

United States
Department of
Agriculture



Federal Crop
Insurance
Corporation



Product
Development
Division

FCIC-25750 (02-2000)

NURSERY LOSS ADJUSTMENT STANDARDS HANDBOOK

2000 and Succeeding Crop Years

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

FEDERAL CROP INSURANCE HANDBOOK		NUMBER: 25750
SUBJECT: NURSERY LOSS ADJUSTMENT STANDARDS HANDBOOK 2000 AND SUCCEEDING CROP YEARS	DATE: FEBRUARY 14, 2000	
	OPI: Product Development Division	
	APPROVED: <i>R.E. Waggoner</i> <i>for Tim B. Witt</i> Deputy Administrator, Research and Development	

THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-APPROVED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2000 AND SUCCEEDING CROP YEARS. IN THE ABSENCE OF INDUSTRY-DEVELOPED, FCIC-APPROVED PROCEDURE FOR THIS CROP FOR 2000 AND SUCCEEDING CROP YEARS, ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.

SUMMARY OF CHANGES/CONTROL CHART

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

1. Changes for FEBRUARY 2000 Issuance: (FCIC-25750)

- A. Deleted (0073) from the handbook name.
- B. Updated the Table of Contents.
- C. Added statement to Nursery definition.
- D. Added definition of price as it relates to this handbook.
- E. Added EPL/PPS, ANLA, and PDS to abbreviations.
- F. Replaced Plant Price Schedule with EPL/PPS.
- G. Added note to 4.D.(2).
- H. Added section 4.E "Determining Plant Price and Size Qualifications".
- I. Added statement to 4.K.(8) on deferring payment for undeterminable plant damage until damage could be determined.

NURSERY LOSS ADJUSTMENT STANDARDS HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

- J. Added statement to 4.K.(9) note.
- K. Added statements to 6.A. on company, claim number, additional documentation to accompany appraisal worksheets, and written agreement entries.
- L. Deleted Nursery Appraisal Worksheet completion instructions for "Percent Damage" and "Unit % Damage".
- M. Changed the Nursery Appraisal Worksheet completion instructions for items 8, 9, 12, and 13.
- N. Added Nursery Appraisal Worksheet completion instructions for 20 c and 21 c.
- O. Added boxes to check to item 8, 9, 12, and 13 on the Nursery Appraisal Worksheet.
- P. Added two new columns for uninsured cause of loss damage to Nursery Appraisal Worksheet.
- Q. Removed the "Percent Damage" column from the Nursery Appraisal Worksheet.
- R. Removed the "Unit % Damage" entry from the Nursery Appraisal Worksheet.
- S. Updated Nursery Production Worksheet item 7 completion instructions.
- T. Changed Nursery Production Worksheet items 14, 15, and 24 completion instructions.
- U. Added boxes to check to items 14, 15, and 24 on the Nursery Production Worksheet.
- V. Added completion instructions to items 17a, 17b, 17c, 18a, 18b, 18c, 20, 21, 22, 23, 26b, 26c, 27, 30, 31, 32, and 36 on the Nursery Production Worksheet.
- W. Added Reference Material Table A and B.

Control Chart For: Nursery Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Current Index	1-2	1-2	1-36	37-38	02-2000	FCIC-25750

NURSERY LOSS ADJUSTMENT HANDBOOK

TABLE OF CONTENTS

PAGE

1. INTRODUCTION	1
2. SPECIAL INSTRUCTIONS	1
A. DISTRIBUTION	1
B. TERMS, ABBREVIATIONS, AND DEFINITIONS	1
3. INSURANCE CONTRACT INFORMATION	2
A. INSURABILITY	2
B. PROVISIONS NOT APPLICABLE TO CAT COVERAGE	4
C. UNIT DIVISION	4
4. NURSERY APPRAISALS	4
A. GENERAL INFORMATION	4
B. CROP INSPECTION REQUIREMENTS	5
C. APPRAISALS DATES	5
D. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS	5
E. DETERMINING PLANT PRICE AND SIZE QUALIFICATIONS	5
F. BASIS FOR INDEMNIFICATION	6
G. ESTABLISHING FIELD MARKET VALUE "A" (FMV-A)	7
H. ESTABLISHING FIELD MARKET VALUE "B" (FMV-B)	8
I. ESTABLISHING FIELD MARKET VALUE "C" (FMV-C)	10
J. INSECT OR DISEASE CLAIMS	10
K. SPECIAL CONSIDERATIONS/CASE PROCEDURE	11
5. APPRAISAL DEVIATIONS AND MODIFICATIONS	13
A. DEVIATIONS	13
B. MODIFICATIONS	13
6. APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES	13
A. GENERAL INFORMATION	13
B. WORKSHEET ENTRIES AND COMPLETION INFORMATION	14
APPRAISAL WORKSHEET EXAMPLE	21

NURSERY LOSS ADJUSTMENT HANDBOOK

TABLE OF CONTENTS

	<u>PAGE</u>
7. CLAIM FORM ENTRIES AND COMPLETION PROCEDURES	23
A. GENERAL INFORMATION	23
B. FORM ENTRIES AND COMPLETION INFORMATION	24
SECTION I - IMMEDIATELY PRIOR TO THIS LOSS	26
SECTION II - THIS LOSS	28
C. PRODUCTION WORKSHEET QUICK CALCULATION REFERENCE	34
PRODUCTION WORKSHEET EXAMPLE	35
8. REFERENCE MATERIAL	37
TABLE A - FCIC CONTAINER SIZES	37
TABLE B - INSURABLE PLANT SIZE LIMITS	38

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

Caliper: The diameter of a tree, measured at a point 6 inches above the ground line if the resulting measurement is no more than 4 inches. If the resulting measurement is more than 4 inches, the measurement is made at a point 12 inches above the ground line.

Nursery: A business enterprise that derives at least 50 percent of its gross income from the wholesale marketing of plants.

Plant Names: the genus, species, variety, and cultivar as determined by botanical taxonomic experts and listed in the Eligible Plant List and Plant Price Schedule.

Price: For this handbook, the word "**Price**" is the lower of the price in the Nursery's catalog minus all discounts (referred to as the growers' best wholesale catalog price) or the maximum price shown in the Eligible Plant List and Plant Price Schedule.

(4) **Abbreviations:**

ANLA	American Nursery & Landscape Association
CSREES	Cooperative State, Research, Education, and Extension Service
EPL/PPS	Eligible Plant Listing and Plant Price Schedule
FMV-A	Field Market Value A
FMV-B	Field Market Value B
FMV-C	Field Market Value C
PDS	Pre-Damage Stage
XPS	Excluding Price and Share Calculation

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) For the 2000 crop year roll-over business (a policy converting from 99-056 to 99-073), there is a 30-day waiting period before insurance can attach to insurable field grown plants. Container grown plants are not subject to the waiting period, provided an application is submitted by September 30, 1999. Insurance attaches to container grown plants on October 1, 1999, provided the level of coverage is not increased and the insurance provider is unchanged.
- (2) The insured plants will be all nursery plants shown on the EPL/PPS that meet all requirements for insurability, grown in the county, and for which a premium rate is provided by the actuarial documents:
 - (a) In which the insured has a share;
 - (b) That are determined by the insurance provider to be acceptable;
 - (c) That are grown in a nursery inspected by the insurance provider and determined to be acceptable;
 - (d) That are grown in an appropriate medium;
 - (e) That are irrigated, unless otherwise provided by the Special Provisions;

- (f) That are grown in accordance with the production practices for which premium rates have been established;
 - (g) That are not grown for sale as Christmas trees;
 - (h) That are not stock plants (plants used solely for the purpose of propagation); and
 - (i) That may produce edible fruits or nuts, provided the fruit or nuts are not intended for harvest while the plant is located in the nursery.
 - (j) Plant genus not shown on the **EPL/PPS** may be insured by written agreement subject to RMA approval (Excluding CAT).
- (3) In addition to causes of loss excluded in section 12 of Basic Provisions, insurance coverage is not provided against damage or loss of production due to the following:
- (a) A failure of or a reduction in the power supply, unless such failure or reduction is due to an insurable cause;
 - (b) Inability to market the nursery plants for any reason other than physical damage from an insurable cause specified in the Crop Provisions. For example, the insurance provider will not pay any indemnity if the insured is unable to market plants due to quarantine, boycott, or refusal of any person to accept production;
 - (c) Cold temperatures, if cold protection is required in the **EPL/PPS** and not provided by the insured, unless as stated in section 10(b)(4)(i) of the Crop Provisions;
 - (d) Collapse or failure of buildings or structures, unless the damage to the building or structure results from an insured cause of loss;
 - (e) Failure of plants to grow to an expected size due to drought;
 - (f) Damage or loss from disease or insect infestation unless no effective control measure exists, unless coverage is otherwise provided by the Special Provisions; or
- NOTE:** Coverage for damage or loss from disease or insect infestation where no effective control measure exists will be afforded only for the first year of occurrence. The producer is expected to take adequate preventative measures, once the damage threat has been demonstrated, to minimize exposure through selection of resistant plants, changes in sanitation practices, or other preventative measures to avoid subsequent damage.
- (g) Damage or loss from fire, due to the failure to control weeds and undergrowth by chemical or mechanical means in the vicinity of the plants or buildings on the insured site.

B. PROVISIONS NOT APPLICABLE TO CAT COVERAGE

- (1) Basic units by practice.
- (2) Optional units.
- (3) Written Agreements.
- (4) Hail and Fire Exclusion provisions (also not applicable to limited coverage).
- (5) Peak Inventory Endorsements.

C. UNIT DIVISION

- (1) The basic units for CAT and buy up coverage are different.
 - (a) A basic unit for buy up coverage is on a practice (field grown or containerized) basis.
 - (b) A basic unit for CAT coverage is on a share basis only, field grown and containerized practices are combined in the same basic unit.
- (2) Once unit numbers are assigned for an optional unit, the number must remain specific for that particular optional unit for the entire crop year. If a loss is reported for part of a basic unit (an optional unit on buy-up coverage or a practice on CAT coverage), the entire basic unit must be appraised (all optional units must be appraised separately, even if only one optional unit has been damaged).

4. NURSERY APPRAISALS

A. GENERAL INFORMATION

Potential production will be appraised in accordance with procedures specified in this handbook and in the LAM.

- (1) In addition to insured's duties in section 14 of the Basic Provisions, if the insured intends to claim an indemnity on any unit, the claim for indemnity must be submitted not later than 60 days after the date of the loss, but in no event later than 60 days after the end of the insurance period.
- (2) If the insured fails to meet the above requirements and such failure results in the insurance provider's inability to inspect the damaged production, all such production will be considered undamaged, and the claim will be denied. Refer to the LAM for further instructions.
- (3) Applicability - Within the policy provisions is a requirement that insureds file a "notice of damage or loss". To maintain insurance coverage, the insured must receive written consent prior to each of the following events:
 - (a) Destroying, selling, or otherwise disposing of any damaged plant inventory.

- (b) Changing or discontinuing normal growing practices with respect to care and maintenance of the insured plants.

NOTE: Failure to obtain insurance providers' written consent will result in denial of the claim.

B. CROP INSPECTION REQUIREMENTS

In addition to any pre-acceptance nursery inspection, any growing season and loss claim inspections are to be performed by adjusters adequately knowledgeable and trained in nursery plants, and nursery operations. The use of a nursery crop consultant in collaboration with the adjuster may be needed to complete the inspection. Arrangements for a consultants use are to be made through the insurance provider.

C. APPRAISAL DATES

- (1) Insurance provider representatives will set appraisal dates.
- (2) Whenever possible, appraise the unit as soon as possible after the date of damage.

D. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS

- (1) When a covered loss occurs, an inventory must be conducted of the damaged and undamaged plants to determine the amount of the loss. All plants within the damaged basic unit must be accounted for; nursery records may be used to document the nursery's inventory of **UNDAMAGED** plants, after the records have been verified to be acceptable. If the number or appropriate value of **UNDAMAGED** plants is not known or is questionable at the time of the loss, they must also be inventoried.
- (2) Plants of the same genus/species/cultivar and size group, with the same cause of loss and with a similar level of damage may be grouped into a sample group for appraisal purposes. The Nursery Appraisal Worksheet is to be used to determine before-loss (Field Market Value A), and after-loss (Field Market Value B) values.

NOTE: If there is greater than a 10 percent size variation within a marketing size grouping, this can be an indication of other problems. The adjuster will need to be looking for such things as differing species, poor soils, disease, insects, chemical damage, irrigation problems, etc.

E. DETERMINING PLANT PRICE AND SIZE QUALIFICATIONS

- (1) Plants smaller than the smallest EPL/PPS listed size for the plant are not insurable.

NOTE: Do not round plant size to qualify for the minimum size qualifying for insurance coverage.

- (2) For field grown plants, measured sizes between those listed on the EPL/PPS will be rounded to the nearest size to determine the price.

- (3) Plants that are larger than the size listed on the EPL/PPS will be insurable at the price for the largest EPL/PPS size listed.
- (4) Plant height determined under the high/wide measurement pricing method will not include the height of the root ball for balled-and-burlapped plants. The high/wide measurement method uses the height of the trunk (from the normal soil line) or the width of the bowl (branches and foliage).
- (5) A plant that is priced on the EPL/PPS under both the high/wide and caliper measurement methods will be valued for insurance purposes based on the lowest wholesale price for the measurement method contained in the insured's wholesale catalog. However the price may not exceed the maximum price limit for the plant on the EPL/PPS for the same measurement method.
- (6) If the desired genus species cultivar/variety of a particular plant is not listed, the prices and other parameters for the genus species will be used for inventory valuation. If the genus species level is not available and the genus is listed, the prices and other parameters for the genus will be used for inventory valuation. The incomplete name may not be used if the desired cultivar is listed.
- (7) A nursery may price a plant by height (high/wide) whereas the EPL/PPS may only list caliper as the method of measurement and pricing. The reverse may also occur. In these instances, a "comparable size" determination must be made before the "lower of" price rule can be applied.

EXAMPLE: The nursery catalog lists trees by height (ten-foot-high), and the EPL/PPS lists the trees by caliper. To determine the comparable EPL/PPS price to compare to the catalog price, determine the caliper measurement of the trees (2 inches). Compare the EPL/PPS 2-inch caliper price to the catalog ten-foot price to determine the lower price.

F. BASIS FOR INDEMNIFICATION

- (1) Indemnities will be paid on basic or optional units as applicable, on a dollar-for-dollar basis for the occurrence, once the lesser of the unit Occurrence Deductible or the **REMAINING** Crop Year Deductible has been satisfied.
- (2) Claims will be submitted as "final claims," each of which will build upon the information obtained from any previous "final claims" for the basic unit for the crop year.
- (3) Occurrence deductibles, determined by the loss adjuster, are accumulated to satisfy the Crop Year Deductible, without regard to whether the unit actually qualifies for an indemnity in any loss occurrence. Once the Crop Year Deductible is satisfied, an occurrence deductible is no longer applicable (unless a Peak Inventory Endorsement has been accepted to temporarily increase unit liability, crop year deductible, and premium). Data from previous loss adjustment during the same crop year must be available for the adjuster to:

- (a) Assure proper credit of losses counting toward the Crop Year Deductible; and
- (b) Avoid exceeding the total amount of insurance for the unit and overpayment of an indemnity.

G. ESTABLISHING FIELD MARKET VALUE "A" (FMV-A)

- (1) Market value establishment of nursery plants differ from other crops because market reports that are available for most other insured crops are not available for nursery. The Nursery Crop Provisions require that the insured submit a Plant Inventory Value Report of all growing locations, the practice value, and share. At the insurance provider's option, a detailed plant inventory listing that includes the name, the number, and the size of each plant may be required. For Catastrophic level coverage only, the insured must report the previous year's plant sales on the Plant Inventory Value Report.
- (2) For standardization purposes, the AMERICAN STANDARD FOR NURSERY STOCK (ANSI Z60.1), published by the American Nursery & Landscape Association (ANLA), will be used as the plant size measurement standard for insurance purposes. If standards issued by the states conflict with ANSI Z60.1, the ANSI Z60.1 standards will prevail for insurance purposes.
 - (a) The before and after loss value of plants grown in containers that are oversized relative to the current physical size of the plant will be adjusted (using the EPL/PPS as a basis), for the container size listed in the standard that is appropriate for the actual plant size.
 - (b) Field grown and dug plants will be size-evaluated by plant height, width, and/or caliper size depending on the particular plant genus and species using the procedures specified in ANSI Z60.1. For insurance to remain in effect for dug plants, the root ball must be roughly the dimension or larger than that specified in the standard. The policy states that insurance coverage ceases for bare-root plants when the plants are removed from the field.

NOTE: Copies of the ANSI Z60.1 Standard are available for purchase from ANLA Publications, Washington, D.C., at (202) 789-5980, extension 3019.

- (3) Previous years' nursery wholesale records, pending sales contracts (as supported by previous sales records), and actual nursery wholesale price lists can be used to support nursery operation practices previously and currently carried out, as determined by the insurance provider.
- (4) Field Market Value A is established using the lower of the growers' best wholesale catalog price or the EPL/PPS price for the size attained (container size for containerized plants or height/width/caliper for field grown plants). This requires the insurance provider (and loss adjuster) to confirm the number of plants in a unit by size, genus/species, and the commensurate before-loss value.

H. ESTABLISHING FIELD MARKET VALUE "B" (FMV-B)

- (1) The Nursery Crop Provisions define Field Market Value B as value remaining for the insurable plants in the unit immediately following the occurrence of the loss as determined by appraisal conducted as soon as reasonably possible after the loss has occurred.
- (2) In establishing the total market value of the insured crop for the damaged unit, the loss adjuster must determine the value of plants that will fall into 4 groups:

GROUP	INFORMATION
<p style="text-align: center;">1 Plants WITHOUT DAMAGE</p>	<p>Plants without damage are valued according to the lower of the growers' best wholesale catalog price or the EPL/PPS price for the appropriate container size or height/width/caliper (the same values used to establish Field Market Value A).</p>
<p style="text-align: center;">2 Damaged plants that WILL NOT RECOVER any time after the loss occurrence</p>	<p>Damaged plants that will not recover to saleable quality at ANY time after the loss occurrence will have zero value, unless the plants are to be used for propagation or otherwise salvaged. The determination that damaged plants will not recover to saleable quality at any time after the loss occurrence should be supported with photographs and opinions of nursery specialists or any other documentation that justifies the determination.</p> <p>The insured must follow CSREES (Cooperative State, Research, Education, and Extension Service) recommended disposal methods for plants valued as zero. Any damaged plants retained by the insured (such as for propagation) must be assigned an appropriate value (must be greater than zero). Plant materials retained solely for the purpose of propagation (stock plants) are considered uninsurable; therefore, any additional damage and loss, irrespective of cause, is considered uninsurable.</p>
<p style="text-align: center;">3 Damaged plants that WILL ONLY PARTIALLY RECOVER any time after the loss occurrence</p>	<p>Damaged plants that will ONLY recover to a lower saleable value at ANY time after the loss occurrence will be considered salvage. The determination that the damaged plants will not recover completely to pre-damage saleable value at any time after the loss occurrence should be supported by photographs and opinions of nursery specialists or any other documentation that justifies the determination.</p> <p>EXAMPLE: Assume that a damaged plant with the undamaged price list value of \$30.00 (value of the plant by the lower of the growers' best wholesale catalog price or the EPL/PPS price) will not recover back to its pre-damage stage of growth. The plant would be saleable only at a reduced price. The reduced plant value that can be obtained at the time of sale (e.g., \$15.00) is the remaining or salvage value.</p>

GROUP	INFORMATION
<p data-bbox="175 205 375 533">4 Damaged plants that WILL FULLY RECOVER AT SOME TIME after the loss occurrence</p>	<p data-bbox="407 205 1442 348">Damaged plants with the ability to recover at some time after the loss occurrence must be valued at a percentage of the value price as described in Group 1. Compute the applicable damage percentage by comparing the number of months required for the plant to recover to its pre-damage stage of growth.</p> <p data-bbox="407 394 1459 726">EXAMPLE: Assume that a plant is damaged in a quart container at a 6-month growth stage (from seedling). The undamaged price list value is \$5.00 (value of the plant in a quart-sized container). The plant will require 2 months to recover back to its current (6 month) growth stage; therefore, the remaining value would be \$3.35 (2 months (time required for the plant to recover) ÷ 6 months (time necessary to reach the stage of growth at the time of damage) = 33% damage; 1.00 - .33 = .67 remaining value factor; \$5.00 (value of the undamaged plant from the price list X .67 factor = \$3.35 remaining value). Similarly this method is used to evaluate in-ground plants recovery to a pre-damage stage of growth.</p> <p data-bbox="407 772 1433 951">If the same containerized plant had been in an oversized container (a 10 gallon container with a value [undamaged price list value] of \$25.00), Field Market A must be adjusted to reflect the proper container size for the plant -- a quart-sized container as above, as supported by <u>The American Standard for Nursery Stock</u>. Calculate the remaining-value as above.</p> <p data-bbox="407 997 1422 1173">Damaged plants will remain insured at a reduced value (based on recovery time remaining) until the plants recover to the equivalent growth stage at the time of damage. Any additional damage resulting from the insured's failure to follow recommended damaged-plant treatment would be considered damage resulting from avoidable causes and is considered uninsurable.</p> <p data-bbox="407 1220 1466 1436">NOTE: The above method allows fair valuation of damaged recoverable plants. Recovery time will vary by plant species, area of the country, and growing practices of the particular nursery. If the nursery repots its plants at a stage of growth that differs from other nurseries, use discretion in determining if oversized-container procedure is to be applicable; use only when unreasonable, container sizes are used.</p>

- (3) In establishing the expected number of months required for a damaged plant to recover, all available information must be considered, including qualified specialists' opinions. The documentation of opinions, when a dispute arises between the insurer and the insured concerning the damaged plant recovery time, must be included as part of the official claim file.
- (4) Any plant grown for a niche market (such as poinsettia for Christmas) that is damaged by an insurable cause and due to such damage will not be a marketable plant within that niche marketing period may be considered to have zero value, **unless the plant has some**

residual value (salvage, alternate market, or it is to be used for propagation). See NOTE below.

- (5) Plants grown for niche markets which were damaged but recover to an undamaged condition during a normal marketing period will be valued at the **lower of the growers' best wholesale catalog price or the EPL/PPS price**. Reduced values from selling undamaged plants to an alternative market is not insurable. The policy does not guarantee price.
- (6) Propagation plants (such as "stock" plants **grown** solely for cuttings, air-layering, seed production, etc.) **are not considered insurable. Damaged plants that are kept for propagation must be assigned an appropriate salvage value and coverage will cease.** The inability to market plants solely due to marketing conditions (such as an over-supply of poinsettia, lack of demand, quarantine, etc.) is not otherwise insurable. This does not include plants that are marketable once they have recovered from damage, regardless of whether or not they were marketed in the initially-intended market. Such plants would be valued according to group "4" procedure as described in the table above.

NOTE: A niche market applies only to a very narrow selection of plant types (e.g., poinsettias, Easter lilies, poppies, etc.) **THAT GENERALLY CANNOT BE SOLD AFTER A SPECIFIC POINT IN TIME.** Plants grown under contract for delivery are not, by themselves, considered plants grown for a niche market. Available alternate markets will prevent plants from being declared zero value. An alternate market is one that will buy the plant for some use; i.e., poinsettia **AFTER** Christmas or Easter lilies **AFTER** Easter, for weddings, church decorations, etc. They generally will provide a lesser (not indemnifiable, see below) monetary return than the targeted seasonal market.

I. ESTABLISHMENT OF FIELD MARKET VALUE "C" (FMV-C)

Field Market Value C is the sum of all Field Market Value A values for the basic unit for each loss occurrence. This includes the total of all optional unit Field Market Value A values within the basic unit, if optional units are applicable, or for CAT the total of the practice values for the share.

J. INSECT OR DISEASE CLAIMS

- (1) The Nursery Crop Provisions specify that insurance is not provided against any loss caused by insect or disease infestation unless there are no effective control measures in existence.
- (2) Claims reporting insects or disease as a cause of loss must be thoroughly documented, indicating what insect/disease control practices were in place, and specialists' opinions that the insect and/or disease could not be controlled. Plants that are to be destroyed in order to contain the spread of disease must be destroyed and that destruction verified before a claim for indemnity can be finalized. Such plants would be considered to have zero value. Plants that do not incur insurable physical damage are not covered for loss caused by the imposition of a quarantine (loss of market).

K. SPECIAL CONSIDERATIONS/CASE PROCEDURE

- (1) Containers with multiple-species (cultivar) plantings are NOT insurable.
- (2) When required cold protection has been used for only part of an otherwise insurable-nursery-plant-species inventory requiring cold protection, only those plants having the required cold protection are considered insurable against cold damage.
- (3) Nursery plants are not considered insurable until they become established, even if they are otherwise insurable. A plant will be determined to be established when it has a viable root and foliage system capable of supporting its growth without input from the food reserves of seeds, cuttings, etc.
- (4) If a field-grown plant does not qualify for insurance due to plant stem/trunk diameter measurement above the graft union, such plant will be considered insurable if the stem/trunk measurement below the graft union qualifies for insurance.
- (5) Ongoing, detectable damage that occurs at the end of the insurance period is to be covered by the insurance provider of record at the time damage occurred, **PROVIDED TIMELY NOTICE OF DAMAGE IS GIVEN**. If a different insurance provider is to assume liability for the subsequent crop year, insurance coverage is provided against insurable damage occurring within the new crop year as of the date liability is assumed (October 1).
- (6) Once liability is accepted by the assuming company, the assuming company is liable for coverage from that date. The inspection affirms the nursery's potential to produce a marketable product without undue probability of loss.
- (7) Undetectable (**non-discernable**) damage, whether ongoing or not, will be covered by the insurance provider of record when the majority of the damage occurred, provided the insured provides timely notice of probable damage and can establish the insurable cause and time of the damage, subject to delayed notice/delayed claim requirements as specified in the LAM.
- (8) **The insurance provider receives timely notice of probable damage or loss on a unit. During the loss inspection, the adjuster finds damaged plants for which the amount of damage can be determined and other plants where the amount of damage cannot be accurately determined until a later date.**
 - (a) **As provided in section 14 of the Basic provisions, the insurance provider may defer final adjustment of such plants until the amount of damage can be accurately determined. Only the appraisal of plants with undeterminable damage will be deferred. The insurance provider is to advise the insured that:**
 - 1 The claim for those plants with undeterminable damage will be deferred until such time as the damage can be determined.**

- 2 The insured is to maintain identity of the plants with undeterminable damage and continue to care for them until such time an accurate determination of the damage can be made.

NOTE: If the above is not done, the amount of damage to plants with undeterminable damage CANNOT be determined, and the plants for which deferral was made will be considered undamaged.

- (b) The adjuster will enter on a special report the following information for appraisal-deferred plants.
 - 1 Plant name, number, and size;
 - 2 Date and cause of loss, the type of undeterminable damage; and
 - 3 Length of time for which appraisal of the plants is deferred.
- (c) The adjuster will complete a final claim for plants with determinable damage at the time of initial inspection for the loss occurrence.
 - 1 Complete FMV-A and FMV-C as would be done for any normal inspection.
 - 2 Complete FMV-B to reflect only those plants with determinable damage. (The appraisal-deferred plants will be included as undamaged plants in FMV-B of the Nursery Appraisal Worksheet.)
- (d) After damage to the appraisal-deferred plants can be accurately determined, complete a corrected claim with actual damage amounts. (On the corrected claim the only change will be changing the undamaged status of the deferred plants, reducing FMV-B to reflect the actual damage amount for the loss occurrence; FMV-A and FMV-C will remain unchanged.)

NOTE: The corrected claim must be completed prior to completing a claim for subsequent damage. If the appraisal-deferment crosses from one crop year into the next, the insured must report the appraisal-deferred plants on the Plant Inventory Value Report at full value prior to the damage in order for the insured to have full coverage if the plants are subsequently determined to have been undamaged. If the plants are found to have a reduced value at the time of the corrected claim, the insurance provider will reduce the Plant Inventory Value Report by the amount of (additional) damage reflected by the corrected claim.

- (9) A revised Plant Inventory Value Report to add inventory must be made before May 31st of the crop year. A timely filed revised Plant Inventory Value Report will be considered to be in effect 30 days after the written request unless, within the 30-day period:
 - (a) The proposed increase was rejected in writing by the insurance provider; or

- (b) A loss occurred on the basic unit for which the revised report was prepared.

NOTE: Downward Plant Inventory Value Report revisions are limited. Use of an occurrence deductible has minimized the effects of over-reported inventory value for the indemnity calculation. Downward revisions and premium reductions are only allowed when appropriate to correct insurance provider clerical errors, **to reduce reported values for previously damaged plants found during the inspection, and to remove values for uninsurable plants. Complete any revisions to the Plant Inventory Value Report according to instructions provided by the insurance provider.**

5. APPRAISAL DEVIATIONS AND MODIFICATIONS

A. DEVIATIONS

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

B. MODIFICATIONS

There are no pre-established modifications contained in this handbook. See the LAM for information.

6. APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES

A. GENERAL INFORMATION

- (1) **Include the insurance provider's name in the appraisal worksheet title if not preprinted on the insurance provider's worksheet or when a worksheet entry is not provided.**
- (2) **Include the claim number on the appraisal worksheet (when required by the insurance provider), when a worksheet entry is not provided.**
- (3) Nursery appraisals are to be made when:
 - (a) Directed by the insurance provider;
 - (b) When a notice of damage has been received.

NOTE: See the LAM for additional reasons for appraisals.

- (4) Make separate appraisals for each practice and each optional unit in a basic unit, if applicable. **Document on a handwritten worksheet the plant name, size, and the amount of plant damage, for any damaged plants with a PDS of greater than 99 (software limitation).**

NOTE: Document any uninsured cause of loss in the REMARKS section.

- (5) Separate appraisal worksheets are required for each unit inspected. Multiple pages are usually required.
- (6) For plants insured by written agreement, enter the Type Code, and cold Storage keys columns 15a thru 15d.
- (7) Use separate lines for differing:
 - (a) Size of container for containerized plants or size of plant for field grown plants.
 - (b) Degree of damage as established by months the plants require to recover to a marketable condition.
 - (c) Salvage value.

NOTE: Standard appraisal worksheet items are numbered consecutively in subsection B. An example appraisal worksheet is also provided to illustrate how to complete entries.

B. WORKSHEET ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

**Item
No.**

Information Required

1. **Insured's Name:** Name of insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy Number:** Insured's assigned policy number.
3. **Unit Number:**
 - a. For buy-up coverage WITHOUT optional units, enter the five-digit number (basic unit by practice) from the Plant Inventory Value Report after it is verified to be correct (e.g., 00100).
 - b. For buy-up coverage WITH optional units, enter the five-digit unit number consisting of the applicable basic unit number (the first three digits, e.g., 001--) from the Plant Inventory Value Report and two unique digits to represent the particular optional unit, (e.g., 00156).

NOTE: Optional units may be numbered as listed in the policy for the type, the numeric type code as listed in the Section 7 B. Item 24 instructions (deleting the leading zero), or any other unique two-digit number.

- c. For CAT coverage, enter a five-digit unit number to represent the basic unit by share (consisting of both practices, as applicable) (e.g., 00100).

NOTE: Once unit numbers are assigned for an optional unit, the number must remain specific for that particular optional unit for the entire crop year. If a loss is reported for part of a basic unit (an optional unit on buy-up coverage or a practice on CAT coverage), the entire basic unit must be appraised (all optional units must be separately appraised, even if only one optional unit has been damaged). For the 2000 roll over business, there is a 30-day waiting period before insurance can attach to field grown plants.

4. **Crop Year:** Crop year, as defined in the policy, for which the claim has been filed.
5. **Cause(s) of Damage:** Name of the insured cause(s) of loss for this crop as listed in the LAM. If it is evident that there is no loss, enter "NONE." If an insured cause of loss is coded as "Other," explain in the "Remarks."
6. **Date of Damage:** Enter a SPECIFIC DATE of damage. This consists of the first three letters of the month and the specific date, as in the case of hail damage (e.g., Aug 11) or, for progressive damage, a specific date occurring within any applicable increased level of coverage (due to an upward-revised Plant Inventory Report or Peak Endorsement) in effect at the time damage was occurring.
7. **Inspection Number:** Number of the inspection (e.g., 1).
8. **Practice Code:** Check the appropriate box for the three-digit number "007" for field grown or "008" for container grown.
9. **Written Agreement:** Check the appropriate box for "Yes" if SOME plants within the unit are insurable by an approved written agreement or "No" if an approved written agreement is not in effect.
10. **LOC State Code:** Enter the numeric state code (e.g., 37).
11. **LOC County Code:** Enter the numeric county code (e.g., 115).

NOTE: The applicable hardiness zone is determined by location state and county. Verify that the plant is insurable in the applicable hardiness zone for the nursery. Containerized plants are insurable only within the span of hardiness zones listed in the actuarial documents (EPL/PPS) for the storage key (protection provided). Plants requiring cold protection are not insured against cold damage unless properly stored, as addressed on the storage key. Field plants are insurable in the stated hardiness zone and locations with a higher zone number.

12. **CAT Policy:** Check the appropriate box; "Yes" if the insured selected CAT coverage or "No" if the insured selected buy up coverage.

13. **Optional Units:** Check the appropriate box; "Yes" if insured selected optional unit coverage or "No" if insured selected basic unit coverage.
14. **Plant Name:** Plant genus, species, and cultivar as listed in the EPL/PPS or from an approved written agreement. Include genus, species, and cultivar name as necessary to establish plant identity and value for the line.
15. **Written Agreement Only:** Complete items 15a thru 15d only when the plants entered on the page are insured by written agreement. Otherwise leave blank. For the genus, species, and cultivars shown in item 14 for the line enter, as shown on the written agreement:
- 15a. **Type Code:** (e.g., BE, DT, etc.).
- 15b. **Storage Key:** (e.g., R1, G3, etc.).
- 15c. **Container HZ (Hardiness Zone)/ Req. (Required):** (e.g., 3-6). Leave blank if not provided on the written agreement.
- Container HZ (Hardiness Zone)/ Not Req. (Not Required):** (e.g., 7-8). Leave blank if not provided on the written agreement.
- 15d. **Minimum Field HZ (Hardiness Zone):** (e.g., 6). Leave blank if not provided on the written agreement.
16. **Size/Container:** For a genus, species, and cultivar, as appropriate, where degree of damage is similar, enter the appropriate:
- 16a. **Number:** Actual count, by name as published in the eligible plant list or applicable written agreement, the plants by plant size, height, width, or caliper for field grown plants or the number of containers for containerized plants with similar damaged and undamaged values.
- 16b. **Size:** **Container size** for containerized plants or **plant size** (height, width, or caliper) for field grown plants, as published in the EPL/PPS or applicable written agreement, at the time of loss, with similar damaged and undamaged values. Plants grown in oversized containers must be shown according to the appropriate container size for the plant (See Section G(2)). In the Remarks section or on an attached Special Report, document and describe plants that were adjusted in value due to previous damage, or were adjusted in size due to being grown in oversized containers.
- NOTE:** If more than one price is listed in EPL/PPS for the same plant (e.g., a price by both caliper and height), see the Special Provisions and the Nursery Underwriting Guide for determining which price and size entry to use.

17. **Months to Recover:** Enter the following:

a. Number of months

For damaged plants that will recover to the pre-damage stage of growth, enter the number of months normally required for the plant to recover to the pre-damaged stage of growth (e.g., 6, 25, 36).

EXAMPLE: A plant is damaged in the 12-month stage of growth (from the initial planting of the plant), and the plant requires 4 months to recover to the 12-month stage of growth, enter "4".

For damaged plants that will not recover to the pre-damage stage of growth and will be sold at a reduced price are to be entered as salvage plants. The salvage value to be entered in **\$ Value Per Each After Loss** (item 20b) is the reduced value.

EXAMPLE: A \$30.00 plant is damaged in the 12 month stage of growth and will recover to a marketable plant with the reduced value of \$15.00, enter "S".

b. "U" For undamaged plants.

c. "D" For plants completely destroyed (dead, non-salvageable).

d. "S" For plants with salvage value or other use (including propagation).

18. **Months to Reach Pre-Damaged Stage:** FOR RECOVERABLE PLANTS, enter the number of months normally required for the plant to reach the pre-damaged stage of growth. For all other plants leave blank.

19. **Remaining Value Factor:** For recoverable plants, enter the result of 100 minus (**Months to Recover** (item 17) divided by **Months to Reach Pre-Damaged Stage** (item 18)), recorded to whole percent (e.g., 65). For undamaged plants enter 100. For dead plants enter 0. For all salvage plants leave blank.

20. **\$ Value Per Each:**

20a. **Before Loss:** The dollar-and-cents per plant value appropriate from the following:

- (1) The lower of the price in the Nursery's catalog minus all discounts or the maximum price shown in the EPL/PPS (identify on any hand completed forms use of the catalog price by entering an "*" after entering the price).
- (2) Value from an approved written agreement.
- (3) As adjusted for previous damage.

20b. **After Loss:** The dollar-and-cents per plant value determined by multiplying the **\$ Value Per Each Before Loss** (item 20a) times (**Remaining Value Factor**)(item 19), rounded to whole cents. For salvage plants the dollar and cents value determined by the adjuster.

20c. **Uninsured Damage:** The reduction in per plant value due to uninsured damage, in dollar and cents, determined by the adjuster. Document the uninsured cause in the remarks and include supporting materials from any nursery specialists utilized in the determination.

NOTE: Salvage value will be the greater of the dollar and cent value per plant remaining as a marketable plant, or for alternate uses such as cuttings, boughs, grafts, mulch, etc., whether or not actually sold for such use.

21. **Total \$ Value/Line:**

21a. **Before Loss:** **\$ Value Per Each Before Loss** (item 20a) times **Size/Container Number** (item 16a), to whole dollars.

21b. **After Loss:** **\$ Value Per Each After Loss** (item 20b) times **Size/Container Number** (item 16a), to whole dollars.

21c. **Uninsured Damage:** **\$ Value Per Each Uninsured Damage** (item 20c) times **Size/Container Number** (item 16a), to whole dollars.

22. **Remarks:** ON THE LAST PAGE of the Nursery Appraisal Worksheet for the unit, enter:

- a. Date of appraisal.
- b. Documentation for any adjustment in plant value due to prior damage, uninsured causes, or oversized containers.
- c. Documentation of any salvage value assigned.
- d. Cause assessed for uninsured cause of loss appraisals, identified by plant.
- e. Any other pertinent information that pertains to the inspection.

NOTE: If additional space is needed, use and attach a Special Report and refer to the attachment in the Remarks section.

23. **Total - This Page:** Separately total the **Total \$ Value/Line Before Loss** column (item 21a), the **Total \$ Value/Line After Loss** column (item 21b), and the **Total \$ Value/Line Uninsured Damage** column (item 21c) for each Nursery Appraisal Worksheet for the unit. Enter in the appropriate column in whole dollars.

24. **Unit Total:** Separately total the **Total-This Page Before Loss (item 21a)**, **Total-This Page After Loss (item 21b)**, and **Total-This Page Uninsured Damage (item 21c)** entries for all pages used for the unit. Enter each unit total in the appropriate column **ON THE LAST PAGE** of the Nursery Appraisal Worksheet for the unit.
25. **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.
26. **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. 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 Appraisal Worksheet.
27. **Consultant's Name and Date:** Name of consultant and date, if present and assisting with the unit appraisal.
28. **Page Number:** Page number and total number of pages for the basic unit (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

Company: COMPANY

Claim No.: XXXXXXXX

For Illustration Purposes Only					1 INSURED'S NAME I M INSURED					2 POLICY NUMBER XXXXXXX			3 UNIT NUMBER 00100				
NURSERY APPRAISAL WORKSHEET					4 CROP YEAR YYYY			5 CAUSE(S) OF DAMAGE FREEZE			6 DATE OF DAMAGE JAN 11			7 INSPECTION NUMBER 1			
					8 PRACTICE CODE 007 <input type="checkbox"/> 008 <input checked="" type="checkbox"/>			9 WRITTEN AGREEMENT? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			10 LOC STATE CODE 37			11 LOC COUNTY CODE 115			12 CAT POLICY? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
14 PLANT NAME (Genus/Species/Cultivar)		15a Type Code	15b Storage Key	15c Container HZ		15d Field HZ Min.	16 SIZE/CONTAINER		17 Months to Recover (U, D, S or No. Months)	18 Months to Reach Pre-Damage Stage	19 Remaining Value Factor (100 - (17/18))	20 \$ VALUE PER EACH			21 TOTAL \$ VALUE/LINE		
				Req.	Not Req.		16a Number	16b Size				20a Before Loss (Value from Price Listing)	20b After Loss (20a x 19)	20c Uninsured Damage	21a Before Loss (16a x 20a)	21b After Loss (16a x 20b)	21c Uninsured Damage (16a x 20c)
Buxus harlandii							200	1 gal	U		100	2.40 *	2.40	00	480	480	00
Buxus harlandii							200	3 gal	D		0	8.25	00	1.03	1650	00	206
Buxus harlandii							200	3 gal	6	10	40	8.25	3.30	1.03	1650	660	206
Buxus harlandii							200	1 gal	S			2.40 *	0.60	0.30	480	120	60
22 REMARKS Salvage; used for propagation. Uninsured damage due to chemical damage. Appraisal completed MM/DD/YYYY											23 TOTAL - This Page			4260	1260	472	
											24 UNIT TOTAL			4260	1260	472	
25 INSURED'S SIGNATURE I M INSURED										DATE MM/DD/YYYY							
26 ADJUSTER'S SIGNATURE/CODE NUMBER I M ADJUSTER XXXXX								DATE MM/DD/YYYY		27 CONSULTANT'S NAME I M CONSULTANT					DATE MM/DD/YYYY		

Company: COMPANY

Claim No.: XXXXXXXX

For Illustration Purposes Only						1 INSURED'S NAME <p style="text-align: center;">I M INSURED</p>				2 POLICY NUMBER <p style="text-align: center;">XXXXXXXX</p>			3 UNIT NUMBER <p style="text-align: center;">00200</p>				
NURSERY APPRAISAL WORKSHEET						4 CROP YEAR <p style="text-align: center;">YYYY</p>		5 CAUSE(S) OF DAMAGE <p style="text-align: center;">TORNADO</p>			6 DATE OF DAMAGE <p style="text-align: center;">JAN 25</p>		7 INSPECTION NUMBER <p style="text-align: center;">1</p>				
8 PRACTICE CODE 007 <input checked="" type="checkbox"/> 008 <input type="checkbox"/>			9 WRITTEN AGREEMENT? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			10 LOC STATE CODE <p style="text-align: center;">37</p>			11 LOC COUNTY CODE <p style="text-align: center;">115</p>			12 CAT POLICY? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		13 OPTIONAL UNITS? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
14 PLANT NAME <small>(Genus/Species/Cultivar)</small>		15a Type Code	15b Storage Key	15c Container HZ		15d Field HZ Min.	16 SIZE/CONTAINER		17 Months to Recover <small>(U, D, S or No. Months)</small>	18 Months to Reach Pre-Damage Stage	19 Remaining Value Factor <small>(100 - (17/18))</small>	20 \$ VALUE PER EACH			21 TOTAL \$ VALUE/LINE		
				Req.	Not Req.		16a Number	16b Size				20a Before Loss <small>(Value from Price Listing)</small>	20b After Loss <small>(20a x 19)</small>	20c Uninsured Damage	21a Before Loss <small>(16a x 20a)</small>	21b After Loss <small>(16a x 20b)</small>	21c Uninsured Damage <small>(16a x 20c)</small>
Agreement Name		DS	R1	3-6	7-8	5	750	6 in.	U		100	4.05	4.05	00	3,038	3,038	00
Agreement Name		DS	R2	3-5	6-8	7	100	6 ft.	D		0	55.26	00	00	5,526	000	00
Agreement Name		DS	R1	3-5	6-8	7	250	4 ft.	12	18	33	29.25	9.65	00	7,313	2,413	00
Agreement Name		DS	R2	3-6	7-8	5	500	18 in.	S			12.45	1.00	1.00	6,225	500	500
22 REMARKS Salvage; used for propagation. Uninsured damage due to chemical damage. Appraisal completed MM/DD/YYYY												23 TOTAL - This Page 22,102 5,951 500					
												24 UNIT TOTAL 65,835 18,650 972					
25 INSURED'S SIGNATURE <p style="text-align: center;">I M INSURED</p>											DATE <p style="text-align: center;">MM/DD/YYYY</p>						
26 ADJUSTER'S SIGNATURE/CODE NUMBER <p style="text-align: center;">I M ADJUSTER XXXXX</p>								DATE <p style="text-align: center;">MM/DD/YYYY</p>		27 CONSULTANT'S NAME <p style="text-align: center;">I M CONSULTANT</p>					DATE <p style="text-align: center;">MM/DD/YYYY</p>		

7. CLAIM FORM ENTRIES AND COMPLETION PROCEDURES

A. GENERAL INFORMATION

- (1) The claim form (hereafter referred to as the "Production Worksheet") is a form specific to nursery loss adjustment. A separate set of production worksheets are needed for each basic unit loss inspection; each production worksheet can accommodate up to six optional units.
- (2) If a change or correction is necessary, strike out entry and re-enter correct entries above previous entry. The adjuster and insured should initial any changes.
- (3) Refer to the LAM for instructions regarding the following:
 - (a) Delayed notices and delayed claims.
 - (b) Corrected claims or fire losses (double coverage) and cases involving uninsured causes of loss, unusual situations, controversial claims, concealment, or misrepresentation.
 - (c) "No Indemnity Claims" (which must be verified by a NURSERY INSPECTION or NOTIFICATION from the insured that the FMV-B equals FMV-A).

NOTE: Any insurable loss to insurable nursery inventory will reduce the applicable crop year deductible whether or not an indemnity is due.

- (4) The adjuster is responsible for determining if 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) All nursery inspections initiated through a notice of loss are considered final inspections.
- (6) Specific loss calculations are discussed in the instructions for the completion of the Nursery Production Worksheet. For each loss occurrence, the claim is settled on a basic unit basis. When optional units apply, the loss on each optional unit is calculated separately, then combined to derive the basic unit indemnity. The amount of insurance paid and occurrence deductible withheld for each optional unit will modify the basic unit effective amount of insurance and the effective crop year deductible available for the next optional unit.

B. FORM ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

Item

No.

Information Required

1. **Crop and Code No:** "Nursery" (0073).
2. **Basic Unit:** Five-digit basic unit number from the Plant Inventory Value Report, after it is verified to be correct, (e.g., 00100) followed by the Practice code (e.g., 007 or 008). For CAT policies enter both practice codes if applicable.
3. **Legal Description:** Section, township, and range number, street address, or other legal description that identifies the location of the unit.
4. **Date of Damage:** Enter a SPECIFIC DATE of damage. This consists of the first three letters of the month and the specific date, as in the case of hail damage (e.g., Aug 11) or, for progressive damage, a specific date occurring within any applicable increased level of coverage (due to an upward-revised Plant Inventory Report or Peak Endorsement) in effect at the time damage was occurring.
5. **Cause of Damage:** Name of insured cause of loss for **this crop** as listed in the LAM. If it is evident that there is no loss, enter "NONE." If an insured cause of loss is coded as "Other", explain in the "Narrative."

NOTE: See the Basic Provisions and Crop Provisions for this crop for information pertaining to insured and uninsured causes of loss. Even when no indemnity is due, a claim for indemnity must be prepared to reduce the applicable crop year deductible, unless the insured declines having the crop inspected.
6. **Primary Cause %:** Percent 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 insurance provider 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 Number:** Claim number as assigned by the insurance provider.
10. **Policy Number:** Insured's assigned policy number.
11. **Crop Year:** Crop year, as defined in the policy, for which the claim is filed.

12. **Optional Units:** For buy-up coverage, if optional units have been elected by the insured, enter ALL optional unit numbers contained in the basic unit. If optional units have NOT been elected, enter NONE. Optional units are not applicable to CAT policies.
13. **Date Notice of Loss:** The date the notice of damage was given for the basic unit in item 2. Always enter the complete Date of Notice (Month, day, year).
14. **Assign. of Indemnity:** Check the appropriate box, "Yes" only if an assignment of indemnity for nursery is in effect for the crop year; otherwise, check "No". Refer to the LAM.
15. **Transfer of Right to Indemnity:** Check the appropriate box, "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.
16. **Companion Policies:**
- a. If no other person has a share in the unit (insured has 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 crop insurance 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 crop insurance 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 unable to verify the existence of a companion contract, enter "Unknown", and contact the insurance provider for further instructions.

NOTE: Refer to the LAM for information regarding companion contracts. Differing ownership (share) constitutes a basis for additional basic units for CAT policies only.

SECTION I - IMMEDIATELY PRIOR TO THIS LOSS

Verify or make the following entries:

Item

No. Information Required

17a. **Basic Unit XPS Liability:** This is the current basic unit liability, prior to reduction for percent price election and share. It is the Plant Inventory Value Report (plus any applicable Peak Plant Inventory Value Report), times the coverage level percent as a decimal, in whole dollars. Complete this entry on only the first page of each inspection when multiple-page basic unit claim forms are required.

17b. **Basic Unit Previous Indemnity(ies):** Previous **Preliminary Indemnities** (item 32) calculated during previous loss occurrences for the basic unit.

- a. For all cases if the Inspection Number equals 1 enter "0".
- b. For CAT policies, policies without peak endorsements, or policies with peak endorsements and a loss was not paid during the time a peak was in effect, enter the sum of all **Preliminary Indemnities** (item 32) calculated during previous loss occurrences. This figure cannot exceed the amount entered in item 17a.
- c. For policies with an expired Peak Endorsement(s) and damage occurred and losses were calculated during the time the Peak Endorsement was in effect, enter only the amount of the Preliminary Indemnities in excess of the Preliminary Indemnity applicable to the peak, plus any amounts from other previous applicable Preliminary Indemnities.

Complete this entry on only the first page of each inspection when multiple-page basic unit claim forms are required.

17c. **Effective XPS Liability: Basic unit XPS Liability** (item 17a) minus **Basic Unit Previous Indemnities** (item 17b). For multiple page production work sheets, because of greater than 6 optional units within the basic unit, enter the amount from the previous pages column **F. Unit No., Effective XPS Liability Remaining** (item 36).

NOTE: If a paid loss occurred while a peak was in effect and the next loss occurrence is after the peak expired, the remaining XPS Liability will be reduced by only the amount that is greater than the amount paid for the peak.

NOTE: Up to two Peak Inventory Endorsements may be purchased during the crop year for each practice (additional Peak Endorsements may be available, if previous insured losses occurred and the nursery was restocked). There is a 30-day waiting period for the endorsement to become effective. It is APPLICABLE for the period stated on the Peak Inventory Value Report form AFTER the waiting period has passed, if NO LOSS HAS OCCURRED during the waiting period, and the Endorsement is ACCEPTED by the

insurance provider. The Peak Inventory Endorsement cannot extend beyond the end of the crop year.

An upward-revised Plant Inventory Value Report is used where additional insurance coverage is purchased for the remainder of the crop year to add coverage for added nursery inventory and/or to cover restocked nursery plants after a loss. (In this handbook and on the Production Worksheet, an upward-revised Plant Inventory Value Report has been referred to as a "restock.") There is a 30-day waiting period for "restock" coverage to become effective. Coverage is not retroactive.

18a. **Basic Unit Crop Year Deductible:** It is the current basic unit Plant Inventory Value Report plus revisions, and any applicable Peak Inventory Value Report(s), times (1.00 minus the coverage level percent as a decimal), in whole dollars. Complete this entry on only the first page of each inspection when multiple-page basic unit claim forms are required.

18b. **Basic Unit Previous Occurrence Deductible:** The applied Basic Unit Occurrence Deductible from previous loss occurrences for the basic unit.

- a. For all cases if the Inspection Number equals 1 enter "0".
- b. For CAT policies, policies without Peak Inventory Endorsements (peak), or policies with Peak Inventory Endorsements and a payable loss did not occur during the time a peak was in effect, enter the sum of all occurrence deductibles applied from previous loss occurrences. This figure cannot exceed the amount entered in item 18a.
- c. For policies with an expired Peak Inventory Endorsement(s) and payable loss occurred during the time the Peak Endorsement was in effect, enter only the amount of the occurrence deductible in excess of the occurrence deductible applicable to the peak plus any amounts from other previous applicable occurrence deductibles.

Complete entry on only the first page of each inspection when multiple-page basic unit claim forms are required.

18c. **Effective Crop Year Deductible (CYD):** **Basic Unit Crop Year Deductible** (item 18a) minus **Basic Unit Previous Occurrence Deductible** (item 18b). For multiple page production worksheets, because of greater than 6 optional units within the basic unit, enter the amount from the previous pages' column **F. Unit No., Crop Year Deductible Remaining** (item 31).

NOTE: If a payable loss occurred while a peak was in effect and the next loss occurrence is after the peak expired, the CYD will be reduced by only the amount greater than the amount applied for the peak.

SECTION II - THIS LOSS

There are six unit number (A through F., Unit No.) columns provided on a Production Worksheet. If optional units are applicable, use one column for each optional unit and enter its unit number; e.g., 00101, etc., and use additional pages if the basic unit has more than six optional units. If optional units are NOT applicable, use the left hand column, "A. Unit No." to calculate the loss. For CAT units with two practices, use the left hand column and the "B. Unit No." column to enter information and "G. Summary" column to calculate the loss. Complete "G. Summary" on the last Production Worksheet, to document the basic unit loss.

19. **Inspection Number:** If the inspection is due to a notice of damage, enter the number of the inspection (e.g., 1), otherwise leave blank.
20. **Reported Basic Unit Value:** Sum the Plant Inventory Value Report plus any Peak Inventory Value Reports in effect for the basic unit on the date the damage occurs; i.e., **Basic Unit XPS Liability** (Item 17a) plus **Basic Unit Crop Year Deductible** (item 18a).
21. **Sum of Prev Losses:** The sum of all previous basic unit losses (difference between **Field Market Value A** and **Field Market Value B**, adjusted by the applicable **Under Reporting Factor**), EXCLUDING losses attributable to a previous Peak Endorsement after expiration of the Peak Endorsement; i.e., **Basic Unit Previous Indemnity** (Item 17b) plus **Basic Unit Previous Occurrence Deductible** (item 18b).
22. **Field Market Value C:** Sum all **Field Market Value A**'s (entries in item 25) for each basic unit. For policies without optional units and all CAT policies, Field Market Value A and Field Market Value C will be equal.
23. **Under Reporting Factor:** The lesser of a) 1.000, or b) **Reported Basic Unit Value** (item 20) minus **Sum of Prev. Losses** (item 21). Divide this result by **Field Market Value C** (item 22), and round to three decimal places (e.g., .775).
24. **Damage Similar to Other Nurseries:** Check the appropriate box, "Yes" if amount and cause of damage due to insurable causes is similar to the experience of other nurseries in the area; otherwise "No". Explain in the narrative.
24. **Columns A. through F.:** In the spaces provided, enter:
 - a. For a BASIC UNIT WITHOUT OPTIONAL UNITS, the five-digit unit number (e.g., 00100) and the appropriate three-digit PRACTICE code (e.g., 007).
 - b. For a basic CAT unit if two practices are applicable, the five-digit unit number (e.g., 00100) and appropriate PRACTICE code (e.g., 007) in column 24A. and the five-digit unit number and the other practice code in column 24B. Otherwise, leave column 24B. blank.

Complete columns A and B for items 25 through 28, for each practice. Add the entries in columns A and B to obtain basic unit totals, and enter the resulting sums on

the appropriate line of column G. Complete the column G calculation in the normal manner. (The occurrence deductible **MUST** be calculated from the sum of both practices.)

- c. For a BASIC UNIT WITH OPTIONAL UNITS (units by type), the five-digit unit number (e.g., 00101) and the appropriate alpha TYPE code (e.g., DT) in column 24A. Complete column B through F for each additional optional unit, continuing on to additional worksheet pages, columns A through F as necessary.

NOTE: Due to the nature of the occurrence deductible and its effect on the indemnity calculation, the order of optional units listed in columns A through F must be entered and calculated from the lowest optional unit number to the highest (e.g., 00101 followed by 00102, etc), until all optional units are calculated.

Once an optional unit number is assigned to a specific type code for the first loss occurrence, the same type code must be assigned the same unit number in any subsequent loss occurrence of that basic unit. This must be done for accurate tracking and verification purposes (e.g., if type DT was assigned unit number 00101 in loss occurrence 1 for all additional loss occurrences for the crop year, type DT must be assigned 00101).

- d. Nursery Optional Unit Plant Type Coding:

Policy Code	Plant Description	Alpha Code	Numeric Code
1.	Deciduous Trees (Shade and Flower)	DT	056
2.	Broad-leaf Evergreen Trees	BE	057
3.	Coniferous Evergreen Trees	CE	058
4.	Fruit and Nut Trees	FN	059
5.	Deciduous Shrubs	DS	060
6.	Broad-leaf Evergreen Shrubs	BS	061
7.	Coniferous Evergreen Shrubs	CS	062
8.	Small Fruits	SF	063
9.	Herbaceous Perennials	HP	064
10.	Roses	RO	065
11.	Ground Cover and Vines	GC	066
12.	Annuals	AN	067
13.	Foliage	FO	068
14.	Other plant types listed in the Special Provisions	OT	069

25. **FMV-A:** Enter the appraised BEFORE-LOSS inventory whole-dollar value from the Nursery Appraisal Worksheet for this notice of loss.

26. **FMV-B:**

26a. **Value remaining-ins. cause:** Enter the appraised AFTER-LOSS inventory whole-dollar value from the Nursery Appraisal Worksheet for this notice of loss, when inventory was damaged due to an INSURED or UNINSURED cause.

26b. **Value assessed-unins. cause:** Enter the appraised UNINSURED DAMAGE inventory whole-dollar value from the Nursery Appraisal Worksheet for this notice of loss, when inventory was damaged due to an UNINSURED cause.

Enter the total appraisal, in whole dollars:

- (a) Use the total from the Uninsured Damage column from the Nursery Appraisal worksheet.
- (b) When Hail and Fire Exclusion is in effect and damage is from hail or fire, enter the loss in value due to hail or fire. Refer to the LAM.
- (c) For fire losses, if the insured also has other fire insurance (double coverage), refer to the LAM.

26c. **FMV-B (TOTAL):** Sum **Value remaining-ins. cause** (item 26a) and **Value assessed-unins. cause** (item 26b) in whole dollars.

27. **Unadjusted Loss:** FMV-A (item 25) minus **Total FMV-B** (item 26c) in whole dollars..

28. **Adjusted Loss:** **Unadjusted Loss** (item 27) times **Under Reporting Factor** (item 23), rounded to whole dollars.

NOTE: For CAT losses, sum columns **A** and **B** (when two practices are applicable) for items 25 through 28, and enter the totals in the appropriate line of column **G Summary**. Complete the remainder of the CAT calculations for column **G**. An example of the Production Worksheet is shown on page 34.

29. **Occurrence Deductible:**

- a. For a basic unit or the first optional unit, enter in whole dollars, the LESSER OF:
 - (1) The calculated **Occurrence Deductible** [FMV-A (item 25) times, (100 minus Coverage Level percent) times the **Under Reporting Factor** (item 23) for the unit]; or
 - (2) The **Effective Crop Year Deductible** (item 18c); or

(3) The **Adj. Loss** (item 28).

b. For additional optional units, enter in whole dollars, the LESSER OF:

(1) The calculated **Occurrence Deductible** [FMV-A times (item 25) time (100 minus Coverage Level percent) times the **Under Reporting Factor** (item 23) for the unit]; or

(2) The **CYD Remaining** (item 31 of the previous optional unit); or

(3) The **Adj. Loss** (item 28).

30. **Unadjusted Indemnity: Adj. Loss** (item 28) minus **Occurrence Deductible** (item 29).

31. **CYD Remaining:**

a. For a basic unit or first optional unit within a basic unit, subtract the calculated Occurrence Deductible (item 29) from the Effective Crop Year Deductible (item 18c), and record in whole dollars.

b. For additional optional units, subtract the calculated **Occurrence Deductible** (item 29) from the **CYD Remaining** (item 31 of the previous optional unit), and record in whole dollars.

c. The **CYD Remaining** must be equal to or greater than zero.

EXAMPLE: **CYD Remaining** (item 31) for the optional unit recorded in item 24, column A, will be used in place of the **Effective Crop Year Deductible** (item 18c) for column B and the **CYD Remaining** (item 31) for the optional unit recorded in item 24, column B, will be used in place of the **Effective Crop Year Deductible** (item 18c) for column C, etc.

32. **Preliminary Indemnity:**

a. For a basic unit or the first optional unit within a basic unit, enter the LESSER OF the **Unadjusted Indemnity** (item 30) or the **Effective XPS Liability** (item 17c), in whole dollars.

b. For additional optional units within a basic unit, enter the LESSER OF the **Unadjusted Indemnity** (item 30) or the **Effective XPS Liability Remaining** (item 36 of the previous optional unit) in whole dollars.

33. **Percent Share:** The insured's share (e.g. 1.000).

34. **Price Election Percent:** The percent of the price election the insured has selected. (e.g. 1.00).

35. **Indemnity:** The result of **Preliminary Indemnity** (item 32) times **Percent Share** (item 33) times **Price Election Percent** (item 34), rounded to whole dollars.
36. **Effective XPS Liability Remaining:**
- a. For a basic unit or the first optional unit within a basic unit, enter the **Effective XPS Liability** (item 17c) for the basic unit minus the **Preliminary Indemnity** (item 32), for this unit in whole dollars.
 - b. For additional optional units within a basic unit, enter the **Effective XPS Liability Remaining** (item 36 of the previous optional unit) minus the **Preliminary Indemnity** (item 32) for this optional unit, in whole dollars.
37. **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. Explain any uninsured causes, unusual, or controversial cases.
 - b. If there is an appraisal for uninsured causes due to a hail/fire exclusion, show the original hail/fire liability per acre and the hail/fire indemnity per acre.
 - c. 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 see the LAM.
 - d. Explain any errors found on the Plant Inventory Value Report and/or Peak Plant Inventory Value Report.
 - e. Explain an "No" checked in item 24.
 - f. Explain any difference between the 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.
 - g. When any other adjuster or supervisor or consultant accompanied the adjuster on the inspection, enter the code number of any other adjuster, or supervisor, and the name of any consultant present during the inspection and the date of inspection.
 - h. Explain any delayed notices or delayed claims as instructed in the LAM.
 - i. Document any other pertinent information.
 - j. Specify the type of insects or disease when the insured cause of damage or loss is listed as insects or disease. Explain why control measures did not work.

38. **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., that may not be readily understood.
39. **Adjuster's Signature, Code Number, and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insureds' 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.
40. **Witness' Signature and Date:** Signature of witness and date signed **after** the insured (or insured's authorized representative) and adjuster has signed. For an absentee insured or if signatures are not observed, leave blank.
41. **Other Signature(s) and Date(s):** Signature(s) of others if present when the loss adjustment was conducted; e.g., consultants, etc., and the date signed.
42. **Page Numbers:** Page numbers - (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

C. PRODUCTION WORKSHEET CALCULATION QUICK REFERENCE

For each loss occurrence

The following items are completed **ONLY** on page 1 of the Production Worksheet for each basic unit.

17a Basic Unit XPS Liability Report	17b Basic Unit Previous Indemnities Sum of 32, prev. losses	17c Effective XPS Liability 17a - 17b
18a Basic Unit Crop Year Deductible Report	18b Basic Unit Previous Occurrence Deductibles Sum of 29, prev. losses	18c Effective Crop Year Deductible 18a - 18b
20 Reported Basic Unit Value 17a + 18a	21 Sum Prev. Losses (Adj. Losses) 17b + 18b	22 Field Market Value C (FMV-C) Sum of 25
	23 Under reporting factor (URF) $(20 - 21) \div 22$	

The following items are completed for each unit whether it is a basic or optional unit.

Item	Optional Unit A	Optional Unit B...etc.
25 FMV-A	Adjuster det.	Adjuster det.
26 FMV-B	26a. Value remaining-ins.	Adjuster det.
	26b. Value assessed-unins.	Adjuster det.
	26c. FMV-B (TOTAL)	26a + 26b
27 Unadjusted Loss (FMV-A - FMV-B (TOTAL))	25 - 26c.	25 - 26c.
28 Adj. Loss (for Under reporting; 27 X 23)	27 X 23	27 X 23
29 Occurrence Ded. (OD) FMV-A x (100-LVL%)	<(28, calc. 29 or 18c)	<(28, calc. 29 or 31)
30 Unadjusted Indemnity	28 - 29	28 - 29
31 CYD Remaining	18c - 29A	31A-29B => etc.
32 Preliminary Indemnity	<(30 or 17c)	<(30 or 36A) => etc.
33 Percent Share	Report	Report
34 Price Election Percent	Report	Report
35 Indemnity	32 X 33 X 34	32 X 33 X 34
36 Effective XPS Liability Remaining	17c-32A	36A-32B => etc.

**For Illustration Purposes Only
NURSERY PRODUCTION WORKSHEET/CLAIM FORM**

1 Crop and Code No. NURSERY 0073	2 Basic Unit 00100 008	3 Legal Description 123 WEST PINE ANY CITY, ANY STATE	7 Company ABC INSURANCE COMPANY ANY CITY, ANY STATE	8 Name of Insured I M INSURED
4 Date of Damage JAN 11	5 Cause of Damage FREEZE	6 Primary Cause % 100	Agency ABC AGENCY ANY CITY, ANY STATE	9 Claim Number XXXXXXXXXX
12 Optional Units 00101	00102			10 Policy Number XXXXXXXXXX
				11 Crop Year YYYY
				13 Date Notice of Loss MM DD YYYY
				14 Assign. of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
				15 Transfer of Right to Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
				16 Companion Policy(ies)

SECTION I - IMMEDIATELY PRIOR TO THIS LOSS (Include Applicable Peak Endorsement(s))

17a Basic Unit XPS Liability (Excluding Price & Share)	750,000	17b Basic Unit Previous Indemnity(ies) (Sum of 32, previous losses - exclude indemnities applicable to Peak Endorsements)	0	17c Effective XPS Liability (17a - 17b or 36 from page 1 > 6units)	750,000
18a Basic Unit Crop Year Deductible (Inventory Value X (1.00 Cov. Level))	250,000	18b Basic Unit Previous Occurrence Deductible(s) (Sum of 29, previous losses - exclude Occur. Deductible(s) applicable to Peak Endorsements)	0	18c Effective Crop Year Deductible (CYD) (18a - 18b or 31 from page 1 if > 6 units)	250,000

SECTION II - THIS LOSS

19 Inspection Number 1	20 Reported Basic Unit Value (17a + 18a) 1,000,000	21 Sum of Prev. Losses (Adj. Losses) (17b + 18b) 0	22 Field Market Value C (FMV-C) (Sum of Item 25 entries) 885,000	23 Under Reporting Factor (URF) [(1.00 or ((20 - 21) ÷ 22)] 1.000			
24 Damage similar to other nurseries in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	A. Unit No. 00101 Code DT	B. Unit No. 00102 Code DS	C. Unit No. Code	D. Unit No. Code	E. Unit No. Code	F. Unit No. Code	G. Summary
25 FMV-A	585,000	300,000					885,000
26a. Value remaining-ins. cause	250,500	300,000					550,500
26b. Value assessed-unins. cause	10,000	0					10,000
26c. FMV-B (TOTAL) (26a + 26b)	260,500	300,000					560,500
27 Unadjusted Loss (FMV-A - FMV-B (TOTAL)) (25 - 26c)	324,500	0					324,500
28 Adj. Loss (for Under reporting; item 27 x item 23)	324,500	0					324,500
29 Occurrence Ded. (OD) (FMV-A x (100-level 75 %)	146,250	0					146,250
30 Unadjusted Indemnity (28 - 29)	178,250	0					178,250
31 CYD Remaining [Opt. Unit A - (18c - 29A)] [Remaining Units - (31A - 29B)]	103,750	103,750					103,750
32 Preliminary Indemnity [Opt. Unit A < (30 or 17c)] [Remaining Units < (30 or 36A)]	178,250	0					178,250
33 Percent Share	1.000	1.000					1.000
34 Price Election Percent	1.00	1.00					1.00
35 Indemnity	178,250	0					178,250
36 Effective XPS Liability Remaining [Opt. Unit A - (17c - 32A)] [Remaining Units - (36A - 32B)]	571,750	571,750					571,750

37 Narrative (If more space is needed, attach a Special Report)

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, 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. False claims or false statements made on a matter within the jurisdiction of the Federal Crop Insurance Corporation may subject the maker to criminal and civil penalties under various Federal statutes including the provisions of 18 U.S.C. 1006, 1014; 7 U.S.C. 1506; 31 U.S.C. 3729, 3730, 3801, 3812.

38 Insured's Signature I M INSURED	Date MM/DD/YYYY	39 Adjuster's Signature I M ADJUSTER	Code Number XXXXXX	Date MM/DD/YYYY
40 Witness' Signature	Date	41 Other Signature(s)	Date(s)	

42 Page 1 of 1

For Illustration Purposes Only
NURSERY PRODUCTION WORKSHEET/CLAIM FORM

1 Crop and Code No. NURSERY 0073	2 Basic Unit 00100 007,008	3 Legal Description 123 WEST PINE ANY CITY, ANY STATE	7 Company ABC INSURANCE COMPANY ANY CITY, ANY STATE	8 Name of Insured I M INSURED
4 Date of Damage JAN 20	5 Cause of Damage FREEZE	6 Primary Cause % 100	Agency ABC AGENCY ANY CITY, ANY STATE	9 Claim Number XXXXXXXXXX
12 Optional Units NONE				10 Policy Number XXXXXXXXXX
				11 Crop Year YYYY
				13 Date Notice of Loss MM DD YYYY
				14 Assign. of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
				15 Transfer of Right to Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
				16 Companion Policy(ies)

SECTION I - IMMEDIATELY PRIOR TO THIS LOSS (Include Applicable Peak Endorsement(s))

17a Basic Unit XPS Liability (Excluding Price & Share)	750,000	17b Basic Unit Previous Indemnity(ies) (Sum of 32, previous losses - exclude indemnities applicable to Peak Endorsements)	190,000	17c Effective XPS Liability (17a - 17b or 36 from page 1 > 6units)	560,000
18a Basic Unit Crop Year Deductible (Inventory Value X (1.00 Cov. Level))	750,000	18b Basic Unit Previous Occurrence Deductible(s) (Sum of 29, previous losses - exclude Occur. Deductible(s) applicable to Peak Endorsements)	750,000	18c Effective Crop Year Deductible (CYD) (18a - 18b or 31 from page 1 if > 6 units)	0

SECTION II - THIS LOSS

19 Inspection Number 2	20 Reported Basic Unit Value (17a + 18a) 1,500,000	21 Sum of Prev. Losses (Adj. Losses) (17b + 18b) 940,000	22 Field Market Value C (FMV-C) (Sum of Item 25 entries) 800,000	23 Under Reporting Factor (URF) [(1.000 or ((20 - 21) ÷ 22))] 0.700			
24 Damage similar to other nurseries in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	A. Unit No. 00100 Code 007	B. Unit No. 00100 Code 008	C. Unit No. Code	D. Unit No. Code	E. Unit No. Code	F. Unit No. Code	G. Summary
25 FMV-A	500,000	300,000					800,000
26a. Value remaining-ins. cause	260,000	0					260,000
26b. Value assessed-unins. cause	0	0					0
26c. FMV-B (TOTAL) (26a + 26b)	260,000	0					260,000
27 Unadjusted Loss (FMV-A - FMV-B (TOTAL)) (25 - 26c)	240,000	300,000					540,000
28 Adj. Loss (for Under reporting; item 27 x item 23)	168,000	210,000					378,000
29 Occurrence Ded. (OD) (FMV-A x (100-level 50 %)							0
30 Unadjusted Indemnity (28 - 29)							378,000
31 CYD Remaining [Opt. Unit A - (18c - 29A)] [Remaining Units - (31A - 29B)]							0
32 Preliminary Indemnity [Opt. Unit A < (30 or 17c)] [Remaining Units < (30 or 36A)]							378,000
33 Percent Share	1.000	1.000					1.000
34 Price Election Percent	.55	.55					0.55
35 Indemnity							207,900
36 Effective XPS Liability Remaining [Opt. Unit A - (17c - 32A)] [Remaining Units - (36A - 32B)]							352,100

37 Narrative (If more space is needed, attach a Special Report) THIS IS A CAT POLICY. INSURED HAS PURCHASED ADDITIONAL STOCK AFTER FIRST LOSS OCCURRENCE.

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, 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. False claims or false statements made on a matter within the jurisdiction of the Federal Crop Insurance Corporation may subject the maker to criminal and civil penalties under various Federal statutes including the provisions of 18 U.S.C. 1006, 1014; 7 U.S.C. 1506; 31 U.S.C. 3729, 3730, 3801, 3812.

38 Insured's Signature I M INSURED	Date MM/DD/YYYY	39 Adjuster's Signature I M ADJUSTER	Code Number XXXXXX	Date MM/DD/YYYY
40 Witness' Signature	Date	41 Other Signature(s)	Date(s)	42 Page 1 of 1

8. REFERENCE MATERIAL

TABLE A - FCIC CONTAINER SIZES

Container sizes are determined on an actual volume basis for purposes of determining the size of the container on the EPL/PPS. The FCIC container sizes and volumes are show below.

FCIC SIZE NAME	GALLON MEASUREMENT		CUBIC INCH EQUIVALENT		INCLUDES STANDARD ANSI CLASS
	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	
POT	0.08	0.19	18	45	SP3
1 QUART	0.20	0.39	46	91	SP4
2 QUART	0.40	0.59	92	137	SP5
1 GALLON	0.60	1.37	138	318	1
2 GALLON	1.38	2.49	319	576	2
3 GALLON	2.50	3.39	577	784	3
5 GALLON	3.40	5.77	785	1,334	5
7 GALLON	5.78	8.49	1,335	1,962	7
10 GALLON	8.50	11.97	1,963	2,766	10
15 GALLON	11.98	17.49	2,767	4,041	15
20 GALLON	17.50	22.49	4,042	5,196	20
25 GALLON	22.50	29.79	5,197	6,883	25
30 GALLON	29.80	32.49	6,884	7,506	N/A
35 GALLON	32.50	37.49	7,507	8,661	N/A
40 GALLON	37.50	42.49	8,662	9,816	N/A
45 GALLON	42.50	47.49	9,817	10,971	N/A

TABLE B - INSURABLE PLANT SIZE LIMITS

An additional high/wide (seedling) range has been added to two crop types. To qualify for the seedling range the trees must be CE or DT type and the trees must measure a minimum of 6 inches tall but less than 18 inches tall. Seedlings that are less than 6 inches tall are not insurable, do not round qualifying measurements. The 18 inch trees will be insured according to the individual plant prices.

Lower of the EPL/PPS price or the grower's best wholesale catalog price will be the price for each tree in the seedling range.

Plants that are larger than maximum size listed below are insurable at the price of the largest size listed.

CROP TYPE CODE	CONTAINER		FIELD GROWN			
	SIZE		CALIPER		HIGH/WIDE	
	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM
AN	POT	5 Gal & up	N/A	N/A	N/A	N/A
BE	POT	45 Gal & up	7/16 in.	4 in. & UP	18 in.	25 ft. & up
BS	POT	45 Gal & up	N/A	N/A	6 in.	10 ft. & up
CE	POT	25 Gal & up	7/16 in.	4 in. & up	Seedling	15 ft. & up
CS	POT	25 Gal & up	N/A	N/A	6 in.	10 ft. & up
DS	POT	25 Gal & up	N/A	N/A	6 in.	10 ft. & up
DT	POT	45 Gal & up	7/16 in.	4 in. & up	Seedling	15 ft. & up
FN	POT	25 Gal & up	7/16 in.	4 in. & up	18 in.	10 ft. & up
FO	POT	25 Gal & up	N/A	N/A	N/A	N/A
GC	POT	5 Gal & up	N/A	N/A	6 in.	5 ft. & up
HP	POT	25 Gal & up	N/A	N/A	N/A	N/A
RO	POT	5 Gal & up	N/A	N/A	6 in.	5 ft. & up
SF	POT	5 Gal & up	N/A	N/A	6 in.	5 ft. & up