

United States
Department of
Agriculture



Federal Crop Insurance
Corporation



Product
Administration and
Standards Division

FCIC-25330 (08-2007)
FCIC-25330.1 (03-2008)

PEAR LOSS ADJUSTMENT STANDARDS HANDBOOK

2008 and Succeeding Crop Years

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

FEDERAL CROP INSURANCE HANDBOOK		NUMBER: 25330 (08-2007) 25330.1 (03-2008)	
SUBJECT: PEAR LOSS ADJUSTMENT STANDARDS HANDBOOK 2008 AND SUCCEEDING CROP YEARS		OPI: Product Administration and Standards Division	
		APPROVED: /S/ Rodger M. Matthews	DATE: 3/20/2008
		Deputy Administrator, Product Management	

THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-ISSUED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2008 AND SUCCEEDING CROP YEARS. ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.

SUMMARY OF CHANGES/CONTROL CHART

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

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

Changes for Crop Year 2008 (FCIC-25330.1) issued March 2008:

- A. In Section 8 C Appraisal Worksheet form completion instructions for all other states, item 26 b, corrected the item number from “25” to “24” and corrected the corresponding example form.
- B. In Section 9 C, corrected the Production Worksheet example form for all other states to reflect the corrected Appraisal Worksheet form example.

Control Chart For: Pear Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Remove	1-2		23-26		8/2007	FCIC-25330
			39-40		8/2007	FCIC-25330
Insert and Current Index	1-2	1-2	1-22	41-43	8/2007	FCIC-25330
			23-26		3/2008	FCIC-25330-1
			27-38		8/2007	FCIC-25330
			39-40		3/2008	FCIC-25330-1

PEAR LOSS ADJUSTMENT STANDARDS HANDBOOK
SUMMARY OF CHANGES/CONTROL CHART (Continued)

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22. **Total Number:**

- a. Total number of pears from each sample. When sampling is complete, add individual entries and enter total in the “Line Total” column.
- b. For claims with insurable “windfall” and/or freeze damage in the fall: Do NOT do “grade reduction” for “windfalls” or pears frozen on the tree in the fall. Such pears that cannot be packed or marketed as fresh pears are considered 100 percent insured damage (cull production). Write across items 19 through 22 “Windfalls” or “Frozen on the Tree” and transfer entry in item 17 to item 23. Treat such pears as 100 percent insured damage.
- c. For preharvest inspections, delay completion of items 23 through item 33 until harvest is complete unless harvest will not be completed. If harvest will not be completed, appraise the production.

AVG. % : Item 21 “Line Total” divided by item 22 “Line Total,” results to two-decimal places.

ADJ. %: Locate the AVG. % above on **TABLE D** and find the corresponding ADJ. %. Enter the ADJ. % to two-decimal places. If AVG.% is “.10” or less, MAKE NO ENTRY in ADJ.%. If AVG% is “.60” or more, enter “100” for ADJ.%.

23. **Gross Production/Appraisal per Acre:** If the item 21 “AVG.%” is “.10” or less, transfer the entry determined below to item 25. If the item 21 “AVG.%” is “.60” or more, transfer the entry determined below to item 24:

- a. **Unharvested Appraisals:** Transfer entry from Section I, column 17.
- b. **Harvested Appraisals:** Total marketable production in tons to tenths, from harvested production records.

24. **Insured Damage:** Item 21 “ADJ. %” times item 23, in tons to tenths for pears failing to grade No. 2 or better because of insured damage due to hail. The entry location (Harvested or Unharvested) will correspond to the location of the item 23 entry. Enter “0.0” if item 21 “AVG.%” is “.10” or less. If “AVG.%” is “.60” or more, transfer the entry in item 23 to item 24. For pears harvested BEFORE any insured damage, enter “0.0.” For Harvested and Unharvested acreage, transfer the entry in item 23 for both “Windfalls” and “Frozen Pears” that cannot be packed or marketed as fresh pears.

25. **Net Tons:** Item 23 minus item 24, in tons to tenths. If the result is zero, enter “0.0.” This entry cannot be less than zero.

26. **Cull Value:**

- a. **Percent:** Enter “.15.”
- b. **Value:** “.15” times item 24, in tons to tenths. For immature pears with no processing value, enter “0.” MAKE NO ENTRY if item 21 “AVG.%” is “.10” or less.

27. **Uninsured Causes:** Computed total number of tons, to tenths, of pears lost to uninsured cause(s). Document calculations in Remarks or on a Special Report (refer to the LAM for information on how to determine uninsured cause appraisals):
- a. **Unharvested Appraisals** (pear damage): MAKE NO ENTRY. Unharvested production damaged by uninsured causes or a combination of insured and uninsured causes is included in item 20.
 - b. **Harvested Appraisals** (yield reduction): Determine the amount by comparing the per-acre actual harvested or appraised production with the per-acre production from comparable acreage not affected by the uninsurable cause(s). Transfer entry to Section I, item M of the Production Worksheet.
28. **Production/Appraisal per Acre:**
- a. **Unharvested Appraisals:** Item 25 plus item 26 (value), in tons to tenths. Transfer result to Section I, item “J” of the Production Worksheet.
 - b. **Harvested Appraisals:** Item 25 plus item 26 (value), in tons to tenths. Transfer result to Section II, item “I” of the Production Worksheet.
29. **Remarks:** Document the following on the appraisal worksheet or on a Special Report, as applicable:
- a. Date of sampling if harvest is NOT complete (complete worksheet/claim at later date).
 - b. Date harvest began or expected to begin (preharvest inspections).
 - c. Uninsured cause(s) of damage.
 - d. Differences between item 5 “Acres” and the total of item 18 “Acres” for the unit.
 - e. Damaged acreage harvested prior to preharvest inspection or appraisal.
 - f. Tree planting pattern (e.g., 18 ft. X 16 ft.).
 - g. Voluntary destruction or removal of orchard or sub-orchard acreage in the unit.
 - h. References for orchard/sub-orchard identification (aerial photo, sketch map, etc.).

The following required entries are not illustrated on the Appraisal Worksheet example below.

30. **Adjuster’s Signature, Code Number, and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insured’s authorized representative) has signed. If the appraisal is performed prior to signature date, document the date of appraisal in the Remarks/Narrative section of the Appraisal Worksheet (if available); otherwise, document the appraisal date in the Narrative of the Production Worksheet.
31. **Insured’s Signature and Date:** Insured’s (or insured’s authorized representative’s) signature and date. **BEFORE** obtaining the signature, **REVIEW ALL ENTRIES** on the Appraisal Worksheet **WITH THE INSURED** (or the insured’s authorized representative), particularly explaining codes, etc., which may not be readily understood.
32. **Page:** Page numbers - (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc).

PEAR APPRAISAL WORKSHEET (All Other States)
(For Illustration Purposes Only)

Company: Any Company					Claim #: XXXXXXXX								
1. CROP YEAR YYYY		2. POLICY NUMBER XXXXXXX			3. NAME OF INSURED I. M. Insured					4. UNIT NO. 00100		5. ACRES 14.4	
6. ORCHARD ID 1			8. ACRES:		UNHARV.: 4.4		9. DAMAGE: Date of Damage: AUG 11				Cause of Loss: Hail		
7. VARIETY Green Bartlett 186					HARV.: 10.0								

SECTION I - GROSS UNHARVESTED APPRAISAL

10 POUNDS PER SAMPLE	SAMPLES										11 TOTAL POUNDS (LINE TOTAL)	12 NUMBER OF SAMPLES	13 POUNDS/ TREE	14 TREES/ ACRE	15 POUNDS/ ACRE	16 CONVERSION FACTOR	17 GROSS APPRAISAL/ ACRE	
	49.0	51.9	56.0	54.1	58.9							269.9	5	54.0	151	8,154.0	2000	4.1

SECTION II - QUALITY ADJUSTMENT

18. ACRES 4.4 UH	NUMBER OF SAMPLES										LINE TOTAL	AVG. %	ADI. %	23. GROSS PRODUCTION APPRAISAL PER ACRE	24. INSURED DAMAGE	25. NET TONS	26. CULL VALUE PERCENT/ VALUE		
	1	2	3	4	5	6	7	8	9	10								Harvested	Unharvested
19. #2 or BETTER	22	20	30	20	19						111			Unharvested	4.1	3.4	.7	.15	0.5
20. UNINSURED DAMAGE	0	3	4	2	0						9			27. UNINSURED CAUSES APPRAISAL PER ACRE	28. PRODUCTION/ APPRAISAL PER ACRE				
21. INSURED DAMAGE	34	23	26	18	25						126	.51	.82						
22. TOTAL NUMBER	56	46	60	40	44						246								

18. ACRES 100 H	NUMBER OF SAMPLES										LINE TOTAL	AVG. %	ADI. %	23. GROSS PRODUCTION APPRAISAL PER ACRE	24. INSURED DAMAGE	25. NET TONS	26. CULL VALUE PERCENT/ VALUE			
	1	2	3	4	5	6	7	8	9	10								Harvested	Unharvested	27. UNINSURED CAUSES APPRAISAL PER ACRE
19. #2 or BETTER	36	32	28	39	31						166			Unharvested						
20. UNINSURED DAMAGE	6	0	1	6	4						17			27. UNINSURED CAUSES APPRAISAL PER ACRE	28. PRODUCTION/ APPRAISAL PER ACRE					
21. INSURED DAMAGE	8	10	12	11	10						51	.22	.24							
22. TOTAL NUMBER	50	42	41	56	45						234									44.7

18. ACRES	NUMBER OF SAMPLES										LINE TOTAL	AVG. %	ADI. %	23. GROSS PRODUCTION APPRAISAL PER ACRE	24. INSURED DAMAGE	25. NET TONS	26. CULL VALUE PERCENT/ VALUE			
	1	2	3	4	5	6	7	8	9	10								Harvested	Unharvested	27. UNINSURED CAUSES APPRAISAL PER ACRE
19. #2 or BETTER														Unharvested						
20. UNINSURED DAMAGE														27. UNINSURED CAUSES APPRAISAL PER ACRE	28. PRODUCTION/ APPRAISAL PER ACRE					
21. INSURED DAMAGE																				
22. TOTAL NUMBER																				

29. REMARKS: Orchard 1 comprised of sub-orchard 1A appraised – UH, and sub-orchard 1B – H. Tree spacing 18 ft. X 16 ft. Section II, line 20 Uninsured Damage due to limb rubs and russeting. Field ID's and acreage measurements determined from aerial photo maps.

Refer to the form completion instructions for all required entry items.

9. CLAIM FORM ENTRIES AND COMPLETION PROCEDURES

A. CLAIM FORM STANDARDS

- (1) The entry items in subsection C are the minimum Claim Form (hereafter referred to as the “Production Worksheet”) requirements. All of these entry items are considered “substantive,” (i.e., they are required).
- (2) The completion instructions for the required entry items on the Production Worksheet in the following subsections are “substantive,” (i.e., they are required).
- (3) The Privacy Act and Nondiscrimination statements are required statements that must be printed on the form or provided as a separate document. These statements are not shown in the example form in this section. The current Privacy Act and Nondiscrimination statements can be found in the DSSH.
- (4) The certification statement required by the current DSSH must be included on the form directly above the insured’s signature block and immediately followed by the statement below:

“I understand the certified information on this Production Worksheet will be used to determine my loss, if any, to the above unit. The insurance provider may audit and approve this information and supporting documentation. The Federal Crop Insurance Corporation, an agency of the United States, subsidizes and reinsures this crop insurance.”

- (5) Refer to the DSSH for other crop insurance form requirements (e.g., point size of font, etc.).

B. GENERAL INFORMATION FOR CLAIM FORM ENTRIES AND COMPLETION PROCEDURES

- (1) The Production Worksheet is a progressive form containing all notices of damage for all preliminary and final inspections on a unit.
- (2) If a Production Worksheet has been prepared on a prior inspection, verify each entry and enter additional information as needed. If a change or correction is necessary, strike out all entries on the line and re-enter correct entries on a new line. The adjuster and insured should initial any line deletions.
- (3) Refer to the LAM for instructions regarding the following:
 - (a) Acreage report errors;
 - (b) Delayed notices and delayed claims;
 - (c) Corrected claims or fire losses (double coverage) and cases involving uninsured causes of loss, unusual situations, controversial claims, concealment, or misrepresentation;

**PRODUCTION WORKSHEET
(FOR ILLUSTRATION PURPOSES ONLY)
ALL OTHER STATES**

1 Crop Code # <i>Pears</i> ----- <i>0089</i>	2 Unit # <i>00100</i>	3 Legal Description <i>SW1 - 2N - 3W</i>
4 Date of Damage <i>AUG 11</i>		
5 Cause of Damage <i>Hail</i>		
6 Primary Cause % <i>100%</i>		
12 Additional Units <i>00200</i>		
13 Est. Prod Per Acre <i>10.0</i>		

7 Company Agency *Any Company*
Any Agency

8 Name of Insured <i>I.M. Insured</i>		
9 Claim # <i>xxxxxxx</i>	11 Crop Year <i>MM/DD/YYYY</i>	
10 Policy # <i>xxxxxxx</i>		
14 Date(s) Notice of Loss	1st <i>MM/DD/YYYY</i>	2nd <i>MM/DD/YYYY</i>
15 Companion Policy(s)		

SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

ACTUARIAL									POTENTIAL YIELD						STAGE GUARANTEE	
A	B	C	D	E	F	G	H	I	J	$\frac{K_1}{K_2}$	L	M	N	O	P	Q
Field ID	Prelim. Acres	Final Acres	Interest or Share	Risk	Practice	Type Class Variety	Stage	Intended or Final Use	Appraised Potential	Moisture % Factor	Shell and/or Quality Factor	+Uninsured Cause	Adjusted Potential	Total to Count (C x N)	Per Acre	Total (C x P)
<i>1A NS MM/DD</i>		<i>4.4</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>186</i>	<i>UH</i>	<i>UH</i>	<i>1.2</i>				<i>1.2</i>	<i>53</i>	<i>10.50</i>	<i>46.2</i>
<i>1B NS MM/DD</i>		<i>10.0</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>186</i>	<i>H</i>	<i>H</i>							<i>10.50</i>	<i>105.0</i>
16 TOTAL		<i>14.4</i>												17 TOTALS	<i>5.3</i>	<i>151.2</i>

NARRATIVE (If more space is needed, attach a Special Report) *Acreege determined from permanent field measurements on aerial photo maps.*

SECTION II - HARVESTED PRODUCTION

18 Date Harvest Completed <i>MM/DD/YYYY</i>					19 Is damage similar to other farms in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>					20 Assignment of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					21 Transfer of Right to Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>				
MEASUREMENTS					GROSS PRODUCTION				ADJUSTMENTS TO HARVESTED PRODUCTION										
$\frac{A_1}{A_2}$	B	C	D	E	F	G	H	I	J	$\frac{K_1}{K_2}$	$\frac{L_1}{L_2}$	$\frac{M_1}{M_2}$	N	O	P	$\frac{Q_1}{Q_2}$	R	S	
Share Field ID	Length or Diameter	Width	Depth	Deduction	Net Cubic Feet	Conversion Factor	Gross Prod. (F x G)	Bbl. (Ton) Lbs. CWT	Shell/Sugar Factor	FM% Factor	Moisture % Factor	Test WT Factor	Adjusted Production (H or I) x K2 x L2 x M2	Prod. Not to Count	Production (N - O)	Value Mkt. Price	Quality Factor (Q1 ÷ Q2)	Production to Count (P x R)	
<i>NS</i>	<i>Acme Packing Co. Any Town, Any State XXXXX</i>							<i>44.7</i>					<i>44.7</i>		<i>44.7</i>			<i>44.7</i>	
22 Section II Total																	<i>44.7</i>		
23 Section I Total																	<i>5.3</i>		
24 Unit Total																	<i>50.0</i>		

Refer to the form completion instructions for all required entries.

