, Jr. 06/27/02

Administrator

SUBJECT: Immature Peach Appraisal for Plum Pox Virus

BACKGROUND:

Plum Pox Virus (PPV) is a serious viral disease that was first identified in Pennsylvania in 1999. There is no known control for PPV other than the destruction of infected trees. The Animal and Plant Health Inspection Service (APHIS) conducts national surveys to identify PPV and joins with affected States to issue destruction orders to control the disease. When the government issues destruction orders, producers are required to begin destroying trees in the designated area within 14 days.

The direct loss of production from a disease such as PPV is an insured cause of loss under the Peach Crop Provisions but the loss of production from the destruction of trees by government order is not in itself an insured peril. An immature peach appraisal method is necessary to allow insurance providers to determine the amount of production potential existing when trees must be destroyed before peaches reach general maturity.

ACTION:

In consultation with Michigan State University Extension Specialists, the Risk Management Agency had previously established an appropriate method to appraise immature peaches. Because the policy and procedure are silent regarding the appraisal of immature peaches, this bulletin provides the procedure for the 2002 crop year where government issued destruction orders require the removal of insured acreage due to PPV before peaches reach general maturity. Reference this bulletin number on resulting claim for indemnity forms.

DISPOSAL:

This bulletin will remain in effect until incorporated into procedure.

Attachment



1400 Independence Ave., Stop 0801; Washington, DC 20250-0801

BULLETIN NO.: MGR-02-012 2

A. Appraised Production to Count

- (1) Complete a fruit count (Part I of the worksheet) to establish the average number of fruit per tree.
- (2) To determine the production to count, multiply the average fruit per tree times a .85 survival factor.
- (3) Divide the result of (2) by 3.5 (average fruit per pound for fresh and processing peaches) to establish the average pounds of fruit per tree. If PPV is discovered outside of Pennsylvania, RMA may determine a different average fruit per pound by State and will notify insurance providers as needed.
- (4) Multiply the average pounds of fruit per tree by the number of trees per acre to determine the total pounds per acre. Divide the pounds of fruit per acre by 50 pounds per bushel to determine the production in bushels per acre.

Example: 85 average fruit per tree times 85 percent (.85) survival factor equals 72.3 average fruit to count; this result divided by 3.5 fruit per pound equals 20.7 pounds of fruit per tree. 20.7 pounds of fruit per tree times 100 trees per acre equals 2070.0 pounds of fruit per acre. This result divided by 50 pounds per bushel equals 41.4 bushels of fruit per acre.

B. Immature Peach Appraisal Deviation Worksheet Entries and Completion Information.

Verify or make the following entries:

Item

No. Information Required

Company Name: Name of company servicing the contract.

Claim Number: Claim number as assigned by the insurance provider.

- 1. **Insured's Name:** Name of insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
- 2. **Policy Number:** Insured's assigned policy number.
- 3. **Crop Year:** Crop year, as defined in the policy, for which the claim has been filed.
- 4. **Unit Number:** Five-digit unit number from the Summary of Coverage after it is verified to be correct. (e.g., 00100).
- 5. **No. of Acres in Unit:** Unit acreage, to tenths.
- 6. **Trees per Acre:** Number of bearing trees per acre.
- 7. **Cause of Damage:** Insured cause of loss. Refer to the LAM for causes of loss and applicable codes. If an insured cause of loss is coded as "Other," explain in the Remarks.
- 8. **Date(s) of Damage:** First three letters of the month during which MOST of the insured damage

(including progressive damage) occurred. Include the SPECIFIC DATE where applicable, as in the case of hail damage (e.g., AUG 11).

9. **Crop Type:** Applicable crop name and code number.

Section I: Fruit Count

- 10. **Field ID:** Field identification symbol.
- 11. **Acres in Plot:** Acres in field or plot, to tenths.
- 12. **Fruit Count/Number of Fruit from each Sample Tree:** Total number of damaged and undamaged fruit from each sample tree.

Note: Do not include any fruit damaged to the extent that it would not remain on the tree until maturity.

- 13. **Total Fruit:** Total number of fruit from all trees in item 12.
- 14. **Number of Samples:** Number of samples taken from item 12.
- 15. **Avg. Fruit per Tree:** Item 13 divided by item 14, to tenths.

Section II:

- 16. **Avg. Fruit per Tree:** Transfer entry from section I, item 15.
- 17. **Survival Factor:** Enter ".85" (Line out any inappropriate factor.)
- 18. **Avg. Fruit to Count:** Item 16 times item 17, to tenths.
- 19. **Fruit per Pound:** Enter "3.5" (for fresh and processing peaches in Pennsylvania).
- 20. **Pounds per Tree:** Item 18 divided by item 19, to tenths.
- 21. **Number of Trees per Acre:** Number of trees per acre from item 6.
- 22. **Pounds per Acre:** Item 20 times item 21, to whole pounds.
- 23. **Pounds per Bushel:** MAKE NO ENTRY, "50" is preprinted on the appraisal worksheet.
- 24. **Bushels per Acre:** Item 22 divided by item 23, to tenths.
- 25. **Remarks:** Any pertinent information that pertains to the inspection.
- 26. **Adjuster's Signature and Code Number:** Signature of adjuster code number, and date signed **after** the insured (or insured's authorized representative) has signed. If the appraisal is performed prior to signature date, document the date of appraisal in the Remarks/Narrative section of the

Appraisal Worksheet (if available); otherwise, document the appraisal date in the Narrative of the Production Worksheet.

- 27. **Insured's Signature:** Insured's (or insured's authorized representative's) signature. BEFORE obtaining insured's signature, REVIEW ALL ENTRIES on the Appraisal Worksheet WITH THE INSURED, particularly explaining codes, etc., which may not be readily understood.
- 28. **Page Number:** Page numbers (Example: Page 1 of 1, Page 1 of 2, etc.).

ATTACHMENT A

Company:										Claim Number	:					
IMMATURE PEACH APPRAISAL DEVIATION WORKSHEET			1. INSURED'S NAME									2. POLICY NUMBER			3. CROP YEAR	
			4. UNIT NUMBER						5.	5. NO. OF ACRES IN UNIT			T 6		6. TREES PER ACRE	
	7. CAUSE OF DAMAGE						8. 1	8. DATE(S) OF DAMAGE				9. CI	ROP TYPE			
							S	ection I	- Fruit	Count						
FIELD ID 10	ACRES IN PLOT	FRUIT COUNT NUMBER OF FRUIT FROM EAC 12				Т					TOTAL FRUIT 13		NUMBER OF SAMPLES 14		AVG. FRUIT PER TREE 15	
										:	=		÷		=	
							C4:	. II D		t- Ct						
AVG. FRUIT PER TREE 16	SURVIVAL FACTOR				FRUIT PER POUND 19		Section II - Prod POUNDS PER TREE 20			NO. OF TREE PER ACRE 21			POUNDS PER TREE 22		POUNDS PER BUSHEL 23	BUSHELS PER ACRE 24
10	X =		18 19 ÷			=			<u> </u>			=		÷	÷ 50 =	
25. REMARKS																
25. KEMING																
26. INSURED'S S	SIGNATURE												DATE			
27. ADJUSTER'S SIGNATURE					CODE NUMBER								DATE			
														28. PAG	6E	OF