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APPLE PILOT QUALITY OPTION LOSS ADJUSTMENT STANDARDS HANDBOOK 2001 and Succeeding Crop Years

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

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SUBJECT: APPLE PILOT QUALITY OPTION LOSS ADJUSTMENT STANDARDS HANDBOOK 2001 AND SUCCEEDING CROP YEARS	DATE: November 17, 2000	
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THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-APPROVED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2001 AND SUCCEEDING CROP YEARS. IN THE ABSENCE OF INDUSTRY-DEVELOPED, FCIC-APPROVED PROCEDURE FOR THIS CROP FOR 2001 AND SUCCEEDING CROP YEARS, ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.

Control Chart For: Apple Pilot Quality Option Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	References	Date	Directive Number
Current Index	1-2	1-2	1-36	37 - 41	11-2000	FCIC-25830

**APPLE PILOT QUALITY OPTION
LOSS ADJUSTMENT STANDARDS HANDBOOK**

(RESERVED)

APPLE PILOT QUALITY OPTION LOSS ADJUSTMENT HANDBOOK

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1. INTRODUCTION

This handbook identifies the crop-specific procedural requirements for adjusting Multiple Peril Crop Insurance (MPCI) losses in a uniform and timely manner. These procedures, which include crop appraisal methods and claims completion instructions, supplement the general (not crop-specific) procedures, forms, and manuals for loss adjustment identified in the Loss Adjustment Manual (LAM).

2. SPECIAL INSTRUCTIONS

This handbook remains in effect until superseded by reissuance of **either** the entire handbook **or** selected portions (through slipsheets or bulletins). If slipsheets have been issued for a handbook, the original handbook as amended by slipsheet pages shall constitute the handbook. A bulletin can supersede either the original handbook or subsequent slipsheets.

A. DISTRIBUTION

The following is the minimum distribution of forms completed by the adjuster for the loss adjustment inspection:

One legible copy to the insured. The original and all remaining copies as instructed by the insurance provider.

NOTE: It is the insurance provider's responsibility to maintain original insurance documents relative to policyholder servicing as designated in their approved plan of operations.

B. TERMS, ABBREVIATIONS, AND DEFINITIONS

- (1) Terms, abbreviations, and definitions **general** (not crop-specific) to loss adjustment are identified in the LAM.
- (2) Terms, abbreviations, and definitions **specific** to apple loss adjustment and this handbook, which are not defined in this section, are defined as they appear in the text.
- (3) Abbreviations:

AFQA	Apple Fresh Fruit Quality Option Appraisal
APA	Apple Production Appraisal
APF	Annual Packout Factor
APH	Actual Production History
AQO	Apple Crop Insurance Pilot Quality Option
DIFF	Difference
HPF	Historical Packout Factor
LAM	Loss Adjustment Manual
QF	Quality Option Fancy
QP	Quality Option Other

(4) Definitions:

All-other Apples	Apples that fail to meet the grade requirements for U.S. Fancy but at least meet the grade requirements of U.S. Cider grade as defined in the U.S. Standards for Grades of Apples for Processing, plus culls that are sold.
Amount of Insurance	Is the dollar amount of insurance obtained by: (a) multiplying the insured acres by the APH approved yield per acre; (b) multiplying the result of (a) by the insured's coverage level; (c) multiplying the result of (b) by the historical packout factor for Fancy grade apples or, if applicable, any other grade classification shown on the Special Provisions apples, by varietal group as applicable, and by the applicable price shown on the Special Provisions; (d) multiplying the result of (b) by the historical packout factor by varietal group for All-other apples shown on the Special Provisions; (e) totaling the results of (c) and (d); (f) multiplying the result of (e) by the insured's share.
Annual Packout Factor	A value calculated for each crop year, by varietal group and unit as applicable, that grade Fancy or, if applicable, any other grade classification shown on the Special Provisions apples, or All-other apples adjusted for any apples that fail to grade Fancy or, if applicable, any other grade classification shown on the Special Provisions apples, due to uninsured causes (refer to the AQO for calculations).
Container	A bin, box, or bushel as defined in the Apple Crop Provisions. A bin is a container that holds a minimum of 875 pounds of apples or some other quantity designated in the Special Provisions. A box is a container that holds 35 pounds of apples or some other quantity designated in the Special Provisions. A bushel is a container that holds 42 pounds of apples in all states except Colorado. A bushel is 40 pounds of apples in Colorado.
Culls	Apples that fail to meet the grade requirements of U.S. Cider Grade, as defined in the U.S. Standards for Grades of Apples for Processing.
Fancy	Apples that meet or exceed U.S. Fancy as defined in the U.S. Standards for Grades of Apples or, if applicable, other grade classifications shown in the Special Provisions (e.g., Washington Fancy).
Grade	Fancy or All-other Apples as defined herein or, if applicable, any other grade classification shown in the Special Provisions.

Historical Packout Factor	The value calculated based on the simple average of the annual packout factors adjusted for any apples that fail to grade Fancy due to uninsured causes. The records the insurance provider will use are the 4 consecutive crop years preceding the crop year immediately prior to the current crop year (refer to the AQO for calculations).
Marketable Production	All apples, including damaged apples that are at least U.S. Cider grade quality and are marketed or could be marketed plus culls that are sold, are considered in determining the value of production.
Minimum Value	A dollar amount per container shown in the Special Provisions that is used to value damaged marketable production, harvested or unharvested, that is not sold.
Net Value Received	The dollar amount received by the insured for culls sold.
Packout Factor	A value to establish the amount of insurance and determine the Quality Factor(s) by unit.
Quality Factor	A factor used to reduce the insured's production to count of Fancy grade apples when determining the insured's claim for indemnity.

3. INSURANCE CONTRACT INFORMATION

The insurance provider is to determine that the insured has complied with all policy provisions of the insurance contract. Crop provisions which are to be considered in this determination include (but are not limited to):

A. INSURABILITY

- (1) This option attaches to, and is part of, the Apple Crop Insurance Provisions subject to the terms and conditions of the AQO.
- (2) To be eligible for this option, the insured must elect to insure apples at the additional coverage level.
- (3) To be eligible for coverage under this option:
 - (a) The insured must provide the insurance provider with acceptable records with the insured's annual packout percentages or other disposition of the insured's apples for each unit by varietal group as designated in the Special Provisions.

- (b) The insurance provider will use the aforementioned records to determine a historical packout factor and the number of acres contained in the unit for at least the four consecutive crop years preceding the crop year immediately prior to current crop year, for at least one varietal group.
 - (c) The insured must provide these records to the insurance provider no later than the production reporting date specified in the Common Crop Insurance Policy. Failure to provide acceptable records or reports as required will make the insured ineligible for coverage under the AQO and the insured's coverage will revert to the coverage provided by the Apple Crop Insurance Provisions.
- (4) If the insured selects this option, the provisions of this option will apply to all fresh market apple acreage that meets the insurability production requirements specified in the Apple Crop Insurance Provisions, except any acreage specifically excluded by the actuarial documents. If the insured also has processing apple acreage, such acreage will be insured under the Apple Crop Insurance Provisions (the insured may choose Option A, if available) at the same coverage level and price election percentage relationship to the maximum price selected under this option.
 - (5) Apples harvested or appraised prior to full maturity, regardless of grade, will be considered to be Fancy grade unless the insurance provider agrees that the apples were damaged by an insurable cause of loss and that leaving the crop in the field would further reduce the amount of apple production or quality.
 - (6) Culls are not considered in the value of production to count unless they are sold. If sold, the net value received (by the insured) is included in the value of production to count and the production is added to the APH production of All-other grade apples for the crop year.
 - (7) The insurance provider will only pay an indemnity if a grade inspection is performed by the insurance provider prior to the apple being placed in storage. Production to count for apples destroyed, stored, or marketed without a grade inspection will be 100 percent of the amount of insurance for such apples.
 - (8) If the insured's current year's annual packout factor of Fancy apples falls more than 10 percentage points below his/her historical packout factor for Fancy apples, the insurance provider will determine a quality factor for production of Fancy apples for current crop year (refer to section 7 C for calculations).

B. PROVISIONS NOT APPLICABLE TO CAT COVERAGE

- (1) Optional Units.
- (2) Written Agreements.
- (3) Hail and Fire Exclusion provisions (also not applicable if additional coverage is 65/100 or comparable coverage).
- (4) Fresh Fruit Options "A," "B," "C," the Sunburn Option, and the AQO.
- (5) Coverage Enhancement Option.

C. UNIT DIVISION

Basic units may be divided into additional optional units by varietal group. See the insurance contract for unit provisions. **NOTE:** 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 conditions stated in the applicable provisions are met.

NOTE: Refer to **EXHIBIT 1** for an illustration of units by varietal groups A and B.

D. QUALITY ADJUSTMENT

Appraised and harvested potential apple production consists of the two grades listed below, or any other grade classification as shown in the Special Provisions.

- (1) Fancy (refer to section 2 B for definition).
- (2) All-other Apples (refer to section 2 B for definition).

NOTE: The USDA grade standards for fresh and processing apples are located on the internet at: www.ams.usda.gov/standards/

4. APPLE APPRAISALS

A. GENERAL INFORMATION

- (1) Unharvested and harvested appraised potential production will be appraised in accordance with procedure as specified in this handbook and the LAM.
- (2) Specifically for apples, circumstances that require an appraisal include (but are not limited to):
 - (a) If verifiable production records may not be available (roadside markets, etc.); or
 - (b) If any production will be sold by direct marketing.
- (3) Make separate appraisals for each variety/varietal group grown in the orchard, as applicable.
- (4) Applicability. Within the crop provisions is a requirement that insureds file a “notice of damage or loss” unless the insurance period has ended prior to each of the following events:
 - (a) Within 3 days of the date harvest should have started if the crop will not be harvested when there is marketable fruit left on the trees at harvest time provided the insurance provider has given notice in accordance with the crop provisions.

- (b) At least 15 days before any apple production from any unit will be sold by direct marketing.

NOTE: In the event of failure to give timely notice that the production will be sold by direct marketing, apply an appraised amount of production to count of not less than the amount of insurance per acre, if such failure results in the inability of the insurance provider to make the required appraisal.

- (c) In accordance with section 10 of the Apple Crop Insurance Provisions and the insured intends to claim an indemnity on any unit, notice must be given at least 15 days prior to the beginning of harvest of the damaged varietal group so that the insurance provider may inspect the damaged production.
- (d) If the insured fails to meet the requirements listed above and such failure results in the insurance provider's inability to inspect the damaged production, all such production is to be considered undamaged and included as production to count.

(5) Appraisal Dates.

- (a) Insurance provider representatives will set appraisal dates.
- (b) Whenever possible, appraise apples after the fruit drop period and before the fruit is removed from the trees or the ground, as applicable.

B. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS

- (1) Determine the number and general location of trees to be used in the representative sample based on:
 - (a) Total acreage and number of trees by variety and/or varietal group A or B (as shown in the Special Provisions), as applicable;
 - (b) Extent of variation in the amount of production or damage within the acreage and location of the fruit on the tree;

NOTE: When variable damage causes the crop potential to be significantly different within the same orchard, or when the insured wishes to destroy a portion of the orchard, split the orchard into sub-orchards, and appraise each one separately.

- (c) Percent of each variety and/or varietal group A or B in the acreage;
- (d) Tree age, density, and vigor when significant yield-potential differences exist within an orchard or within an orchard with separate blocks.

NOTE: Select representative sample trees within a block when separate blocks of trees are used to determine a weighted average approved yield (refer to **EXHIBIT 1**).

- (e) The acreage in the unit from which fruit has been picked and the extent of variation in the amount of unpicked fruit on the trees; and
 - (f) Whether any portions of the orchard have been size or color (partially) picked.
- (2) Take not less than the minimum number (count) of representative samples required in **TABLE A**.
 - (3) The Random Path Appraisal Method (RPAM) may be used at the discretion of the insurance provider to appraise only the gross potential apple production in lieu of the gross potential production appraisal method in this handbook, as applicable.

C. ORCHARD APPRAISALS

- (1) Appraisal Considerations.
 - (a) Acreage to remain unharvested (pre-harvest production only): Complete the APA Worksheet.
 - (b) Acreage with unharvested and harvested appraised potential production with quality adjustment:
 - 1 Complete the APA Worksheet to determine the gross appraised production (refer to section 7 B).
 - 2 Transfer entry from item 25 on the APA Worksheet to item 8, Gross Production on the AFQA Worksheet (refer to section 7 C).
 - 3 Calculate the amount of unharvested and/or harvested appraised potential production on the AFQA Worksheet (refer to section 7 C).

- (2) Timing of Appraisals.

The adjuster should arrange to inspect the trees when the apples have reached harvestable maturity. Sample trees are selected according to sections 4 A and 4 B above.

- (3) Determining the Amount of Production.
 - (a) When all acreage has been harvested, determine total production from warehouse receipts, processor receipts, or farm management records (see the LAM for farm record requirements) verified by the adjuster and supported by written records from the first handler. This production will be the basis for computing losses from the insured and uninsured causes of damage on the worksheets.
 - (b) When all or part of acreage is left unharvested, appraise potential production (for computing losses) as follows:

- 1 Select representative plots and representative trees for sampling. Count the number of fruit per representative tree.
 - a If the plot contains several varieties or ages of trees, etc., select sample trees that are representative of the variety, age, etc., of trees in the plot.
 - b If a sample tree has too many apples, count the number of apples on a representative branch or on a quadrant and multiply by the number of branches or quadrants per tree (refer to the RPAM Handbook).
- 2 Pick a representative sample of apples from a representative sampling spot in the unit to determine the number of apples per box/bushel. For early (immature) appraisals, use the average mature size for the variety (to determine the number of apples per box/bushel) and divide the number of apples per tree by this figure to determine boxes/bushels per tree.

NOTE: The average number of mature apples per box/bushel can be obtained from the producer's prior pack out records, or the state extension service, etc.

If production is light due to excessive thinning from freeze damage, etc., and the fruit is immature, adjust fruit counts per box/bushel to reflect lighter fruit crop, or leave representative samples until the fruit matures and accurate counts can be made.

- 3 Record information on the APA Worksheet. Multiply the number of boxes/bushels of fruit per tree times the number of trees per acre times the total number of acres to calculate the appraised potential production for the unit.

(3) Selecting Representative Sample Fruit for Quality Adjustment.

- (a) Count and record representative sample fruit on the AFQA Worksheet.
- (b) The samples must be representative of all of the apples in the plot or orchard. If the plot or orchard contains several varieties or ages of trees, etc., the sample trees selected should be representative of the variety, age, etc., of trees in the plot or orchard.
- (c) Select a representative sample of apples from representative sample trees to calculate the number of apples that meet Fancy and All-other grades.
 - 1 A sample must consist of a minimum of 10 apples from different locations on the tree and reflect the average condition of all apples on the acreage.

- 2 The sample selected must be random, representative, and include apples that could be packed as fresh fruit (Fancy or better grade) and apples that could be eliminated if graded at the packing house (All-other grade).
- 3 The total number of sample fruit shall be obtained from the inside, outside, top, and bottom of all four quadrants of the sample tree.
- 4 Samples can be obtained by selecting apples from each sample tree in representative number of rows in the plot or orchard.

(4) Grading Representative Sample Fruit for Quality Adjustment.

- (a) From representative sample trees, record the number and grade of sample fruit on the AFQA worksheet.
- (b) Pick at least the recommended number of apples, (not less than 10) and divide the apples into two groups and tally counts on the appraisal worksheet:
 - 1 Apples that meet or exceed the Fancy grade requirements (including apples grading less than Fancy to uninsured causes of damage); and
 - 2 All-other apples.

D. HANDLING APPRAISAL DISCREPANCIES

If the insured disagrees with the appraisal, make arrangements for leaving representative trees UNHARVESTED and for inspecting those trees when the apples are ready to harvest (see harvested production appraisal procedure). The adjuster and insured should jointly determine the trees to be selected for this representative sample. Make a sketch map of the orchard and mark the sample trees by row number and tree count within the chosen row. An adjuster must be present when the representative trees are harvested.

E. APPRAISING APPLES WITH *E. COLI* CONTAMINATION

Mature apples lying on the ground (grounders) which meet or exceed the applicable minimum grade standards for the policy in effect WILL BE COUNTED as production to count, UNLESS such fruit is unmarketable due to *E. coli* contamination. Even then, apples picked up, delivered to, and purchased by a packer, processor, or other buyer will be counted as production to count. Also, production lying on the ground due to uninsured causes (e.g., such as wind drops due to not harvesting timely) will be considered production to count.

5. APPRAISAL METHODS

A. GENERAL INFORMATION

These instructions provide information on appraisal methods for:

Appraisal Method . . .	Use . . .
Apple Production Appraisals	to appraise unharvested apple production to determine the gross potential production to count.
Apple Fresh Fruit Quality Option Appraisals	to determine net unharvested and harvested potential production to count for Fancy grade apples (including potential production that fails to grade Fancy due to uninsured causes), All-other apples, and culls that are sold.

B. UNHARVESTED PRODUCTION APPRAISALS

(1) **Apple Production Appraisals.**

(a) On the APA Worksheet, record by variety and acreage:

- 1 The number of apples per tree;
- 2 The number of apples per box or bushel; and
- 3 Appraised production calculations based on the number of apples per tree and the number of apples per box or bushel.

(b) Appraisal method:

- 1 Select sample trees and sample fruit as stated in section 4, herein.
- 2 Count and record the number of apples per tree. Make counts when all chemical and hand thinning has been completed.
- 3 Count and record on the APA Worksheet, the number of apples per box or bushel.
 - a **For early pre-harvest appraisals:** Determine the average number of apples per box or bushel after all chemical and hand thinning and before apples have reached mature size. This information can be obtained from the grower, processor, or extension service, etc. Enter the average number (e.g., 100, 110, etc.) on the appraisal worksheet and note the source of the information.

NOTE: Ask the insured the fruit size for the acreage being appraised, or use records from prior years with similar crop size and remember to use lower fruit counts when production is light, etc.

b For near harvest appraisals:

- i** Use apple sizing rings to determine fruit size. Randomly select 10 fruit from each sample tree and determine fruit size. Determine the number of fruit per box/bushel based on the fruit size. Record the number of fruit per box/bushel on the appraisal worksheet.
- ii** An alternative method of determining the number of fruit per box/bushel is to randomly select 10 apples from the sample tree and weigh them, round weight to tenths of a pound. Use the following formula to calculate the number of apples per box/bushel, as applicable.

FORMULA:

Weight of 10 apples in lbs. \div 10 = lbs./apple
lbs./bu. or box* \div lbs./apple = apples/bu. or box

*42 lbs. of apples per bushel or 35 lbs. of apples per box

EXAMPLE:

Number of Apples per Bushel	Number of Apples per Box
3.5 lbs. \div 10 = .35 lbs.	3.5 lbs. \div 10 = .35 lbs.
42 lbs./bu. \div .35 lbs./apple = 120 apples/bu.	35 lbs/box \div .35 lbs./apple = 100 apples /box

NOTE: Insurance providers can authorize other methods for determining the number of fruit per box or bushel, provided the method is documented in the Remarks section of the appraisal worksheet or on a Special Report, as applicable.

- (c) Transfer appraised amounts of gross production to item 8 on the AFQA Worksheet.

(2) Apple Fresh Fruit Quality Option Appraisals.

- (a) Use this appraisal method when apples are damaged due to insurable causes during the insurance period while fruit is still on the tree and before harvest has begun, or when apples will not be harvested, or when apples will be sold by direct marketing (e.g., roadside sales, u-pick).

- (b) Quality Adjustment Appraisals: Use the AFQA Worksheet procedure to calculate appraisals with quality adjustment. From each representative sample tree, count the number of marketable fruit that would be included in the following categories:
- 1 Fancy, and
 - 2 All Other Apples.
- (c) Calculate unharvested appraised potential production by grade in boxes/bushels as follows:
- 1 From each sample tree, separate the fruit into Fancy and All-other Apples. Tally fruit counts for each grade on the AFQA Worksheet.
 - 2 Calculate the percent of Fancy and All-other grade apples using the gross production appraisal.
 - 3 Calculate the average appraisal.
 - 4 Document any appraised potential production that is damaged by uninsured causes.
 - 5 Calculate the adjusted appraisal.
- NOTE:** For Fancy grade only, add any uninsured potential production to the Fancy grade adjusted appraisal.
- 6 Calculate the annual packout factor (Fancy grade only).
 - 7 Calculate the quality factor (Fancy grade only).
 - 8 Calculate the unit appraisal and the per acre appraisal.
- (d) Uninsured Causes of Damage or Loss: Any unharvested potential apple production that is damaged by uninsured causes will be counted as Fancy grade and will be subtracted from the APF when calculating the HPF.

C. HARVESTED PRODUCTION APPRAISALS

Apple Fresh Fruit Quality Option Appraisals.

- (1) Use this appraisal method when apples are damaged due to insurable causes during the insurance period while fruit is still on the tree and before harvest has begun, or when apples will not be harvested, or when apples will be sold by direct marketing (e.g., roadside sales, u-pick).
- (2) Gross Production Appraisals: Refer to subsection 5 B (1) procedure above.

- (3) Quality Adjustment Appraisals: Refer to subsection 5 B (2) procedure above.

NOTE: Substitute harvested appraised potential production references for unharvested appraised potential production references, as applicable for completing harvested appraisals.

6. APPRAISAL DEVIATIONS AND MODIFICATIONS

A. DEVIATIONS

Deviations in appraisal methods require FCIC written authorization (as described in the LAM) prior to implementation.

B. MODIFICATIONS

Modifications in appraisal methods require insurance provider authorization (as described in the LAM).

7. APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES

A. GENERAL INFORMATION

- (1) Include the insurance provider name in the applicable appraisal worksheet title if not preprinted on the worksheet.
- (2) Include the claim number on the applicable appraisal worksheet (when required by the insurance provider) when a worksheet entry is not provided.
- (3) Separate worksheets are required for each unit or plot inspected (refer to section 4 for sampling instructions).

NOTE: Standard worksheet items are numbered consecutively in subsections B and C. Example worksheets are provided to illustrate item entries.

B. APPLE PRODUCTION APPRAISAL WORKSHEET ENTRIES AND COMPLETION INFORMATION

PART I - HEADING

Verify or make the following entries:

Item

No.

Information Required

Company: Name of the insurance provider if not preprinted on the worksheet (company name).

Claim No.: Claim number as assigned by the insurance provider.

1. **Insured's Name:** Name of insured identifying 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 is filed.
4. **Unit Number:** Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
5. **Variety:** If there is more than one insured variety in the unit, select representative sample trees from each variety.
6. **Acres:** Acres rounded to tenths of an acre.
7. **No. of Trees/Acre:** Number of trees per acre included in the appraisal (refer to **TABLES B** or **C**).
8. **Total No. of Trees:** Item 6 times item 7, to tenths.

PART II - NUMBER OF APPLES/TREE

9. **Samples:** Enter the total number of apples per tree. Make counts after all chemical and hand thinning has been completed. Use a sketch map to identify the location of each sample tree.
10. **Total:** Total number of **apples** from all item 9 entries.
11. **No. of Samples:** The total number of **samples** from item 9.
12. **Average:** Item 10 divided by item 11, to tenths.

PART III - NUMBER OF APPLES/BOX OR BUSHEL

NOTE: Circle bushels or boxes in the column heading as applicable, in Part III and Part IV herein.

13. **Samples:**

- a. Early pre-harvest appraisals: Average number of apples per box or bushel.

NOTE: Record in the "Remarks" section how the average number of apples per box or bushel were determined.

- b. Near harvest appraisals:

1 Determine the average size of the apples per box or bushel using apple sizing rings. Randomly select a minimum of 10 apples from each sample tree and determine their size.

2 Enter the number of apples per box/bushel, as applicable based on the apple ring measurements.

NOTE: Refer to section 4 B for alternative methods for determining the number of fruit per box or bushel.

NOTE: In rare cases there may not be any apples on the sample tree, when this occurs record a zero for the sample.

14. **Total:** Total number of **apples** per box or bushel from all item 13.

15. **No. of Samples:** Total number of **samples** from item 13.

16. **Average:** Item 14 divided by item 15, to tenths.

PART IV - CALCULATIONS

17. **Apples/Tree:** Transfer entry from item 12.

18. **Apples/Box or Bushel:** Transfer entry from item 16.

19. **Boxes or Bushels/Tree:** Item 17 divided by item 18, to two-decimal places.

20. **Boxes or Bushels/Tree:** Transfer entry from item 19.

21. **Number of Trees/Acre:** Transfer entry from item 7.

22. **Boxes or Bushels/Acre:** Item 20 times item 21, to tenths.

23. **Boxes or Bushels/Acre:** Transfer entry from item 22.

24. **Total Acres:** Transfer entry from item 6.
25. **Appraised Production to Count:** Circle either “Boxes” or “Bushels” in the item heading, as applicable. Item 23 times item 24, in boxes or bushels to tenths.

PART V - SKETCH MAP/REMARKS

- a. Use a sketch map to show orchard boundaries and locations of sample trees selected.
- b. Enter any additional pertinent information about this appraisal or any production damaged by uninsured causes provided there are acceptable records of such production.

PART VI - SIGNATURES

26. **Insured’s Signature and Date:** Insured’s (or authorized representative’s) signature and date. BEFORE obtaining insured’s signature, REVIEW ALL ENTRIES on the Appraisal Worksheet WITH THE INSURED, particularly explaining codes, etc., that may not be readily understood.
27. **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 an 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.
28. **Pg ___ of ___:** Page number - (Example: Page 1 of 1, Page 2 of 2, etc.).

APPLE PRODUCTION APPRAISAL WORKSHEET
(For Illustration Purposes Only)

PART I - HEADING

COMPANY: <i>Acme Insurance Co.</i>		CLAIM NO.: XXXXXXXX	
1. INSURED'S NAME <i>I.M. Insured</i>	2. POLICY NUMBER XXXXXXX	3. CROP YEAR YYYY	4. UNIT NUMBER 00200
5. VARIETY <i>Red Delicious</i>	6. ACRES 4.9	7. NO. OF TREES/ACRE 194	8. TOTAL NO. OF TREES 951

PART II - NUMBER OF APPLES/TREE

9. SAMPLES					10. TOTAL	11. NO. OF SAMPLES	12. AVERAGE
15	12	14	12	10	123	÷	10 = 12.3
12	13	15	10	10			

PART III - NUMBER OF APPLES/BOX OR BUSHEL

13. SAMPLES					14. TOTAL	15. NO. OF SAMPLES	16. AVERAGE
40	38	44	39	46	420	÷	10 = 42.0
42	43	39	47	42			

PART IV - CALCULATIONS

17. APPLES/TREE (ITEM 12 ENTRY) 12.3	÷	18. APPLES/BOX OR BUSHEL (ITEM 16 ENTRY) 42.0	=	19. BOXES OR BUSHELS/TREE (TO HUNDREDTHS) 0.29
20. BOXES OR BUSHELS/TREE (ITEM 19 ENTRY) 0.29	x	21. NUMBER OF TREES/ACRE (ITEM 7 ENTRY) 194	=	22. BOXES OR BUSHELS/ACRE 56.3
23. BOXES OR BUSHELS/ACRE (ITEM 22 ENTRY) 56.3	x	24. TOTAL ACRES (ITEM 6 ENTRY) 4.9	=	25. APPRAISED PRODUCTION TO COUNT (BOXES OR BUSHELS) 275.9

PART V - SKETCH MAP/REMARKS *Tree spacing 15' x 15'*

HARVESTED APPRAISAL EXAMPLE

PART VI - SIGNATURES

26. INSURED'S SIGNATURE <i>I.M. Insured</i>	DATE <i>MM/DD/YYYY</i>
27. ADJUSTER'S SIGNATURE AND CODE NUMBER <i>I.M. Adjuster XXXXX</i>	DATE <i>MM/DD/YYYY</i>

C. APPLE FRESH FRUIT QUALITY OPTION APPRAISAL WORKSHEET ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

<u>Item No.</u>	<u>Information Required</u>
------------------------	------------------------------------

PART A: HEADING

Company: Name of the insurance provider if not preprinted on the worksheet (company name).

Claim No: Claim number as assigned by the insurance provider.

1. **Insured's Name:** Name of insured identifying EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy No:** Insured's assigned policy number.
3. **Crop Year:** Crop year, as defined in the policy, for which the claim is filed.
4. **Unit No:** Five-digit unit number from the Summary of Coverage.
5. **Unit Acres:** Total acreage (rounded to tenths) appraised in the orchard.
 - a. If part of a unit or orchard is harvested prior to damage, determine such production separately from the summary sheets, etc., and include with production entries on the Production Worksheet. Account for all production from all orchard acreage.
 - b. If any significant amount of apples meeting the policy grade requirements remain on the trees or on the ground, as applicable after harvest is complete, appraise the quantity of such apples for entry on the Production Worksheet.

PART B: ORCHARD INFORMATION

6. **Orchard ID:** The orchard identification symbol from a sketch map, aerial photo, or orchard inspection form after verification.
 - a. If there is more than one orchard in a unit under the applicable option, complete a separate appraisal for each orchard. Use extra worksheet pages if necessary.
 - b. Record harvested and unharvested acreage on separate sections of the worksheet. Record separately any acreage where apples were ALL harvested as culls (such as "windfalls" or frozen apples); otherwise do a grade reduction, as applicable.

7. **Varietal Group/Variety:** “A” or “B,” as applicable. Also, enter the variety name (e.g., Fuji, Gala, etc.).

NOTE: Refer to the insured’s Summary of Coverage for the applicable varietal group/variety.
8. **Gross Production:** Circle either “Unharvested” or “Harvested,” as applicable. Transfer gross appraised production in boxes or bushels to tenths from item 25 on the APA Worksheet.
9. **HPF:** From the Packout Factor Worksheet, transfer the Historical Packout Factor (HPF) for Fancy grade apples, to two decimal places.
10. **Appraised Acres:** Number of acres to tenths, for the varietal group/variety inspected. Inspect harvested and unharvested acres in the SAME orchard separately. List the corresponding acreage for each category separately.
11. **Damage:** Individual causes of damage and the date of each occurrence (e.g., Aug. 11). Refer to the LAM for causes of damage.
12. **Practice:** Three-digit code number entered exactly as specified in the actuarial documents, for the practice carried out by the insured. If “No Practice Specified,” enter appropriate three-digit code number from the actuarial documents.

PART C: SAMPLE INFORMATION

NOTE: For items 13 through 15 entries only, when there are more than 10 samples per line, consolidate additional samples under the “10” heading for the line.

13. _____: Enter the applicable grade standards (e.g., Fancy, etc.) as shown in the Special Provisions. Record the number of apples in each sample that meet or exceed the applicable grade standards. When sampling is complete, total the individual sample entries in item 16.
14. **All-other:** Record the number of apples in each sample that grade less the applicable grade standard in item 13 and grade U.S. Cider or better or any other grade classification as shown in the Special Provisions. When sampling is complete, total the individual sample entries in item 16.
15. **Total No. of Apples:** Total the number of apples in each sample for the applicable grade standard as shown in the Special Provisions and for All-other apples.
16. **Line Total:** Total number of apples from all of the samples by the applicable grade standard as shown in the Special Provisions, for All-other, and for Total No. of Apples.

17. **Percent:**

- a. **For the applicable grade standard as shown in the Special Provisions:** Item 16, Line Total for the applicable grade standard divided by item 16, Total No. of Apples from all samples, results to two decimal places (see example below).
- b. **All-other:** Item 16, Line Total for All-other grade divided by item 16, Total No. of Apples from all samples, results to two decimal places (see example below).

EXAMPLE:	
Line Total <i>Fancy</i> : 168	Line Total All-other: 107
Total No. Apples: 275	Total No. Apples: 275
Percent: $168 \div 275 = .61$	Percent: $107 \div 275 = .39$
Enter .61	Enter .39

PART D: APPRAISAL INFORMATION

18. **Grade:**

- a. _____: Enter the applicable grade standard as shown in the Special Provisions.
- b. **All-other:** MAKE NO ENTRY.

19. **Average Appraisal:**

- a. **For the applicable grade standard as show in the Special Provisions:** Item 17 times item 8, to tenths.
- b. **All-other:** Item 17 for All-other grade times item 8, to tenths.

EXAMPLE:
<i>Fancy:</i> .61 (Item 17, Percent) x 292.8 (Item 8, Gross Prod) = 178.6 (Item 19, Avg. Appraisal)
<i>All-other:</i> .39 (Item 17, Percent) x 292.8 (Item 8, Gross Prod) = 114.2 (Item 19, Avg. Appraisal)

20. **Uninsured Causes:**

- a. **For the applicable grade standard as show in the Special Provisions:** In boxes or bushels to tenths, any appraised production that is damaged by uninsured causes (e.g., spray burn, uninsured insect damage, etc.). Uninsured causes do not include “natural” culls that occur each year (explain in the Remarks).
- b. **All-other:** MAKE NO ENTRY.

21. **Adjusted Appraisal:**

- a. **For the applicable grade standard as show in the Special Provisions:** Item 19 plus item 20, to tenths.
- b. **All-other:** Transfer entry from item 19, to tenths.

22. **APF:**

- a. **For the applicable grade standard as show in the Special Provisions:** Item 21 divided by item 8, to two decimal places.
- b. **All-other:** MAKE NO ENTRY.

23. **Qual. Factor:**

- a. **For the applicable grade standard as show in the Special Provisions:** Calculate the QF only when the current year's APF is more than 10 whole percentage points less than the HPF; otherwise make no entry. Calculate the QF as follows: item 9 minus item 22 equals the number of percentage points less than the HPF. Locate this value on **TABLE D** and identify the corresponding QRF, to two decimal places (see example below).

EXAMPLE:

.78 (HPF) - .61 (APF) = .17 (17 percentage points difference between HPF and APF). From **TABLE D** find the corresponding QF for 17 which is .86, enter **.86**

- b. **All-other:** MAKE NO ENTRY.

24. **DIFF:**

- a. **For the applicable grade standard as show in the Special Provisions:** Calculate only when there is an entry in item 23; otherwise make no entry. Calculate the DIFF as follows: item 21 times item 23, to tenths. If this result is less than item 21, enter the difference between item 21 and the above calculation (see example below).

EXAMPLE:

Item 21 (Adj. Appraisal) = 178.6 bu.
Item 23 (QF) = .86
Calculate: $178.6 \times .86 = 153.6$ which is less than 178.6;
so, $178.6 - 153.6 = 25.0$, enter **25.0**

- b. **All-other:** MAKE NO ENTRY.

25. **Unit Appraisal:**
- a. **For the applicable grade standard as shown in the Special Provisions:** item 21 minus item 24, in boxes or bushels, to tenths.
 - b. **All-other:** Item 21 plus item 24, in boxes or bushels to tenths.
26. **Per Acre Appraisal:**
- a. **For the applicable grade standard as shown in the Special Provisions:** Item 25 divided by item 10, in boxes or bushels to tenths, as applicable.
 - b. **All-other:** Item 25 divided by item 10, in boxes or bushels to tenths, as applicable.
27. **Remarks:** List and/or explain:
- a. The bin-to-field box/bushel ratio, or weight per bushel, as applicable.
 - b. The date of sampling if harvest is NOT complete (worksheet and claim to be completed at a later date).
 - c. Any uninsured cause(s) of damage or loss.
 - d. Any damaged acreage harvested before appraisal.
 - e. Any voluntary destruction (removal) of orchard acreage.
 - f. References for orchard identification (aerial photo, sketch map, etc.).
28. **Adjuster's Signature, Code #, and Date:** Signature of adjuster, code number, and date signed **after** the insured's (or insured's authorized representative) has signed. If the appraisal is performed prior to the 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 section of the Production Worksheet.
29. **Insured's Signature and Date:** Insured's (or insured's authorized representative's) signature and date. **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.
30. **Pg. ___ of ___:** Page number - (Example: Page 1 of 2, Page 2 of 2, etc.).

APPLE FRESH FRUIT QUALITY OPTION APPRAISAL WORKSHEET

(For Illustration Purposes Only)

PART A: HEADING				
COMPANY: <i>Any Company</i>			CLAIM NO.: XXXXXXXX	
1. INSURED'S NAME: <i>I.M. Insured</i>	2. POLICY NO.: <i>XXXXXXX</i>	3. CROP YEAR: <i>YYYY</i>	4. UNIT NO.: <i>00100</i>	5. UNIT ACRES: <i>10.8</i>

PART B: ORCHARD INFORMATION			
6. ORCHARD ID: <i>FSN - 112, C-2</i>	7. VARIETAL GROUP/VARIETY: <i>A Fuji</i>	8. GROSS PRODUCTION: Unharvested <u>Harvested</u> <i>292.8 bu.</i>	9. HPF: <i>.78</i>
10. APPRAISED ACRES: <i>4.9</i>	11. DAMAGE: <i>Hail - Aug. 11</i>		12. PRACTICE: <i>002</i>

PART C: SAMPLE INFORMATION												
GRADE	SAMPLES										16 LINE TOTAL	17 PERCENT
	1	2	3	4	5	6	7	8	9	10		
13. <i>FANCY</i> :	<i>16</i>	<i>12</i>	<i>10</i>	<i>19</i>	<i>17</i>	<i>22</i>	<i>20</i>	<i>18</i>	<i>18</i>	<i>16</i>	<i>168</i>	<i>.61</i>
14. ALL-OTHER:	<i>15</i>	<i>10</i>	<i>9</i>	<i>9</i>	<i>11</i>	<i>11</i>	<i>9</i>	<i>11</i>	<i>14</i>	<i>8</i>	<i>107</i>	<i>.39</i>
15. TOTAL NO. APPLES:	<i>31</i>	<i>22</i>	<i>19</i>	<i>28</i>	<i>28</i>	<i>33</i>	<i>29</i>	<i>29</i>	<i>32</i>	<i>24</i>	<i>275</i>	

PART D: APPRAISAL INFORMATION								
18 GRADE	19 AVERAGE APPRAISAL	20 UNINSURED CAUSES	21 ADJUSTED APPRAISAL	22 APF	23 QUAL. FACTOR	24 DIFF	25 UNIT APPRAISAL	26 PER ACRE APPRAISAL
<i>FANCY</i> :	<i>178.6</i>	<i>0</i>	<i>178.6</i>	<i>.61</i>	<i>.86</i>	<i>25.0</i>	<i>153.6</i>	<i>31.3</i>
ALL-OTHER:	<i>114.2</i>		<i>114.2</i>				<i>139.2</i>	<i>28.4</i>

PART B: ORCHARD INFORMATION			
6. ORCHARD ID:	7. VARIETAL GROUP/VARIETY:	8. GROSS PRODUCTION: Unharvested Harvested	9. HPF:
10. APPRAISED ACRES:	11. DAMAGE:		12. PRACTICE:

PART C: SAMPLE INFORMATION												
GRADE	SAMPLES										16 LINE TOTAL	17 PERCENT
	1	2	3	4	5	6	7	8	9	10		
13. _____ :												
14. ALL-OTHER:												
15. TOTAL NO. APPLES:												

PART D: APPRAISAL INFORMATION								
18 GRADE	19 AVERAGE APPRAISAL	20 UNINSURED CAUSES	21 ADJUSTED APPRAISAL	22 APF	23 QUAL. FACTOR	24 DIFF	25 UNIT APPRAISAL	26 PER ACRE APPRAISAL
_____ :								
ALL-OTHER:								

27. REMARKS:

28. ADJUSTER'S SIGNATURE: <i>I. M Adjuster</i>	CODE #: <i>XXXXX</i>	DATE: <i>MM/DD/YYYY</i>	29. INSURED'S SIGNATURE: <i>I.M. Insured</i>	DATE: <i>MM/DD/YYYY</i>
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8. CLAIM FORM ENTRIES AND COMPLETION PROCEDURES

A. GENERAL INFORMATION

- (1) The claim form, (hereafter referred to as a “Production Worksheet”), is a progressive form containing all notices of damage for all preliminary and final inspections made 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 the insured are to 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.
 - (d) Claims involving a Certification Form, (when all the acreage on the unit has been appraised to be put to another use or other reasons as described in the LAM).
 - (e) “No Indemnity Due” claims (which must be verified by an APPRAISAL or NOTIFICATION from the insured that the Production exceeded the guarantee).
- (4) The adjuster is responsible for determining if any of the insured has complied with all of their requirements under the notice and claim provisions of the policy. If they have not, the adjuster should contact the insurance provider.
- (5) Instructions labeled “**PRELIMINARY**” apply to preliminary inspections only. Instructions labeled “**FINAL**” apply to final inspections only. Instructions not labeled apply to ALL inspections.

B. FORM ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

Item

No.

Information Required

1. **Crop/Code #:** “Apples” (0054).
2. **Unit #:** Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).

3. **Legal Description:** Section, township, and range number or other legal description that identifies the location of the unit.
4. **Date of Damage:** First three letters of the month during which MOST of the insured damage (including progressive damage) occurred for each inspection. Include the SPECIFIC DATE where applicable as in the case of hail damage (e.g., AUG 11).
5. **Cause of Damage:** Name of the insured cause(s) of loss for **this crop** as listed in the LAM. If it is evident that no indemnity is due, enter “NONE.” If an insured cause of loss is coded as “Other,” explain in the Narrative.

NOTE: Refer to the Basic Provisions and crop provisions for this crop for information pertaining to insured and uninsured causes of loss.

6. **Primary Cause %:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Percent of damage for the cause of damage listed in item 5 above that is determined to be the primary cause of damage, to the nearest whole percent. The primary cause of damage must exceed 50 percent (e.g., 51%). Enter an “X” for the major secondary cause of damage.

7. **Company/Agency:** Name of the company and agency servicing the contract.
8. **Name of Insured:** Name of the insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
9. **Claim #:** Claim number as assigned by the insurance provider.
10. **Policy #:** Insured’s assigned policy number.
11. **Crop Year:** Crop year, as defined in the policy, for which the claim is filed.
12. **Additional Units:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Unit number(s) for ALL non-loss units for the crop at the time of final inspection. A non-loss unit is any unit for which a Production Worksheet has not been completed. Additional non-loss units may be entered on a single Production Worksheet.

NOTE: If more spaces are needed for non-loss units, enter the unit numbers identified as “Non-loss Units,” in the Narrative or on an attached Special Report.

13. **Est. Prod. Per Acre:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Estimated yield per acre in whole boxes or bushels of all non-loss units for the crop at the time of final inspection.

14. **Date(s) Notice of Loss:**

PRELIMINARY:

- a. Date the notice of damage was given for the unit in item 2.
- b. A third preliminary inspection (if needed) requires an additional set of Production Worksheets. Enter the date of notice for a third preliminary inspection in the 1st space of item 14 on the second set.
- c. Reserve the “Final” space on the first page of the first set of Production Worksheets for the date of notice for the final inspection.
- d. If the inspection is initiated by the insurance provider, enter “Company Insp.” instead of the date.

FINAL: Transfer the last date in the 1st or 2nd space to the FINAL space if a final inspection should be made as a result of the notice. Always enter the complete date of notice (month, day, year) for the FINAL inspection in the FINAL space on the first page of the first set of Production Worksheets. For a delayed notice of loss or delayed claim, refer to the LAM.

15. **Companion Policy(s):**

- a. If no other person has a share in the unit (insured has a 100 percent share), MAKE NO ENTRY.
- b. In all cases where the insured has LESS than a 100 percent share of a loss-affected unit, ask the insured if the OTHER person sharing in the unit has a multiple-peril contract (i.e., not crop-hail, fire, etc.). If the other person does not, enter “NONE.”
 - (1) If the other person has a multiple-peril contract and it can be determined that the SAME insurance provider services it, enter the contract number. Handle these companion policies according to insurance provider instructions.
 - (2) If the OTHER person has a multiple-peril contract and a DIFFERENT insurance provider or agent services it, enter the name of the insurance provider and/or agent (and contract number) if known.
 - (3) If unavailable to verify the existence of a companion contract, enter “Unknown,” and contact the insurance provider for further instructions.

NOTE: Refer to the LAM for further information regarding companion contracts.

SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

Make separate line entries for varying:

- (1) Rate classes, types, or farming practices;
- (2) APH yields;
- (3) Appraisals;
- (4) Stages or intended use(s) of acreage;
- (5) Shares (e.g., 50 percent and 75 percent shares on the same unit); or
- (6) Appraisals for damage due to hail or fire if Hail and Fire Exclusion is in effect.

Verify or make the following entries:

Item

No.

Information Required

A. **Field ID:** The field identification symbol from a sketch map or an aerial photo. Refer to the Narrative. In the margin (or in a separate column), enter the date of inspection for the last line entry of each inspection.

B. **Preliminary Acres:**

PRELIMINARY: The number of acres, to tenths, (include “E” if estimated), for which consent for other use has been given. Determine actual acreage, to tenths, when the boundaries of the appraised acreage may not be determined later.

FINAL: MAKE NO ENTRY.

C. **Final Acres:** Refer to the LAM for definition of acceptable determined acres used herein.

Determine acres to tenths (include “E” if estimated) for which consent is given for other use and/or:

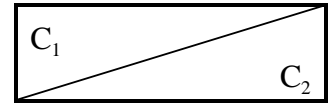
- a. Put to other use without consent.
- b. Abandoned.
- c. Damaged by uninsured causes.
- d. For which the insured failed to provide acceptable records of production.

FINAL: Determined acres to tenths.

NOTE: Acreage breakdown WITHIN a unit may be estimated (enter “E” in front of the acres) if a determination is impractical AND if authorization was received from the insurance provider. Document authorization in the Narrative.

ACCOUNT FOR ALL ACREAGE IN THE UNIT. In the event of over-reported acres, handle in accordance with individual insurance provider's instructions. In the event of under-reported acres, draw a diagonal line in column "C" as shown.

C₁ Enter the ACTUAL acres for the orchard or suborchard
 C₂ Enter the REPORTED acres for the orchard or suborchard



NOTE: Since "QF" and "QP" types are on the same acreage, make no entry for "QP" acreage for both "UH" and "H" stages (see items "G" and "H" instructions below).

- D. **Interest or Share:** Insured's interest in the crop to three decimal places as determined at the time of inspection. If shares vary on the same UNIT, use separate line entries.
- E. **Risk:** The correct rate class from the actuarial documents. Verify with the Summary of Coverage and if the rate class is found to be incorrect, revise according to the insurance provider's instructions. Refer to the LAM.

NOTE: Unrated land is uninsurable without a written agreement.

- F. **Practice:** Three-digit code number, entered exactly as specified on the actuarial documents, for the practice carried out by the insured. If "No Practice Specified," enter appropriate three-digit code number from the actuarial documents.
- G. **Type/Class/Variety:** "QF" for Fancy grade or "QP" for All-other grade as specified in the actuarial documents.

NOTE: Make a separate line for any sold cull production and/or any damaged marketable production that is **not** sold and identify as "QP."

- H. **Stage:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Stage abbreviations as shown below.

<u>STAGE</u>	<u>EXPLANATION</u>
"P"	Acreage abandoned without consent, put to other use without consent, damaged solely by uninsured causes, or for which the insured failed to provide records of production which are acceptable to the insurance provider, or from which production was sold by direct marketing if the insured failed to meet the requirements contained in the crop provisions.
"H"	Harvested.
"UH"	Unharvested or put to other use without consent.

GLEANED ACREAGE: Refer to the LAM for information on gleaning.

I. **Intended or Final Use:** Use of acreage. Use the following “Intended Use” abbreviation.

<u>USE</u>	<u>EXPLANATION</u>
“WOC”	Other use without consent
“SU”	Solely uninsured
“ABA”	Abandoned without consent
“H”	Harvested
“UH”	Unharvested

GLEANED ACREAGE: Refer to the LAM for information on gleaning.

J. **Appraised Potential:** Appraisal by grade in whole boxes or bushels to tenths from item 26 on the AFQA Worksheet.

NOTE: Make a separate line for any sold cull production and/or any damaged marketable production that is not sold.

K₁ - K₂. **MAKE NO ENTRY.**

L. **Shell and/or Quality Factor:** Strike out Shell and/or Quality Factor, and enter “Value per Box or Bushel,” as applicable. Enter the dollar and cents value per box or bushel contained in the Special Provisions, as applicable, for “QF” and “QP” grades.

NOTE: Make a separate line for any sold cull production and/or any damaged marketable production that is not sold. Enter the dollars and cents value per bushel or box, as applicable (refer to the Production Worksheet for example calculations).

M. **+ Uninsured Causes:** MAKE NO ENTRY (uninsured causes are calculated in the AFQA worksheet).

N. **Adjusted Potential:** Column “J” times column “L,” results in whole dollars.

O. **Total to Count:** Transfer entries from column “N,” in whole dollars.

P. **Per Acre:** Draw a diagonal line. Above the line enter the per acre guarantee times the HPF for each grade. Below the line enter the price election for each grade.

EXAMPLE:

QF, guarantee per acre = 750 bu. x .78 (HPF) = 585 bu. entered above the line. Below the line enter \$10.00 price election.

QP, guarantee per acre = 750 bu x .22 (HPF) = 165 bu entered above the line. Below the line enter \$3.00 price election.

NOTE: For any cull production that is sold and/or any damaged marketable production not sold, enter the dollars and cents value per bushel or box, as applicable.

- Q. **Total:** For both grades, item “P” guarantee times the price election times item “C” acres, results in whole dollars.

NOTE: Use “QF” acres in item “C” to complete this calculation for both “QF” and “QP” types for both “UH” and “H” stages.

EXAMPLE:

QF: 585 bu. x \$10.00 x 4.9 acres = \$28665

QP: 165 bu. x \$3.00 x 4.9 acres = \$2426

16. **Total Acres:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total Actual Acres [Column “C” (or “C₁” if there is under-reported acres)], to tenths.

NOTE: Since “QF” and “QP” types are on the same acreage, total the acreage from “QF” types only, to tenths for both “UH” and “H” stages.

NOTE: FOR ITEM 17, WHEN SEPARATE LINE ENTRIES ARE MADE FOR VARYING SHARES, STAGES, AMOUNTS OF INSURANCE, PRICE ELECTIONS, TYPES, ETC., WITHIN THE UNIT, AND TOTALS NEED TO BE KEPT SEPARATELY FOR CALCULATING INDEMNITIES, MAKE NO ENTRY AND FOLLOW THE INSURANCE PROVIDER’S INSTRUCTIONS; OTHERWISE, MAKE THE FOLLOWING ENTRIES.

17. **Totals:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total of column “O” and total of column “Q,” in whole dollars.

NARRATIVE:

If more space is needed, document on a Special Report, and enter “See Special Report.” Attach the Special Report to the Production Worksheet.

- a. If no acreage is released on the unit enter “No acreage released,” adjuster’s initials, and date.
- b. If notice of damage was given and “No Inspection” is necessary, enter the unit number(s), “No Inspection,” date, and adjuster’s initials. The insured’s signature is not required.
- c. Explain any uninsured causes, unusual, or controversial cases.

- d. Document the actual appraisal date if an appraisal was performed prior to the adjuster's signature date on the appraisal worksheet, and the date of the appraisal is not recorded on the appraisal worksheet.
- e. State that there is "No other fire insurance" when fire damages or destroys the insured crop and it is determined that the insured has no other fire insurance. Also refer to the LAM.
- f. Explain any errors found on the Summary of Coverage.
- g. Explain any commingled production. Refer to the LAM.
- h. Explain "NO" checked in item 19.
- i. Attach a sketch map or aerial photograph to identify the total unit:
 - (1) If consent is or has been given to put part of the unit to another use;
 - (2) If uninsured causes are present; or
 - (3) For unusual or controversial cases.

NOTE: Indicate on the aerial photograph or sketch map, the disposition of acreage destroyed or put to other use or without consent.

- j. Explain any differences between date of inspection and signature dates. For an ABSENTEE insured, enter the date of the inspection AND the date of mailing the Production Worksheet for signature.
- k. When any other adjuster or supervisor accompanied the adjuster on the inspection, enter the code number of the other adjuster or supervisor and date of inspection.
- l. Explain the reason for a "No Indemnity Due" claim. "No Indemnity Due" claims are to be distributed in accordance with the insurance provider's instructions.
- m. Explain any delayed notices or delayed claims as instructed in the LAM.
- n. Specify the type of insects or disease when the insured cause of loss is listed as insects or disease. Explain why control measures did not work.
- o. Document the name and address of the charitable organization when gleaned acreage is applicable. Refer to the LAM for more information on gleaning.
- p. Document any other pertinent information, including any data to support any factors used to calculate the production.

SECTION II - HARVESTED PRODUCTION

GENERAL INFORMATION:

- (1) Account for ALL HARVESTED PRODUCTION (for ALL ENTITIES sharing in the crop) except production appraised BEFORE harvest and shown in Section I because the quantity cannot be determined later.
- (2) If additional lines are necessary, the data may be entered on a continuation sheet. USE SEPARATE LINES FOR:
 - (a) Different buyers or processors - the insured must have maintained satisfactory records of ALL Production.
 - (b) Varying shares; e.g., 50 percent and 75 percent shares on same unit.
 - (c) Harvested production from more than one insured practice (or type) and a separate approved APH yield has been established for each, the harvested production also must be entered on separate lines in items "A" through "S" by type, if production has been commingled, refer to the LAM.

Verify or make the following entries:

Item

No.

Information Required

18. **Date Harvest Completed: (Used to determine if there is a delayed notice or a delayed claim). Refer to the LAM.**

PRELIMINARY: MAKE NO ENTRY.

FINAL:

- a. The earlier of the date the ENTIRE acreage on the unit was (1) harvested, (2) totally destroyed, (3) put to other use, (4) a combination of harvested, destroyed, or put to other use, or (5) the calendar date for the end of the insurance period.
- b. If at the time of final inspection (if prior to the end of the insurance period), there is any unharvested insured acreage remaining on the unit that the insured does not intend to harvest, enter "**Incomplete.**"
- c. If at the time of final inspection (if prior to the end of the insurance period), **none** of the insured acreage on the unit has been harvested, and the insured does not intend to harvest such acreage, enter "**No Harvest.**"
- d. If the case involves a Certification Form, enter the date from the Certification Form when the entire unit is put to another use. Refer to the LAM.

19. **Similar Damage:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Check “Yes” or “No.” Check “Yes” if amount and cause of damage due to insurable causes is similar to the experience of other orchards in the area. If “No” is checked, explain in the Narrative.

20. **Assignment of Indemnity:** Check “Yes” **only** if an assignment of an indemnity is in effect for the crop year; otherwise check “No.” Refer to the LAM.

21. **Transfer of Right to Indemnity:** Check “Yes” **only** if a transfer of right to an indemnity is in effect for the unit for the crop year; otherwise check “No.” Refer to the LAM.

A₁. **Share:** RECORD ONLY VARYING SHARES on SAME unit to three decimal places.

A₂. **Field ID:**

a. If only one practice and/or type of harvested production is listed in Section I, MAKE NO ENTRY.

b. If more than one practice and/or type of harvested production is listed in Section I, and a separate approved APH yield exists, indicate for each practice/type the corresponding Field ID (from section I, item “A”).

B. - G. **Length, Diameter, Width, Depth, and Diameter:** For production sold, enter the name and address of the **Buyer, Packer, or Processor**. For apples otherwise disposed of, indicate method of disposition.

H. **Gross Prod.:** Line through Gross Prod. and enter “Grade.” On separate lines, enter “QF” for the applicable grade standard as shown in the Special Provisions and “QP” for All-other Apples.

NOTE: Make a separate line for any sold cull production and/or any damaged marketable production that is not sold and identify as “QP.”

I. **Bu., Ton, Lbs., Cwt.:** Circle “Bu.” or enter “Boxes” and line through Bu., Ton, Lbs., Cwt. in column heading, as applicable. Transfer the appraised potential production in whole boxes or bushels to tenths from the AFQA Appraisal Worksheet.

NOTE: Make a separate line for any sold cull production and/or any damaged marketable production that is not sold and identify as “QP.”

J. **Shell/Sugar Factor:** Line through Shell/Sugar Factor and enter “Value per Box or Bushel,” as applicable. Enter the dollar and cents value per box or bushel from the Special Provisions for “QF” and “QP” apple production.

NOTE: Make a separate line for any sold cull production and/or any damaged marketable production that is not sold and identify as “QP” and enter the applicable value per box or bushel in dollars and cents (refer to the Production Worksheet example).

K₁ - M₂. **MAKE NO ENTRY.**

N. **Adjusted Production:** Column “I” times column “J,” results in whole dollars.

O. **Prod. Not to Count:** Net production NOT to count in bushels or boxes, to tenths, WHEN ACCEPTABLE RECORDS IDENTIFYING SUCH PRODUCTION ARE AVAILABLE, from harvested acreage which has been assessed an appraisal of not less than the guarantee per acre, or from other sources (e.g., other units or uninsured acreage).

THIS ENTRY MUST NEVER EXCEED PRODUCTION SHOWN ON THE SAME LINE.
EXPLAIN ANY PRODUCTION NOT TO COUNT IN THE NARRATIVE.

P. **Production:** Column “N” minus Column “O,” in whole dollars.

Q₁ - R. **MAKE NO ENTRY.**

S. **Production to Count:** Transfer entries from column “P,” in whole dollars.

NOTE: FOR ITEMS 22 - 24. WHEN SEPARATE LINE ENTRIES ARE MADE FOR VARYING SHARES, STAGES, PRICE ELECTIONS, TYPES, ETC., WITHIN THE UNIT, AND TOTALS NEED TO BE KEPT SEPARATE FOR CALCULATING INDEMNITIES, MAKE NO ENTRY AND FOLLOW THE INSURANCE PROVIDER’S INSTRUCTIONS; OTHERWISE, MAKE THE FOLLOWING ENTRIES.

22. **Section II Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total of column “S,” in whole dollars.

23. **Section I Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Enter figure from Section I, column “O” total, in whole dollars.

24. **Unit Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total of items 22 and 23 in whole dollars.

25. **Adjuster's Signature, Code #, and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insured's authorized representative) has signed. For an absentee insured, enter adjuster's code number **ONLY**. The signature and date will be entered **AFTER** the absentee has signed and returned the Production Worksheet.

NOTE: Final indemnity inspections should be signed on the bottom line.

26. **Insured's Signature and Date:** Insured's (or insured's authorized representative's) signature and date. **BEFORE** obtaining insured's signature, **REVIEW ALL ENTRIES** on the Production Worksheet **WITH THE INSURED**, particularly explaining codes, etc., which may not be readily understood.

NOTE: Final indemnity inspections should be signed on the bottom line.

27. **Page Numbers:**

PRELIMINARY: Page numbers - "1," "2," etc., at the time of inspection.

FINAL: Page numbers - (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

PRODUCTION WORKSHEET

(FOR ILLUSTRATION PURPOSES ONLY)

1 Crop/Code # <i>Apples</i> <i>54AP</i>	2 Unit # <i>00100</i>	3 Legal Description <i>SW1-96N-30W</i>
4 Date of Damage <i>JUN 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>120</i>	

7 Company *Any Company*
Agency *Any Agency*

8 Name of Insured <i>I.M. Insured</i>			
9 Claim # <i>XXXXXXXX</i>	11 Crop Year <i>YYYY</i>		
10 Policy # <i>XXXXXXXX</i>			
14 Date(s) Notice of Loss	1st <i>MM/DD/YYYY</i>	2nd	3rd <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	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 Value per Bu.	+ Uninsured Cause	Adjusted Potential	Total To Count (C x N)	Per Acre	Total (C x P)
<i>M/D C-2</i>		<i>4.9</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>QF</i>	<i>UH</i>	<i>UH</i>	<i>31.3</i>		<i>\$10.00</i>		<i>\$313</i>	<i>\$313</i>	<i>585</i> <i>\$10.00</i>	<i>\$28665</i>
<i>M/D C-2</i>			<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>QP</i>	<i>UH</i>	<i>UH</i>	<i>28.4</i>		<i>\$3.00</i>		<i>\$85</i>	<i>\$85</i>	<i>165</i> <i>\$3.00</i>	<i>\$2426</i>
<i>M/D C-1</i>		<i>5.9</i>	<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>QF</i>	<i>H</i>	<i>H</i>							<i>585</i> <i>\$10.00</i>	<i>\$34515</i>
<i>M/D C-1</i>			<i>1.000</i>	<i>A01</i>	<i>002</i>	<i>QP</i>	<i>H</i>	<i>H</i>							<i>165</i> <i>\$3.00</i>	<i>\$2921</i>
16 TOTAL		<i>10.8</i>											17 TOTALS	<i>\$398</i>		<i>\$68527</i>

NARRATIVE (If more space is needed, attach a Special Report) *See the Apple Fresh Fruit Quality Option Appraisal Worksheet for quality adjustment calculations. 100 bu. of cull apples sold @ \$1.50/bu. to Acme Peelers, Inc. 120 bu. unsold harvested production valued at \$1.50/bu.*

SECTION II - HARVESTED PRODUCTION

18 Date Harvest Completed *MM/DD/YYYY* 19 Is damage similar to other farms in the area? Yes No 20 Assignment of Indemnity? Yes No 21 Transfer of Right To Indemnity? Yes No

MEASUREMENTS					GROSS PRODUCTION				ADJUSTMENTS TO HARVESTED PRODUCTION									
A ₁ A ₂	B	C	D	E	F	G	H	I	J	K ₁ K ₂	L ₁ L ₂	M ₁ M ₂	N	O	P	Q ₁ Q ₂	R	S
Share Field ID	Length or Diameter	Width	Depth	Deduction	Net Cubic Feet	Conversion Factor	Grade Gross Prod. (F x G)	Bu/Ton Lbs. CWT	Shell/Sugar Factor Value per Bu	FM % Factor	Moisture % Factor	Test WT Factor	Adjusted Production (Hor)JxK2xL2xM2	Prod. Not to Count	Production (N - O)	Value Mkt. Price	Quality Factor	Production to Count (P x R)
	<i>Acme Processors</i>						<i>QF</i>	<i>314</i>	<i>\$10.00</i>				<i>\$3140</i>		<i>\$3140</i>			<i>\$3140</i>
	<i>Acme Processors</i>						<i>QP</i>	<i>97</i>	<i>\$3.00</i>				<i>\$291</i>		<i>\$291</i>			<i>\$291</i>
	<i>Acme Peelers, Inc.</i>						<i>QP</i>	<i>100</i>	<i>\$1.50</i>				<i>\$150</i>		<i>\$150</i>			<i>\$150</i>
	<i>Unsold</i>						<i>QP</i>	<i>120</i>	<i>\$1.50</i>				<i>\$180</i>		<i>\$180</i>			<i>\$180</i>

I certify the information provided above, to the best of my knowledge, to be true and complete and that it will be used to determine my loss, if any, for damage to my insured crops. I understand that this Production Worksheet and supporting papers are subject to audit and approval by the company. I understand that this crop insurance is subsidized and reinsured by the Federal Crop Insurance Corporation, an agency of the United States. 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.

25 Adjuster's Signature <i>I.M. Adjuster 12345</i>	Code # <i>I.M. Adjuster 12345</i>	Date <i>MM/DD/YYYY</i>	26 Insured's Signature <i>I.M. Insured</i>	Date <i>MM/DD/YYYY</i>
1st Inspection			1st Inspection	
2nd Inspection			2nd Inspection	
Final Inspection			Final Inspection	

22 Section II Total *\$3761*
23 Section I Total *\$398*
24 Unit Total *\$4159*

27 Page *1* of *1*

9. REFERENCE MATERIAL

TABLE A - MINIMUM REPRESENTATIVE SAMPLE REQUIREMENTS

Number of Acres:	Select:*
10.0 or less	The lesser of 10 trees or 5% of the number of trees in the orchard (rounded to the nearest whole tree).
10.1 to 100.0	10 trees plus 3 trees per additional 10.0 acres.
100.1 or more	37 trees plus 5 trees per additional 100.0 acres.

***Supplemental Sample Size and Appraisal Information**

- A. Use of less than the “Minimum Representative Sample Requirements” is authorized on a unit basis in the situations outlined below if the trees selected for sampling are representative of the orchard or suborchard (refer to subsection 4 B).
- (1) The appraised production from at least 60 percent of the sample trees is within 10 percent of the average appraisal for the sampled trees. Sampling of the remaining 40 percent is optional.

EXAMPLE: Ten trees are to be sampled. The first 6 sample tree appraisals are within 10 percent of the average appraisal, as follows:

Sample Number	Appraisal in Bu.	Average Appraisal in Bu.	Percent of Average Appraisal
1	45	50	0.90
2	51	50	1.02
3	52	50	1.04
4	47	50	0.94
5	50	50	1.00
6	55	50	1.10
Total:	300 ÷ 6 = 50 bu. Average Appraisal		

NOTE: If the quality adjustment for these samples is comparable, sampling of the remaining 4 trees is optional.

- (2) The appraised production from at least 60 percent of the sample trees indicates that the appraised production value per acre will exceed the guarantee per acre. Sampling of the remaining 40 percent is optional.

EXAMPLE: A 10.0 acre orchard with 109 trees per acre with a 450 bu. guarantee/acre. Ten trees are to be sampled. The first 6 trees appraised average 5 bu. of fruit per tree. So, 5 bu. x 109 trees/acre = 545 bu. per acre; so, 545 bu. per acre exceeds the guarantee of 450 bu. per acre. Considering the quality adjustment, sampling of the 4 remaining trees is optional.

NOTE: Follow the procedure in the LAM for “No Indemnity Due Claims” or complete and sign a “Withdrawal of Claim” form, as applicable.

- (3) The appraised production from at least 60 percent of the sample trees indicates there will be a “zero” value for production to count.

EXAMPLE: Ten trees are to be sampled. The first 6 sample trees have insurable damage exceeding 50 percent (100 percent quality loss or a “zero” appraisal for fresh apples only), sampling of the 4 remaining trees is optional.

- B. Pick, sample, and do a quality adjustment for production from each sample tree. Record grade reduction results separately on the applicable worksheet. Calculate the average weight per sample tree by combining the weight of the fruit picked from the sample trees using the following formula:

FORMULA: Weight of the fruit harvested from all of the sample trees divided by the number of sample trees equals the average weight per sample tree.

- C. Use the average container weights (e.g., lbs/ bu., lbs./box) as determined or verified by the adjuster to calculate the weight of production to count from trees harvested for appraisal.

TABLE B - NUMBER OF TREES PER ACRE - TREES ON SIZE CONTROLLING ROOTSTOCK

		DISTANCE BETWEEN TREES (IN FEET)					
		4	5	6	7	8	9
DISTANCE BETWEEN ROWS (IN FEET)	4	2723	2178	1815	1556	1361	1210
	5	2178	1742	1452	1245	1089	968
	6	1815	1452	1210	1037	908	807
	7	1556	1245	1037	889	778	691
	8	1361	1089	908	778	681	605
	9	1210	968	807	691	605	538

NOTE: For spacings not shown on these charts: Multiply the distance between trees (to the nearest tenth of a foot) times the distance between rows (to the nearest tenth of a foot), and divide this result into 43,560 square feet per acre (round result to the nearest whole number).

EXAMPLE:

Tree spacing is 12.5 feet and row spacing is 16 feet.
 12.5 ft. X 16.0 ft. = 200.0 sq. ft. per tree. 43,560 sq. ft. ÷ 200.0 sq. ft. = 217.8
 which rounds up to 218 trees per acre.

TABLE C - NUMBER OF TREES PER ACRE - STANDARD SIZE TREES

		DISTANCE BETWEEN PLANTS (In Feet)																									
		10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35
DISTANCE BETWEEN ROWS (In Feet)	10	436	396	363	335	311	290	272	256	242	229	218	207	198	189	182	174	168	161	156	150	145	141	136	132	128	124
	11		360	330	305	283	264	248	233	220	208	198	189	180	172	165	158	152	147	141	137	132	128	124	120	116	113
	12			303	279	259	242	227	214	202	191	182	173	165	158	151	145	140	134	130	125	121	117	113	110	107	104
	13				258	239	223	209	197	186	176	168	160	152	146	140	134	129	124	120	116	112	108	105	102	99	96
	14					222	207	194	183	173	164	156	146	141	135	130	124	120	115	111	107	104	100	97	94	92	89
	15						194	182	171	161	153	145	138	132	126	121	116	112	108	104	100	97	94	91	88	85	83
	16							170	160	151	143	136	130	124	118	113	109	105	101	97	94	91	88	85	83	80	78
	17								151	142	135	128	122	116	111	107	102	99	95	92	88	85	83	80	78	75	73
	18									134	127	121	115	110	105	101	97	93	90	86	83	81	78	76	73	71	69
	19										121	115	109	104	100	96	92	88	85	82	79	76	74	72	69	67	66
	20											109	104	99	95	91	87	84	81	78	75	73	70	68	66	64	62
	21												99	94	90	86	83	80	77	74	72	69	67	65	63	61	59
	22													90	86	83	79	76	73	71	68	66	64	62	60	58	57
	23														82	79	76	73	70	68	65	63	61	59	57	56	54
	24															76	73	70	67	65	63	61	59	57	55	53	52
	25																70	67	65	62	60	58	56	54	53	51	50
	26																	64	62	60	58	56	54	52	51	49	48
	27																		60	58	56	54	52	50	49	47	46
	28																			56	54	52	50	49	47	46	44
	29																				52	50	48	47	46	44	43
	30																					48	47	45	44	43	41
	31																						45	44	43	41	40
	32																							43	41	40	39
	33																								40	39	38
	34																									38	37
	35																										36

For tree spacings not shown on the chart, multiply the distance between trees (nearest tenth foot) times the distance between rows (nearest tenth foot) and divide this result into 43,560 sq. ft. per acre (round to the nearest whole number). **EXAMPLE:** 6.5 ft. x 10.0 ft. = 65 sq. ft., then 43,560 ÷ 65 = 670 trees per acre.

TABLE D - QUALITY FACTORS

A. For packout of Fancy grade apples more than 10 whole percentage points but not more than 30 whole percentage points lower than the HPF.																					
% Points Less than the HPF	0-10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Quality Factor	1.00	.98	.96	.94	.92	.90	.88	.86	.84	.82	.80	.78	.76	.74	.72	.70	.68	.66	.64	.62	.60

B. For packout of Fancy grade apples more than 30 whole percentage points but not more than 50 whole percentage points lower than the HPF.																				
% Points Less than the HPF	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	
Quality Factor	.57	.54	.51	.48	.45	.42	.39	.36	.33	.30	.27	.24	.21	.18	.15	.12	.09	.06	.03	

C. For packout of Fancy grade apples 50 or more percentage points lower than the insured's HPF for Fancy grade apples, the QF will be 0.00, resulting in all of the insured's apples being valued at the price for All-other apples.

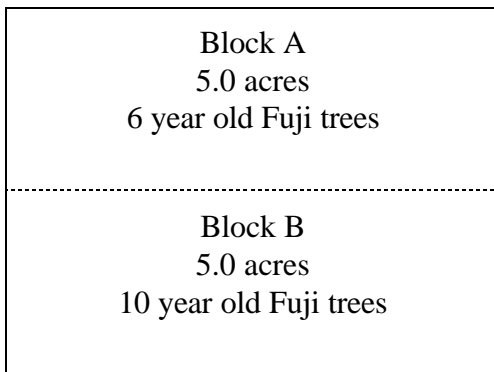
EXHIBIT 1

APPLE UNITS BY VARIETAL GROUP EXAMPLE

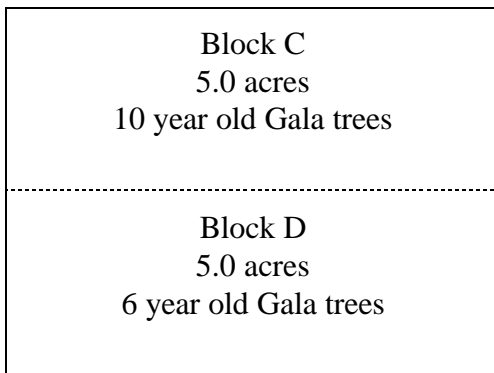
The apple pilot crop provisions allow for units by varietal group. The line diagrams below illustrate units with plots of trees that are the same varietal group and plots with blocks of trees that are the same variety.

UNIT 00100 Varietal Group A

Plot 1 10.0 acres Fujis

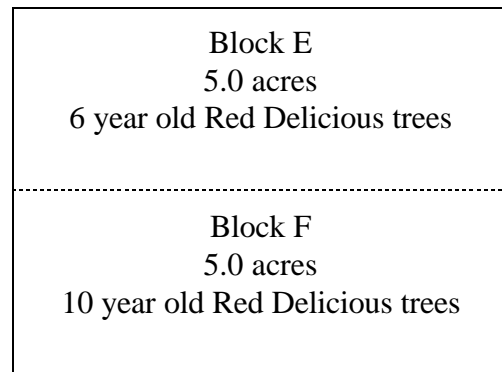


Plot 2 10.0 acres Galas



UNIT 00200 Varietal Group B

Plot 3 10.0 acres Red Delicious



Plot 4 10.0 acres Yellow Delicious

