

United States
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Agriculture



Federal Crop Insurance
Corporation



Product
Development
Division

FCIC-25020-1 (09-2000)
FCIC-25020 (06-1999)

ALMOND

LOSS


ADJUSTMENT

STANDARDS

HANDBOOK

2001 and Succeeding Crop Years

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

FEDERAL CROP INSURANCE HANDBOOK	NUMBER: 25020-1 (09-2000) 25020 (06-1999)
SUBJECT: ALMOND LOSS ADJUSTMENT STANDARDS HANDBOOK 2001 AND SUCCEEDING CROP YEARS	DATE: September 29, 2000
	OPI: Product Development Division
	APPROVED:  Administrator, Risk Management Agency

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.

SUMMARY OF CHANGES/CONTROL CHART

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

Changes:

- A. This handbook complies with the 2001 Almond Crop Provisions (01028) issued 8/2000.
- B. In section 2 B. (1), deleted the definition “Almond Rejects,” and removed references to rejects in the definitions for “Insect Injury,” and “Meat Pounds.”
- C. Changed the phrase “see the LAM” to “refer to the LAM” wherever the phrase appears in the revised pages.
- D. In section 8 B. Section II, (3) deleted subparagraph (c) and renumbered the remaining subparagraphs accordingly. In the first line of renumbered (3) (d), deleted “(or crop)” and in the last line replaced the word “crop” with “practice.” In item A₂, of the Production Worksheet instructions, reformatted the paragraph into two subparagraphs “a.” and “b.” In item I, revised the second sentence to indicate that production damaged due to uninsured causes will be considered production to count. Also deleted the reference to **EXHIBIT 1**.

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SUMMARY OF CHANGES/CONTROL CHART (Continued)

- E. In section 9, removed **TABLE E** from the handbook and revised the Table of Contents accordingly.
- F. Removed **EXHIBIT 1** from the handbook and revised the Table of Contents accordingly.

Control Chart For: Almond Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Remove	1-2	1-2	1-2 19-20	27-35	06-1999 06-1999	FCIC-25020 FCIC-25020
Insert	1-2	1-2	1-2 19-20	27-28	09-2000 09-2000	FCIC-25020-1 FCIC-25020-1
Current Index	1-2	1-2	1-2 3-18 19-20 21-26	27-28	09-2000 06-1999 09-2000 06-1999 09-2000	FCIC-25020-1 FCIC-25020 FCIC-25020-1 FCIC-25020 FCIC-25020-1

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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 providers' 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 almond loss adjustment and this handbook, which are not defined in this section, are defined as they appear in the text.

*** (3) Definitions:

Brown Spot Either single or multiple brown spots on an almond kernel when affected area aggregates more than the equivalent of a circle one-eighth (1/8) inch in diameter. Caused by insects.

Decay Almond kernel that is putrid or decomposed. This is a rare occurrence; most likely a prior year's nut (uninsurable).

Gum	A film of a shiny resinous appearing substance that covers more than one-eighth (1/8) of the kernel area. Occurs in less than 1% of kernels in a normal year. Gum is triggered by spring weather conditions (either rain or frost: frost damage not severe enough to cause nut drop). Gum can be determined early in nut development stage (around April). If the nuts are sound in May or June, they will not develop gum (insurable).
Imbedded Foreign Material	Pieces of shell, hulls, or other foreign matter which will not pass through a round opening 8/64 inch in diameter. Is usually caused by improper handling and poor hulling work (uninsurable).
Insect Injury ***	Insect web or frass is present or there is definite evidence of insects feeding. Injury is caused by insects on the ground or on the tree.
Meat Pounds ***	Total pounds of almond meats (whole, chipped and broken, and in-shell meats). Unshelled almonds will be converted to meat pounds in accordance with FCIC approved procedures.
Mold	Mold which is visible on the kernel (nut meat), and not easily rubbed off with the fingers is insurable unless caused by improper handling or poor farming practices. Mold found on hulls (not on meats) will be caused by brown rot or shot hole fungus from rain at bloom or very early nut set. Such infected in-shell nuts present in delivered product are uninsurable.
Rancid	Kernel is noticeably bitter (rancid) to taste. Occurrence is rare; most likely a prior year's nut, can be caused by improper storage, or early worm damage. Would be scored as insect damage.
Set out	Transplanting the (almond) tree into the orchard.
Shriveling	The kernel is excessively thin for its size or is materially withered, shrunken, leathery, tough, or partially developed. Kernels are not considered damaged if more than three-fourths (3/4) of the pellicle is filled with meat. Triggered by spring weather conditions (rain or frost) at or just past bloom stage. Causes physiological damage to kernel embryo. It is not caused by lack of irrigation water. It is found at early development stage similar to gum (insurable).

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) For production commercially stored, sold, enter the name and address of storage facility, buyer, packinghouse, or processor as applicable in items B - E.
- (3) If additional lines are necessary, the data may be entered on a continuation sheet. USE SEPARATE LINES FOR:
 - (a) Separate storage facilities.
 - (b) Different FIRST handlers (buyers, packinghouses, or processors). The insured must have maintained satisfactory records of ALL production sold or stored. Verify any packinghouse or processor records.

NOTE: (In all localities) if the first handler was not a packer or processor, the production will be determined by the adjuster on the basis of available records.

- (c) Varying shares; e.g., 50 percent and 75 percent shares on same unit.
- (d) Harvested production from more than one insured practice and a separate approved APH yield has been established for each, the harvested production also must be entered on separate lines in items A - S by **practice**.

NOTE: 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 another 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 a unit has been harvested, and the insured does not intend to harvest such acreage, enter “**No Harvest.**”
- d. If the case involve a Certification Form, enter the date from the Certification Form when the entire unit is put to another use, etc. **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. - E. **Length or Diameter, Width, Depth, Deduction:** For production that is stored or sold, enter the name and address of the **Buyer, Packinghouse, or Processor**. For production otherwise disposed of, indicate the disposition (sold by direct marketing, etc.).

F. - H. MAKE NO ENTRY.

I. **Bu., Ton, Lbs., Cwt.:** Circle “Lbs.” in the column heading. Production in whole meat pounds of almonds accepted by a buyer. Production **damaged by uninsured** causes of loss **will be considered production to count**. Include both loose (whole and chipped) and in-shell meats.

TABLE D - SHELLING PERCENTAGES FOR CLEAN UNSHELLED ALMONDS

Variety	Average Shelling Percent	Variety	Average Shelling Percent	Variety	Average Shelling Percent
Aldrich	60	Le Grand	60	Price	65
Ballico	55	Livingston	65	Ripon	45
Butte	60	Merced	70	Rosetta	50
Camel	65	Milow	65	Ruby	55
Carrion	60	Mission	50	Sauret I	65
Davey	55	Mono	50	Sauret II	65
Dottie Won	50	Monterey	55	Solano	65
Drake	40	Ne Plus Ultra	65	Sonora	70
Fritz	55	Non Pareil	70	Thompson	70
Harvey	65	Norman	60	Tokyo	55
IXL	50	Padre	55	Valenta	55
Jeffries	70	Pearle	55	Woods Colony	65
Jordanolo	65	Peerless	45		

NOTE: Some almond processors are pulling samples from deliveries for varieties that are typically sold inshell. These samples are being cracked out to determine the actual shelling percent for the variety. The shelling percentage from the sample crackout is being used to determine the payment per pound for the variety being sold inshell and is shown on the settlement sheet. In this situation, use the shelling percentages shown on the settlement sheets as the shelling percent entry on the claim form.

