

Underwriting Guidelines for Cabbage Crop Insurance Program

Effective April 30, 2009 for the 2010 and Succeeding Crop Years

1 Procedures contained in the FCIC 18010 Crop Insurance Handbook (CIH) apply to Cabbage, unless otherwise specified in the policy or this document.

2 Cabbage is a Category B Annual Crop.

3 Transitional Yields (T-Yields):

If different T- Yields are provided in the Actuarial Documents by practice, type, or variety, a separate Actual Production History (APH) database must be established for each practice, type, or variety even when the T-Yields are the same.

4 Units:

Basic units may be further divided by planting period. Optional units may be established by type when separate types are provided in the Special Provisions. Prior APH's must be converted to the applicable unit structure.

5 Processing Contracts:

The producer must provide a copy of all processor contracts to the Approved Insurance Provider on or before the acreage reporting date to insure processing cabbage.

6 APH Review Requirements:

See CIH Exhibit 1 and Section 14A(2)(b), a two (2) percent tolerance is applicable.

7 Late and prevented planting are not applicable.

8 Acceptable APH Records for Cabbage:

If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc. Third party verification of farm management records may be required by the AIP and/or RMA. Boxes, bags, cartons, tons, or other measures of production, must be converted to hundredweight (one hundred pounds avoirdupois).

EXAMPLE:

Settlement sheet shows 100 boxes, bags, cartons or crates at 50 pounds

$100 \times 50 = 5,000 \text{ lbs} \div 100 = 50 \text{ CWT}$;

or settlement sheet shows 15.8 Tons

$15.8 \times 2,000 \text{ lbs} = 31,600 \div 100 = 316 \text{ CWT}$.

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Production that is sold or delivered at the time of harvest must include cabbage sold for fresh market and/or processing cabbage.

8A Fresh Market Cabbage Records:

Fresh market cabbage must include settlement sheets that show the packout weight (weight of packed cabbage for which the insured is paid).

8B Acceptable Supporting Records for Processing:

Processing cabbage must include settlement sheets that show the weight for which the insured is paid.

8C Farm Stored Production:

Production records are required that show the GROSS weight of stored cabbage if an inspection is not made prior to cabbage being placed in storage. A copy of the weight slips and production measurements must be provided. See Loss Adjustment Manual (LAM) for acceptable records/weight tickets.

8D Direct-marketed Production, when insurability is provided by the Special Provisions:

Follow acceptable record guidelines in Section 10, Paragraph C(4) of the CIH.

8E Unharvested Acreage Processing Cabbage:

If there is unharvested acreage, follow procedure for processing beans in the CIH, Section 6, Paragraph J(1)(b).

9 AIP Agent/Representative Responsibilities:

In addition to the responsibilities in Section 5A of the CIH, agents/representatives of AIPs are responsible for:

9A Reminding the applicant/insured of the acreage limitation statement published in the Special Provisions that limits liability if the applicant/insured plants more than 125 percent of the highest acreage planted in any one of the most recent three crop years; and

9B Calculating the yield conversion factor and production guarantee according to the Special Provisions.

9C The acreage limitation will not apply to an acreage increase of five or less acres or to any acreage of processing cabbage under contract.

9D In addition to the responsibilities in Section 5B of the CIH, applicants/insureds are responsible for providing written documentation of acreage data to the agent/representative. This acreage data will be used to calculate the yield conversion factor. The documentation must be submitted at the time of

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application for new insureds or by the sales closing date for carryover insureds and must include one of the following:

- D(1) Copies of cabbage acreage reports previously recorded for crop insurance purposes;
- D(2) Copies of acreage reports previously recorded at FSA (such as a Form FSA 578);
- D(3) Letters on official letterhead signed and dated by the County Extension Service Office's Extension Agent for each County where cabbage was grown. The letter must contain the insured's name, address, county name where the cabbage was grown, and acreage of cabbage grown by crop year. Examples of acceptable documentation of acreage evidence for these letters include planting/transplanting records (e.g., seed or transplant receipts, fertilizer and pesticide receipts).

The applicable documentation above will satisfy the requirements in the Special Provisions.

- 9E In addition to the responsibilities in Section 5C of the CIH, the AIP verifier is responsible for reviewing the written documentation of acreage data furnished and determining that it is complete and accurate. The AIP must notify the applicant/insured of any reduction in the production guarantee no later than 30 calendar days after the acreage reporting date. The AIP's calculations of the yield conversion factor must be in writing and dated. The AIPs must place copies of the prior years' acreage and the calculation of the yield conversion factor documentation in the insured's official file. The AIP must enter the appropriate yield conversion factor on the acreage report in the remarks section (to three decimal places). If the yield conversion factor is 1.000 or above, 1.000 will be used in the calculation of the approved production guarantee and will be the yield conversion factor reported on the acreage report.

This document will become obsolete when incorporated into FCIC 18010 CIH.