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Federal Crop
Insurance
Corporation



Product
Administration and
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Division

FCIC-25090 (12-2007)
FCIC-25090-1 (11-2008)

AUP & ELS COTTON LOSS ADJUSTMENT STANDARDS

2009 and Succeeding Crop Years

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

FEDERAL CROP INSURANCE HANDBOOK	NUMBER: 25090 (12-2007) 25090-1 (11-2008)
SUBJECT: AUP & ELS COTTON LOSS ADJUSTMENT STANDARDS HANDBOOK 2009 AND SUCCEEDING CROP YEARS	OPI: Product Administration And Standards Division APPROVED: DATE: /s/ Tim B. Witt November 17, 2008 Deputy Administrator, Product Management

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

SUMMARY OF CHANGES/CONTROL CHART

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

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

Changes for Crop Year 2009 (FCIC-25090-1) issued NOVEMBER 2008:

- A. Pages 4-5, Subsections 5 C (2) and (3): Revised procedures and examples concerning measuring row width for sample selection to coincide with standards.
- B. Pages 85-89, Exhibit 4: Revised yield conversion factor tables to correspond with factors in CIH.
- C. Page 90, Exhibit 4: Revised "Acres Considered Planted By FSA Table" to match table in CIH.

AUP & ELS COTTON LOSS ADJUSTMENT HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

Control Chart For: AUP & ELS Cotton Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Remove	1-4		3-6	85-90	12-2007	FCIC-25090
Insert	1-2		3-6	85-90	11-2008	FCIC-25090-1
Current Index	1-2	1-4	1-2 3-6 7-68		11-2008	FCIC-25090-1
					12-2007	FCIC-25090
					11-2008	FCIC-25090-1
					12-2007	FCIC-25090
				69-84	12-2007	FCIC-25090
				85-90	11-2008	FCIC-25090-1
			91-119	12-2007	FCIC-25090	

- (3) In lieu of section 11(b)2 of the Basic Provisions, insurance will end upon the removal of the cotton from the field.

B. PROVISIONS AND PROCEDURES NOT APPLICABLE TO CAT COVERAGE

Refer to the CIH and LAM for provisions and procedures not applicable to CAT.

C. UNIT DIVISION

Refer to the insurance contract for unit provisions. Unless limited by the Crop or Special Provisions, a basic unit, as defined in the Basic Provisions, may be divided into optional units if, for each optional unit, all the conditions stated in the applicable provisions are met.

D. QUALITY ADJUSTMENT

The production to count for mature cotton may be reduced as a result of a loss in quality when production has been damaged by insured cause(s). Refer to **EXHIBIT 5**, Using the Cotton Classification System for Quality Adjustment.

E. AUP AND ELS INSTRUCTION DESIGNATIONS

Instructions designated **AUP** will apply to American Upland cotton **ONLY**. Instructions designated **ELS** will apply to Extra Long Staple cotton **ONLY**. Undesignated instructions will apply to both **AUP** and **ELS** cotton.

F. DUTIES IN THE EVENT OF DAMAGE OR LOSS

- (1) In the event of damage or loss:
- (a) The cotton stalks must remain intact for the AIP's inspection; and
 - (b) If the insured initially discovers damage to the insured crop within 15 days of harvest, or during harvest, the insured must leave representative samples of the unharvested crop in the field for the AIP's inspection. The samples must be at least 10 feet wide and extend the entire length of each field in the unit.
- (2) The stalks must not be destroyed, and required samples must not be harvested, until the earlier of the AIP's inspection or 15 days after harvest of the balance of the unit is completed and written notice of probable loss is given to the AIP.

4. REPLANTING PAYMENT PROCEDURES

There currently is no replant payment available for **AUP** or **ELS** cotton. Refer to section 3A(2)(b) for replanting requirements prior to the final planting date.

5. AUP AND ELS COTTON APPRAISALS

A. GENERAL INFORMATION

Potential production for all types of inspections will be appraised in accordance with procedures specified in this handbook and the LAM.

B. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS

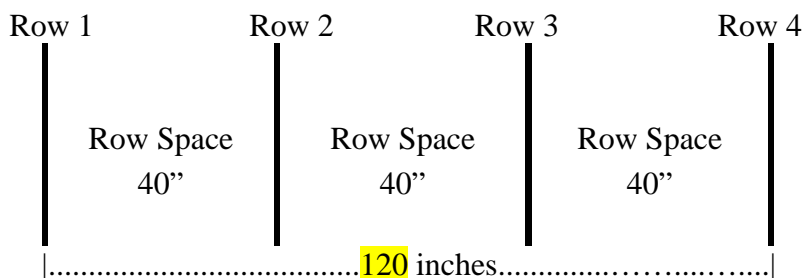
- (1) Determine the minimum number of required samples for a field or subfield by the field size, average stage of growth, general capabilities of plants to recover, and variability of plant damage within the field or subfield.
- (2) Split the field into subfields when:
 - (a) variable damage causes the crop potential to appear to be significantly different within the same field, or
 - (b) the insured wishes to destroy part of a field.
- (3) Appraise each field or subfield separately.
- (4) Take not less than the minimum number (count) of representative samples as required in **TABLE A** for each field or subfield.

C. MEASURING ROW WIDTH FOR SAMPLE SELECTION

Use these instructions when the selection of the representative sample is based on row width.

- (1) Use a measuring tape marked in inches or convert a tape marked in tenths, to inches, to measure row width (refer to the LAM for conversion table).
- (2) Measure across **THREE** OR MORE row **spaces**, from the center of the first row to the center of the **fourth** row (or as many rows as needed), and divide the result by the number of row **spaces** measured across, to determine an average row width in whole inches.

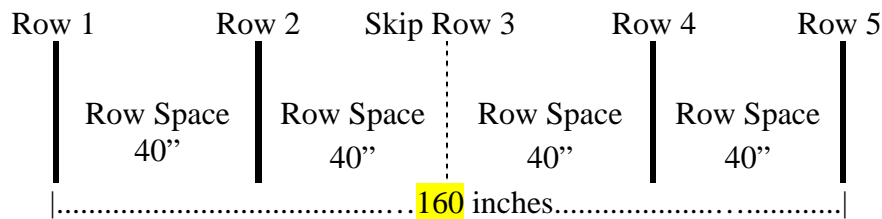
EXAMPLE:



$$120 \text{ inches} \div 3 \text{ row spaces} = 40 \text{ inches average row width}$$

- (3) When the planting pattern is a skip-row pattern, measure across the pattern and divide the total distance by the number of rows measured across, to determine “average row width” in whole inches. In this instance, a skip-row is considered a planted row.

EXAMPLE:



$$160 \text{ inches} \div 4 \text{ row spaces} = 40 \text{ in. average row width}$$

Caution is required when a planting pattern has varying row widths within the pattern, e.g., two 36” planted rows with a 27” skip. Measure each planted pattern to determine average row width. Use the average of the planted row width to select the single row width for each representative sample.

D. STAGES OF GROWTH

The **most** important part of **AUP** and **ELS** cotton loss adjustment is to first determine the **stage of growth at the date of damage**.

(1) Identifying Stages of Growth

- (a) Select at least 10 plants that are representative of the field or subfield, to determine the average stage of growth.
- (b) Use the main stem for stage determinations. The stage of growth is based on 50 percent of the plants **at or beyond** a given phase of development. Split the acreage into subfields to reflect the distinctly different stages of growth.
- (c) Identify the stage of growth at date of damage for all appraisals that have a **specific date of damage**; (e.g., hail). Use the average time intervals to count back the days to the date of damage. For progressive damage (e.g., drought), identify the stage of growth on the date of appraisal.
- (d) Determine the individual plant stage of growth using **AUP** Cotton Stages of Growth in section 5D(2), and **ELS** Cotton Stages of Growth in section 5D(3).

(2) **AUP** Cotton Stages of Growth

Emergence normally occurs 7 to 10 days after planting. At the lowest node (joint) of the cotton stem, two cotyledonary (seedling) leaves are borne on opposite sides of the stem. The cotton plant then develops into two types of branches, vegetative and fruiting. The stages of growth are based on average full-season varieties and are the approximate time required for cotton plants to reach a specific growth stage.

(a) **AUP** Vegetative Stages

A plant is classified as the “Vegetative Stage” if “squaring” has **NOT** begun. Vegetative stage numbers are preceded by a “V” and are identified as “VC” (emergence) through V6 stages of growth.

- 1 Count the number of nodes above the cotyledonary node beginning at the bottom of the main stem where the two cotyledonary leaves (seed leaves) were attached.
- 2 The last node counted at the top of the plant is the node above which the internode has **not** elongated as much as $\frac{1}{2}$ inch. At this node, the true leaf is approaching full size, and the internode below will be elongated to $\frac{1}{2}$ inch or more.

EXHIBIT 4

YIELD CONVERSION FACTORS FOR NONIRRIGATED SKIP-ROW PLANTING PATTERNS

1. GENERAL INFORMATION

- A. Acreage determinations and qualifying skip-row planting patterns must agree with the FSA Rules and Verifying Row-widths and Planting Patterns in **EXHIBIT 3**.
- B. Refer to **TABLE 4** for Percent Planted Factors for 30 to 40-inch planting patterns.

2. YIELD CONVERSION FACTOR TABLES

To compute the acreage report yield for non-irrigated skip-row planting pattern(s) carried out, multiply the approved solid-planted yield from the APH form times the yield conversion factor for the qualifying skip-row planting pattern. Irrigated acreage does not qualify for skip-row yield conversion factors.

If the entire area is considered devoted to cotton (solid planted) by FSA, a yield conversion factor of 1.00 must be used. Use the following tables to convert qualifying non-irrigated skip-row cotton yields to a solid-planted basis:

TABLES

TABLE 1 – These factors apply to Arkansas, Louisiana, Missouri, and all states east of these states.

Planting Pattern	Row Width 1/	Yield Conversion Factor
Solid-planted or non-qualifying skip-row patterns as determined by FSA or RMA	FSA rules	1.00
2 planted X 1 skipped	30 to 40 inch	1.33
2 planted X 1 narrow skip (40-40-24*)	30 to 40 inch	1.23
2 planted X 1 narrow skip (38-38-26*)	30 to 40 inch	1.25
2 planted X 2 skipped	30 to 40 inch	1.50
2 planted X 4 or more skipped	30 to 40 inch	1.67
4 planted X 1 skipped	30 to 40 inch	1.20
4 planted X 2 skipped	30 to 40 inch	1.33
4 planted X 4 skipped	30 to 40 inch	1.33
6 planted X 1 skipped	30 to 40 inch	1.14
6 planted X 2 or more skipped	30 to 40 inch	1.20
Other	FSA rules	RMA rules

1/ Row widths are equal unless otherwise indicated.

* Fallow strip (plus one-half row width on either side).

EXHIBIT 4

YIELD CONVERSION FACTORS FOR NONIRRIGATED SKIP-ROW PLANTING PATTERNS

For planting patterns of unequal row widths within the pattern, or row patterns other than those listed in **TABLE 1**, compute the yield conversion factor as follows:

- A. Divide the width in inches of the area skipped in the pattern (as defined by FSA) by the width in inches of the whole pattern, rounded to 2 decimals.
- B. Add 1.00 to the results obtained in item A.

EXAMPLE: 3 planted X 1 skipped (40" rows) = $40 \div 160 = .25 + 1.00 = 1.25$

In some areas, mixed patterns are planted such as 4 planted X 1 skipped X 2 planted X 1 skipped. To calculate the factor for these patterns, determine the factor for each part (4 X 1 and 2 X 1) and compute a weighted factor based on the number of planted rows.

EXAMPLE: 4 X 1 X 2 X 1 (40" rows)
 $4 \times 1 = 40 \div 200 = .20 + 1.00 = 1.20 \times 4 = 4.80$
 $2 \times 1 = 40 \div 120 = .33 + 1.00 = 1.33 \times 2 = \underline{2.66}$
 $7.46 \div 6 \text{ rows} = 1.24$

- C. The result of item B must not exceed:
 - (1) 1.67 for any pattern or part of a pattern of 1 planted row or 2 consecutive planted rows alternating with idle land.
 - (2) 1.45 for any pattern or any part of a pattern of 3 consecutive planted rows alternating with idle land.
 - (3) 1.33 for any pattern or part of a pattern of 4 consecutive planted rows alternating with idle land.
 - (4) 1.20 for any pattern or part of a pattern of 5 or 6 consecutive planted rows alternating with idle land.
 - (5) 1.00 for any pattern or a part of a pattern of 7 or more consecutive planted rows alternating with idle land.

EXHIBIT 4

**YIELD CONVERSION FACTORS
FOR NONIRRIGATED SKIP-ROW PLANTING PATTERNS**

TABLE 2 – These factors apply to New Mexico, and the following counties in Texas: Baylor, Concho, Runnels, Schleicher, Shackelford, Sutton, Taylor, Throckmorton, Valverde, Wilbarger, and all counties west of these counties.

Planting Pattern	Row Width 1/	Yield Conversion Factor
Solid-planted or non-qualifying skip-row patterns as determined by FSA or RMA	FSA rules	1.00
1 planted X 1 skipped	40 inch	1.32
1 planted X 1 skipped	36 inch	1.19
1 planted X 1 skipped	32 inch	1.06
2 planted X 1 skipped	30 to 40 inch	1.29
2 planted X 2 skipped	30 to 40 inch	1.29
3 planted X 1 skipped	30 to 40 inch	1.19
3 planted X 2 skipped	30 to 40 inch	1.19
4 planted X 1 skipped	30 to 40 inch	1.14
4 planted X 2 skipped	30 to 40 inch	1.14
4 planted X 4 skipped	30 to 40 inch	1.02
5 planted X 1 skipped	30 to 40 inch	1.12
5 planted X 2 skipped	30 to 40 inch	1.12
6 planted X 1 skipped	30 to 40 inch	1.10
6 planted X 2 skipped	30 to 40 inch	1.10
7 planted X 1 skipped	30 to 40 inch	1.08
7 planted X 2 skipped	30 to 40 inch	1.08
8 planted X 1 skipped	30 to 40 inch	1.07
8 planted X 2 skipped	30 to 40 inch	1.07
Other	FSA rules	RMA rules

1/ Row widths are equal.

EXHIBIT 4
YIELD CONVERSION FACTORS
FOR NONIRRIGATED SKIP-ROW PLANTING PATTERNS

TABLE 3 – These factors apply to Kansas, Oklahoma, and all Texas counties for which **TABLE 2** does not apply.

Planting Pattern	Row Width 1/	Yield Conversion Factor
Solid planted or non-qualifying skip-row patterns as determined by FSA or RMA	FSA rules	1.00
1 planted X 1 skipped	40 inch	1.40
1 planted X 1 skipped	36 inch	1.26
1 planted X 1 skipped	32 inch	1.12
2 planted X 1 skipped	30 to 40 inch	1.35
2 planted X 2 skipped	30 to 40 inch	1.35
3 planted X 1 skipped	30 to 40 inch	1.23
3 planted X 2 skipped	30 to 40 inch	1.23
4 planted X 1 skipped	30 to 40 inch	1.17
4 planted X 2 skipped	30 to 40 inch	1.17
4 planted X 4 skipped	30 to 40 inch	1.04
5 planted X 1 skipped	30 to 40 inch	1.14
5 planted X 2 skipped	30 to 40 inch	1.14
6 planted X 1 skipped	30 to 40 inch	1.12
6 planted X 2 skipped	30 to 40 inch	1.12
7 planted X 1 skipped	30 to 40 inch	1.10
7 planted X 2 skipped	30 to 40 inch	1.10
8 planted X 1 skipped	30 to 40 inch	1.09
8 planted X 2 skipped	30 to 40 inch	1.09
Other	FSA rules	RMA rules

1/ Row widths are equal.

EXHIBIT 4

YIELD CONVERSION FACTORS FOR PLANTING PATTERNS NOT LISTED IN TABLES 2 AND 3

For locations listed in Tables 2 or 3, if qualifying skip-row planting patterns are carried out that are not listed, calculate the applicable yield conversion factor as follows: Determine and assign the appropriate row factor for each row in the planting pattern, using the following chart for the applicable Table. Row factors are based on the planting pattern only; therefore, turning at the end of the field has no effect. A blank row (skiprow) is always assigned a value of 0.00. A planted row with a planted row on both sides is always assigned a value of 1.00. A planted row with a planted row on one side and a blank row on the other side is assigned a value of 1.29 or 1.35 based on the applicable table. A planted row with a blank row on both sides is assigned a value of 1.32 or 1.40 based on the applicable table. Once the assignments for all rows in the pattern are completed, sum the individual row factors; divide the sum by the total number of rows in the pattern (round the result to four decimal places). Divide the result (Pattern Factor) by the percent planted factor for the skip-row pattern (round the result to two decimal places).

INDIVIDUAL ROW FACTORS				
Production Zone	Blank (Skip-Row)	Planted Row		
		Planted row on both sides	Planted row one side, blank row other side	Blank row on both sides
Table 2	0.00	1.00	1.29	1.32
Table 3	0.00	1.00	1.35	1.40

Example for a pattern not listed: 2 rows planted, 3 blank (skipped rows), 1 row planted, all 40" rows (2 X 3 X 1, 40"), Hockley County, Texas.

Step 1: Example Pattern Factor								
Row 1	Row 2	Row 3	Row 4	Row 5	Row 6	Sum of Factors	Total Rows	Pattern Factor
Plant	Plant	Skip	Skip	Skip	Plant			
1.29	1.29	0.00	0.00	0.00	1.32	3.90	6	.6500

Step 2: Divide the Pattern Factor (.6500) by the percent planted factor (.500) to determine the applicable yield conversion factor (.6500/.500 = 1.30).

Example of a mixed planting pattern: 4 planted, 1 blank, 2 planted 1 blank (4 X 1 X 2 X 1, 36" Rows), Hockley County, Texas.

Step 1: Example Pattern Factor										
Row 1	Row 2	Row 3	Row 4	Row 5	Row 6	Row 7	Row 8	Sum of Factors	Total Rows	Pattern Factor
Plant	Plant	Plant	Plant	Skip	Plant	Plant	Skip			
1.29	1.00	1.00	1.29	0.00	1.29	1.29	0.00	7.16	8	.8950

Step 2: Divide the Pattern Factor (.8950) by the percent planted factor (.7500) to determine the applicable yield conversion factor (.8950/.7500 = 1.19).

EXHIBIT 4

3. TABLE 4 – ACRES CONSIDERED PLANTED BY FSA TABLE

Cropping Definition	Row Width	Percent Planted to Cotton
1 planted 1 skipped	40 inch	50.00%
1 planted 1 skipped	36 inch	55.56%
1 planted 1 skipped	32 inch	62.50%
2 planted 1 skipped	30 to 40 inch	66.67%
2 planted 2 skipped	30 to 40 inch	50.00%
3 planted 1 skipped	30 to 40 inch	75.00%
3 planted 2 skipped	30 to 40 inch	60.00%
4 planted 1 skipped	30 to 40 inch	80.00%
4 planted 2 skipped	30 to 40 inch	66.67%
4 planted 4 skipped	30 to 40 inch	50.00%
5 planted 1 skipped	30 to 40 inch	83.33%
5 planted 2 skipped	30 to 40 inch	71.43%
6 planted 1 skipped	30 to 40 inch	85.71%
6 planted 2 skipped	30 to 40 inch	75.00%
7 planted 1 skipped	30 to 40 inch	87.50%
7 planted 2 skipped	30 to 40 inch	77.77%
8 planted 1 skipped	30 to 40 inch	88.89%
8 planted 2 skipped	30 to 40 inch	80.00%
Other patterns	FSA Rules	FSA Rules