

**United States  
Department of  
Agriculture**

**USDA**

**Risk  
Management  
Agency**

**Product  
Development  
Division**

**FCIC 18010  
(7-97)**

# **1998 CROP INSURANCE HANDBOOK (CIH)**

Underwriting and Actual Production History (APH) Standards for Catastrophic (CAT), Limited & Additional Coverage Multiple Peril Crop Insurance (MPCI) Contracts

Consolidates and replaces CAT and CIH procedures previously contained in separate handbooks.

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FEDERAL CROP INSURANCE CORPORATION DIRECTIVE		NUMBER: 18010
SUBJECT:  CROP INSURANCE HANDBOOK (CIH) 1998	DATE: July, 1997	
	OPI: Product Development Division	
	APPROVED: <i>Tim B. Witt /s/ 7/8/98</i>	

**1 (SECTION 1) PURPOSE**

To provide underwriting STANDARDS and administrative instructions for:

- 1A** ADDITIONAL, LIMITED, and CATASTROPHIC RISK PROTECTION coverage level Multiple Peril Crop Insurance (MPCI) policies.
- 1B** The Actual Production History Program (APH). APH is used to establish yields for individual yield-based coverage.
- 1C** Selected Policy, Endorsement, and Option Provisions, used to underwrite the MPCI program.

**2 (SECTION 2) CANCELLATION AND OPERATING STANDARDS**

**2A** Cancellation

- A(1) Effective Date. Upon approval.
- A(2) Replaces. The FCIC 18010 dated June 1997 replaces and rescinds the following issuance systems and individual directives published as:
- (2)(a) Handbooks and Amendments: 1997 FCIC 18100 (8/20/1996), Amendment 18100-01(3/3/97), FCIC 18010(7/ 23/96), and Amendment 18010-01 (2/13/97)
- (2)(b) MGR.-Bulletins: 97-002 and 97-007
- (2)(c) R & D Informational Memorandums: 96-035 and 96-046
- A(3) Conversion of the above issuances will take place upon receipt of this handbook.

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**DISTRIBUTION**

Risk Management Agency Directors, Branch Chiefs, Washington, D.C. and Kansas City; Regional Service, and Compliance Offices; Reinsured Companies, National Appeals Division, National Crop Insurance Services and Crop Insurance Research Bureau.

**2B Operating Standards**

This handbook is the official publication of the Federal Crop Insurance Corporation (FCIC) for all levels of insurance provided under the Multiple Peril Crop Insurance (MPCI) program. MPCI refers to the Multiple Peril Crop Insurance policies available under the Federal crop insurance program and written by Private Insurance Companies reinsured by FCIC. Private Insurance Companies are hereafter referred to as "Insurance Providers." Approval authorities within FCIC and for Insurance Providers are indicated in this handbook. Insurance Providers are delegated the same underwriting authorities as FCIC, ONLY when indicated in this handbook (i.e., RMA RSO/Insurance Providers.)

Insurance Providers that have a Standard Reinsurance Agreement (SRA) with FCIC must use this handbook or comparable procedures approved by FCIC to deliver MPCI coverage. This handbook and the sample forms contained within it are the FCIC STANDARDS FOR APPROVAL when FCIC's approval of comparable procedures and/or form is requested.

Each Insurance Provider is responsible for using FCIC approved procedure. If an Insurance Provider is audited by a government agency or is selected for an FCIC compliance review, the applicable procedure in this handbook or comparable FCIC approved procedures will be the basis for all determinations. If there is a conflict between this handbook and comparable FCIC approved procedures issued by an association or Insurance Provider, the procedures in this handbook will prevail unless determined by FCIC to be in error.

Insurance Providers may develop forms based on their internal needs. The structure of these forms may vary from the standard FCIC forms, but they require FCIC's written approval and must contain the same information as the FCIC forms. All certification statements on forms submitted to FCIC for approval MUST BE IDENTICAL to the ones approved for use by FCIC and the Privacy Act Statement must be included on any form used to collect information from the insured.

This handbook is generic in format where practical. Some exhibits and examples used in this handbook are not exact reproductions of actual forms they represent. They are formatted in WordPerfect 6.1 for ease in handbook preparation. See the FCIC approved forms for the actual form format.

This handbook is written and maintained by:

Office of the Assistant Manager for Research and Development, Underwriting Division,  
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If an error is found, notify us in writing at the above address. Outline the error and indicate the proposed correction. Errors may be corrected for the current crop year. Proposed changes should be submitted in writing through your proper organizational channels to the Underwriting Division for consideration.

**2C Special Instructions.**

Items or provisions are applicable to all levels of coverage unless specifically identified as either: 1) applicable to specified levels of coverage or 2) not applicable to specified levels of coverage. When the following symbols are used, the text between the arrows:

**(ADD→.....←ADD)** Applies ONLY to additional coverage policies.

**(LIM→.....←LIM)** Applies ONLY to limited coverage policies.

**(CAT→.....←CAT)** Applies ONLY to CAT policies.

**(NACAT→.....←NACAT)** DOES NOT apply to CAT policies.

**(LIM/CAT→.....←LIM/CAT)** Applies ONLY to limited and CAT coverage policies.

### 3 DEFINITIONS

**Acreage Report** - A report required by the basic policy provisions which contains, in addition to other required information, the insured's share of all acreage of an insured crop in the county whether insurable or not insurable.

**Acreage Reporting Date** - The date by which insureds are required to submit acreage reports. Acreage reports must be filed not later than the acreage reporting date contained in the Special Provisions for the county for the insured crop or as provided in the basic policy provisions.

**Actual Yield** - The yield for a crop year calculated from the producer's records and/or claims for indemnities. The actual yield is determined by dividing total production (including harvested and appraised potential production) by planted insurable acreage for annual crops and by insurable acres for perennial crops (unless production from uninsurable acreage is commingled with production from insurable acreage). [See Sec. 10 B (2).]

**Added Land** - Land on which the insured has not actively engaged in farming for a share of the crop's production on the unit for more than two APH crop years. [See Exhibit 36.]

**Added Practice, Type, or Variety (P/T/V)** - A P/T/V of the insured crop as identified on the actuarial document that requires separate APH yields, and for which the insured has NOT been actively engaged in farming for a share of the P/T/V's production on the unit for more than two APH crop years. [See Exhibit 36.]

**Additional Coverage** - Plans of crop insurance providing a level of coverage equal to or greater than 65 percent (65%) of the approved yield indemnified at 100 percent (100%) of the expected market price, or comparable coverage as established by FCIC.

**Administrative Fee** - The annual fee that the producer must pay per crop and county in addition to the premium (if any) for additional, limited, or catastrophic coverage.

**Appraised Production** - Production determined by the Insurance Provider for unharvested acreage, reflecting the potential production for the crop at the time of the appraisal. Appraisals made for production LOST due to insured or uninsured cause(s) of loss are not considered production for APH purposes. Only potential production remaining in the field at the time of the appraisal is used for APH purposes. (Applies to both APH appraisals or appraisals made to determine a loss.)

**Approved APH Yield/Approved Yield** - The amount of production per acre computed and approved by the verifier in accordance with FCIC's Actual Production History Program (7 CFR part 400, subpart G) or, for crops not included under 7 CFR part 400, subpart G, the yield used to determine the guarantee in accordance with the crop provisions or the Special Provisions. The approved APH yield may contain up to ten consecutive APH crop years of actual and/or assigned yields.

**Assigned Yield** - A yield assigned (by the verifier) for the most recent APH crop year in the base period (by database) if carryover insureds do not file acceptable production reports by the production reporting date, as required by the crop insurance contract. The assigned yield is 75 percent of the previous year's approved APH yield. Assigned yields are used in the same manner as actual yields when calculating APH yields except when the insured is listed under the Nonstandard Classification System (NCS).

**Average APH Yield** - the sum of the actual, assigned and/or applicable "T" Yields divided by the number of yearly yields in the database (prior to the application of yield limitations when yield limitations apply).

**Base Period** - Ten consecutive APH crop years ( five consecutive APH crop years for Apples and Peaches) immediately preceding the current policy crop year (defined in the applicable insurance policy) for which the approved APH yield is being established. Exceptions: the base period for AZ-CA Citrus and Sugarcane begins two calendar years preceding the current policy crop year (a lag year). The base period for each APH database is determined by the consecutive APH CROP YEARS it contains, not by calendar years.

**Carryover Insured** - A person or entity who was insured the previous year without respect to the carrier or agent, determined on a crop policy (by county) basis.

**Catastrophic Risk Protection (CAT)** - The minimum level of coverage offered by FCIC which meets the requirements for a person to qualify for certain other USDA program benefits. Catastrophic Risk Protection is referred to as "CAT" or "CAT coverage" in this handbook. [See Sec. 4, C(5)(c) and Sec. 4, E(1) for additional explanations.]

**Continuous Production Reports** - Production reports submitted by a producer for each consecutive APH crop year (within the base period), including the most recent APH crop year in the base period. Continuity is not interrupted if for any calendar year the crop was not planted, prevented from being planted by an insurable cause, or NOT produced for an insurable purpose. [See Sec. 10, Par. B(1) and (2).]

**Contract** - The contractual agreement between the insured and the Insurance Provider consisting of the accepted application, the Basic Provisions, the Crop Provisions, the Special Provisions, other applicable endorsements or options, the Actuarial Table for the insured crop, the Catastrophic Risk Protection Endorsement (if applicable), and the applicable regulations published in 7 CFR Chapter IV.

**County** - The political subdivision of a state listed in the actuarial table and designated on the accepted application (\* for crops/counties with a November 30, 1997, or later contract change date, "county" includes acreage in a field that extends into the adjoining county if the county boundary is not readily discernable). For peanuts, potatoes, and tobacco, "county" includes any land identified by an FSA farm serial number for the county but physically located in another county.

\* Proposed Rule for 1998.

**Crop of Economic Significance** - A crop that has either contributed in the previous crop year, or is expected to contribute in the current crop year, 10 percent (10%) or more of the total expected value of the producer's share of all crops grown in the county. However, a crop will not be considered a crop of economic significance if the expected liability under the CAT Endorsement is equal to or less than the administrative fee (\$50.00) required for the crop.

**Crop Year** -

**APH Crop Year.** For APH purposes, the term does not include any year the crop was not planted, prevented from being planted by an insurable cause, or NOT produced for an insurable purpose as provided in the crop's policy. [See Sec. 10, Par. B(2).]

Example 1: When an insured plants insurable acreage in a county to wheat for harvest as grain, that year is a crop year for APH data purposes. If the land is summerfallowed the next calendar year, that year is not a crop year for APH data purposes.

Example 2: A year that oats were planted as a cover crop, pastured, or put up for hay is not considered an APH crop year unless such acreage was reported and insured as "intended for harvest as grain" under the MPCl contract.

**Policy Crop Year.** The period defined by the applicable crop insurance policy.

**Database** - The data used to calculate the average/approved APH yield. A minimum of four up to a maximum of ten continuous APH CROP YEARS of production data are used. The data provided must begin with the most recent APH CROP YEAR. Years containing assigned yields do not break continuity of production data and are considered APH CROP YEARS.

**Days** - Calendar days.

**Established Price** - The price per unit of production issued by FCIC by each crop's filing date.

**Expected Market Price** - The price per unit of production (or other basis as determined by FCIC) anticipated during the period the insured crop normally is marketed by producers. This price will be set and announced by FCIC not less than 15 days prior to the sales closing date for the crop. Applicable for the following crops: Barley, Corn, Grain Sorghum, Hybrid Corn Seed, Hybrid Sorghum Seed, Malting Barley, Oats, Rye, Soybeans, and Wheat.

**FCIC** - The Federal Crop Insurance Corporation, a wholly owned Government Corporation administered by the Risk Management Agency within USDA.

**Final Planting Date** - The date contained in the special provisions for the insured crop by which the crop must initially be planted in order to be insured for the full production guarantee or amount of insurance per acre.

**FSA** - The Farm Service Agency, an agency of the United States Department of Agriculture, or a successor agency.

**FSA Farm Serial Number (FSN)** - The number assigned to the farm by the FSA county committee.

**Good Farming Practices** - The cultural practices generally in use in the county for the crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance, and are those recognized by the Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the county.

**Gross Production** - Net delivered production of the commodity (by removing truck weight and other weights which are considered tare from the gross scale weight) prior to deductions made for dockage, test weight, moisture content, poor quality, foreign material, etc. For APH purposes, harvested or appraised gross production, documented in the unit of measure indicated by the crop's policy, is acceptable. However, when acceptable records that indicate dockage, low test weight, high moisture content, poor quality, foreign material, etc., are available at the time production reports are filed, gross production MUST be adjusted for APH purposes to reflect the same quality of production as provided in the crop's policy for loss payment purposes. [See Sec. 6, Par. J and Sec. 7, Par. L for additional instructions for each crop.]

**Insurance Provider** - A company reinsured by FCIC or FSA providing crop insurance coverage to producers participating in any Federal crop insurance program administered under the Federal Crop Insurance Reform Act of 1994. Beginning with the 1998 crop year, FSA will no longer be providing MPCICAT coverage.

**Insured** - The named person/entity as shown on the application accepted by the Insurance Provider. This term does not extend to any other person having a share or interest in the crop (for example, a partnership, landlord, or any other person) unless specifically indicated on the accepted application.

**Insured Crop** - The crop defined under the Basic Provisions and the applicable Crop Provisions as shown on the application accepted by the Insurance Provider.

**Intended Crop** - A crop stated on the application submitted on or before the crop's sales closing date which the insured intended to plant the crop year for which application is made. ("Intended crop" is used in conjunction with substitute crop determinations.)

**Irrigated Practice** - A method of producing a crop by which water is artificially applied during the growing season by appropriate systems and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee or amount of insurance on the irrigated acreage planted to the insured crop.

**Late Planted** - Acreage planted to the insured crop during the late planting period.

**Late Planting Period** - The period that begins the day after the final planting date for the insured crop and ends 25 days after the final planting date, unless otherwise specified in the Special Provisions. For acreage planted during the late planting period, coverage is reduced in accordance with the crop's policy provisions or Late Planting Agreement Option (LPAO), as applicable.

**Limited Coverage** - Plans of insurance offering coverage that is equal to or greater than 50 percent (50%) of the approved yield indemnified at 100 percent (100%) of the expected market price (or a comparable coverage) but less than 65 percent (65%) of the approved yield indemnified at 100 percent (100%) of the expected market price, or a comparable coverage.

**Limited Resource Farmer** - A producer or operator of a farm, with an annual gross income of \$20,000 or less derived from all sources of revenue, including income from a spouse or other members of the household, for each of the prior two years. Notwithstanding the previous sentence, a producer on a farm or farms of less than 25 cropland acres (aggregated for all crops), where a majority of the producer's gross income is derived from such farm or farms but the producer's gross income from farming operations does not exceed \$20,000, will be considered a limited resource farmer (e.g., a producer farming 20 acres with a total gross income of \$39,000, of which \$20,000 is farm income and \$19,000 is off-farm income, is a limited resource farmer).

**Linkage Requirement** - The legal requirement that a producer must obtain at least CAT coverage for any crop of economic significance as a condition of receiving benefits for such crop from certain other USDA programs, unless the producer executes a waiver of any eligibility for emergency crop loss assistance in connection with the crop.

**New Insured** - A person/entity who was not insured the previous crop year without respect to the carrier (FSA or Insurance Company) or agent. If the insured had an MPC, Income Protection, Crop Revenue Coverage, or Revenue Assurance crop insurance policy the previous crop year on the same crop/county, that person is not a new insured.

**New Producer** - (CATEGORY B CROPS ONLY) A person who has not been actively engaged in farming for a share of the production of the insured crop (producing the crop) for more than two APH crop years. Formation or dissolution of an entity which includes individuals with more than two APH crop years of production history during the base period does not qualify the new entity as a new producer for APH yield determination purposes.

**Non-Contiguous** - Any two or more tracts of land whose boundaries do not touch at any point, except that land separated only by a public or private right-of-way, waterway, or an irrigation canal will be considered as contiguous.

**Nonstandard Classification System (NCS)** - Insureds identified as a separate risk group with atypical loss frequency and severity. Insurance offers made to this group of insureds are modified to reflect the risk associated with each insurance contract.

**Palmer Drought Severity Index** - A meteorological index that is calculated by the National Weather Service on a weekly basis and that indicates prolonged and abnormal moisture deficiency or excess.

**Person/Entity** - An individual, partnership, association, corporation, estate, trust, or other legal entity, and wherever applicable, a state or a political subdivision or agency of a state. "Person" does not include the United States Government or any agency thereof.

**Planted Acreage** - Land in which seed, plants, or trees have been placed as appropriate for the insured crop and planting method, at the correct depth, into a seedbed that has been properly prepared for the planting method and production practice.

**Policy** - (also see "Contract") The provisions for insuring a specific crop.

**Practical to Replant** - The Insurance Provider's determination, after loss or damage to the insured crop, based on all factors, including, but not limited to, moisture availability, condition of the field, time to crop maturity, and marketing window, that replanting the insured crop will allow the crop to attain maturity prior to the calendar date for the end of the insurance period. It will not be considered practical to replant after the end of the late planting period, or the final planting date if no late planting period is applicable, unless replanting is generally occurring in the area. Unavailability of seed or plants will not be considered a valid reason for failure to replant.

**Preliminary Yield** - The APH yield calculated by the agent prior to approval by the verifier. Preliminary yields are used to provide coverage estimates and premium quotations and are calculated using the same procedure as approved APH yields.

**Prevented Planting** - Failure to plant the insured crop (due to an insured cause of loss) with proper equipment by the crop's final planting date designated in the Special Provisions for the county or by the end of the late planting period. An insured cause of loss must have also prevented the majority of producers in the surrounding area from planting the same crop.

**Prior APH Yield** - The approved APH yield (item 21 of the FCI-19-A) from the previous year's APH form.

**Production Guarantee (Per Acre)** - The number of pounds, bushels, tons, cartons, or other applicable units of measure determined by multiplying the approved yield/approved APH yield per acre by the coverage level percentage elected.

**Production Report** - A written record showing the insured crop's planted acreage and annual production used to determine the insured's actual yields for insurance purposes. Production reports may be APH forms or documents containing the same information required to complete APH forms. The insured must certify acreage and production for each unit of the crop for at least the most recent APH crop year in the base period. To be acceptable, production reports must meet the requirements as outlined in this handbook and be signed, dated, and submitted by the insured on or before the production reporting date.

**Production Reporting Date (PRD)** - The latest date production reports will be accepted for inclusion in the database used to calculate approved APH yields for the current crop year. The PRD is the earlier of the acreage reporting date or 45 calendar days after the earliest cancellation date for the crop for the current crop year. This definition is used to standardize the production reporting date for all Category B and C APH Crops for the various policy versions that currently are in force.

**Replanting** - Performing the cultural practices necessary to prepare the land to replace the seed or plants of the damaged or destroyed crop and then replacing the seed or plants in the insured acreage.

**RMA Regional Service Office (RMA RSO)** - The RMA Field Underwriting and Program Services Office for a designated area (states). [See Exhibit 12 for list of offices and states served.]

**RMA RSO Determined Yields** - The approved APH yield determined by the RMA RSO for insureds who do not provide at least four years of acceptable production reports when a "T" Yield Table is not published; or for other cases referred to the RSO for yield determinations; Blueberries in the states of Maine, Mississippi, North Carolina, and New Jersey; and Texas Citrus APH yields.

**Secretary** - The Secretary of the United States Department of Agriculture.

**Share** - The insured's percentage of interest in the insured crop as an owner, operator, sharecropper, or tenant at the time insurance attaches. Unless the accepted application clearly indicates that insurance is requested for a partnership or joint venture, or is intended to cover the landlord's or tenant's share of the crop, insurance will cover only the share of the crop owned by the person/entity completing the application. The share will not extend to any other person having an interest in the crop except as may otherwise be specifically allowed in the Basic Policy provisions.

**Cash Lease (100 Percent Share).** Acreage rented for cash is considered a cash lease. A lease containing provisions for either a minimum payment or a crop share will be considered a cash lease.

**Crop Share.** Acreage rented for a percentage of the crop will be considered a crop share lease. A lease containing provisions for both a minimum payment (such as a specified amount of cash, bushels, pounds, etc.) and a crop share will be considered a crop share lease.

**Temporary Yield** - A yield used when an insured is unable to finish harvest (due to an insurable cause), or records are unavailable from the processor, marketing outlets, etc., (by unit) by the production reporting date.

**Timely Planted** - Planted on or before the final planting date designated in the special provisions for the insured crop in the county.

**Transitional Yield ("T" Yield)** - An estimated yield provided in the Actuarial Table which is used in calculating average/approved APH yields when less than four years of actual, temporary, or assigned yields are available.

Note: Any actuarial document references to Determined Yields ("D" Yields) are considered "T" Yields for APH purposes.

**Transitional Yield Locator Document ("T" Yield Map)** - A county map indicating area classifications and corresponding "T" Yields. "T" Area classifications are used in conjunction with the "T" Yield table to determine "T" Yields.

**Unit** - The insurable acreage of the insured CROP in the COUNTY taken into consideration when determining the approved APH yield, production guarantee/amount of insurance, and the amount of any indemnity (loss payment). Each insured crop's unit structure is defined in the policy and/or respective endorsement.

**USDA** - The United States Department of Agriculture.

**Variable "T" Yield** - Sixty-five, 80, 90, or 100 percent of the applicable "T" Yield based on the number of years of actual, assigned, or temporary actual yields provided for each database by the insured.

**Verifier** - An Insurance Provider authorized by FCIC to calculate approved APH yields.

**Waiver (Linkage)** - An FSA document that, when signed by a producer, relinquishes that producer's eligibility for emergency crop loss assistance and satisfies linkage requirements.

**Waiver (Administrative Fees)** - A document that, when signed by limited resource farmers, exempts them from paying the administrative fee.

**Written Agreement** - A document that alters designated terms of a limited or additional coverage policy and that is authorized under the basic provisions, the crop provisions, or the special provisions for the insured crop.

**Yield Limitations** - Adjustments made to average APH yields, when applicable, which result in the approved APH yield. [See Sec. 6, Par. I and Sec. 7, Par. J(5).]

**Zero Acreage Report** - An acreage report filed by an insured that certifies that the insured does not have a share in the crop for that crop year.

#### 4 GENERAL RULES

4A **Insurance Offer.** Insurance is available when crop information is contained in the county actuarial documents for a particular crop. In addition to listing eligible crop programs for the county, the county actuarial tables include: sales closing and other program dates, CAT and other available price elections, coverage levels, dollar amounts of protection, risk classifications and the corresponding rates. The applicable county actuarial table is a part of the insurance contract.

A(1) **Eligible crops** are crops with an applicable MPCCI crop policy. Eligible crops must be grown on insurable acreage in a county for which a method of establishing insurance yields/guarantees and premium rates has been established for the crop in order for insurance to attach. See [Exhibit 1] for a listing of:

(1)(a) Eligible Crops;

(1)(b) Applicable FCIC/NCIS Crop Insurance Policies;

(1)(c) Coverage Plans;

(1)(d) Availability of Late and Prevented Planting Coverage;

(1)(e) Units of Measure;

(1)(f) **(NACAT→** Availability of Replant Coverage. **←NACAT)**;

(1)(g) Type of Units Which Apply;

(1)(h) Basic Unit Discount, if applicable; and

(1)(i) **(NACAT→** Availability of High-Risk Land Exclusion. **←NACAT)**

A(2) **Insurable Farming Practices.** The policy, crop provisions/endorsement, and/or county actuarial table (Special Provisions) for the county may provide for or exclude from insurability certain farming practices. Refer to those documents for specific information. **(NACAT→** When permitted by the policy, coverage by written agreement for unrated farming practices may be requested from the RMA RSO. [See Par. 4G]**←NACAT)** For example:

(2)(a) Summerfallow (SF) is an insurable practice in some areas of the country. Summerfallow is the tillage of uncropped land during the summer to control weeds and store moisture in the soil for the growth of a later crop.

1 Termination of plant growth is required prior to the date designated for the area (May 1 in California, June 15 in South Dakota, July 1 in North Dakota and June 1 in all other states) followed by a continuous chemical and/or mechanical weed control program.

2 Summerfallow practices carried out must be consistent with National Resources Conservation Service (NRCS) soil erosion control measures and a good summerfallow practice for the area with regard to method(s), frequency, and adequacy of tillage and/or chemical control.

(2)(b) Other Situations that Qualify for SF Practice. The land must not have been planted to a crop in the preceding crop year and must be fallow for a full crop year, except if a crop was planted on acreage:

1 In the fall of 1995 or spring of 1996 that qualified for the SF practice for the previous (1997) crop year, the crop failed and/or was destroyed before the date specified [in Par. (2)(a)1]. If all other summerfallow requirements were carried out, a crop planted on such acreage for the 1998 crop year (fall of 1997 or spring of 1998) qualifies for the SF practice.

2 In the fall that qualified for the summerfallow practice. It failed and the insured was given consent to put the acreage to another use. If the first crop was destroyed before the date specified [in Par. (2)(a)1] and the insured plants to a different (second) crop, the second crop also qualifies for the SF practice.

Note: If the first crop is harvested [see crop provisions for definition of harvest], the second crop will not qualify as SF.

A(3) **Crop Policy and/or County Actuarial Document Revisions.** Such revisions must be on file with the Insurance Provider by the contract change date specified in the crop policies preceding the crop year for which the changes are to become effective.

A(4) **Crop Provisions with More Than One Insurable Crop.** The AZ&CA Citrus, Coarse Grains, Florida Citrus, Grapes (CA only), Peas (1998 Proposed Rule indicates separate Dry and Green Pea Crop Provisions), Small Grains, Stonefruit, Texas Citrus, Texas Citrus Trees, and Guaranteed Tobacco crop provisions include more than one crop; however, these crop provisions allow insureds to designate which of the crop(s) are to be insured. The crop provisions may indicate that type(s) or variety(ies) (e.g., Type I Fresh Apricots and Type II Processing Apricots insured under the Stonefruit Endorsement) are separate insured crops. Refer to the applicable crop provisions (Insured Crop Section) or the Special Provisions to determine the separate insurable crops. Each crop under the same crop provisions that may be insured separately must be charged a separate administrative fee.

**Example:** A producer selects additional coverage (65/100) on two AZ&CA Citrus crops (types) that may be insured separately. CAT coverage is selected on the remaining insurable crops (types) grown. Two \$10 additional coverage administrative fees will be charged for the additional coverage and a CAT administrative fee of \$50 per crop (not to exceed \$200 for the county) will be charged.

A(5) **Term.** MPCl policies are continuous contracts and remain in force until: 1) canceled in writing by either the insured or the Insurance Provider on or before the

cancellation date for the effective crop year, 2) the policy is terminated by the Insurance Provider because the applicable administrative fee or any other unpaid amount (e.g., overpaid indemnity, premium) was not paid. The cancellation and termination dates are found in the applicable crop provision/crop endorsement.

- (5)(a) Cancellation. The insured or Insurance Provider may cancel a continuous policy for any crop year following the initial crop year insured by giving a signed notice to the other party on or before the cancellation date that precedes the crop year. A request made by the insured to cancel a crop/policy after the cancellation date will be effective the following crop year.

Insurance on a crop may not be canceled the first effective policy year by the insured, except when:

- 1 **(NACAT→**A change is made in the policy, endorsement, actuarial documents (special provisions or rates) which adversely affects the coverage or rate which was not filed at the time of application. If an application is taken before revised rates and rules filing, the applicant will be advised by the Insurance Provider of any change which would adversely affect the insured crop. The applicant will then have the option to cancel such crop(s) on or before the cancellation date.**←NACAT)**
- 2 **(NACAT→**The approved APH yield has been lowered by more than five percent compared to the preliminary yield quoted [see Sec. 11, Par. F], or the Insurance Provider was not authorized to calculate the preliminary yield and the approved yield is not acceptable to the insured.**←NACAT)**

Note: A policy written with one Insurance Provider may not be canceled for the purpose of insuring with another agent/Insurance Provider the first effective crop year without the consent of the Insurance Providers involved.

- (5)(b) CAT→Termination. The Insurance Provider will terminate the CAT Endorsement:

- 1 And the crop policy for the crop year for which the insured fails to pay the CAT administrative fee by the date due. In the case of partial payment of fees involving multiple crops, there may be a question concerning which policy(ies) should be terminated and which should remain insured. If so, contact the producer to make this determination.

Note: CAT coverage is not available to persons whose MPCl policies have been previously terminated for non-payment of premium or indebtedness to FCIC or the Insurance Provider and the unpaid premium/debt has not been satisfied.

- 2 If the insured purchases limited or additional coverage. If purchased from a different Insurance Provider, transfer procedure must be followed.
  - 3 At the end of the crop year if the crop policy to which the CAT Endorsement attaches automatically terminates (i.e., the policy must be renewed each crop year). ←CAT)
- (5)(c) **(NACAT→Termination for Non-payment of Premium.** The policy provides for termination of the contract for the next crop year if any of the premium remains unpaid as of the termination date for non-payment of premium (which precedes that crop year). A policy issued by a new Insurance Provider will be terminated for existing indebtedness [see C(9)(e)1c this Sec.]. FCIC will not provide reinsurance on policies that should have been terminated for non-payment of premium but were not. ←NACAT)
- A(6) **Other MPCl Insurance.** Only one MPCl policy (issued under the authority of the Federal Crop Insurance Act), is permitted on the same crop/county for the same person/entity EXCEPT for:
- (6)(a) Acreage designated by FCIC as high-risk land which is excluded from a limited or additional coverage policy and insured under a separate CAT policy. High-risk land which is excluded from limited or additional coverage and insured under the CAT endorsement is considered a separate crop for administrative fee and unit division purposes. High-risk land may be insured on a separate CAT policy provided that on or before the crop's sales closing date the insured:
    - 1 Executes a High-Risk Land Exclusion Option Form.
    - 2 Obtains a CAT policy from the same Insurance Provider.
    - 3 Pays the required administrative fee.
  - (6)(b) Hybrid Seed Corn grown under contract with more than one seed corn company. A separate MPCl policy is allowed for acreage grown under contract with each different seed corn company.
    - 1 **(CAT→If CAT coverage is selected, it applies to all policies in the county. ←CAT)**
    - 2 **(NACAT→Different coverage (limited or additional) may be selected on each different policy if CAT coverage has not been elected in the same county. ←NACAT)**
    - 3 Separate policies issued for acreage contracted with different seed corn companies do not create more units than is provided by the

policy/CAT Endorsement. Payment of losses must be made accordingly and coordinated between policies/Insurance Providers.

- A(7) **Duplicate Policies Are Not Permitted.** Insurance Companies must use the Policyholder Tracking System (PHTS) to determine if more than one MPCl policy is in force on the same crop and county for the same person. Except for high-risk land excluded from a limited or additional coverage policy with a CAT policy and Hybrid Seed Corn policies grown under contract with more than one seed corn company [See A(6)], if more than one policy is in force on the same crop/county for the same person/entity; duplicate policies exist. The policy with the earliest date of application will remain in force and all other policies for the crop will be voided. If the Insurance Provider determines that duplicate coverage exists and was intentional, the insured may be subject to the fraud provisions stated in the applicable crop policy. FCIC will edit to ensure that duplicate policies do not exist.
- A(8) **Other Insurance/Excess Coverage.** When other:
- (8)(a) Fire insurance is carried on insured crops, the MPCl policy provides for only excess coverage.
- (8)(b) Insurance covering like perils is carried on hybrid seed corn, the MPCl policy provides for only excess coverage if damaged by a like peril. See the Hybrid Seed Corn policy for details.
- A(9) **Insured Cause(s) of Loss.** Insured causes of loss (and any limitations) are stated in each crop's policy provisions. Examples are: adverse weather conditions, fire, wildlife, earthquake and volcanic eruption occurring within the insurance period. **(CAT→Other insured cause(s) of loss due to natural disasters may be determined by the Secretary of Agriculture.←CAT)**
- A(10) **Notice of Damage or Loss.** It is the duty of the insured to provide notice of loss to the Insurance Provider without delay. Sufficient information must be provided to determine whether or not an inspection is necessary. See the policy or endorsement for each crop's notice and representative strip/sample requirements.
- (10)(a) **Severe Wind Erosion.** Insureds must notify their agents immediately of their intention to till acreage to control soil erosion. When a notice concerning severe wind erosion is given, the Insurance Provider should contact an adjuster immediately and an inspection made as soon as possible. When the local Natural Resources Conservation Service/Cooperative Extension Service recommends emergency tillage to conserve the soil and minimize further damage to the insured crop, the policyholder may take immediate action if the acreage to be tilled represents 25 percent or less of the field or subfield. In all other cases, the crop must be inspected before starting any emergency tillage. If, after tilling is started, more than 25 percent of a field or subfield needs to be tilled, the insured must notify the Insurance Provider so that such acreage can be inspected prior to tilling.
- (10)(b) **General Notice Instructions.** The insured must give timely notice of damage or probable loss if:

- 1 During the period before harvest, the insured crop on any unit is damaged to the extent that the insured does not expect to further care for or harvest any part of the acreage. Such acreage must be left intact until inspected.
- 2 The insured wishes to put insured acreage to another use. The insured must NOT put acreage to another use before the crop's potential production is appraised and written consent is given for such other use.
- 3 An indemnity or replanting payment is to be claimed on any unit.

(10)(c) Delayed Notices. Notices of loss are considered "delayed" if not reported within the period of time specified in the individual crop policy(ies). [See the General Loss Adjustment Standards (FCIC-25010).]

4B **Linkage Requirements.** To be eligible for benefits under the Agricultural Market Transition Act (AMTA); loans or any other USDA-provided farm credit, including guaranteed and direct farm ownership loans, operating loans, and emergency loans under the Consolidated Farm and Rural Development Act provided after October 13, 1994; and benefits under the Conservation Reserve Program provided by any new or amended application or contracts executed after October 13, 1994; a producer must obtain at least CAT coverage for each crop of economic significance **OR** sign a "waiver" of any eligibility for emergency crop loss assistance. Execution of a "waiver" does not affect the producer's ability to participate in any Federal crop insurance program administered under the Federal Crop Insurance Reform Act of 1994.

- B(1) **Breach of Contract.** If a waiver is not executed, failure to comply with all provisions of the policy constitutes a breach of contract and may result in ineligibility for the farm program benefits listed above for that crop year. If ineligible, any benefit already received must be refunded.
- B(2) **Crop of Economic Significance Determinations.** [See Sec. 3 Definitions.] Each crop year, the producer is responsible for determining which crop(s) in the county will be of economic significance. If a producer decides to plant an uninsured crop that is a crop of economic significance, insurance cannot be obtained after the crop's sales closing date unless the crop is a substitute crop [See Par. C(7)(c)3]. To determine the percentage/value for each crop:
- (2)(a) Multiply each crop's planted acres times the producer's share, times the approved yield (when applicable) times the price. A type of price such as the current local market price, futures price, established price, highest amount of insurance, etc., may be used provided the same type of price is used for all crops in the county;
  - (2)(b) Add the values of all crops grown in the county as determined above; and
  - (2)(c) Divide each crop's value by the value of all crops grown in the county.
- B(3) **Administrative Fees.** In addition to the premium for additional and limited coverage, each insured is required to pay administrative fees (\$10 for additional coverage and \$50 for limited coverage). For **CAT** coverage, the government provides a premium subsidy equal to the premium; however, a \$50 administrative fee is required. Separate administrative fees are required for each insured crop by county not to exceed, for limited and CAT coverage, \$200 per producer PER

COUNTY up to a maximum of \$600 for ALL counties on an annual basis. Maximum administrative fee calculations do not include the \$10 administrative fee for crops insured at the additional coverage level. Administrative fees are required:

- (3)(a) **(ADD→** Each year insurable acreage of the crop is planted. **←ADD)**
- (3)(b) **(LIM/CAT→** The initial crop year for which the application was accepted (the administrative fee will not be refunded if the insured files a zero acreage report) and each subsequent crop year insurable acreage of the crop is planted.**←LIM/CAT)**

B(4) **Administrative fees are due annually** and must be paid by the insured to the Insurance Provider no later than indicated by the following chart.

Coverage	Per Crop/County	Type of Contract	Fee Established When	Due By The
Additional	\$10.00	New & Carryover	Insurance Attaches	Termination Date
Limited	\$50.00	New	Application is Made	Termination Date
Limited	\$50.00	Carryover	Insurance Attaches	Termination Date
CAT	\$50.00	New	Application is Made	Sales Closing Date
CAT	\$50.00	Carryover	Acreage is Reported	Acreage Report Date

- (4)(a) Third parties are prohibited from paying administrative fees on producers'/insureds' behalf. Insurance Providers, insurance agents, producer associations, grower groups, farm cooperatives, etc., may not pay administrative fees for producers/insureds. Only those persons acting in place of the producer/insured under a power of attorney, landlord/tenant agreement, or a legal guardianship, may pay the administrative fee.
- (4)(b) Agents may submit a total of administrative fees paid to the Insurance Provider. However, a list of producers/insureds from whom the fees were collected must be attached to substantiate the total amount submitted.

- B(5) **(LIM/CAT→Waiver of Administrative Fees.** The \$50 administrative fee may be waived for a limited resource farmer [see Sec. 3 Definitions].
- (5)(a) New insureds who wish to be exempt from paying administrative fees must request a waiver at the time of application (on or before the sales closing date). For carryover insureds, waiver requests must be made annually by the crop's final acreage reporting date. [See Exhibit 7 for the Request to Waive Administrative Fees.] The insured must provide proof of qualifying income OR CERTIFY on the request for waiver, that he or she qualifies as a limited resource farmer.
- (5)(b) Insurance Providers approve or reject the Request To Waive Administrative Fees. If the producer certifies eligibility and the Insurance Provider has reason to question the producer's eligibility, the Insurance Provider may require proof of income for the prior two years.
- (5)(c) If selected for any MPCl program review, eligibility for waiver of administrative fees must be verified and the insured will be required to provide proof of gross income. **←LIM/CAT)**
- B(6) **Refunds of Administrative Fees.** If the producer obtained CAT or limited coverage, paid the administrative fee(s), and later purchased additional coverage (on or before the sales closing date) any administrative fee(s) in excess of those required for the crops remaining insured under CAT or limited coverage (\$200 per county; \$600 maximum for all counties) are refunded/credited to the producer by the Insurance Provider that last collected the refundable amount.
- Example 1:** The insured had previously paid \$200 in administrative fees for CAT coverage (six crops) and then purchased additional coverage (75/100) on three of the crops. The insured is entitled to a \$50 refund/credit to the MPCl account.
- Example 2:** The producer paid a total of \$100 (two crops) in administrative fees for CAT coverage and then purchased additional coverage (65/100) on both of the crops. The insured is entitled to a \$100 refund/credit to the MPCl account.
- (6)(a) New insureds with CAT or limited coverage who want to increase their coverage (on the insured crop the initial crop year of insurance) may do so by the applicable sales closing date for the crop; however, the increased coverage (limited or additional) must be obtained from the same Insurance Provider.
- (6)(b) **(LIM/CAT→If a carryover insured had previously paid the administrative fee** for the crop and then transferred the policy to a different Insurance Provider, the ceding Insurance Provider will refund the administrative fee (if a refund is due) to the producer. The assuming Insurance Provider must collect any applicable fee. **←LIM/CAT)**

- B(7) **Dispersion of Administrative Fees.** (LIM/CAT→Fees in excess of \$100 per county per producer collected by the Insurance Provider shall be deposited in the crop insurance fund for programs and activities of FCIC. Insurance Providers shall not retain more than \$100 per producer per county for delivering and servicing the CAT and limited coverage.←LIM/CAT)
  
- B(8) **Copies of Documents.** If original insurance documents are required by FCIC but are unavailable, a photocopy or carbon copy of an original insurance document may be used if CERTIFIED by the Insurance Provider. The copy MUST be marked or stamped "Certified True Copy," signed and dated by the Insurance Provider's authorized representative.

EXAMPLE:

```

> _____ >
> Certified True Copy >
> >
> >
> >
> >
> >
> _____ >
> (Signature) (Date) >

```

A certified true copy may be accompanied by a memorandum explaining why a photocopy is being submitted instead of the original document.

B(9) Rounding Rules pertaining to MPCl program administration.

ITEM	FORM	GUIDELINES		
Acres	APH, Acreage Report Notice, Loss Pmt.	Tobacco Round to (0.01) Other Crops Round to (0.10)		
		<u>Unit of Measure</u>		
		Bushels, Boxes, Cartons, Lugs, Hundredweight	Barrels, Tons	Dollars, Pounds
APH Yields (Per Acre)	APH Form Acreage Report Notice, Loss Pmt.	Round To: (1.00)	(0.10)	(1.00)
Guarantee (Per Acre)	Acreage Report Notice, Loss Pmt.	Round To: (0.10)	(0.10)	(1.00)
* Adjusted Guarantee Per Acre	Acreage Report Notice, Loss Pmt.	Round To: (0.10)	(0.10)	(1.00)
Unit Guarantee**	Acreage Report Notice, Loss Pmt.	Round To: (1.00)	(0.10)	(1.00)
Unit Premium & Losses**	Acreage Report Notice, Loss Pmt.	Round To: (1.00) for all crops.		
Interest (Share)	Acreage Report Notice, Loss Pmt.	Round To: (0.001) for all crops.		
Production to Count (Farm Unit Deficiency)	All Loss Forms	Round To: (0.10)	(0.10)	(1.00)

\*Adjusted Guarantee Per Acre (GPA) applicable to Late and Prevented Planting and is the result of multiplying the GPA times the applicable factor.

\*\* [See FCIC - M13 Data Acceptance System Handbook for line/record rounding rules.]

NOTE: "Round to (1.00)" Indicates rounding to whole numbers in a 2-position decimal field.  
 "Round to (0.10)" Indicates rounding to tenths in a 2-position decimal field.  
 "Round to (0.01)" Indicates rounding to hundredths in a 2-position decimal field.  
 "Round to (0.001)" Indicates rounding to thousandths in a 3-position decimal field.

[See the Raisin Crop Handbook for Raisin rounding rules. Rounding rules for appraisal worksheets may be found in the General Loss Adjustment Standards Handbook FCIC-25010 or individual crop loss adjustment handbooks]

#### 4C APPLICATIONS FOR INSURANCE

- C(1) **Eligible Persons/Entities.** Application for insurance covering an insurable (eligible) crop may be made by a person/entity to cover a *bona fide* interest in a crop at the time coverage begins. *Bona fide interest* is a share of the crop as an owner-operator, landlord, tenant, or sharecropper.
- (1)(a) **Minors.** A minor may insure a crop by having a court-appointed guardian or parent co-sign the application. **(CAT→**A minor who is competent or capable of entering into a binding contract may insure a crop at the CAT level without a co-signer; however, if not competent or capable of entering into a binding contract, a court-appointed guardian or parent must co-sign the application.**←CAT)**
- (1)(b) **Separate applications/contracts are required for each person/entity insured.** [See Exhibit 32 for determination of entities and the required documentation of certain entities.]
- (1)(c) **Native American land held in trust** by the Bureau of Indian Affairs is handled similar to other trusts. [See Exhibit 32, Par. 1 M(3).] All other Native American entities will be insured as applicable (i.e., individuals, partnerships, joint operators, etc.).
- (1)(d) **(CAT→** A tobacco producer may insure 100 percent of the tobacco acreage for which a marketing card is issued by FSA under one policy if all shareholders agree to such an arrangement in writing. [See Exhibit 32, Par. 1 M(3) for additional instructions.]**←CAT)**
- (1)(e) **(CAT→** Landowners with an undivided interest in land may insure crops on such land under one policy. [See Exhibit 32, Par. 1G for additional instructions.]**←CAT)**
- C(2) **Ineligible Persons.** Under the Food Security Act of 1985, any person who is convicted under federal or state law of planting, cultivating, growing, producing, harvesting or storing a controlled substance in any crop year will be ineligible for crop insurance for five years from the date of conviction.
- C(3) **Sales Closing Dates.** To participate, a person must apply for insurance on or before the applicable sales closing date. Sales closing dates, usually preceding the beginning of the insurance period, are established for each insurable crop and are published in the county actuarial table. After the sales closing date, new applications for insurance for that crop year may not be accepted [see C(7)(c) for exceptions]. Sales closing dates falling on Saturdays, Sundays, or legal holidays are extended to the next business day.
- C(4) **Selecting Coverage.** The insured's MPCI coverage is determined by the level of coverage and price elected or, for some crops, the amount of insurance elected. The level of coverage and price is chosen at the time the application is completed. The level of coverage and price elected may be changed if requested in writing on or before the applicable sales closing date for the crop.
- (4)(a) **Levels of Coverage.** A crop may be insured at 50%, 55%, 60%, 65% 70%, 75%, or 80% - 85% (Florida Fruit Trees ONLY) of the approved APH yield, amount of insurance, or farm quota (Quota Tobacco). Except

for high-risk land excluded from a limited or additional coverage policy and insured separately under a CAT policy, and for Hybrid Seed Corn grown under contract with more than one seed company that is insured on separate policies, all acreage of the insured crop within a county must be insured at the same level.

- (4)(b) Price Elections. The insured may select any price ranging from 60 percent of the established price through 100 percent of the established price or expected market price (when available on the crop). Only one price may be elected per crop, per county, per policy unless the crop provisions (i.e., Dry Beans) allow for different price elections by practice, type, or variety (P/T/V).

C(5) Coverage Categories. For premium subsidy and administrative fee purposes, MPCl coverage falls in three categories:

- (5)(a) (NACAT→Additional Coverage. Applicable coverage level/ price(s): APH crops 65/100%, 70/92-100%, 75/87-100%; GRP 80/95-100%, 85/90-100%, or 90/85-100%.
- (5)(b) Limited Coverage. Applicable coverage level/ price(s): APH crops 50/100%, 55/91-100%, 60/83-100%, 65/77-99%, 70/71-92%, 75/67-86%; GRP 70/60-100%, 75/60-100%, 80/60-94%, 85/60-89%, or 90/60%-84%. **←NACAT**)
- (5)(c) (CAT→CAT Coverage is available **ONLY** from private insurance companies reinsured by FCIC. CAT coverage is a level equal to 50 percent of the approved APH Yield, and a price election for the 1995-1998 crop years of 60 percent of the established/expected market price (or comparable coverage established by FCIC). For 1999 and subsequent crop years, the CAT price election is reduced to 55 percent of the established/expected market price.

Additional information for some crops:

- 1 Peanut price election, 60 percent of maximum price for Quota/Non-Quota peanuts.
- 2 Florida Citrus, 60 percent of the maximum dollar amount of the 50 percent coverage level.
- 3 Macadamia Trees, 60 percent of the maximum dollar amount of the 50 percent coverage level.
- 4 Quota Tobacco, 50 percent coverage level and 60 percent of the support price (less six cents for warehouse charges).
- 5 Nursery Stock, 60 percent of the 90 percent wholesale inventory at the 50 percent coverage level.
- 6 All other Dollar Plan crops, 60 percent of the 50 percent dollar amount of insurance. (Texas Citrus Trees, Forage Seeding, Hybrid

Seed Corn, Hybrid Sorghum Seed, Peppers, Raisins, Sweet Corn [Fresh Market]).

- 7 GRP Forage Production, 65 percent coverage level at 60 percent of the maximum available price. ←CAT)

- C(6) **Premium Rates and Risk Classifications.** The risk classifications and associated premium rates established for each county and crop are presented in the county actuarial tables. Risk classifications may be presented through yield spans, maps, "T" Yield Maps, General "T" Yield Tables and listings of land locations, producers or FSA Farm Serial Numbers (FSN's).
- C(7) **Applications.** Use the FCI-12, Crop Insurance Application, or an application approved by FCIC, to request insurance on eligible crops. Applications are also used to add a crop(s) to an existing policy, to insure crops in additional counties, and for successor-in-interest policies. Coverage applies to the crop(s) in the state for the county(ies) shown on the accepted application. Any additions must also be made on or before the sales closing date for the crop(s) in the specified county.
- (7)(a) Applications are subject to acceptance by the Insurance Provider. Prior to acceptance, the Insurance Provider will determine that the application:
- 1 Is for a producer who has a *bona fide* interest (owner, operator, sharecropper, or tenant) in the crop.
  - 2 Shows the correct person/entity (individual, partnership, co-owner, joint operator, estate, trust, etc.).
  - 3 Has been signed by a person(s) having authority to enter into a binding contract.
  - 4 Contains all the material information required to insure the crop, including: all social security numbers and employer identification numbers, as applicable, coverage level, price election, crop, type, variety, class, and plan of insurance. Applications that do not contain the material information to insure the crop may not be accepted by the Insurance Provider.
- (7)(b) The policy will be voided if the insured has falsely and/or fraudulently concealed either the fact that the insured is restricted from receiving benefits under the Federal Crop Insurance Act or that action is pending which may restrict eligibility to receive such benefits.
- (7)(c) Late-filed Requests for Insurance. After the sales closing date, an application may ONLY be taken and approved by the Insurance Provider under the following conditions:
- 1 There is documented evidence that the applicant intended to make timely application, but was prevented from doing so by circumstances beyond his or her control (i.e., personal illness or family tragedy).

- 2 The primary reason for the application being late-filed is the fault of Insurance Provider.

For situations 1 and 2 :

- a **(CAT→** Applications may be accepted up to thirty days after the CAT sales closing date and a crop inspection is not required.**←CAT)**
- b **(NACAT→** For additional and limited coverage, the Insurance Provider must document in writing, justification for taking the request and have an authorized representative perform a crop inspection. If the crop appraises at 90 percent or more of the yield upon which the guarantee is based, the Insurance Provider may accept the application.**←NACAT)**
- 3 **(CAT→** The crop is a substitute crop whose sales closing date has passed and is planted on acreage that was: 1) prevented from being planted to an intended crop, or 2) planted to an intended crop that failed and it was not practical to replant the failed crop. An insured may submit an application for **CAT** coverage to insure an annual crop that is substituted for an intended crop [See Sec. 3 Definitions]. A crop inspection is not necessary as the application **MAY** be accepted by the Insurance Provider if **ALL** of the following conditions are met:
- a The substitute crop is a crop of economic significance;
- b The producer must **NOT** have signed or **INTEND** to sign a waiver for emergency crop loss assistance for the crop for the crop year;
- c The producer must submit the application and pay any applicable administrative fee for the substitute crop on or before the acreage reporting date for the substitute crop;
- d The substitute crop must **NOT** have been planted in the preceding crop year; and
- e Weather/growing conditions must be favorable to produce the substitute crop.

Note: The substitute crop must be planted on or before the final planting date or within the late planting period (if applicable) in order for insurance to attach. The insured will not be eligible for prevented planting coverage on the substitute crop if it is not planted.**←CAT)**

- (7)(d) Rejected Applications. If rejected, the original application along with a letter of explanation must be sent to the applicant. Insurance Companies should provide a copy to the agent/representative.

C(8) **Successor-In-Interest Applications.**

A successor-in-interest policy continues the insurance protection, favorable insurance experience/premium discounts (if the successor qualifies) that was accumulated by the former insured, and APH yield history. [See Par. C(11) for insurance experience/premium discount requirements and applicable crops.] A successor-in-interest application may be approved by the Insurance Provider when there is one successor to the insured entity or for each former member of a partnership when a partnership is dissolved. A successor-in-interest requires the preparation of a new application and cancellation of the previous policy.

(8)(a) **Participation.** The successor must have participated in an active farming capacity to assist with the earning of the premium reduction. The successor-in-interest request must document the extent of the insured's participation in the prior production of the crop. The Insurance Provider either approves or denies the request to transfer the experience.

(8)(b) **Limitations.** A successor-in-interest policy covers only the land previously insured. If additional land is to be covered under the same policy, a successor-in-interest application is not applicable.

(8)(c) **Applicants.** A successor-in-interest application may be taken from:

- 1 An immediate family member (spouse, son, daughter, legally adopted child, brother, sister, or grandchild).
- 2 An authorized representative (executor or administrator of an estate; trustee of a trust; guardian of a judicially declared incompetent, minor, or incapacitated individual; or individual having power of attorney).
- 3 A person whose status has changed (dissolution or a declaration of incompetency or incapacity; change of name due to marriage, divorce, etc., or a minor attains majority).

- 4 A change of insurable entity. Changes of insurable entity include dissolution of a partnership, corporation, trust, or settlement of an estate. The successor/applicant must have been an active member of the insured entity that changed and operates all or part of the same land previously insured by the entity.
- (8)(d) APH Yield History. If the previous insured had an approved APH yield and turned the operation over to another person who qualifies for a successor-in-interest policy, the Insurance Provider must transfer the APH Yield History to the successor-in-interest policy; however, if only part of the acreage is insured under the successor-in-interest, only the applicable APH data is used.
- C(9) **Transfer of Policies.** Use FCI-480, Cancellation/Transfer of Experience or FCIC approved Cancellation/Transfer of Experience forms to cancel policies and to transfer insurance experience data from one Insurance Provider to another. To be effective, transfer requests must be signed by the cancellation date and received by the ceding Insurance Provider no later than 45 days after the cancellation date. Requests received later than 45 days after the cancellation date may be rejected by the ceding Insurance Provider for that crop year.
- (9)(a) The policy may not be canceled the first effective crop year with any Insurance Provider for the purpose of insuring with another Insurance Provider without the consent of the insurers involved.
- (9)(b) Requirements. The assuming Insurance Provider must complete and have the insured sign a Cancellation/Transfer of Experience Data Form for each policy (crop) being transferred. A policyholder may transfer a policy (crop) only once per crop year.
- (9)(c) Documentation. The assuming Insurance Provider must complete an application, indicate it is a renewal, obtain the insured's signature, and enter the ceding Insurance Provider's policy number(s) on the Policy Cancellation and Transfer of Experience Data Form.
- (9)(d) APH. When the insured transfers the policy to a different agent and/or Insurance Provider, if applicable, the APH yield history MUST also be transferred.
- (9)(e) Responsibilities.
- 1 The assuming Insurance Provider must advise the policyholder that:
    - a Premium and loss experience (if any) will be transferred.
    - b APH yield history will also be transferred.
    - c The policy will be terminated if the insured is indebted to the ceding Insurance Provider.
  - 2 All Insurance Providers are required to transmit experience (premium and loss data) and APH data to FCIC. FCIC will enter

this information into Experience and Yield History Databases. The PHTS may be used to access this information.

- (9)(e) Verification of Underwriting Information. Insurance Providers may complete/issue policies using the PHTS without requesting insurance experience and APH history from the ceding Insurance Provider. However, if the PHTS information appears incomplete or inaccurate, the assuming Insurance Provider MUST request the data from the ceding Insurance Provider. When requested timely the ceding Insurance Provider will provide the experience and complete APH data for the applicable crop/county to the assuming Insurance Provider no later than 15 calendar days after receiving the request. If due to a lag in processing the immediate past year's business, the cumulative experience factor may be used by the assuming Insurance Provider to provide an estimated premium. The actual premium for the current crop year will be billed after the immediate past year's experience is completed.
- (9)(f) The assuming Insurance Provider must notify the ceding Insurance Provider when it has accepted the transfer. The ceding Insurance Provider will then terminate its policy. In any transfer, the assuming Insurance Provider must issue the policy and the ceding Insurance Provider must terminate its policy.
- (9)(g) Policy service functions will be performed by the assuming Insurance Provider upon completion of the transfer process.

C(10) **Deceased Insureds.** If the insured dies:

- (10)(a) BEFORE the beginning of planting of any insured annual crop, or BEFORE insurance attaches for any insured perennial crop, coverage for all crops under the policy terminates. If applicable, a successor-in-interest application maintains continuity of insurance and preserves any favorable experience discounts.
- (10)(b) AFTER the beginning of planting of any insured annual crop, or AFTER insurance attaches for any insured perennial crop, coverage for all crops under the policy will continue until the end of the insurance period. A crop inspection is not required if the acreage report is filed by the acreage reporting date.
- 1 If an indemnity is due, the beneficiary entitled to the indemnity must be determined and documented in the contract file folder. The documentation must indicate the contract number, crop, crop year, unit, and circumstances requiring the naming of the beneficiary. A copy of the death certificate may be used to positively document the date of death.
  - 2 Insurance terminates for the succeeding crop year. A successor-in-interest (if applicable) or new application must be obtained to continue insurance.

C(11) **Previous Insurance Experience/Premium Adjustment**

Insureds may have had favorable insurance experience (base premiums and loss experience) and earned premium discounts on some crops [See Par. C(11)(a)] provided by previous policy provisions. Previous insurance experience must be retained by the Insurance Provider if insureds have been continuously insured on the same crop and county in order for the insured to remain eligible for any earned favorable insurance discount (factor). For insureds who switch coverage plans (i.e., APH to GRP; MPCl to Crop Revenue Coverage, Revenue Assurance, or Income Protection) or APH coverage levels ( i.e., limited or additional coverage to CAT coverage), Insurance Providers must retain previous insurance experience. The premium adjustment factor is not used for GRP, other coverage plans, or when calculating imputed CAT premium. When an insured switches back from GRP back to APH or other coverage plans to MPCl at the additional or limited coverage level, the previous insurance experience and applicable premium discounts apply. When an insured switches from CAT back to additional or limited coverage, the Insurance Provider must update the insurance experience. If the insured is still eligible for a premium reduction in excess of five percent based on his/her loss ratio and the number of years of continuous experience through the applicable crop year, the insured will continue to receive the premium reduction subject to the conditions listed [see Par. C(11)(b)]. Insurance experience may be available from the PHTS. [See Sec. 12E for premium calculation example.]

(11)(a) Crop Groups for Premium Adjustment Purposes. Premium reductions [subject to the conditions in Par. C(11)(b)] were removed from the following crop policies for the:

- 1 1985 crop year: Corn, Grain Sorghum, Soybeans, Tobacco, Raisins, Peanuts, Tomatoes (Processing), Sweet Corn (Canning and Processing), Potatoes. Premium reductions are based on insuring experience through the 1983 crop year.
- 2 1986 crop year: Wheat, Barley, Oats, Rye, Sunflowers, Almonds, Apples, Forage Production, Flax, Grapes, Peas, Dry Beans, Peaches and Sugar Beets in all states except Arizona and California. Premium reductions are based on insuring experience through the 1984 crop year.
- 3 1987 crop year: Sugarcane, AZ-CA Citrus and AZ-CA Sugar Beets. Premium reductions are based on insuring experience through the 1985 crop year.
- 4 1990 crop year: AUP Cotton and Rice. Premium reductions are based on insuring experience through the 1989 crop year.
- 5 1990 crop year: Florida Citrus. Premium reductions are based on insuring experience through the 1988 crop year.
- 6 1998 crop year: Forage Seeding. Premium reductions are based on insuring experience through the 1997 crop year and premium adjustments for unfavorable experience discontinued.

Note: No other crops have premium adjustments based on favorable experience.

(11)(b) **(NACAT→Premium Adjustments for Favorable Experience.** The insured's premium is subject to a maximum credit of 50 percent for favorable experience based on the Premium Adjustment Table. Premium reductions are subject to the following conditions:

- 1 Premium reductions will not increase because of additional favorable experience in later crop years.
- 2 Premium reductions will decrease in accordance with the Premium Adjustment Table because of unfavorable experience in later crop years.
- 3 Once the an insured's loss ratio exceeds 0.80, no premium reduction is applicable.**(←NACAT)**
- 4 Participation must be continuous. A break in insurance due to active duty in the armed services is not considered a break in participation for premium adjustment purposes.

**(NACAT→Premium Adjustment Table .(←NACAT)**

% Adjustments for Favorable Continuous Insurance Experience																
	Number of Years of Continuous Experience Through Previous Year <u>2/</u>															
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15+
Loss Ratio Through Previous Crop Year <u>1/</u>	Percentage Adjustment Factor For Current Crop Year															
.00- .20	100	95	95	90	90	85	80	75	70	70	65	65	60	60	55	50
.21- .40	100	100	95	95	90	90	90	85	80	80	75	75	70	70	65	60
.41- .60	100	100	95	95	95	95	95	90	90	90	85	85	80	80	75	70
.61- .80	100	100	95	95	95	95	95	95	90	90	90	90	85	85	85	80
.81 +	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

1/ Loss Ratio means the ratio of indemnity(ies) paid to base premium(s) earned.

2/ For premium adjustment purposes, only the years during which premiums were earned will be considered.

(11)(e) Transfer of Insurance Experience. When applicable, experience and favorable premium adjustments for a crop may be transferred to other eligible persons/entities. A successor-in-interest application/transfer of insurance experience to an eligible person/entity may be made if insurance coverage on the crop is continuous and:

- 1 The insured stops farming in one county, is not a debtor, and then starts farming in another county. APH data may not be transferred to another county. [See Exhibit 37 Par. 2 A(1), Note.]

- 2 The applicant was an heir in an estate (which was settled ) who participated in the farming operation. Applicable APH data must also be transferred. If only one heir to an estate, a successor-in-interest is used.
- 3 A Partnership was Formed. The partnership will be credited with the fewest number of years without losses accumulated by any one of its insured members. The loss ratio will be determined by dividing the total indemnities of all insured members by the total premiums of all insured members. Applicable APH data must be transferred to the partnership. [See Exhibit 37, Par 1C for its use.]
- 4 An Insured Partnership was Dissolved. Each former member who has a policy in force the crop year immediately following the dissolution may be credited with the experience (years and loss ratio) accumulated by the partnership. Applicable APH must be transferred to the individual. [See Exhibit 37, Par 1D for its use.]

C(12) **Transfer of APH Data.** If an insured has an approved APH yield and turns the operation over to another person/entity who has participated (managed, performed the physical activities necessary to produce the crop, or received a share of the crop) in the operation and the establishment of the approved APH yield, the Insurance Provider may approve transferring the APH yield history to the person/entity taking over the operation. The new operator must provide the Insurance Provider with verifiable evidence that indicates a transfer of the APH yield history is appropriate.

## **D COVERAGE**

The amount of insurance to be written on each eligible crop in the county for the unit is determined as follows:

### **D(1) Guarantee.**

- (1)(a) Production Guarantee. The production guarantee is the amount of production (bushels, pounds, dollars, etc.) guaranteed for the unit. It is calculated by multiplying the total acres in the unit by the guarantee per acre times the insured share.

- (1)(b) Variable Production Guarantees. For some crops the guarantee per acre is higher for harvested acreage than unharvested acreage or the guarantee may vary with the maturity (stage) of the crop. Refer to the crop provisions/endorsements for specifics by crop.
- (1)(c) Dollar amounts of insurance are calculated differently. Refer to applicable crop endorsement.

D(2) **Benefit Limitations Under Crop Insurance and Other USDA Programs.**

- (2)(a) **(NACAT→** Additional or Limited Coverage. An insured who is eligible to receive an indemnity and benefits under any other USDA program for the same loss may receive benefits under both programs, unless specifically limited by the crop insurance contract or by law. However, the total amount received from all such sources may not exceed the amount of the actual loss sustained by the insured. The total amount of the actual crop loss is the difference between the fair market value of the insured crop before and after the loss, based upon the producer's production records and the highest price election or amount of insurance available for the crop. FSA will determine and pay the additional amount due to the insured for any applicable USDA program, after first considering the amount of any crop insurance indemnity. AMTA payments, farm ownership, and operating loans may be obtained from the USDA in addition to insurance indemnities.**←NACAT)**

**(CAT→**

- (2)(b) CAT Coverage. An insured eligible to receive an indemnity and compensation for the same crop loss under another USDA program, must elect the program from which to receive benefits. Only one payment or program benefit is allowed. If other USDA benefits for the same crop loss are not available until after the producer filed a claim for indemnity, the insured may refund the total amount of the indemnity to the Insurance Provider and receive another USDA program benefit. Insurance Providers must correct and resubmit indemnity records through the Data Acceptance System. For reinsured contracts, this will correct the Reinsurance Accounting System. Reinsured companies will also be required to submit necessary changes to escrow requests. AMTA payments, farm ownership, and operating loans may be obtained in addition to crop insurance indemnities.**←CAT)**

D(3) **Basic Unit Determination.**

- (3)(a) **(NACAT→** For Peanuts and Quota Tobacco policies, the unit consists of all insurable acreage of the crop covered by a single FSA FSN without regard to state or county lines.**←NACAT)**
- (3)(b) **(CAT→**The **CAT** Endorsement generally limits the units available for each insured crop to BASIC units determined ONLY by the crop share arrangement, on the date coverage begins for the crop year [see D(3)(c)].  
EXCEPTIONS:

- 1 A policy covering 100 percent of the tobacco acreage included under a single FSA marketing card is limited to one basic unit. [See Exhibit 32, Par. 1 F for policy requirements.]
- 2 A policy covering all landowners with an undivided interest in the land upon which an insured crop is planted is limited to one basic unit. [See Exhibit 32, Par.16.]
- 3 GRP CAT policies are limited to one unit per crop per county.

Note: Optional units or further basic units (e.g., type, non-contiguous land, FSA FSN, etc.) defined in the applicable crop provisions or Special Provisions are not allowed for CAT coverage. [See the CAT Endorsement for the unit definition.]~~(CAT)~~

(3)(c) A basic unit, for most other crops, is all insurable acreage of a crop in the county on the date coverage begins for the crop year in which the insured has:

- 1 A 100 percent share in the crop. 100 percent share includes share as owner/ operator and/or land that is rented for cash, a fixed commodity payment or any consideration other than a share in the crop.
- 2 Less than 100 percent share in the crop (owned by one entity and operated by another entity on a share basis). A crop shared with each different landlord, tenant or sharecropper is a separate basic unit. Reversed roles do qualify for separate basic units. Example: The insured is a landlord on part of the farming operation and a tenant on another part of the farming operation. Varying percentages of shares within a basic unit do not qualify for separate basic units.

NOTE: For loss adjustment purposes, production commingled from two or more basic units will be allocated in proportion to the liability for the harvested acreage from the commingled units.

- 3 A basic unit premium discount is applicable for certain crops when basic units are not divided into optional units. Refer to the County Actuarial Table for eligible crops.
  - a For eligible crops, each basic unit that is not divided into optional units, the unit's premium (including CAT imputed premium) will be decreased by the basic unit discount factor (BUD, 10 percent). The discount also applies if only one optional unit within a basic unit is planted and earning premium. The appearance of optional unit numbers on the acreage report does not automatically indicate that the discount will not apply.
  - b ~~(NACAT)~~Once optional units are elected by the insured and processed by the Insurance Provider on the acreage report, the full premium (without discount) is earned.

However, if the acreage report is revised and the revision changes the unit arrangement, the 10 percent discount (if applicable) will be based on the revised acreage report. ←NACAT)

(NACAT→

D(4) **Optional/Guideline Unit Determination** (hereafter referred to as optional units).

Land that would otherwise be one basic unit may be divided into optional units according to the optional unit definition contained in the Crop's Basic Provisions, Crop Provisions/Endorsement and/or Special Provisions. Optional units may be available for acreage located in separate, legally identifiable sections, section equivalents, or FSA FSN's (whichever applies). Some perennial crops allow optional units for acreage or the crop grown on non-contiguous land and/or for different types/varieties. Most crops allow optional units for irrigated and non-irrigated practices.

(4)(a) To qualify for optional units, all of the following must be met:

- 1 For APH crops, the insured must file acceptable production reports for planted insurable acreage for at least the most recent APH crop year in the base period for the optional units that will be submitted on the acreage report. [See a and b below for exceptions.] The insured must have supporting records, which can be independently verified, of planted acreage and production used to determine the production guarantee for each optional unit.

NOTE: When assigned yields are used for the most recent crop year of the base period, optional unit provisions DO NOT apply. Optional units will be combined at the time of loss adjustment if the insured failed to meet any provision required to qualify for optional units. Basic units cannot be further divided into optional units at the time of loss adjustment.

Exceptions: Insureds who do not provide production reports for the most recent crop year in the base period may qualify for optional units if either of the following apply:

- a The insured is a new producer who has not produced the crop, is not providing records from another person sharing in the crop, and intends to keep separate acreage and production records by P/T/V according to the optional unit division requirements [see Exhibit 37]. Or,

- b New land or a new P(IRR or NI)/T/V is added to the operation for the current crop year which meets all optional unit requirements; and the insured has not produced the crop, is not providing records from another person sharing in the crop, and intends to keep separate acreage and production records according to optional unit provisions.

NOTE: RMA RSO/Insurance Provider Verifiers have the option to consider a *bona fide* zero acreage report for a unit as a production report for that unit.

- 2 The crop rows and/or planting pattern CANNOT continue into an adjacent optional unit (for the current crop year). A clear and discernable break in the planting pattern must occur at the boundary of each optional unit unless a written agreement is provided for this purpose by the RMA RSO [see Par. G(4)]. Planting pattern means the original planting, including any reseeding, or replanting. (Cultivating, disking, mowing, etc., between sections, section equivalents, FSA FSN's, irrigated and non-irrigated practices, etc. after planting or harvesting does not qualify the acreage for optional units.) In addition, if irrigated and non-irrigated practices are carried out within a single section, section equivalent, or FSA FSN:
  - a Proper planting and fertilization practices must be carried out for each respective practice; and
  - b Records of harvested production must also be maintained separately for each practice.

(4)(b) Separate optional units are determined by:

- 1 Section, for most crops, when the Rectangular Survey System is applicable. For the purpose of the unit structure, a section is defined as a unit of measure under the rectangular survey system describing a tract of land usually one mile square and containing approximately 640 acres.
- 2 Section equivalents such as Spanish land grants, railroad surveys, leagues, labors, and Virginia Military Lands in the absence of section descriptions. Each section equivalent must contain 640 acres or more.
- 3 Separate FSA FSN's:
  - a in the absence of sections, section equivalents, or other unit division arrangements approved by FCIC;
  - b in areas where survey boundaries are not readily discernable;

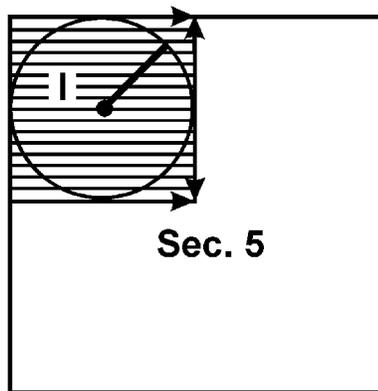
- c in Alabama, Arkansas, Florida, Louisiana, Mississippi and South Carolina for Barley, Corn, Cotton, Grain Sorghum, Oats, Rice, Rye, Soybeans, and Wheat.

NOTE: [See Exhibits 2, 3, and 4 for further explanation and illustrations.] The boundaries of the section, section equivalent, or FSA FSN must be easily identifiable by the Insurance Provider without using survey instruments or locating survey markers.

- 4 Irrigated and non-irrigated practices within a single section, (section equivalent, or FSA FSN) may qualify for separate optional units, provided such division is allowed by the crop policy and all requirements [in Par. D(4)(a)] are met. For annual crops, this includes the non-irrigated corners of a field in which a center pivot irrigation system is used to irrigate the insured crop. Additional center pivot instructions:

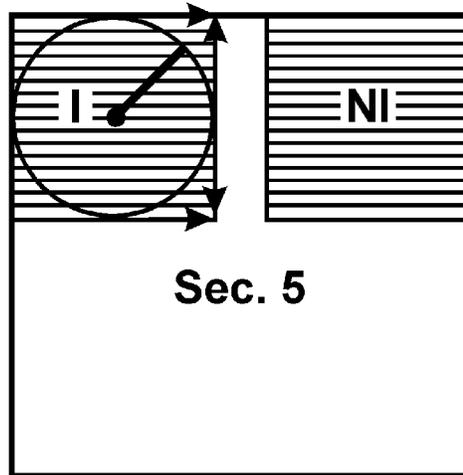
- a If the crop's planting pattern/rows continue between the non-irrigated corners of the field and the portion of the field irrigated by a center pivot irrigation system (circle), the acreage within intersecting lines drawn at right angles to the radius of the center pivot is not eligible for a separate optional non-irrigated unit.

(One unit)



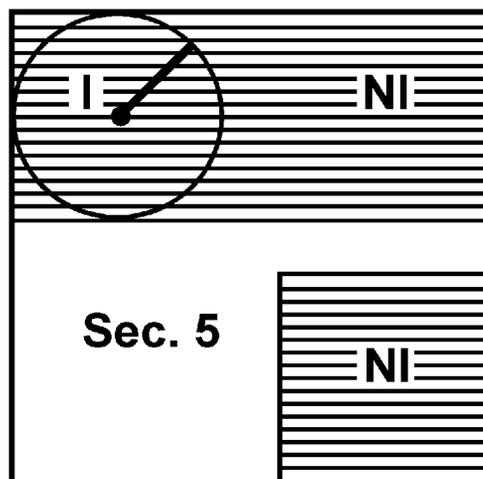
- b If the crop's planting pattern/rows continue between the non-irrigated corners of the field and the portion of the field irrigated by a center pivot irrigation system (circle), but do NOT extend into other non-irrigated acreage in the same section, section equivalent, or FSN; other non-irrigated acreage can qualify as a separate non-irrigated optional unit if the requirements [in Par. D(4)(a)] are met.

(May qualify for two units)



- c If the crop's planting pattern/rows extend beyond intersecting lines drawn at right angles to the radius of a center pivot into other Non-Irrigated acreage of the crop in the same section, section equivalent, FSN; the insured is not eligible for a Non-Irrigated optional unit.

(One Unit)



- 5 Written Unit Agreement approved by the RMA RSO. If basic and optional unit requirements are not consistent with good farming practices for the acreage involved, special optional unit written agreements may be considered on a limited basis. [See Par. G(4) this Section.]
- 6 Insurable type of Guaranteed Production Tobacco that would otherwise be one basic unit [as defined in item D(3)(c) of this Sec.] may be divided into more than one optional unit for acreage planted to insurable Tobacco located on land identified by separate FSA Farm Serial Numbers if the requirements [in par. D(4)(a)] are met.

D(5) **Unit Numbering.** Assign unit numbers according to the following system.

- (5)(a) A five-position unit number will be used. The first three positions designate the basic unit and the last two positions designate the optional unit, if applicable.
- (5)(b) If no optional units, the last two positions will be "00". For **CAT coverage** the last two positions will always be "00". **(NACAT→**If optional units do exist, the last two positions must NOT be "00" for the divided unit.**←NACAT)**
- (5)(c) To the extent possible, the unit number designation for a particular unit should remain the same from year to year. Unit numbers should correspond for each crop as much as possible (i.e., Wheat unit 00100 should match with the location of Barley unit 00100, etc.).
- (5)(d) Examples:
- 1 Two basic units, no optional units are written: 00100 and 00200.
  - 2 **(NACAT→**One basic unit separated into three optional units are written: 00101, 00102, 00103.**←NACAT)**
  - 3 One basic unit not separated into optional units, plus a second basic unit separated into two optional units is written: 00100, 00201, 00202.**←NACAT)**

(5)(e) **(NACAT→**In situations when optional unit production is commingled and optional units are being combined, unit numbering should be handled as follows:

- 1 The first three positions of the combined unit designate the basic unit.
- 2 The last two positions designate the optional units. If, after the combination, two or more optional units remain, the combined unit number should be the lowest unit number of the units which were combined.

Example: Original units are 00101, 00102 and 00103. If 00101 and 00102 are combined due to commingled production, the revised acreage report and loss unit numbers would be 00101 and 00103. **←NACAT)**

D(6) **Replanting.** Any acreage of the insured crop that was damaged prior to the final planting date, to the extent that a majority of growers in the area would not normally further cared for the crop, must be replanted (unless the Insurance Provider agrees that replanting is not practical) for coverage to continue. When it is practical to replant and the crop is not replanted, insurance does not attach (no premium or indemnity is due on such acreage). [For additional information, see FCIC-25010 (General Loss Adjustment Standards).]

(6)(a) **(NACAT→Replant payments.** Earliest planting dates, if applicable for a crop, are published in the Special Provisions of Insurance in the county actuarial documents, and are specific to replant payment determinations.

- 1 If any acreage of the crop is planted before the earliest planting date, that acreage is ineligible for a replant payment. If acreage initially planted before the earliest planting date is **replanted** after the earliest planting date, and such acreage is **replanted** a second time, the acreage **replanted** the second time may be eligible for a replant payment.
- 2 If an earliest planting date for the crop is not listed in the Special Provisions of Insurance, the initial planting date provision is not applicable.

(6)(b) **Crop Replanting Requirements.** The policy provides that a replanting/reseeding allowance on some crops shall be applicable to any insured acreage replanted/reseeded with written consent, according to the following guidelines:

Crops	Replanted acreage at least	Appraisal/ Stand reduction	Other
Canola, Coarse Grains (Corn, Grain Sorghum, Soybeans), Dry Beans, Popcorn*, Rice, Sugar Beets, Sunflower Seed, and Wheat in counties with: 1) a spring FPD if initially planted to spring wheat, or 2) both fall and spring FPDs, and damage occurs after the fall FPD. (Does not apply to initially planted winter wheat in county with only a fall FPD.)	20 acres or 20% of the insured acreage for the unit	appraisal must not exceed 90% of the guarantee	When the crop is replanted using an uninsurable practice following an original planting, the liability for the unit (but not the premium) will be reduced by the amount of the replanting payment.  <u>Wheat:</u> Replanting must take place no later than 25 days after the spring FPD.
Peppers and Fresh Market Tomatoes (Dollar & Prod.)	20 acres or 20% of the insured acreage for the unit	stand reduction in excess of 50%	
Fresh Market Sweet Corn	20 acres or 20% of the insured acreage for the unit	stand reduction in excess of 25%	
Peanuts	10 acres or 10% of the insured acreage for the unit	appraisal must not exceed 90% of the guarantee	
Forage Seeding			Fall-seeded acreage with less than a 75% stand must be reseeded in the succeeding spring by the final spring seeding date.

\* (Not applicable to Popcorn unless 1998 crop provisions approved.) ←NACAT)

D(7) **Late and Prevented Planting.** Reserved.

**4E ENDORSEMENTS AND OPTIONS**

Some crop policies have endorsements and/or options that add supplemental coverage, exclude coverage, or otherwise modify the coverage. Generally, an endorsement or option must be applied for by the crop's sales closing date.

Note: **CAT**→ONLY the following endorsements are applicable: the Catastrophic Risk Protection Endorsement (mandatory for all crops) and the Late Planting Agreement Option (optional for some crops). The Waiver to Transfer Segregation II and III Peanuts to Quota Loan is a form that may be used at the time of loss. NO other options or endorsements may be attached to a CAT policy. Written unit agreements and statements contained on the written agreement are voided by the Catastrophic Risk Protection Endorsement may NOT be continued when switching from an additional or limited coverage policy to CAT coverage.←**CAT**)

E(1) **(CAT**→**Catastrophic Risk Protection Endorsement.** A mandatory endorsement that attaches to each crop policy and modifies its terms and conditions for Catastrophic Risk Protection purposes. For CAT policies the endorsement:

- (1)(a) Limits the coverage level and price election.
- (1)(b) Restricts or changes the unit structure to basic units ONLY by share arrangement.
- (1)(c) Removes replant payment provisions.
- (1)(d) Does not allow the exclusion of hail and fire coverage.
- (1)(e) Permits only the Late Planting Agreement Option. Other available coverage options (e.g., potato quality options) are not permitted.
- (1)(f) Removes the availability of written agreements.←**CAT**)

E(2) **Late Planting Agreement.** To obtain coverage for late planted insurable acreage the insured must sign the FCI-9, Late Planting Agreement (LPA) or FCIC approved Late Planting Agreement Form for the following crops: C&P Beans, C&P Tomatoes, Peas (dry and green), Peanuts, Popcorn, Potatoes, Safflower, C&F Sweet Corn, Guaranteed Tobacco, and Quota Tobacco. For the above crops the LPA is available and coverage for late planted acreage is not automatically provided by the crop's policy.

The LPA provides coverage on late planted insurable acreage and applies for ONLY the designated crop year for all late planted insurable acreage of the crop covered by the policy.

- (2)(a) Premium/Coverage. For late planted insurable acreage, the insured may elect reduced coverage at the same premium cost per acre (imputed premium for **CAT**) as if the crop had been planted by the final planting date contained in the Special Provisions. The Agreement contains the specific coverage reductions and conditions.
- (2)(b) LPA requests (by crop) must be made by the final planting/transplanting date for the crop insured. If the final planting/transplanting date falls on a

Saturday, Sunday or legal holiday the signing/filing dates are extended to the next business day.

(2)(c) Additional units are not created by the LPA.

(2)(d) LPA not in Force. For crops whose policy does not contain late planted coverage, if an insured has not signed a late planting option form by the final planting/transplanting date, late planted acres must be shown as "uninsured acreage" on the acreage report.

**(NACAT→**

E(3) **High-Risk Land Exclusion Option**, FCI-549 or FCIC approved High-Risk Land Exclusion Form. [See Exhibit 24]. This option is designed to exclude from crop insurance coverage, ALL high-risk land by crop and county. For exclusion purposes, high-risk land is defined as acreage that does not employ an "R" classification in the actuarial document or on a written agreement to determine the base premium rate and to which a high-risk classification and premium adjustment factor applies. The option must be signed, dated and submitted on or before the applicable sales closing date (by crop and policy) for the initial crop year for which the insured wants the option to be effective. It is a continuous form and may be canceled in accordance with the cancellation provisions of the policy.

Note: If the insured has not filed a waiver and is relying on crop insurance to meet the "linkage" requirements, excluded high-risk land must be insured on a separate CAT policy to maintain eligibility for "linked" USDA Benefits. [See Par. 4B of this Sec].

(3)(a) Background. The basic crop insurance policy provides insurance coverage on all insurable acres planted to a crop in the county. When coverage and rates are provided on high-risk land, producers are required to insure the high-risk land at an increased cost (reflecting the risk). Insureds who do not wish to insure high-risk land may amend the basic insurance policy by signing and submitting the High-Risk Land Exclusion Option (by crop(s) and policy) to the Insurance Provider.

(3)(b) Locations Available. The option is available for land located in high-risk map areas for the following crops: Barley, Corn, Cotton, ELS Cotton, Dry Beans (not available in Idaho, Oregon, Utah and Washington), Flaxseed, Grain Sorghum, Oats, Popcorn, Rice, Rye, Safflower (not available in Idaho and Utah), Soybeans, Sunflowers, Sugar Beets (not available in Colorado), C&F Sweet Corn, and Wheat. Check the county actuarial table for applicable high-risk classifications, high-risk map area adjustment factors, and corresponding high-risk map areas.

- (3)(c) Reporting Excluded Acreage. Acreage planted to the crop on high-risk land, if not insured under a CAT policy, must be reported as uninsurable acreage on the acreage report each year the High-Risk Land Exclusion Option is in effect. Separate production records showing planted acreage and harvested production from this excluded land also must be maintained. If the crop on the excluded land is insured under a CAT policy, such acreage and production must be reported for APH purposes under the CAT policy.
- (3)(d) Cancellation. Once the cancellation date has passed, a High-Risk Land Exclusion Option executed by an insured cannot be canceled or otherwise rendered ineffective by either party for that crop year.
- (3)(e) Requests for Reclassification. If the insured signed the option, has not obtained a CAT Policy, and requested reclassification of high-risk land and the written agreement is pending, the following policies apply:
- 1 If FCIC issues a written agreement that does not provide standard R-span rates, the High-Risk Land Exclusion Option prevails and the insured must report acreage as uninsurable.
  - 2 If FCIC issues a written agreement that reclassifies the acreage to standard R-span rates and the insured accepts the agreement before its expiration date, the agreement is valid. The insured must report the acreage as insurable. **←NACAT**
- E(4) **(ADD→Request to Exclude Hail and Fire.** Use the FCI-78 or Hail and Fire Exclusion Form approved by FCIC, to exclude hail and fire as an insured cause of loss from MPCl policies. Hail and fire may be excluded ONLY from policies with additional coverage (coverage equal to or greater than 65/100). Insureds executing a Continuous Hail and Fire Exclusion Option must provide a copy of the annual hail and fire declaration sheet showing the required amount of hail and fire coverage each crop year. The Exclusion also applies to any applicable option.
- (4)(a) Deadlines. The request to exclude hail and fire coverage must be submitted to the Insurance Provider within:
- 1 72 hours after the effective date of an annual hail and fire policy or the first year a multi-season hail and fire policy is in force. This request must be made on or before the date MPCl coverage attaches for the crop year when a multi-season hail and fire policy (except the first year) is in effect.
  - 2 72 hours of the date a private hail policy is first in effect for insureds who have signed the Continuous Hail and Fire Exclusion Option Form, or before the date MPCl coverage attaches for a crop year after the first crop year a multi-season hail and fire policy is in effect.
- (4)(b) Policies with Additional Coverage. The hail and fire exclusion applies to all acreage of the crop insured at the additional coverage level. Note: Due to an insured's ability to select different price elections for different types of dry beans, a single dry bean policy may provide both additional and limited

coverage. When this occurs, hail and fire is excluded only from acreage with additional coverage.

- (4)(c) Hail and Fire Liability Requirements. For each crop year the hail and fire exclusion is in effect, the total liability for the hail and fire coverage on the crop must be equal to or greater than the total MPCl liability for the crop. Liability for acreage which is eligible for prevented planting but was not planted is NOT considered and the premium is not reduced on such acreage.
- (4)(d) Hail and Fire Providers. Hail and fire policies must be obtained from a company licensed in the state where the MPCl coverage is provided in order to exclude hail and fire from the MPCl policy. If hail and fire coverage is provided by unlicensed entities/companies, the hail and fire exclusion from the MPCl policy must be approved by the Reinsurance Services Liaison Division. The policy must include BOTH hail and fire coverage for the policyholder to be eligible for the premium credit for hail and fire exclusion from the MPCl policy.
- (4)(e) Liability Revisions. The insured may revise the liability on the hail and fire exclusion form to reflect the liability for the reported acreage on the insured crop provided:
- 1 The difference between the total acreage report liability and the total liability shown on the original hail and fire exclusion form is more than one percent. (An insured will be considered to have a like amount of private hail and fire liability if the difference in liability described above is less than one percent.)
  - 2 The hail and fire exclusion form showing the revised liability must be submitted no later than 15 days after the liability (based on the reported acreage) is established.
- (4)(f) If the crop has been damaged to the extent that a loss has occurred and an indemnity is to be, or may be claimed on any unit of the crop, a request for annual hail and fire exclusion will not be accepted. If a continuous hail and fire exclusion, the exclusion will not be effective the first year. Issuance of a prevented planting or replant payment for any insured unit will not affect an insured's ability to exclude hail and fire coverage.
- (4)(g) Hail or Fire Damage. If hail and fire coverage is deleted from the MPCl policy and the crop is subsequently damaged by hail or fire, an appraisal for the production lost due to hail and/or fire will be made. [See FCI-78 or FCIC approved Exclusion Form for specifics on calculating the appraisal for uninsured causes.]
- (4)(h) The MPCl premium reduction for the hail and fire exclusion option is shown on the county actuarial table as an Option Factor. The base premium rate for acreage with additional coverage shall be reduced by the hail/fire exclusion factor shown on the actuarial table. Liability times the base premium rate times the hail and fire exclusion factor multiplied by the applicable producer premium factor equals the producer premium without hail and fire as shown:

$$\frac{\text{Base Premium}}{\text{Base Premium}} \times \frac{\text{Hail \& Fire Exclusion Factor}}{\text{Hail \& Fire Exclusion Factor}} \times \frac{\text{Producer Premium Factor}}{\text{Producer Premium Factor}} = \frac{\text{Subsidized Premium}}{\text{Subsidized Premium}} \leftarrow \text{ADD}$$

E(5) **(NACAT→Apple Options/Endorsement.** An insured with an MPC1 apple policy in effect may elect to obtain supplemental coverage on Apples through the use of available options (where premium rates for the options are established). These options apply for all acreage of the crop covered by the policy unless designated differently on the form. The option(s) must be signed and submitted on or before the sales closing date for the initial crop year for which the insured wants the option(s) to be effective.

(5)(a) Fresh Fruit Option Amendment, FCI-506 or FCIC approved Amendment. The Fresh Fruit Option Amendment is a continuous option and may be canceled in accordance with the cancellation provisions of the policy. It is designed for apple insureds who desire specific coverage for quality of production.

- 1 The insured may choose Option A or Option B.
  - a If the insured selects Option A, the quality standards and rates for Option A will apply to all Apples intended for processing and fresh market distribution.
  - b If the insured chooses Option B, the quality standards and rates for Option B will apply to all Apples intended for fresh market distribution, and the standards and rates for Option A will apply to all Apples intended for processing.
  - c Different price elections may be available for Apples intended for either fresh market or processing [refer to the actuarial documents].
- 2 All insurable acres of Apples in which the insured has a share in the county must be insured regardless of intended use.

NOTE: Since terms of the Fresh Fruit Option provide for coverage against damage caused by hail, an apple insured cannot elect both the Fresh Fruit Option and the Hail and Fire Exclusion Option.

(5)(b) Sunburn Option, Apples FCI-539 or FCIC approved Sunburn Option. The FCIC Sunburn Option is an annual option but, the NCIS Sunburn Option is a continuous option. The Sunburn Option is designed for apple insureds who have chosen Fresh Fruit Option B and who desire specific coverage against excess sun. The NCIS continuous option may be canceled in accordance with the cancellation provisions of the policy.

NOTE: The Sunburn Option is available only in Washington, Oregon and Idaho. ←NACAT)

- E(6) **(NACAT→Malting Barley Price and Quality Endorsement.** the 96-91B or FCIC approved Malting Barley Price and Quality Option provides supplemental coverage for Malting Barley in addition to the coverage provided by the Barley Crop provisions. Two Malting Barley coverage options are available, Option A and Option B. Option A or B must be elected by the insured by indicating the option selected on the application (new insureds) or contract change form (carryover insureds) on or before the sales closing date.
- (6)(a) Option A provides supplemental coverage for insureds who contract production after the sales closing date, grow approved Malting Barley varieties but not under Malting Barley contract(s), or grow ONLY a portion of approved Malting Barley varieties under Malting Barley contract(s).
- (6)(b) Option B provides supplemental coverage for insureds who grow approved Malting Barley varieties under Malting Barley contract(s).
- (6)(c) Coverage under Option A or Option B is separate from Feed Barley coverage. Feed Barley coverage for the purposes of the Malting Barley Price and Quality Endorsement means: The basic Barley coverage provided under the Small Grains Barley Crop Provisions without respect to the Malting Barley Price and Quality Endorsement. All insurable acreage of Barley (non-malting varieties, approved malting varieties, and malting varieties that are not approved for coverage under the Endorsement) is eligible for Feed Barley coverage.
- (6)(d) Approved Malting Barley Varieties. Under Option A or Option B, only those varieties specified in the Special Provisions, recommended by the American Malting Barley Association, and/or approved by the RMA RSO shall be insurable.
- (6)(e) Unit Division. Under Option A or Option B, all insurable acreage in the county of approved Malting Barley varieties is ONE BASIC UNIT. Production from non-malting varieties or non-approved malting varieties MUST NOT be commingled with production from approved Malting Barley varieties prior to making any determinations necessary for claims or APH purposes under Option A or Option B.
- 1 Basic and optional units are provided for FEED BARLEY coverage.  
[Refer to normal unit determination procedure as outlined in Sec. 4, D(3) and (4).]
- 2 Units for Option A or Option B Malting Barley and Feed Barley units must be numbered consecutively. Do not start with 00100 for each type (Feed Barley and Malting Barley). If there are two basic units of Feed Barley, the Malting Barley unit is numbered as 00300.
- (6)(f) For APH instructions when Option A or Option B is in force [see Exhibit 22]. ←NACAT)
- E(7) **(NACAT→Potato Options.** An insured with a MPCI potato policy in effect may elect to obtain additional coverage on potatoes through the use of the options available (where premium rates for the options are established). These options apply for all acreage of the crop (counties) covered by the policy unless

county(ies) are designated differently on the form. Except for the Certified Seed Potato Option Amendment, they are continuous forms and must be signed and submitted on or before the sales closing date for the initial crop year for which the insured wants the option(s) to be effective. The continuous option(s) may be canceled in accordance with the cancellation provisions of the policy.

(7)(a) Potato Quality Option, FCI-523 or FCIC approved Potato Quality Option. This option is designed for potato insureds who desire specific coverage for quality of production.

- 1 Protection for quality is based on the insured's marketing records on potatoes graded in accordance with the U.S. standards for grades of potatoes.
- 2 If less than four years of records indicating grade are available, the grade from actual records will be averaged with the default percentage shown in the Actuarial Documents. If no actual records of grade are available, the default percentage shown on the actuarial table will be used. [See Sec. 6, J(10)(d).]
- 3 The actuarial table may provide separate rates and coverage for U.S. No. 1 and for U.S. No. 2 Potatoes.
- 4 If both the Potato quality option and the frost/freeze Potato option are in effect, the option resulting in the least production to count will apply.

(7)(b) Processing Potato Quality Option, FCI-547 or FCIC approved Potato Quality Option. This option is designed for potato insureds in certain counties (available where provided on the FCI-35), who have a contract with a processor and who desire specific coverage for quality of production on their contracted Potatoes. It applies to all insurable acreage of the type(s) of Potatoes on the policy grown under contract with a processor.

- 1 Protection for quality is based on the insured's marketing records of potatoes graded in accordance with the U.S. Standards for Grades of Potatoes for Processing, and provides a measure of quality for specific gravity and fry color.
- 2 If less than four years of records indicating grade are available, the grade from actual records will be averaged with the default percentage as shown on the actuarial table. If no actual records of grade are available, the default percentage shown on the actuarial table will be used. [See Sec. 6, J(10)(d).]
- 3 When the actuarial documents provide separate rates and coverage for U.S. No. 1 and for U.S. No. 2 Potatoes, the insured must designate on the processing potato quality option form which U.S. Grade (1 or 2) is to be applicable.
- 4 If both the processing Potato quality option and the frost/freeze Potato option are in effect, the option resulting in the least production to count will apply.

- (7)(c) Certified Seed Potato Option Amendment, FCI-505 or FCIC approved Certified Seed Potato Option. This option is designed for potato insureds who desire coverage for their certified seed production. This is an annual form and must be signed and submitted on or before the sales closing date for the crop year for which the insured wants the option to be effective.
- 1 The determination of certified seed must be made by a certified seed inspector. The seed must also have a winter test reading for germination.
  - 2 Liability under the option is determined by multiplying the production guarantee of the Potato policy by the price for certified Seed Potatoes shown in the rates and rules.
  - 3 Availability of this option is limited to insureds who furnish acceptable records of certified seed Potato acreage and production for at least the previous three years and certified seed option rates are contained in the county actuarial table.
  - 4 Insured acreage is the acreage entered into the state seed Potato certification program.
- (7)(d) Frost/Freeze Potato Option. This option is designed for potato insureds who desire specific coverage against frost/freeze damage. If the potato quality option or the processing potato quality option is also in effect, the option resulting in the least production to count will apply. **←NACAT**

- E(8) **(NACAT→Wheat Winter Coverage Options.** Under the Endorsement, Option A or B attaches to the Small Grains Wheat Crop Provisions and provides coverage for fall seeded Wheat between the fall final planting date and the spring final planting date. They are available only in counties where BOTH a fall final planting date and a spring final planting date are provided. [See Sec. 6, J(13)(d) for APH instructions relating to Options A and B.]

For fall planted Wheat or Barley in counties for which there is only a spring final planting date, a replanting payment is not applicable. For insurance to attach on fall planted Wheat and Barley in these counties, insureds must request coverage prior to the sales closing date. Insurance attaches to fall seeded acreage that had an adequate stand to produce a normal crop on the earlier of the spring final planting date or the date the Insurance Provider agreed to accept coverage for the crop.

If coverage under Option A or B is desired, the election must be made by the fall sales closing date. Failure to elect either Option A or Option B indicates both Options are rejected. The provisions of Option A or B are as follows:

- (8)(a) Coverage begins the later of the date the application is accepted or the fall final planting date. Coverage ends on the spring final planting date shown on the Special Provisions.

- (8)(b) If Winter Wheat is damaged and at least 20 acres or 20 percent of the acreage in the unit does not have an adequate stand to produce at least 90 percent of the average production guarantee, the insured may:

- 1 Destroy the remaining crop on such acreage and be eligible for an indemnity if:
  - a Option A is in force, the production to count for claims for indemnities is equal to the greater of 70 percent of the production guarantee or the actual appraisal for the damaged acreage. An appraisal of the crop's potential production is required prior to the Winter Wheat's destruction. Only the actual appraisal will be used for APH purposes. The insured may utilize the acreage for any purpose including planting and separately insuring Spring Wheat or any other crop.
  - b Option B is in force, an appraisal must be made on the damaged acreage to determine the production to count for APH and for indemnity purposes under the policy provisions. The insured may utilize the acreage for any purpose including planting and separately insuring Spring Wheat or any other crop.
- 2 Continue to care for the damaged crop. Under Option A or B, Winter Wheat coverage continues and the acres and production (harvested or appraised) will be used for the Winter Wheat APH.
- 3 Replant the damaged acreage to an appropriate variety of Wheat if practical and receive the replant payment specified in the Small

Grains Crop Provisions. Under Option A or B, coverage on such acreage will continue under the policy provisions.

- (8)(c) Insureds must provide written notice of damage in accordance with the policy, but not later than the spring final planting date shown on the Special Provisions.
- (8)(d) Winter Wheat acreage for which a replant payment was made for planting to Spring Wheat shall retain the Winter Wheat approved APH yield and premium rate. The acres and production are used for the Winter Wheat APH. **(←NACAT)**
- E(9) **(NACAT→Cotton Harvest Incentive Endorsement, 95-21A** or FCIC approved Cotton Harvest Incentive Endorsement. A pilot program available in selected Texas counties (Bailey, Cochran, Dawson, Fisher, Hale, Haskell, Howard, Jones, Lamb, Mitchell, Nolan, and Scurry) for the 1997 and 1998 crop years. The endorsement:
- (9)(a) Provides policyholders an incentive to harvest their Cotton, thereby reducing the number of unharvested appraisals.
- (9)(b) Reduces the production to count when the harvested production falls below the production guarantee, by the lesser of:
- 1 7.5 percent of the approved APH yield up to a maximum of 35 pounds, times the number of harvested acres, or
  - 2 The difference between the total guarantee for the harvested acres and the harvested production to count, or
  - 3 The harvested production to count.
- (9)(c) Does NOT allow optional units. **(←NACAT)**
- E(10) **(NACAT→Forage Production Winter Coverage Endorsement, 98-033** or FCIC approved Forage Production Winter Coverage Endorsement. The Endorsement:
- (10)(a) Provides optional winter coverage in any county for which the actuarial table designates forage production premium and rates for this endorsement:
- 1 Fall planted acreage, for the first and subsequent crop years following the year of establishment; and
  - 2 Spring planted acreage, for the second and subsequent crop years following the year of establishment.

- (10)(b) Must be selected on the application if a new insured. If a carryover insured, the endorsement may be elected on a new application or FCIC approved policy change form submitted on or before the sales closing date for the crop year in which the insured wishes to insure the forage.
- (10)(c) In order to be effective, FCIC approved Forage Production Crop Provisions must be in force and all terms and conditions of the policy adhered to.
- (10)(d) Is continuous and it will remain in effect as long as the forage production policy remains in effect.
- (10)(e) May be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the "Forage Production Policy" preceding such crop year. ←NACAT)

E(11) **(NACAT→Pear Quality Adjustment Endorsement, 98-057 or FCIC approved Pear Quality Endorsement.**

- (11)(a) The endorsement provides quality adjustment provisions for pears in any State (except California) for which the actuarial table designates a premium rate for this option:
- (11)(b) If the Quality Adjustment Endorsement is elected, the Endorsement must be selected on the application if a new insured. If a carryover insured, the endorsement may be elected on a new application or FCIC approved policy change form submitted on or before the sales closing date for the crop year in which the insured wishes the Quality Adjustment Endorsement to be effective.
- (11)(c) A FCIC approved Pear Crop Provisions must be in force and all the terms and conditions of the policy adhered to.
- (11)(d) If pear production damaged is by hail and if 11 percent or more of the harvested and appraised production does not grade at least U.S. No. 2 in accordance with applicable United States standards due solely to hail, the amount of production to count will be reduced as follows:
- 1 By 2 percent for each full 1 percent in excess of 10 percent when 11 percent through 60 percent of the pears fail the grade standard;
  - 2 by 100 percent when more than 60 percent of the pears fail the grade standard.
- The difference between the reduced production and the total production in 1 and 2 above will be considered as cull production. Pears that are knocked to the ground by wind or that are frozen and cannot be packed or marketed as fresh pears will be considered 100 percent cull production. Fifteen percent of all production considered as cull production will be considered as production to count.
- (11)(e) The endorsement may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the "Pear Crop Provision" preceding such crop year. ←NACAT)

E(12) **(NACAT→Fresh Market Sweet Corn Minimum Value Option, 98-011 or FCIC approved Fresh Market Sweet Corn Minimum Value Option.**

- (12)(a) Provides the value of each harvested container to be as low as zero for Fresh Market Sweet Corn for which the actuarial table designates and rates for this endorsement
- (12)(b) If the option is elected, the option must be selected on the application if a new insured. If a carryover insured, the option may be elected on a new application or FCIC approved policy change form submitted on or before the sales closing date for the crop year in which the insured wishes the option to be effective.
- (12)(c) A FCIC approved Fresh Market Sweet Corn Provisions must be in force and all terms and conditions of the policy adhered to.
- (12)(d) The option allows the value of each harvested container to be as low as zero.
- 1 For sold production, the dollar amount obtained by subtracting the allowable cost contained in the Special Provisions from the price received for each container of sweet corn (this result may not be less than zero for any container of sweet corn), and multiplying this result by the number of containers of sweet corn sold; and
  - 2 For marketable production that is not sold, the dollar amount obtained by multiplying the number of containers of sweet corn on the unit by the minimum value shown in the Special Provisions for the planting period (harvested production that is damaged or defective due to insurable causes and is not marketable will not be counted as production).
- (12)(d) The option may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the "basic policy" preceding such crop year. ←NACAT)

E(13) **(NACAT→Fresh Market Tomato (Dollar Plan) Minimum Value Option, 98-009** or FCIC approved Fresh Market Tomato (Dollar Plan) Minimum Value Option.

- (13)(a) Permits the insured to select the Minimum Value Option by electing Option I or Option II for Fresh Market Tomatoes for which the actuarial table designates and rates for this option.
- (13)(b) If the option is elected, the option must be selected on the application if a new insured. If a carryover insured, the option may be elected on a new application or FCIC approved policy change form submitted on or before the sales closing date for the crop year in which the insured wishes the option to be effective.
- (13)(c) A FCIC approved Fresh Market Tomato (Dollar Plan) Crop Provisions must be in force and all the terms and conditions of the policy adhered to.
- (13)(d) Option I of the Minimum Value Option allows the total value of the harvested production to be determined as follows:
- 1 For sold production, the dollar amount obtained by subtracting the allowable cost contained in the Special Provisions from the price received for each carton of tomatoes (this result may not be less

than the minimum value option price contained in the Special Provisions for any carton of tomatoes), and multiplying this result by the number of cartons of tomatoes sold; and

- 2 For marketable production that is not sold, the dollar amount obtained by multiplying the number of cartons of tomatoes on the unit by the minimum value shown on the Special Provisions for the planting period (harvested production that is damaged or defective due to insurable causes and is not marketable will not be counted as production).

(13)(e) Option II of the Minimum Value Option, the total value of harvested production will be as provided [in E(13)(d) above], except that the dollar amount [in E(13)(d)1 above], may not be less than zero.

(13)(f) The option may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the "Fresh Market Tomato (Dollar Plan) Crop Provision" preceding such crop year. ←NACAT

E(14) **(NACAT→Fresh Market Pepper Minimum Value Options**, 98-010 or FCIC approved Fresh Market Pepper Minimum Value Options.

(14)(a) Permits the insured to select either Option I or Option II of the Minimum Value Option for Fresh Market Peppers for which the actuarial table designates and rates for this option.

(14)(b) If the option is selected, the option must be selected on the application if a new insured. If a carryover insured, the option may be elected on a new application or FCIC approved policy change form submitted on or before the sales closing date for the crop year in which the insured wishes the option to be effective.

(14)(c) A FCIC approved Fresh Market Pepper Crop Provisions must be in force and all the terms and conditions of the policy adhered to.

(14)(d) Option I of the Minimum Value Option allows the total value of the harvested production to be determined as follows:

1 For sold production, the dollar amount obtained by subtracting the allowable cost contained in the Special Provisions from the price received for each box of peppers (this result may not be less than the minimum value option price contained in the Special Provisions for any box of peppers), and multiplying this result by the number of boxes of peppers sold; and

2 For marketable production that is not sold, the dollar amount obtained by multiplying the number of boxes of peppers on the unit by the minimum value shown on the Special Provisions for the planting period (harvested production that is damaged or defective due to insurable causes and is not marketable will not be counted as production).

(14)(e) Option II of the Minimum Value Option, the total value of harvested production will be as provided [in E(14)(d) above], except that the dollar amount in [E(14)(d)1 above], may not be less than zero.

(14)(f) The option may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the "basic policy" preceding such crop year. ←NACAT)

#### 4F SERVICE FORMS AND ADMINISTRATIVE REQUIREMENTS

F(1) **Policy Changes.** Use FCI-12A, Contract Change or a Contract Change Form approved by FCIC to request the following contract changes.

(1)(a) A CHANGE of price election or coverage level. The change must be requested on or before the sales closing date and requires the insured's signature. In counties with both Winter and Spring Wheat sales closing dates the change must be requested on or before the fall sales closing date.

(1)(b) Cancellation of a county or a crop in a specific county. The request must be made on or before the cancellation date and requires the insured's signature.

(1)(c) A transmittal for a successor-in-interest application. The insured's signature is required; however, the request is not required to be made on or before the sales closing date.

(1)(d) Corrections of the insured's name, address, executor, identification number, administrator, etc. Such corrections may be made after the sales closing date and do not require the insured's signature.

F(2) **Acreage Report FCI-19.** Use the FCI-19, Crop Insurance Acreage Report or Acreage Report Form approved by FCIC, for meeting acreage reporting requirements. The insured establishes his/her insurable share at the time insurance attaches via the acreage report. However, for determining the amount of an indemnity if the insured's share is different than at the time insurance attached, the insured share will be the lesser of: (1) the share at the time insurance attached, or (2) the share determined by the Insurance Provider at the earlier of the time of loss or the beginning of harvest of the unit, unless excepted by the specific crop policy.

(2)(a) **Filing Deadlines.** The insured or authorized representative must sign and submit an annual acreage report on or before the acreage reporting date contained in the crop's Special Provisions for the crop (or planting period, if applicable) and county. If an unsigned acreage report is submitted, the Insurance Provider may send a letter to the insured advising that the reported information will be assumed to be correct if the insured does not provide revised information within a specified amount of time.

Except for crops with separate planting periods (e.g., peppers), if multiple crops/counties are insured that have:

- 1 Fall final planting dates (August 15-December 30), insureds are allowed until the latest applicable fall acreage reporting date for the insured crops to submit their acreage reports.
- 2 Spring final planting dates (December 31-August 14), insureds are allowed until the latest applicable spring acreage reporting date for the insured crops to submit their acreage reports.

(2)(b) **Required Annually.** The acreage report is the basis for determining the amount of insurance provided and the premium (charged or imputed). These reports are by crop and include, but are not limited to, P/T/V (when applicable), location, date of planting or seeding, number of acres and share in the crop. **(CAT→**Unless a person with an insurable interest in the crop objects in writing on or before the acreage reporting date and provides a signed acreage report on his or her own behalf, the operator may file/sign the acreage report for all other persons with an insurable interest in the crop. A power of attorney is not required and all other persons with an insurable interest in the crop, and for whom the operator purports to sign and represent are bound by the information contained in that acreage report.**←CAT)**

(2)(c) **Intended Acreage Reports.** For company underwriting purposes, Insurance Providers may request planting intentions at the time of application or for subsequent crop years when servicing the policy (i.e., updating the APH). However, acreage reported to FCIC must be based on planted acres obtained from the insured, insured's authorized representative, or **(CAT→**the operator of the farming operation**←CAT)** on a final signed acreage report obtained by the final acreage reporting date. The final acreage report must include but is not limited to, P/T/V (when applicable), location, date planted or seeded, number of acres and share in the crop.

(2)(d) **Reporting Irrigated Practices.** Insurance Providers are to provide a copy of the Irrigated Practice Guidelines to all insureds for whom the irrigated

practice may apply. The Irrigated Practice Guidelines identify factors to be considered in determining the proper acreage to be reported and insured under an irrigated practice. [See Exhibit 33 for Irrigated Practice Guidelines.]

- (2)(e) Late Reporting. The policy provides that if the insured does not submit an acreage report within the specified time, the Insurance Provider may determine by unit the insured acreage, share and practice **(CAT→**if the administrative fee is paid **←CAT)** or may deny liability on any unit. If the final acreage reporting date falls on Saturday, Sunday, or a legal holiday, the next business day will be considered as the final acreage reporting date.

If the Insurance Provider declares the crop "insured", the applicable portion of the administrative fee is retained by the Insurance Provider.

- 1 **(NACAT→**The Insurance Provider is entitled to any premium due.**←NACAT)**
- 2 **(CAT→**FCIC is entitled to the imputed premium credit**←CAT)**.

- (2)(f) Revised Acreage Reports. Prior to the final acreage reporting date insureds may revise acreage reports to reflect a change in their intentions. However, AFTER the final acreage reporting date, acreage cannot be changed except:

- 1 If provided for by the applicable crop provisions and the actuarial table provides a reduced premium rate (short rate) for acreage destroyed by the date designated by the crop's special provisions. If the insured requests that such acreage be designated separately on his/her acreage report, the Insurance Provider may revise the acreage report if the conditions stated in the policy are met. Separate line entries are required on the acreage report for the acreage on which insurance will continue and the acreage eligible for the reduced premium rate. Acreage on which the reduced premium rate applies is not eligible for any subsequent claim for indemnity or considered for APH purposes.
- 2 **(CAT→**If the planted acreage was reported timely and the insured requested a measurement service from the FSA no later than the acreage reporting date and the measured acreage was different than the reported acreage (acreage may be increased or decreased).**←CAT)**

For other situations, premium adjustments will not be made for insured acreage put to another use after the acreage reporting date. If the insured destroys or puts acreage to another use without consent, an appraisal of not less than the guarantee will be assessed on such acreage; however, such appraisals are not used for APH purposes.

- (2)(g) Verifying the Acreage Reported. The representative/agent shall CAREFULLY REVIEW with the insured the original acreage report BEFORE it is submitted to the Insurance Provider. It is absolutely imperative that the information required to be reported on the acreage report is ENTIRELY accurate. Policy provisions do not allow for increasing liability except in rare situations [as specified in the General Loss Adjustment Standards Handbook (FCIC-25010)]. Under-reported acreage or unreported units may adversely affect the outcome of a loss.

When the Schedule of Insurance/Summary of Protection is received, it MUST also be reviewed for accuracy. If an error is found when compared to the acreage report, the agent/representative MUST contact the Insurance Provider and have the error corrected.

- F(3) **Assignment of Indemnity.** FCI-20 or FCIC approved Assignment of Indemnity Form. An insured may assign the right to an indemnity payment for a crop(s) under an MPC1 insurance contract to another party(ies) (creditor) by using this form. Only one assignment per crop per county is allowed. The assignment applies for all acreage of the crop covered by the policy. The assignment:
- (3)(a) Is effective upon approval by an authorized representative of the Insurance Provider.
- (3)(b) Is in effect only for the crop year specified on the assignment form.
- (3)(c) May be made after acceptance of the application but must be completed before a loss claim is processed. **(NACAT→**Issuance of a replant payment for any insured unit will not affect the insured's ability to assign the right to an indemnity to another party.**←NACAT)**
- (3)(d) May be canceled during the crop year. The Insurance Provider will cancel the assignment only if the assignee (creditor) submits a written statement releasing the assignment. The release must indicate the insured's name, mailing address, policy number and crop(s) released. The agent/representative will prepare a memo, attach the statement of release, and file it in the insured's file.
- (3)(e) Provides for an indemnity payment (subject to any administrative fee deduction or any other unpaid balance) payable to:
- 1 The lender only.
  - 2 The lender and insured, if the lender is the Rural Development (Farm Loan Programs) (or successor agency).
- F(4) **Transfer of Right to an Indemnity.** Use the FCI-21 or FCIC approved Transfer of Right to an Indemnity (Transfer of Coverage) Form to transfer coverage and the

right to any subsequent indemnity from one insured entity to another entity. This form is used when the transfer of ownership or share of the insured crop occurs during the insurance period.

- (4)(a) A separate form is required for each different unit or portion of a unit on which coverage is being transferred.
  - (4)(b) A transfer of right to an indemnity is subject to any outstanding assignment of indemnity made prior to the date of transfer.
  - (4)(c) **(NACAT→** The transferee and the transferor (insured) shall be jointly and severally liable for any unpaid premium on the acreage and share transferred.**←NACAT)**
  - (4)(d) **(CAT→** The transferor is liable for any unpaid administrative fee on the acreage and share transferred.**←CAT)**
  - (4)(e) Transfer of right to an indemnity forms expire at the end of the insurance period for the crop year specified. For succeeding crop years, an application must be made to insure the proper entity if insurance is to continue in effect.
- F(5) **Power of Attorney.** Use FCI-532, Legally Executed Power of Attorney, or a Power of Attorney Form approved by FCIC (the FSA -211 Power of Attorney Form is acceptable if it meets these requirements). Insureds may grant signing authority for MPCI forms to a third party, provided an approved Power of Attorney is used.

The Power of Attorney must be considered to be legally executed by the state in which it was executed and it must give the appointee the authority to sign crop insurance documents for the insured. In states that require the power of attorney to be acknowledged (notarized), the signatures of the individual and appointee must be notarized. In states that do not require the power of attorney to be notarized, the signatures of the individual and appointee must be witnessed and the signature of the witness obtained on the document.

**(NACAT→**

#### **G WRITTEN AGREEMENTS**

Use the FCI-5 or FCI-5B, Request for Actuarial Change [see Exhibit 11], or Request for Written Agreement Form approved by FCIC, whichever is applicable, to request written agreements. Agents should consult their Insurance Provider regarding issuance of written agreements. The written agreement must be signed and dated by the insured on or before the applicable date and must be approved by the RMA RSO and/or Insurance Provider to be effective. [See Par. G(6) for a chart indicating: Written Agreement Deadlines, Issuance Authorities, Written Agreements requiring Pre-Acceptance Crop Inspections, and the Minimum Supporting Documentation required for each type of request. [See Exhibit 12 for a list of the RSO's and states served.]

Insurance Providers must send a courtesy copy of each written agreement they approved to the applicable RMA RSO. [See G(6) for Minimum Supporting Documentation]. If the insured signed the written agreement after the expiration date stated on the written agreement, the RMA RSO will provide notification to the Insurance Provider that the

agreement was not signed timely and is not valid. A list of such agreements, by Insurance Provider, will also be provided to Reinsurance Services Division by the RMA RSO.

G(1) **Written Agreement Request Requirements.**

- (1)(a) Insured's Responsibilities. The insured must complete and sign a request for a written agreement (with the agent's assistance) that contains the information necessary to execute the written agreement. The agent forwards the completed request to the Insurance Provider.
- (1)(b) A request submitted less than 60 days prior to the sales closing date for the purpose of establishing a rate or coverage different from that available from the County Actuarial Table, or initially establishing rates must contain the following statement in its entirety [see Exhibit 11, FCI-5B]:

"I have read and understand the following:

- 1 If this request is for the purpose of establishing a rate or coverage different from that available from the Actuarial Table, or initially establishing rates and coverage not available on the Actuarial Table, I agree to accept the rates and coverage assigned on the written agreement as of the date of this request, if they are within 5 percent of the rates and coverage I requested and as contained on this form.
- 2 If the rate and coverage provided on the written agreement are different from those contained in this request (by more than 5 percent), or if I did not specify the terms to which I would agree, I will have the option of accepting the rate and coverage provided by the written agreement or those provided by the Actuarial Table, if available.
- 3 If this request is denied, the written agreement is not approved, or I do not accept the written agreement (under 2 above) by the expiration date specified in the written agreement, I agree that I must accept the rate and coverage from the Actuarial Table, if available. If this request is to initially establish a rate and coverage not otherwise available from the Actuarial Table, I agree that such insurance coverage will not be provided should this request be denied or the written agreement is not approved or accepted by the expiration date.

- 4 I agree that any option to cancel or change my crop insurance policy for the current crop year based on FCIC determinations described in 2 and 3 above may be exercised in accordance with the policy by the cancellation date.
- 5 I agree that the preceding statements will apply to any determinations made by FCIC as the result of a request for reconsideration or an appeal related to this request for a written agreement."
- (1)(c) **Insurance Provider Responsibilities.** The Insurance Provider records the date the request is received (log, date stamp, etc.), reviews the request to ensure that it contains the information necessary to execute the written agreement, and forwards the request (if it must be authorized by the RMA RSO) to the applicable RMA RSO. The request and any required supporting documentation must be received by the RMA RSO by the applicable deadline. [See Par. G(6) for request deadlines, approval authorities, and required documentation.]
- (1)(d) **RMA RSO Responsibilities.** The RMA RSO reviews the request and either denies it or provides the authorized offer to the Insurance Provider within 15 calendar days. If more time is needed to process the request, the RMA RSO will advise the Insurance Provider of the reason for the delay and when the approved offer may be expected.
- (1)(e) **Initial written agreements requested after the sales closing date to establish insurability** require an inspection at the time the offer is made to the insured by the Insurance Provider if the crop has been planted.
- (1)(f) **Additional Requests.** An additional request is required for land that was not included in the legal description(s) of the original request.
- (1)(g) **For requests submitted 60 or more days prior to the sales closing date,** (initial and renewal requests for a subsequent crop year) the insured maintains all rights, including the right to cancel the policy by the cancellation date, sign a High-Risk Land Exclusion Option, make changes to level and/or price election, or any other administrative change normally allowable by sales closing date, regardless of the date a written agreement is provided to the insured or the request is rejected by the RMA RSO.
- G(2) **Written Agreement Terms.** The term for most written agreements is for one year only. The conditions of the agreement remain in effect until the end of the insurance period for the crop year stated on the agreement.
- G(3) **Reissuance in Subsequent Years.** Agents will need to check to see if a request for reissuance of a written agreement is necessary in subsequent crop years. When reissuance is required, attach a photocopy of the previous written agreement (and if applicable the previous APH form) to the request and obtain the insured's signature and date. The deadline for requesting reissuance of a written agreement is the applicable crop's sales closing date (including transfers) for most written agreements. The request (including required documentation) must be signed and dated by the insured on or before the sales closing date for the crop and received in the RMA RSO no later than 20 calendar days after the sales

closing date. If the request is received after the deadline the request will be denied. If the previous agreement needs updating because of a new FSN, legal description, etc., note this information on the photocopy. The RMA RSO will evaluate the request and reissue the agreement if it remains appropriate on the previous terms. If deemed necessary, the agreement may be modified and the agent/Insurance Provider notified of the change. If more information is needed, the RMA RSO will contact the agent/Insurance Provider. Reissuance is not necessary if:

(3)(a) The land or individual classification provided by the written agreement was incorporated into the actuarial documents book.

(3)(b) The rates for a previously unrated crop or P/T/V provided by the written agreement are subsequently published in the actuarial documents book.

G(4) **Written Unit Agreements.** Persons classified under the nonstandard classification system (NCS) and land located in a high-risk area are not eligible for written unit agreements. If not classified under NCS, or the land is not classified a high-risk area, an insured may qualify for a written unit agreement if ALL of the following criteria are met:

(4)(a) The insured must clearly document that geographic features or good farming practices make it impossible to follow optional unit division resulting in an inequity.

(4)(b) At least the most recent year's APH records, separated according to the proposed units, must be provided with the request.

(4)(c) Physical/geographic features, such as canyons, lakes, rivers, mountains, or irrigation systems which clearly distinguish different farming operations must be the basis for unit boundaries. These features must present a significant obstacle to farming and are not under the insured's control.

1 Acreage planted to an insured crop where the planting pattern continues across section lines may be a separate unit provided all other specific criteria exist.

2 An insured may not receive more units than would be allowed had the special circumstances not existed.

(4)(d) A request meeting the following underwriting guidelines is submitted.

1 The Insurance Provider must prepare the written unit agreement, together with supporting materials, and submit the proposed agreement to the applicable RMA RSO for approval.

2 The RMA RSO will:

a Require evidence to justify items (4)(a)-(c) above.

b Require a clear, legible, and legally specific map diagram if necessary to accurately identify units.

- i The map must be specifically referenced in the agreement to be legally valid.
- ii The map must be of a reproducible size and quality (or 4 copies provided) for attachment to each copy of the agreement.
- c Approve or deny the agreement. The following statement will be included in the language of all new approved written unit agreements:
 

“This written unit agreement shall be in effect for the \_\_\_\_\_ and succeeding crop years provided no significant changes occur to the farming operation which invalidate the approved unit structure. If significant changes occur, this written agreement is null and void.”
- d Provide a statement authorizing the Insurance Provider to continue the units for previously approved agreements (which do not contain the statement in 3 above) where:
  - i The written unit agreement was initially authorized and approved by the RMA RSO, and
  - ii No significant changes have occurred to the farming operation which invalidate the approved unit structure. If changes are requested, the unit structure must be resubmitted to the RMA RSO for evaluation.

The Insurance Provider must attach this statement to the original written agreement.
- e If the agreement is not approved, notify the Insurance Provider stating the reason why the written agreement is not acceptable.

3 Written unit agreements authorized for unit division purposes may be continued in subsequent crop years without reapproval or reissuance by an Insurance Provider. The units initially approved may be combined, or have land added or deleted, to the extent that the units remain viable without further approval from RMA RSO. RMA RSO approval is required if significant changes occur to the farming operation which invalidate the viability of the units designated in the written agreement.

G(5) **Written Unit Agreement Request Form.**

**WRITTEN UNIT AGREEMENT REQUEST**

Insured's Name:

Policy Number:

Address:

County land location:

Telephone Number:

Crop:

Crop Year:

Percent Share:

Practice:

Type:

Variety:

State:

Legal Description:

FSA FSN:

RMA Yield:

FSA Aerial Photocopy (field(s) identified):

APH Form(s) (if applicable for all units):

Other Person(s) Sharing In The Crop:

Insurance Experience by Year (when applicable).

Premium:

Indemnity:

Liability:

Cause of loss:

Reason for Request:

Certification Statement: I certify that the information I have furnished on this request is complete and accurate. I understand that failure to furnish complete and accurate information may result in voidance of my crop insurance contract and may result in criminal or civil false claims actions.

Insured's Signature:

Date:

Agent's Name and Code:

Company Name and Address:

Date:

NOTE: The following statement is required on the Written Unit Agreement. This written agreement shall be in effect for the \_\_\_ and succeeding crop years provided no significant changes occur to the farming operation which invalidate the approved unit structure. If significant changes occur, this written agreement is null and void. **←NACAT**)

G(6) **(NACAT → Deadlines, Approval Authorities, and Documentation.** The following chart indicates the types of written agreements and for each type the deadline for the request, approval authorities and required documentation.

WRITTEN AGREEMENT DEADLINES AND DOCUMENTATION					
TYPE OF AGREEMENT	REQUESTED AND SIGNED BY INSURED	RECEIVED IN RSO/INSURANCE PROVIDER	AUTHORIZED BY	SUBSEQUENT YEAR'S DEADLINE (REISSUED AGREEMENTS)	MINIMUM SUPPORTING DOCUMENTATION <sub>2</sub>
Class (type) of Dry Beans not on Actuarial Table	Sales Closing	Within 20 calendar days after Sales Closing	RMA RSO	Sales Closing and Received by the Insurance Provider within 20 calendar days	Report prices received for the specific class (type) and either (1) two years of university test plot data and its recommendations, or (2) two years of seed company data supplemented by university data. If items (1) or (2) are not available, then two years of production data for the requested class and prices received. Current year's APH form certifying all dry bean records. Completed request for Actuarial Change Form/Written Agreement
Crops with No Actuarial Table	Cancellation date (for the area) specified in the crop endorsement for which coverage is requested.	Within 20 calendar days after the cancellation date specified for the area as indicated in the crop endorsement.	RMA RSO	Cancellation date specified in the crop endorsement and Received in RMA RSO within 20 calendar days	Completed Request for Actuarial Change Form/Written Agreement FSA Aerial Photos. Evidence of adaptability and/or producer's production history. <sub>3</sub>
Special Purpose Corn if coverage not provided by the Special Provisions	Sales Closing	Within 20 calendar days after Sales Closing	RMA RSO	Sales Closing and Received in RMA RSO within 20 calendar days	Completed Request for Actuarial Change Form/Written Agreement . Evidence of adaptability and/or producer's production history.
Non-Irrigated Corn Grain where Irrigated Corn (Grain and Silage) listed on Actuarial Table only	Sales Closing	Within 20 calendar days after Sales Closing	RMA RSO (Insurance Provider, If specific underwriting guidelines for Insurance Provider have been issued by RMA RSO)	Sales Closing and Received by Insurance Provider within 20 calendar days	Completed Request for Actuarial Change/Written Agreement and current Year's APH Form/Written Agreement. Insurance Provider RSO may require additional documentation.

WRITTEN AGREEMENT DEADLINES AND DOCUMENTATION					
TYPE OF AGREEMENT	REQUESTED AND SIGNED BY INSURED	RECEIVED IN PROVISIONS	AUTHORIZED BY	SUBSEQUENT YEAR'S DEADLINE (REISSUED AGREEMENTS)	MINIMUM SUPPORTING DOCUMENTATION <sub>2</sub>
Strip Mined Land (Food or Fiber Crop Produced Less Than Five Consecutive Crop Years)	Sales Closing	Within 20 calendar days after Sales Closing	RMA RSO	Sales Closing and Received by Insurance Provider within 20 calendar days	Completed request for Actuarial Change Form/Written Agreement, FSA Aerial Photos, Description of Reclamation Process Report, Date Reclamation Completed and APH.
Practice (NIBR) of Sunflowers not on Actuarial Table	Sales Closing	Within 20 calendar days after Sales Closing	RMA RSO (Insurance Provider if specific underwriting guidelines for Insurance Providers have been issued by RMA RSO)	Sales Closing and Received by Insurance Provider within 20 calendar days	Refer to Special Provisions for evidence of adaptability and/or producer's production history requirements.
Small Grains or Crops where provided for in the Crop Provisions: (i) interplanted with another crop (ii) planted into an established grass or legume; or (iii) planted as a nurse crop	15 calendar days after the Acreage Reporting date <sub>1</sub>	Within 20 calendar days after Acreage Reporting	RMA RSO	Acreage Reporting and Received in RMA RSO within 20 calendar days	Completed request for Actuarial Change Form/Written Agreement. Completed Crop Inspection report <u>1</u> .
Listing Reconsiderations for Peanuts and Tobacco	Acreage Reporting	Within 20 calendar days after Acreage Reporting	RMA RSO	Sales Closing and Received in RMA RSO within 20 calendar days.	Insured's classification for other practices or types in other counties. Production information for the insured and other entities in which the insured has participated. Legal description of land or FSN, FSA Aerial Photos or legible maps delineating field boundaries of planted or intended planted acreage of the crop.
Unrated Practice/Type/Variety	Acreage Reporting	Within 20 calendar days after Acreage Reporting	RMA RSO	Sales Closing and Received in RMA RSO within 20 calendar days.	Completed Request for Actuarial Change Form/Written Agreement. FSA Aerial Photo's, Completed Crop Inspection report. <sub>1</sub> Evidence and adaptability of the practice or type for the area. <u>3</u> APH for the P/T.
WRITTEN AGREEMENT DEADLINES AND DOCUMENTATION					

TYPE OF AGREEMENT	REQUESTED AND SIGNED BY INSURED	RECEIVED IN RSO/INSURANCE PROVIDER	AUTHORIZED BY	SUBSEQUENT YEAR'S DEADLINE (REISSUED AGREEMENTS)	MINIMUM SUPPORTING DOCUMENTATION <sub>2</sub>
Land in Adjoining Counties/State Crossing County/State Line	Acreage Reporting	Within 20 calendar days after Acreage Reporting	Insurance Provider	Sales Closing and Received by the Insurance Provider within 20 calendar days	Completed Request for Actuarial Change Form/Written Agreement, FSA Aerial Photos. Completed Crop Inspection report
High Rate Areas	Acreage Reporting	Within 20 calendar days after Acreage Reporting	RMA RSO	Sales Closing and Received in RMA RSO within 20 calendar days	Completed Request for Actuarial Change form/Written Agreement. FSA Aerial Photos, and APH
Unrated Land	Acreage Reporting	Within 20 calendar days after Acreage Reporting	RMA RSO	Sales Closing and Received in RMA RSO within 20 calendar days.	Completed Request for Actuarial Change Form/Written Agreement. FSA Aerial Photo's). Completed Crop Inspection report. <sup>1</sup> Evidence and adaptability of the practice or type for the area. APH for the P/TV.
Written Unit Agreement	Acreage Reporting	Within 20 calendar days after Acreage Reporting	RMA RSO (Initial Request)	Written Unit Agreements are continuous in subsequent years provided no changes occur. If changes occur, handle as an initial request.	See Exhibit 30 for the required documentation. RMA RSO may have additional guidelines.

- 1 Initial Written Agreements requested to establish insurability after the Sales Closing Date require an inspection at the time the written agreement terms are presented to the insured, if the crop has been planted.
- 2 Additional documentation may be required on individual requests.
- 3 (a) Completed APH form and acceptable records (inspection as required by Category B or C crop procedures) of actual yields for at least the most recent three consecutive crop years during the base period (If the producer expands the farming operation across a county or state line into a local producing area, FCIC may consider existing production reports from the current crop production sufficient);
  - (b) The dates the applicant and other growers in the area normally plant and harvest the crop;
  - (c) The name and location of, and approximate distance to, the location at which the crop will be sold or used by the applicant;
  - (d) The legal description of the land and FSA aerial photographs or, legible maps delineating field boundaries where the applicant intends to plant the crop for which insurance is requested.

Written Agreements may be available for other situations not listed here, as authorized in the policy provisions. Contact the RMA RSO for details. ←NACAT)

4H Reserved.

(Page 67 - 82 Reserved)

**5 UNDERWRITING AND APH RESPONSIBILITIES (CATEGORY B AND C APH CROPS)****5A Agents/Representatives Are Responsible For:**

- A(1) **Explaining production reporting and supporting record requirements** to producers.
- A(2) **Assisting producers in the completion of APH related forms.** When necessary, agents/representatives will assist producers in the completion of:
- (a) **APH Forms.** An APH form is required for each unit (by P/T/V when applicable) and crop year for which acceptable supporting records are available).
  - (b) **Producer's Pre-Acceptance Worksheets,** when required for perennial crops. [See Sec. 7, Par E]
  - (c) **Block Production and Unit Summary Worksheets,** when required for perennial crops. [See Sec. 7, Par. I (1) and (2) respectively]
- A(3) **Calculating Preliminary Yields.** For new insureds, for all APH crops except Blueberries (in the states of ME, MS, NC, and NJ) and Texas Citrus, agents/representatives MUST compute, quote, and enter preliminary yields on the APH form. Explain to insureds that:
- (3)(a) **For reinsured contracts,** an insured may submit a written request to the Insurance Provider for reconsideration if the approved APH yield calculated by the verifier is less than 95 percent of the preliminary yield on ANY unit [see Sec. 11, Par. F for instructions]; or for mutual consent cancellation of the entire crop policy (by county).
  - (3)(b) **For approved APH yields issued by the RMA RSO,** if the approved APH yield is lower than the preliminary yield, the insured may request review of the approved APH yield through reconsideration, agency appeal, mediation, and/or appeal to the National Appeals Division (NAD). [See Sec. 11, Par. A-D for additional information and Exhibit 12 for NAD Area Offices.]
  - (3)(c) **For Blueberries (in the states of ME, MS, NC, and NJ) and Texas Citrus** (calculation of preliminary yields is not authorized by FCIC), explain to NEW INSUREDS that the approved APH yield will be considered accepted upon receipt unless the insured requests:
    - 1 Mutual consent cancellation of the policy (if the approved yield is not accepted); or
    - 2 Reconsideration, agency appeal, mediation, or appeal to NAD of the approved APH yield(s).

- (A)(4) **Informing insureds that mutual consent cancellations are not allowed** for a crop year subsequent to the crop year the application was accepted (carryover insureds) if approved APH yields are not acceptable. Exceptions: Blueberries in the states of Maine, Mississippi, North Carolina, and New Jersey; and Texas Citrus.
- A(5) **Explaining Reconsideration or Mutual Consent Cancellation Requirements.** Agents/representatives must inform insureds that requests for reconsideration or mutual consent cancellation of crop policies must be made within 30 calendar days of the date the approved APH yield was mailed or otherwise made available to the insured. If an adverse decision is made by the RMA RSO, reconsideration, mutual consent cancellation, mediation, agency appeal and/or NAD appeal rights are provided. If such a request is not made timely, it will be rejected and the approved APH yield(s) will be considered accepted by the insured [See Sec. 11]. Requests for reconsideration or mutual consent cancellations must be forwarded to the verifier no later than three calendar days after their receipt by the agent/representative as indicated below:
- (5)(a) **APH yields approved by the RMA RSO.** Reconsideration requests must be referred to the RMA RSO if the RMA RSO approved the APH yield. Utilization of the agency's informal reconsideration process will not prejudice the insured's right to subsequently request agency appeal, mediation, and/or NAD appeal. If during a reconsideration an adverse decision is rendered (by the RMA RSO), mutual consent cancellation (if applicable), mediation, agency, and/or NAD Appeal Rights must be provided.
- (5)(b) **Reconsideration of APH yields approved by Insurance Providers** are made to the Insurance Provider. Insurance Providers may correct errors in yield computation or in the application of FCIC approved procedures. Corrections will not be subject to additional reconsideration.
- A(6) **Reviewing the APH form** for completeness and accuracy and obtaining the insured's signature and date.
- A(7) **Obtaining Supporting Production Records.** For insureds establishing an APH yield history (database) who elect to provide records for verification rather than be subjected to an APH field review, agents/representatives must forward copies of supporting records to the verifier unless a discretionary review is required.
- A(8) **Forwarding the signed APH forms and any applicable worksheets** to the Insurance Provider within 10 calendar days of completion, but not later than 10 calendar days after the production reporting date. APH forms signed after the production reporting date are not timely filed and are not acceptable.

- A(9) **Forwarding all requests for inspections** to the applicable Insurance Provider's representative:
- (9)(a) For Blueberries in the states of Maine, Mississippi, North Carolina, and New Jersey, and Texas Citrus, no later than 10 calendar days after the **sales closing date**.
  - (9)(b) For Blueberries in Michigan and all other perennial crops requiring a pre-acceptance inspection, no later than 10 calendar days after the **PRD**.
- [See Sec. 7, Par. G for the perennial crop pre-acceptance inspection form and instructions.]
- A(10) **Explaining Approved APH Yields**. Upon receipt of the approved APH yield the agent/representative must be able to:
- (10)(a) Explain the approved APH yield(s) and determine production guarantees(s).
  - (10)(b) Explain premium provisions and, if applicable, premium discount and compute the premium.
  - (10)(c) Verify insurance units and explain appropriate provisions.
  - (10)(d) Administer and explain to the insured yield limitations, yield floors, record requirements, and that assigned yield provisions will apply for subsequent APH crop years if production reports are not provided.
  - (10)(e) File and maintain copies of the APH form.
- A(11) **Updating APH databases** when insureds do not supply acceptable production reports for APH purposes.
- (11)(a) When necessary, determine the correct "T" Yield(s) from the applicable County Actuarial Table to be used for APH yield calculation purposes.
  - (11)(b) Determine preliminary APH yields according to FCIC approved procedures. [See Sec. 6 for annual crops and Sec. 7 for perennial crops.]
  - (11)(c) Assign basic units according to those allowed in the policy. [For exceptions, see Sec. 4, D(3).]
  - (11)(d) Administer assigned yield provisions for carryover insureds (Category B and C crops).
  - (11)(e) Follow applicable New Producer procedures for insureds qualifying as "new producers."

- A(12) **Determining the correct unit structure for added land.** If additional cropland is purchased or rented after the production reporting date, it may be added as a separate unit (provided it meets basic/optional unit requirements and production reporting requirements) or added as part of an existing unit, if applicable. [See Exhibit 36 for added land provisions for Category B crops.]
- A(13) **Entering the prior crop year's approved APH yield** in the prior yield block on the APH form and identifying each yield in the database with the correct yield type descriptor [See Sec. 6 Par. D for annual crops and Sec. 7, Par. H(10) for perennial crops].
- A(14) **Comparing current crop years' yield history on the APH form** received from the verifier to the yield history on the previous crop year's APH form. If the yield history does not agree, attach a copy of the previous crop year's APH form to the current crop year APH form and return it to the verifier for a corrected current crop year APH form.
- A(15) **Retaining prior years' APH forms** for the insured in the insured's file folder.
- A(16) **Referring requests for field visits for APH acreage and yield determinations** (appraisals, bin measurements, etc.) to the appropriate Insurance Provider's representative. [See Sec. 10, D.]
- A(17) **Follow NCS procedures** when servicing contracts of insureds with assigned NCS classifications.
- (17)(a) Explain NCS to the insured.
- (17)(b) Ensure that yearly NCS coverage and/or rate adjustments to the insured's contract are carried out.
- (17)(c) Recommend names and name combinations of insureds who should be reviewed for NCS classification to the appropriate RMA RSO.

5B **Producers/Insureds are Responsible for:**

- B(1) **Requesting field visits** for APH acreage and yield determinations from the Insurance Provider by notifying the agent/representative if necessary. [See Sec. 10, D.]
- B(2) **Filing Annual Production Reports.** For all APH crops, insureds must report on an annual basis all production, acres and actual yields on an APH form by the production reporting date. Other documents which contain the same information as required by the APH form may be used. If an insured provides a production report by a means other than an FCIC approved APH form, it **MUST CONTAIN THE FOLLOWING CERTIFICATION STATEMENT** to be acceptable:
- "I certify that the information I have furnished as reflected on this form is complete and accurate for the commodity(ies), unit(s) and year(s) shown. I understand this form may be reviewed or audited and that information inaccurately reported or failure to retain records to support information on this form, may result in a recomputation of the approved APH yield. I also understand that failure to report completely and accurately may result in voidance of my crop insurance contract and may result in criminal or civil false claims penalties (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730)."
- B(3) **Filing Acceptable Production Reports.** Production reports (including production reports for zero planted units) are required by crop, unit, P/T/V, and "T" Yield Map area, and must be filed no later than the PRD.
- (3)(a) **Insureds must sign and date the APH form** to certify that the information contained on the APH form is true and accurate. APH forms are not acceptable without the insured's signature and date.
- (3)(b) **Insureds must maintain acceptable supporting production evidence** (records). When required by the Insurance Provider, a copy of the records must be furnished to the Insurance Provider.
- B(4) **Completing Producer's Pre-Acceptance Worksheets (Underwriting Information.** Except for Texas Citrus and Blueberry insureds, all NEW insureds must complete, sign, date, and submit Producer's Pre-Acceptance Worksheet(s) for Category C Perennial APH crops. For all Category C APH crops except Texas Citrus, all carryover insureds must certify required underwriting information by completing the Producer's Pre-Acceptance Worksheet. Acceptable Producer's Pre-Acceptance Worksheets must be filed no later than the PRD.
- B(5) **Requesting "T" Yields.** When "T" Yields are required to calculate approved APH yields, insureds must provide the agent/representative with the information necessary to determine applicable "T" Yields (i.e., legal descriptions, land locations, new producer status, etc.) by the PRD.

- B(6) **Reviewing Approved APH Yields.** If the approved APH yield is less than 95 percent of the preliminary yield, the insured may request the appropriate review of the yield calculated. A request for reconsideration, **(NACAT→**mutual consent cancellation**←NACAT)**, mediation, agency appeal or NAD appeal must be filed (requested in writing) within 30 calendar days of the date of notification of the approved yield. If the review request is not filed timely, the approved APH yield will be considered accepted. If reconsideration, mutual consent cancellation, mediation, and/or appeal rights were provided as part of an adverse decision by the RMA RSO, the appeal must be requested within the time specified (30 calendar days).
- B(7) **Maintaining Supporting APH Documentation.** Insureds must retain hard copy production evidence to support the information reported (certified) on APH forms. Insureds must provide supporting records to the field reviewer when selected for APH review at the time of the field review. (Reviewers are not authorized to track down supporting records for insureds at other sources, i.e., FSA, packers, elevators, etc.)
- B(8) **NCS Insureds.** Any insured receiving notification of the NCS classification from FCIC must give notice of the NCS classification to any other party with an insurable interest affected by the classification. Such notice must be given:
- (8)(a) Prior to the sales closing date if the other affected person has an established insurable interest at the time the classified person is notified by FCIC; or
- (8)(b) Prior to the classified person establishing an insurable interest with another person that will be affected by the classification.
- 5C **Verifier Responsibilities (Insurance Providers and RMA RSO).** The following responsibilities pertain when APH forms and APH yield calculations are received for verification. Verifiers must:
- C(1) **Review the acreage and yield history data** and any supporting documentation.
- C(2) **Access the Policyholder Tracking History System (PHTS)** and review for each insured, previously reported APH history that is available in the PHTS (if an Insurance Provider verifier). All APH history within the base period attributed to the insured must be used provided continuity of insurance and APH records for the crop has been maintained. Assigned yield provisions apply if insurance experience is continuous but the insured failed to provide production reports as required by the insurance contract. It may also be necessary to correct current crop year APH forms or perform an APH review in order to reconcile any differences between the current APH history certified and prior APH history available through the transfer process or PHTS.
- C(3) **Review entries on the APH form.** Verify that entries are according to procedure and that all required entries have been made.
- C(4) **Update the insured's yield history** (database).
- C(5) **Calculate the average APH yield** and apply yield limitations/**(NACAT→**yield floors**←NACAT)** when applicable.

- C(6) **Calculate Approved APH Yields.** When authorized, calculate the approved APH yield for each unit by crop year, and when applicable, by area classification ("T" Yield Map Area), P/T/V.
- C(7) **Complete and Distribute the APH Form.**
- C(8) **Verify that acreage and production** reported agree with the supporting records when insureds have elected to provide records rather than be subjected to the field review process. Corrections will be made according to tolerances established for the field review process when necessary.
- C(9) **Forward all required supporting documentation for RMA RSO determined yields** to be received in the RMA RSO no later than:
- (9)(a) 20 calendar days after the PRD for Blueberries in the states of Maine, Mississippi, North Carolina, and New Jersey) and Texas Citrus.
- (9)(b) 30 calendar days after the PRD for Blueberries in Michigan and all other Category C APH crops except Texas Citrus. [See Sec. 7 Par. F(1) and (2) for situations requiring RMA RSO determined yields.]

[See Sec. 7, Par. F(5)(b) for additional deadline information and F(6) for required documentation]

- C(10) **Provide Approved APH Yields Timely.**
- (10)(a) **RMA RSO Determined Yields.** The RMA RSO will notify Insurance Providers of the approved APH yield(s) by certified mail (return receipt requested) or positively document the crop policy (insured's name if policy number not available) and the date the approved yield was mailed/postmarked to the Insurance Provider. This documentation will be used to verify timeliness of issuance of approved APH yields and presentation of those yields to insureds.
- 1 If the approved APH yield issued by the RMA RSO is lower than the preliminary yield, or if during the APH process information is discovered that may require an adverse decision (such as denial of coverage, rejection of the insured's records, etc.), the RMA RSO must provide the participant with applicable reconsideration, mutual consent cancellation, agency appeal, mediation, and/or appeal rights.

Requests for reconsideration of NCS determinations are made to the appropriate RMA RSO.

2 Insurance Providers must notify each affected insured of the approved APH yield(s) no later than 25 calendar days after issuance of the approved APH yield by the RMA RSO. The Insurance Provider will notify the insured of the approved APH yield(s) by certified mail (return receipt requested) or positively document the date the insured was notified and the method used. Documentation of the date the insured was notified of the approved APH yield must be available to verify timeliness of presentation of approved APH yields to insureds, requests for reconsideration, mediation, mutual consent cancellation of crop policies, and appeals.

(10)(b) Insurance Provider approved APH yields. If the approved APH yield is less than 95 percent of the preliminary yield, the verifier will notify the insured of the change and of the approved APH yield(s) by certified mail (return receipt requested), or positively document the date the insured was notified of the approved APH yield and the method used. Insureds must be notified of all approved APH yields (in this category) no later than 25 calendar days from the issuance date of the approved APH yields by the verifier. Documentation of the date the insured was notified of the approved APH yield must be available to verify timeliness of presentation of approved APH yields to insureds, requests for reconsideration, mediation, mutual consent cancellations, and appeals.

5D **Additional RMA RSO Responsibilities:**

- D(1) **Mail approved APH yield forms** no later than 15 calendar days after receipt of the form and required documentation to the RMA RSO. A binding offer may be made upon receipt of the approved APH yield from the RMA RSO.
- D(2) **Review all questionable cases** received and determine the approved APH yield(s).
- D(3) **Notify the verifier if records are needed** to substantiate yields reported on the APH form, and make every effort to expedite the issuance of the approved APH yield.
- D(4) **Document the date** requests for approved APH yields were received and the date the approved APH yield was mailed to the Insurance Provider or insured.
- D(5) **Provide additional underwriting services** related to APH which is approved by the FCIC Product Development Division or the Assistant Manager for Insurance Services upon request from the verifier.
- D(6) **Conduct underwriting reviews** of selected NCS contracts.
- D(7) **Make adjustments to coverage and/or rate** through standard NCS contract adjustment methods.
- D(8) **Notify affected insureds** via certified return-receipt mail of initial placement on the NCS list and of subsequent removal from the list.

- D(9) **Notify the NCS insured's last known service office** upon being initially added to the NCS list and upon being removed from the list.
- D(10) **Conduct reconsiderations** from affected insureds in compliance with NCS Federal Regulations.
- D(11) **File actuarial documents** (FCI-32 Supplement, FCI-33 Supplement, and FCI-35 Supplement) to incorporate contract changes into the Actuarial Document Books.
- D(12) **Perform yearly updates** to nonstandard classifications.
- 5E **APH Verification at Time of Loss.** The person working the loss will use the following guidelines WHENEVER MAKING FARM INSPECTIONS:
- E(1) **Perform APH Field Reviews as required by Manual 14,** (FCIC-14010, Guidelines and Expectations for Delivery of Multi Peril Crop Insurance) when insureds are affiliated with Crop Insurance (employee, agent, contractor, etc.), and an APH field review has not been performed for the crop year for which the loss is being completed.
- If an APH field review cannot be performed and the inspection must be made, if the insured has a *bona fide* contract and claim, the inspection may be made but the claim cannot be finalized (do not obtain the insured's signature) until the APH field review has performed.

E(2) **Review Approved APH Forms.** For insureds not affiliated with Crop Insurance, a current approved APH form must be in the file in order to complete a claim.

- (2)(a) Review the actual yields certified by the insured for reasonableness.
- (2)(b) Perform a cursory review to determine if the APH yield was calculated accurately.
- (2)(c) Compare the approved APH yields to the acreage report. Verify that the correct APH yields have been entered on the acreage report (by unit, P/T/V, map area etc.).
- (2)(d) Contact the next level of supervision if:
  - 1 A current approved APH yield is not in the file;
  - 2 Yields certified do not appear to be reasonable; or
  - 3 The approved APH yield appears to have been calculated incorrectly.

If a correct/current APH yield cannot be verified before an inspection must be made, and the insured has a *bona fide* contract and claim, the inspection may be made but the claim cannot be finalized (do not obtain the insured's signature).

**6 CATEGORY B APH (ANNUAL) CROP PROCEDURES**

OVERVIEW OF THE APH PROGRAM. APH yield determination methods provide flexibility the initial year of insurance for insureds who do not furnish acceptable records, and at the same time, improve actuarial efficiency. Approved APH yields for producers who elect not to supply records are limited to 65 percent of the applicable "T" Yield the first year the producer is insured. Insureds must provide production reports for subsequent crop years according to the terms of the MPCl policy. For producers who provide less than four years of actual yields, variable "T" Yields are used to complete four-year databases [See Par. C(1) and (2).] When four or more years of actual yields are available for a database, "T" Yields are not used in the database. As more years of actual production history are reported, insurance yields more accurately reflect the individual insured's capability of producing the crop.

**6A Related Handbooks**

- A(1) **FCIC- M13 Data Acceptance System Handbook**
- A(2) **FCIC- 25010 General Loss Adjustment Standards**
- A(3) **Other FCIC - Approved Reinsurance Handbooks**

**6B Eligible Category B Crops and Procedures**

Barley, Canola, Canning and Processing Beans, Corn, Cotton, Dry Beans (including contract seed beans), ELS Cotton, Flax, Forage Production, Grain Sorghum, Oats, Onions, Peas (Dry and Green), Potatoes, Popcorn, Rice, Rye, Safflower, Soybeans, Sugar Beets, Sugarcane, Sunflower, Sweet Corn (Canning and Freezing), Tobacco (Production Guarantee - types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; and 32 MD), and Tomatoes (Canning & Processing and Fresh-Market Guaranteed Production Plan) and Wheat.

- B(1) **General Instructions.** Agents/representatives are REQUIRED to calculate preliminary yields for new insureds and Insurance Providers are authorized to calculate approved APH yields for all Category B APH crops.
  - (1)(a) **Responsibilities.** If more than one person/entity is insured on the same unit, each person/entity is responsible for submitting an acceptable production report(s). [When acceptable production records are submitted by the PRD for all units/P/T/V see Par. H(1)]. Different yield calculation methods may apply based on the production reports provided by each person/entity.
  - (1)(b) **All years' actual yields** reported for use on the APH form must be continuous. A production report indicating the crop was not planted (zero acreage) maintains continuity of records. No actual yields prior to a break in continuity will be used unless approved by the verifier. [See Sec. 10, Par. A.]

(1)(c) **(NACAT→ Optional Units.** Separate acceptable production reports for the most recent year that the crop was planted must be filed on an optional unit basis by the PRD to qualify for optional units. [See Sec. 4, D(4)(a)1 a and b for exceptions.]**←NACAT)**

B(2) **General Instructions for Carryover Insureds.** Carryover insureds must provide acceptable annual production reports. Assigned yield provisions apply to carryover policies on an APH crop year basis to databases (units, P/T/V/"T" Yield map areas) that had planted acres (except for units with claims for indemnities) if the required production reports are not provided by the PRD. Claims for indemnities are considered production reports and must be used; however, some claims may have to be reviewed to ensure that the correct production is used for APH purposes. [See Sec. 9, Par. C(4)(b). See Exhibit 2, Par. 1D(3)(b) and Par. 2 for further assigned yield instructions.]

(2)(a) **Yield limitations** (cups/caps **(NACAT→** and yield floors **←NACAT))** are applicable on a unit basis (by P/T/V) to databases that contain at least one actual or assigned yield. When applicable, the approved APH yield will not increase or decrease more than the amount established by FCIC compared to the prior approved APH yield for the same unit (by P/T/V). [See Par. I.]

(2)(b) **If insured on a continuous basis,** ALL actual and assigned yields from the past APH production history within the (10 APH crop years) base period **MUST** be used; however, assigned yields may be replaced with actual yields. This includes policies that have been canceled and rewritten (transfers) to change agents/insurers.

## 6C **APH Yield Calculation Methods**

A minimum of four yields is required in each database used to calculate approved APH yields. Except for new producers [See Par. C(3) following], insureds classified under Nonstandard Classification System (NCS) with yield adjustments [See Sec. 13, Par. A(4)], feed or forage grown for on-farm use [See Par. C(5) following], added land/P/T/V [See Exhibit 36], high-risk land with high-risk "T" Yields [See Par. E(1)(b)3 below], and units located in more than one "T" Yield Map area [See Par. E(1)(b)3 following]; when less than four years of actual and/or assigned yields are available in the database (unit/P/T/V), the database is completed with a variable "T" Yield based on the number of years of actual and/or assigned yields available for the database. Variable "T" Yields are determined as follows:

C(1) **No Actual or Assigned Yields.** For new insureds who have produced the insured crop and do not provide acceptable production reports by the PRD or provide production reports containing only zero-planted acres, approved APH yields are calculated by multiplying the applicable "T" Yield(s) by 65 percent. Sixty-five percent of the "T" Yield applies only ONE year. [For subsequent years, see B(2) above].

- (1)(a) New insureds must request approved APH yields by completing and signing APH forms. Separate four-year APH databases are required for each unit (by P/T/V and for each "T" Yield map area). Each database must contain four 65 percent "T" Yields. Agent's/ representatives MUST quote the applicable 65 percent "T" Yield as the preliminary yield. The verifier must approve all APH yields.
- (1)(b) Yield limitation provisions (caps/cups) are NOT applicable the initial year insured; however, they apply for subsequent crop years to databases with actual and/or assigned yields.
- (1)(c) 65 percent "T" Yields are not set in the database. Databases must be updated each year and the approved APH yield recalculated.
- (1)(d) Optional units are NOT authorized.

C(2) **Actual and/or Assigned Yields Provided.**

- (2)(a) Databases containing less than four years of actual and/or assigned yields, require the use of a variable "T" Yield to meet the four-year requirement (by unit and P/T/V, when applicable) as follows [if insureds qualify for added land/P/T/V, see Exhibit 36]:
  - 1 One year, 80 percent of the applicable "T" Yield.
  - 2 Two years, 90 percent of the applicable "T" Yield.
  - 3 Three years, the applicable "T" Yield (100 percent).
- (2)(b) Four or More Years Actual and/or Assigned Yields. When four or more years of actual or assigned yields are available for a database (unit by P/T/V/"T" Yield map area), the average APH yield is determined by a simple average of the insured's actual and/or assigned yields divided by the number of years of actual and/or assigned yields contained in the database.

- C(3) **New Producer.** [See Exhibit 37 for additional instructions.] If the insured qualifies as a new producer, the approved APH yield must be determined using the method below for which the insured qualifies.

- (3)(a) If no production records (has not produced the crop one or two crop years), the applicable "T" Yield (100 percent) is the approved APH yield. Databases must be established that contain four 100 percent "T" Yields preceded by the yield descriptor code "I" [See Exhibit 37, Par. 4 for an Example]. Agents/representatives quote the applicable "T" Yield as the preliminary yield. The verifier must approve all APH yields.
- 1 Optional units are allowed, provided they are requested by the acreage reporting date and the new producer keeps separate records of acreage and production for each proposed optional unit for the current crop year.
  - 2 For subsequent crop year(s), if acceptable production reports are not provided by the PRD, assigned yield provisions apply. "T" Yields are then determined using the number of assigned yield(s), and optional units are not allowed. Yield limitation provisions apply if appropriate.
- (3)(b) Production reports ARE REQUIRED if the insured have produced the insured crop for one or two crop years. [See Ex. 37, Par 1B and Par. 5.]
- 1 Production reports must be provided for such crop years to qualify for use of the applicable "T" Yield(s) (100 percent). If provided, the approved APH yield is calculated by dividing the sum of the actual yield(s) and the 100 percent "T" Yields by four. [If such production report(s) is not provided, see Exhibit 37 Par. B(2).]
  - 2 Basic or optional units are determined according to the way production reports are filed for the previous APH crop year.
  - 3 For subsequent crop years, refer to instructions for carryover insureds [in B(2) above].
- C(4) **Pilot County "T" Yields for New Producers.** Applicable for Category B APH crops in pilot project counties. Follow the procedures [in C(3)] above, except use 110 percent of the applicable "T" Yield instead of 100 percent. The 110 percent "T" Yield is preceded by the yield descriptor "H" [See Exhibit 37, Par. 6 for an Example]. Pilot-project new producer states and counties are as follows.
- |                 |   |
|-----------------|---|
| Alabama:        | Cullman and DeKalb  |
| California:     | Fresno, Merced, Stanislaus and Tulare                       |
| Florida:        | Alachua and Hillsborough                                    |
| Georgia:        | Coffee and Hall   |
| Indiana:        | Adams, Allen, Dekalb, Elkhart, and Noble                    |
| Kansas:         | Miami and Nemaha  |
| Montana:        | Big Horn and Rosebud  |
| North Carolina: | Duplin, Johnston, and Wayne                                 |
| South Dakota:   | Brookings, Hutchinson, Lake, Lincoln, Minnehaha, and Turner |
| Texas:          | Cameron, Erath, Hidalgo, and McLennan                       |
- C(5) **Feed or Forage Grown for On-farm Use.** Special procedures for producers who grow feed or forage for on-farm use have been discontinued beginning with the

1998 crop year. First-year insureds will no longer be given 80 percent of the applicable "T" unless they provide one year of actual yields (standard APH procedures apply). Producers who had previously qualified and have been continuously insured may retain 80 percent "T" Yields (identified by the yield descriptor "X") until the database contains at least one actual or assigned yield. [See Par. C(2) for instructions when actual/assigned yields are available.]

- C(6) **Added Land/P/T/V.** Special "T" Yields may be determined for added land or added P/T/V if insureds have provided acceptable production reports containing actual and/or assigned yields for the insured crop. Special "T" Yields are calculated for ALL Category B Crops for P/T/V's listed on the actuarial documents with published "T" Yields. [For the Summerfallow Practice for Wheat, Barley, Malting Barley, and Oats when a Continuous Cropping (CC) Practice has been carried out on the same unit, refer to Summerfallow APH yield instructions in Par. J(13)(h)3.] [See Exhibit 36 for Special "T" Yield instructions for added P/T/V's.]
- C(7) **High-Risk Land.** For acreage with less than four years of actual and/or assigned yields that is located on high-risk (with a high-risk "T" Yield) or unrated land (on which the RMA RSO has assigned high-risk "T" Yields), variable "T" Yields do not apply. One hundred percent of the high-risk "T" Yield assigned applies. Use yield descriptor "F."
- C(8) **Master Yields.** A Master Yield is an optional yield calculation method in addition to standard APH. Insureds that qualify for Master Yields must request initial Master Yields and provide the required documentation no later than the PRD. Master Yields are available for Canning and Processing Beans, Dry Beans (Dry Beans and Contract Seed Beans), Onions, Peas (Dry and Green), Potatoes, Sugar Beets, Sweet Corn (canning and freezing), Tomatoes (canning and processing, and fresh market guaranteed production plan), for some practices and locations. [See Exhibit 6 for procedures, practices and locations.]

6D Yield Descriptors

When completing APH databases, each yield entered in the yield column must be identified with the applicable yield type descriptor (examples are based on a 100-bu. "T" Yield):

- A = Actual Yield (Example: A120).
- J = Temporary Yield (Example: J105).
- S = 65% "T" Yield (Example: No actual/assigned yields = S65).
- E = 80% "T" Yield (Example: One actual/assigned yield = E80).
- N = 90% "T" Yield (Example: Two actual/assigned yields = N90).
- T = 100% "T" Yield (Example: Three actual/assigned yields = T100).
- R = Actual or Summarized Actual Yield taken from the previous year's Master Yield Summary that was replicated to a new county's database (R&D-097-16.1).
- P = Assigned yield (Example: P60).
- I = Initial yield for new producers of the crop (Example: I100).
- H = 110% "T" Yield, Pilot County New Producer "T" Yields (Example: H110).
- C = Special "T" Yield determined for added P/T/V or "T" Yield map area, when the percentage of the "T" Yield is based on the number of actual/assigned yields from a reference database or "T" Yield map areas (Example: Three or more actual/assigned yields = C90).
- F = RMA RSO Determined Yields (Example: F85). Used when less than four years of actual and/or assigned yields are available and the "T" Yield is specifically assigned and designated by the RMA RSO, or high-risk "T" Yields (also applicable to unrated land when high-risk "T" Yields are assigned by written agreement) are used in the approved APH Yield calculation.
- L = Added Land, based on the number of actual/assigned yields in the reference database (Example = L100).
- Z = Zero Planted.
- X = 80% "T" Yield, remaining in databases of feed or forage producers who qualified in a previous crop year (Example: No actual assigned yields = X80).

6E "T" Yields

E(1) **"T" Yield Methods.** Beginning with the 1998 crop year, "T" Yields based on FSA FSN Program Yields have been discontinued. For 1998 and succeeding crop years, all "T" Yields will be published on the County Actuarial Table. The published "T" Yields will be used to calculate variable "T" Yields when "T" Yields are necessary to calculate approved APH yields.

1(a) "T" Yields based on program yields contained in carryover insureds' databases MUST be replaced with the current "T" Yields. Cups and caps will apply if units/P/T/V's are not combined or divided.

(1)(b) "T" Yields are published for:

- 1 Insurable practices (no type specified), types, a combination of practices and types, and varieties. If irrigated and non-irrigated practices are indicated on the county actuarial documents, separate APH yields are required for irrigated and non-irrigated practices. If separate (different) "T" Yields are provided for other P/T/Vs, separate APH yields must be established for each P/T/V. [For additional instructions regarding summerfallow practices, refer to J(13)(h)3 of this Sec.]

For example, the county actuarial table for CC wheat indicates:

Type	Practice	Map Area/"T" Yield
011 (winter)	004 (CC)	001 = 15.0
012 (spring)	004 (CC)	001 = 14.0

In this example, separate APH yields are required for winter and spring types of CC wheat located in Map Area 001 (even if the insured does not choose optional units for winter and spring wheat).

- 2 Map Areas. In addition to P/T/V's, "T" Yields may be assigned for certain areas within a county ("T" Map Areas). Acreage located in "T" Yield Map areas with different "T" Yields requires separate APH yields. For units located in more than one "T" Yield Map Area (except for land assigned a high-risk "T" Yield or insureds/land classified under NCS with yield adjustments), the variable "T" Yield is determined by the number of years of actual and/or assigned yields provided on the unit for each applicable P/T/V. Separate APH yields are not required for maps used only to assign rates (including areas with a high-risk rate adjustment factors that have NOT been assigned separate "T" Yields).

For example: The county actuarial table for CC wheat indicates:

Type	Practice	Map Area/"T" Yield
011 (winter)	004 (CC)	001 = 15.0
011 (winter)	004 (CC)	002 = 23.0
011 (winter)	004 (CC)	AAA = 15.0

In this example, separate APH yields are required for CC practice winter wheat for Map areas 001, 002, and AAA.

NOTE: If a different percentage of the "T" Yield is used for the individual "T" Yield map area than indicated by actual and/or assigned yields in that database, use the yield descriptor "C."

- 3 High-risk land. The actuarial table may indicate high-risk rate adjustment factors and assign high-risk "T" Yields to high-risk land

(generally identified as AAA, BBB, or CCC on the FCI-35) via a "T" Yield Map. FCIC may also assign high-risk "T" Yields to unrated land by written agreement. When high-risk "T" Yields are used to complete the four-year database, they are not reduced if less than three years of actual and/or assigned yields are available. Separate APH databases are required for land with high-risk "T" Yields when less than four years of actual and/or assigned yields are available. High-risk "T" Yields are preceded by the yield descriptor "F" when used to calculate the approved APH yield.

E(2) **Reporting Production for P/T/V or "T" Map Areas (Includes High-Risk Land).**

- (2)(a) Separate Production. When production is reported separately by P/T/V/"T" Yield Map Area requiring separate APH yields, a yield will be determined for each P/T/V/"T" Yield Map Area using the separated production.
- (2)(b) Separating Commingled Production. When production has been commingled, separate production may be determined by P/T/V/"T" Yield Map Area if:
- 1 The producer provides a yield estimate by P/T/V/"T" Yield Map Area from past production records, accounts for total disposition, and the verifier considers resulting yields reasonable; or
  - 2 The production is apportioned using the commingled production worksheet instructions for the Multipurpose Production and Yield Report Worksheet [See Par. F].
- (2)(c) Commingled Production. When production has been commingled between P/T/V/"T" Yield Map Areas and the insured cannot provide a yield estimate by P/T/V/"T" Yield Map Area, or the production is not apportioned using the commingled production worksheet, the total acreage and production will be charged to the P/T/V/"T" Yield Map Area that would normally result in the highest yield (i.e., production commingled between Irrigated and Non-Irrigated practices is charged to the Irrigated practice). The APH yield for the lower yielding P/T/V/"T" Yield Map Area will be based on variable "T" Yields determined by the number of years of actual and/or assigned yields provided (including commingled years). Identify such years with the "C" yield type descriptor.

6F **Multipurpose Production and Yield Worksheet.**

This worksheet may be used to arrive at the factored production to be entered on the APH form in the total production column.

Crop Year	1	2	3	4	5	6
19XX						
19XX						
19XX						
19XX						
19XX						
19XX						
19XX						
19XX						
19XX						
19XX						
19XX						

**Instructions and Suggested Column Headings**

F(1) **Separating Commingled Production** between "T" Yield Map Areas, P/T/V, [see Exhibit 17 Par. 6E, Example 5]:

- Col. 1 - "T" Yield Map Area or Practice/Type/Variety
- Col. 2 - Planted Acres (for skip-row cotton, acres considered planted to cotton).
- Col. 3 - Transitional Yield ( "T" Yield)
- Col. 4 - Yield Extension (Col. 2 X Col. 3)
- Col. 5 - Factor (total commingled production ÷ total yield extension)
- Col. 6 - Yield (Col. 3 X Col. 5)

F(2) **Converting Skip-row Cotton Production to Solid Plant:**

- Col. 1 - Total Production
- Col. 2 - Yield Factor [See Exhibit 17 Par. 5, Tables 1-3]
- Col. 3 - Total Production (factored, Col. 1 ÷ Col. 2) enter in Col. 16 of the APH form.
- Col. 4 - Gross Acres X percent planted factor [See Exhibit 17, Acres Considered Planted by FSA Table]
- Col. 5 - Acres enter Col. 17 of the APH form.
- Col. 6 - Yield (solid planted) enter Col. 18 of the APH form.

F(3) **Determining Skip-Row Cotton Yield Factors** [See Exhibit 17 Par. 6E, Example 5]. Used when production is commingled between more than one non-irrigated skip-row planting pattern:

- Col. 1 - Non-Irrigated Skip-Row Pattern
- Col. 2 - Planted Acres (acres considered planted to Cotton for each pattern)
- Col. 3 - Yield Factor (for each different pattern)
- Col. 4 - Yield Extension
- Col. 5 - Yield Factor (divide total yield extension (Col. 4) by total acres (Col. 2))
- Col. 6 - Solid Planted Yield (skip-row yield ÷ yield factor)

(F)(4) **Green Peas** [See Exhibit 8, Par. 1F, Example 6]:

- Col. 1 - Dollars Received for Crop
- Col. 2 - Contract price for the TR Sieve number shown on the actuarial table.
- Col. 3 - Adjusted Production (Col. 1 ÷ Col. 2)
- Col. 4 - Lbs. Dry Peas ÷ .60 (converts to green pea equivalent)
- Col. 5 - Total Production (Col. 3 + Col. 4)

(F)(5) **Contract Seed Beans** (Bush Varieties for Garden Seed) and Wrinkled Seed Peas [See Exhibit 27 Par. 2A, Example 1]:

- Col. 1 - Reference Year Adjustment Factor (RYAF)
- Col. 2 - Total Dollars (\$) Received (or value of)
- Col. 3 - RYAF X Total \$ (rounded to whole \$). Transfer factored \$ to column 16 of the APH form.

(F)(6) **Sugar Beets** (Used to adjust production to % sugar on the county actuarial table):

- Col. 1 - % Sugar (records)\*
- Col. 2 - % Sugar (actuarial table)\*
- Col. 3 - Sugar Factor\* (Col 1 ÷ Col 2)
- Col. 4 - Actual Production
- Col. 5 - Adjusted Production (Col. 3 x Col. 4)

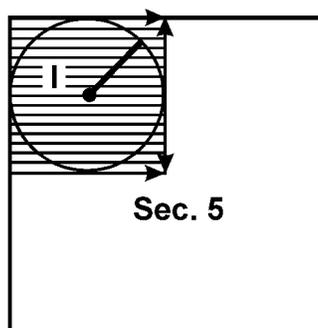
\*Values rounded to three significant digits.

(F)(7) **Potatoes** [See Exhibit 8 Par. 1G, Example 7]. Used when the Potato Quality Option or Processing Potato Quality Option is applicable.

- Col. 1 - Fresh % No. 1
- Col. 2 - Fresh % No. 2 or better
- Col. 3 - Processing % No. 1
- Col. 4 - Processing % No. 2 or better

6G **Additional Instructions for Center Pivot Irrigation Systems.** The following instructions pertain to all annual crops except Rice. [See Sec. 4, Par. D(4)(b)4 for unit division instructions.]

G(1) **Separate Production Reports Not Provided.** The acres and production from the Non-Irrigated corners of a field planted to the insured crop must be included with the portion of the field irrigated by a center pivot irrigation system when separate production records for the corners of the field and center pivot irrigation systems are not provided. Separate approved APH yields are not calculated; however, acreage considered to be irrigated will not extend beyond intersecting lines drawn at right angles to the radius of the center pivot. A separate line entry for a Non-Irrigated Practice is not required on the acreage report for the corners of the field when they are considered to be irrigated. However, a separate APH yield is required for Non-Irrigated acreage (e.g., Non-irrigated acreage extending beyond the intersecting lines drawn at right angles of the radius of the center pivot system or other Non-Irrigated field(s)).



(G)(2) **Separate Production Reports Provided.** If separate records of acreage and production are provided for the Non-Irrigated corner(s) of a field planted to the insured crop and the portion of the field irrigated by a center pivot irrigation system, two practices will be considered as carried out. Separate APH's are required, separate line entries are required on the acreage report, and irrigated acreage is limited to the acreage contained in the center pivot irrigation system.

## H **Types of Yields.**

H(1) **Acceptable Production Reports Filed.** When acceptable production reports have been submitted by the PRD, the yield history will be updated with the following types of yields as applicable:

- (1)(a) Actual Yields from production reports or claims forms [See Sec. 10].
- (1)(b) Applicable variable "T" Yields if less than four years of actual and/or assigned yields are available. [See C(2)(a) of this Sec.]
- (1)(c) Special "T" Yields for added land/P/T/V. [See C(6) of this Sec. and Exhibit 36 for instructions for added land/P/T/V.]
- (1)(d) Temporary Yield. The prior APH yield may be used ONLY as a temporary yield (by unit) for the most recent year in the base period if an insured is unable to finish harvest (due to an insurable cause), or records are unavailable from the processor, marketing outlets, etc., by the PRD. The

temporary yield is considered an actual yield when determining the number of actual and assigned yields for APH calculation purposes. The temporary yield is valid for one year only. A production report indicating the actual yield for that year must be filed by the following year's production reporting date or assigned yield provisions will apply.

NOTE: **(NACAT→**Insureds using a temporary yield may retain optional units for the current crop year.**←NACAT)**

- (1)(e) **Zero Planted Acres.** For annual crops with zero planted acres (by unit, P/T/V), enter zero (0.0) in the Acres Column (Col. 17 FCI-19-A) and enter a Z in the Yield Column (Col. 18 FCI-19-A). Do not count a year of zero planted acres (by unit and by P/T/V if applicable) when determining the number of years of actual and assigned yields. The yield descriptor Z is entered in the database primarily to indicate continuity of production reports. If the 10 APH crop year database requires removal of a zero planted year to provide space to retain an actual/assigned yield, remove the OLDEST zero planted year.

H(2) **Acceptable Production Reports Not Submitted.** For carryover insureds when acceptable production reports are required but not submitted for all units, the database will be updated with the following types of yields, as applicable:

- (2)(a) **Actual Yields** and appraised potential production from loss claims, if any. [See Sec.10, C(1)(d).]
- (2)(b) **Assigned Yields** - 75% of the prior APH yield for the same unit (by area classification, P/T/V).
- (2)(c) **Applicable variable "T" Yields** if less than four years of actual and/or assigned yields are available in the database. [See C(2)(a) of this Sec.]

NOTE: **(NACAT→**The insured will not qualify for optional units unless loss records account for all units, or other exceptions apply [See Sec. 4, D(4)(a)<sub>1</sub> and Exhibit 2].**←NACAT)**

H(3) **Submission of Prior Production Reports.** Insureds may submit (certify) production reports for crop years not previously certified provided continuity of production reports is maintained. Acceptable production reports must be submitted by the applicable PRD for the current crop year to be used for the current crop year. Such production reports are subject to APH field reviews and acceptable supporting records must be available.

- 6I **Yield Limitations.** Carryover insureds who have provided at least one actual and/or assigned yield qualify for yield limitation provisions (cups and caps). **(NACAT→**New and carryover insureds who have provided at least one APH crop year of acceptable records containing actual yields for a Category B APH crop qualify for yield floors.**←NACAT)**

Cups/caps **(NACAT→**and yield floors**←NACAT)** apply on a database (unit/P/T/V) basis, if the database contains at least one actual or assigned yield and only the most recent year's production history (including zero-planted) is added to the database. If zero planted and the prior year's approved APH yield was limited, calculate the current year's average APH yield and apply any applicable yield limitation.

- I(1) **10 Percent Cup.** Approved APH yields may not decrease by more than 10 percent compared to the previous year's approved APH yields. [See Par. I(6) for exceptions.] **(NACAT→**However, if the yield floor [see Par. I(3)] is higher than the cupped yield, the yield floor is the approved APH yield.**←NACAT)**
- I(2) **20 Percent Cap.** The approved APH yield may not increase more than 20 percent compared to the previous year's approved APH yield. [See Par. I(6) for exceptions.] **(NACAT→** However, if the yield floor is higher than the capped yield, the approved APH yield will be the yield floor.**←NACAT)**

**(NACAT→**

- I(3) **Yield Floors.** Yield floors are applicable to Category B APH crops with published "T" Yields. Yield floors are designed to work in conjunction with cups and caps to provide additional protection from the effects of low crop yields. Yield floors do not apply to policies when classified under the NCS. The approved APH yield will not fall below the yield floor. The yield floor is a percentage of the applicable "T" Yield based on the years of records the insured has provided:

- (3)(a) One year, 70 percent of the "T" Yield.
- (3)(b) Two-four years, 75 percent of the "T" Yield.
- (3)(c) Five or more years, 80 percent of "T" Yield.

NOTE: For added land/P/T/V, the yield floor percentage is based on the number of actual and/or assigned yields used to determine the special "T" Yield. The percentage is applied to the applicable P/T/V's "T" Yield. [See Exhibit 36 Par. 1 C]. In subsequent crop years, the yield floor percentage is retained (does not increase as additional years are certified for the reference database) until enough actual and/or assigned yields are provided on the added land P/T/V to qualify for an increased percentage.**←NACAT)**

- I(4) **Yield Limitation Calculations.** Determine approved APH yields when cups/caps **(NACAT→**or yield floors**←NACAT)** apply [see Exhibit 19 for Examples] as follows.
- (4)(a) Calculate the average APH yield using current APH procedures.
- (4)(b) Apply the cup/cap to the average APH yield when applicable.
- (NACAT→**
- (4)(c) Calculate the yield floor.

(4)(d) Determine the preliminary yield (and subsequent approved APH yield):

- 1 If cup/cap is NOT applicable, use the higher of the average APH yield or the yield floor.
- 2 If cup/cap applies, use the higher of the cupped/capped yield or the yield floor. **←NACAT**

I(5) **Determining Premium Rates.** Premium rates are determined differently when the approved APH yields are based on cupped/capped (**NACAT→** or yield floor **←NACAT**) yields. Rates are determined as follows when the approved APH yield is subject to:

- (5)(a) 10 Percent Cup (Category B and C). The rate is determined from the CUPPED YIELD and a five (5) percent surcharge is applied. For data processing purposes, a 10 percent yield limitation flag is used and the surcharge administered on a line entry basis. [See FCIC-M13, Data Acceptance System (DAS) Handbook.]
- (5)(b) 20 Percent Cap. The rate is determined from the CAPPED YIELD. (Same as last year.) For data processing purposes, a twenty percent yield limitation flag is used. [See FCIC-M13, DAS Handbook.]
- (5)(c) **(NACAT→)** Yield Floor (Category B only). Yield floors do not apply when Nonstandard Classification System (NCS) is applicable. For yield-span rated crops, the rate is determined from the average yield; however, guarantees are based on YIELD FLOOR. For data processing purposes, an additional yield flag is required. For non-yield-span rated crops (rate maps, etc.), a five (5) percent surcharge is applied; however, guarantees are based on the yield floor. [See Manual 13, DAS Handbook.] **←NACAT**

I(6) **Caps or Cups do not apply** to units (by P/T/V) if:

- (6)(a) Classified by NCS (the first effective crop year) or the crop year removed from NCS. Caps ONLY apply for subsequent crop years while classified by NCS [Also See Sec. 13 Par. A(4)].
- (6)(b) A special case is referred to the RMA RSO for yield determination.  
  
NOTE: "Special case" means when the verifier is not authorized to calculate an approved APH yield or the approved APH yield cannot be determined by the verifier and the case is referred to the RMA RSO for an approved APH yield.
- (6)(c) Nonactual yields are replaced with adjusted "T" Yields for high-risk or unrated land the first effective crop year.
- (6)(d) Previously approved APH yields are corrected/changed. These include:
  - 1 Revision of a previously reported actual yield based on acceptable, more accurate production records submitted by the insured.

- 2 Revision of the APPROVED APH yield is required for the current crop year according to APH review procedure when discrepancies in production and/or acreage information found during an APH field review cause the APH yield to exceed established tolerances. If the approved APH yield does NOT require correction for the current crop year, cup and cap procedures apply (for the current and subsequent crop year when the yield is corrected). [See Sec. 14.]
- 3 Additional actual yields are submitted and accepted for year(s) other than the most recent APH crop year in the database. (Assigned yields or "T" Yields are replaced).
- 4 The initial year added land/P/T/V or new producer procedures are applicable; or when units/P/T/V's with established APH databases containing actual and/or assigned yields are combined or further divided.
- 5 The initial year the Continuous Cropping (CC) approved APH yield is used in place of the Summerfallow (SF) approved APH yield for the SF practice.
- 6 The published "T" Yield increases or decreases 10 percent or more and the "T" Yield are required to calculate the approved APH yield. Exception: Caps and Cups will continue to apply in counties where the "T" Yield methodology was changed from using FSA program yields (including crops using a reference crop's FSA program yield) to "T" Yields published on the County Actuarial Table if units/P/T/V's are not combined or divided.

J **APH Provisions by Crop.** The following procedures provide additional information for calculating APH yields for each crop listed.

J(1) **Canning and Processing Beans.**

- (1)(a) Acceptable Supporting Records. A copy of the contract must be available and must indicate planted acres. Processor records must be settlement sheets showing tons delivered for payment (gross tons if there was no quality adjustment), grade, where specified on the actuarial table, and harvested acres. If farm management records are used to support production reports they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc.

(1)(b) Bypassed/Unharvested Acreage. If an indemnity is to be claimed, Insurance Providers MUST inspect the acreage and determine whether or not timely harvest was prevented directly due to adverse weather and make appraisals that accurately reflect the crop's potential production remaining in the field. If a notice of damage or loss is not filed and insured acreage will not be harvested, the insured should notify the Insurance Provider and request an inspection for APH purposes. Planted insurable acreage is used for APH purposes when acreage is bypassed/not harvested. Production for APH purposes is determined as follows:

- 1 If bypassed by the processor, records may indicate amounts of bypass payments, acres bypassed, reason for bypass and the basis for the bypass payment(s). DO NOT convert compensation received from the processor (bypass payment) to production for APH purposes.
- 2 Appraisals made for potential production (if any) remaining in the field on bypassed/unharvested acreage are used for APH. If the acreage was bypassed due to an insured cause, generally there will be no potential production remaining in the field (same production as would be used on a claim for indemnity). If unharvested (not bypassed due to an insured cause), the potential production should be appraised; however, it should not be identified as due to an uninsured cause of loss.
- 3 A separate appraisal must be made and identified as due to an uninsured cause of loss if the crop's potential production was reduced by an uninsured cause of loss. Appraisals identified as due to an uninsured cause of loss (failure to follow recognized good farming practices for the crop, neglect, mismanagement, etc.), are not used for APH.
- 4 If a claim for indemnity was completed and no potential production was determined (zero appraisal), then no production from the bypassed/unharvested acreage will be used for APH purposes (i.e., the acreage was bypassed due to an insured cause of loss and an uninsured cause of loss appraisal was NOT made).

J(2) **Coarse Grains: Corn, Soybeans, and Grain Sorghum.**

(2)(a) Acceptable Supporting Records. Settlement sheets, ledger sheets and assembly sheets must show gross production in pounds or bushels except for silage which must be in pounds or tons to tenths. [Refer to the FCIC-25010 General Loss Adjustment Standards and the FCIC-30080 Corn Handbook for additional silage record instructions.] Individual scale tickets may be used to support determinations for moisture, dockage, kernel damage, test weight, quality adjustment and unit division.

- (2)(b) Quality Adjustment. To be eligible for quality adjustment, the following determinations must be made by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act.
- 1 Corn: grades U.S. No 5 or worse because of test weight, damaged kernels (excluding heat damage) or having a musty, sour, or a commercially objectionable foreign odor.
  - 2 Grain sorghum: grades U.S. Sample grade because of test weight, kernel damage (excluding heat damage) or having a musty, sour or commercially objectionable foreign odor (except a smut odor) or meets the special grade requirements for smutty Grain Sorghum.
  - 3 Soybeans: grades U.S. Sample grade because of test weight, kernel damage (excluding heat damage) or having a musty, sour or commercially objectionable foreign odor (except a garlic odor) or meets the special grade requirements for garlicky Soybeans.
- Note: To be eligible for quality adjustment due to the presence of substances or conditions that have been identified by the Food and Drug Administration or other public health organizations of the United States as injurious to human or animal health, the determination must have been made by a laboratory acceptable to RMA RSO/Insurance Provider.
- (2)(c) Insurable Corn Varieties. White, yellow, or mixed yellow/white corn, including waxy and high-lysine corn, predominate mixtures of high yielding yellow dent female plants with high-oil pollinators (at least 90 percent female and 10 percent male pollinators), and commercial varieties of high-protein hybrids, are insurable under the Corn Policy using published rates. Separate APH yields are not required.
- (2)(d) **(NACAT→**Corn Varieties Requiring Written Agreements. All OTHER special purpose corn including high-amylose, high-oil or high-protein varieties not meeting the above requirements, flint, flour, Indian, blue, varieties genetically adapted for wildlife purposes, and other open pollinated corn may be insured at the limited or additional coverage level by written agreement if coverage is not provided by the crop provisions.**←NACAT)**
- (2)(e) Corn, Harvested and Appraised Production. For APH purposes, harvested production will be determined in bushels for acreage harvested as grain and in tons (to the nearest tenth) for acreage harvested as silage; however, the harvested production may require conversion to the type that is insured.

- 1 Grain/silage conversions, the bushel/tonnage conversion factor is .15 for harvested production. To convert bushels to tons, multiply bushels times the bushel/tonnage conversion factor (.15) and round to the nearest one-tenth ton. Example: 5,000 bushels X .15 = 750.0 tons. To convert tons to bushels, divide tons by the bushel/tonnage conversion factor (.15) and round to the nearest whole bushel. Example: 750 ton's ÷ .15 = 5,000 bu.
  - 2 Appraised potential production (bushels or tons) for APH purposes must correspond to the insurable type(s) indicated on the acreage report for the same crop year.
- (2)(f) Corn, grain-only counties are counties for which ONLY grain premium rates are provided by the actuarial table. All insurable corn acreage must be insured and reported as grain on the acreage report **(NACAT→**unless a valid written agreement authorized by the RMA RSO provides silage coverage.**←NACAT)** A variety of corn adapted for silage use only is NOT insurable as grain. The acres and production from such acreage will not be used for APH purposes unless such silage production is commingled with production from insurable acreage harvested as silage.
- 1 Approved APH Yields and APH appraisals are on a bushel (grain) basis. Acceptable production reports that have been provided on a grain or silage basis must be used for APH yield calculation purposes. Silage production (tons) must be converted to bushels of grain.
  - 2 Appraisals which indicate potential production in bushels are required for APH purposes when less than 50 percent of the acreage on the unit will be harvested as grain and acceptable records will not be maintained/provided for the acreage harvested as silage; or, if at least 50 percent of the acreage will be harvested as grain and acceptable records will not be maintained/provided for the acreage harvested as grain. If such appraisals are not made, acceptable production records are not available and assigned yield provisions apply.
  - 3 If an indemnity is claimed, the production from the claim (in bushels) must also be used for APH.
  - 4 When at least 50 percent of the acreage is harvested as grain and acceptable production reports are provided for the acreage harvested as grain, if acceptable records were not maintained/provided for the acreage harvested as silage, the harvested grain actual yield is used to calculate the unit's APH yield.
  - 5 **(NACAT→**[If a written agreement provides silage coverage and all acreage is insured as silage, see (2)(g)1 and 2. If some of the acreage is insured as grain and some is insured as silage, see (2)(h)3 below.]**←NACAT)**
- (2)(g) Corn, silage-only counties are counties for which silage premium rates ONLY are provided by the actuarial table. All insurable Corn acreage must

be insured as silage (reported as silage on the acreage report)  
**(NACAT→**unless a valid written agreement authorized by the RMA RSO  
 provides grain coverage.**←NACAT)**

- 1 APH Yields and APH potential production appraisals are on a tonnage basis. Acceptable production reports that have been provided on a grain or silage basis must be used for APH yield calculation purposes. Grain production must be converted to tons.
- 2 Appraisals which indicate potential production in tons are required for APH purposes when less than 50 percent of acreage on the unit will be harvested as silage and acceptable records will not be maintained/ provided for the acreage harvested as grain; or, at least 50 percent of the acreage will be harvested as silage and acceptable records will not be maintained/ provided for the acreage harvested as silage.

Note: If such appraisals are not made, acceptable production records are not available and assigned yield provisions apply.

- a If an indemnity is to be claimed and the acreage will be harvested as grain, the actuarial table (special provisions) requires tonnage appraisals. The production from the claim must also be used for APH.
- b When at least 50 percent of the acreage is harvested as silage and acceptable production reports are provided for the acreage harvested as silage and if acceptable records were not maintained/ provided, for the acreage harvested as grain, the harvested silage actual yield is used to calculate the unit's APH Yield.
- c **(NACAT→** [If a written agreement provides grain coverage and all acreage is insured as grain, refer to (2)(f)1 and 2 above. If some of the acreage is to be insured as grain and some as silage, refer to (2)(h)3 below.] **←NACAT)**

(2)(h) Corn, grain and silage counties are counties for which the actuarial table provides both grain and silage premium rates. Both types are insurable. Insureds must report insurable acreage by unit and by type (grain or silage) according to the intended method of harvest; however, a variety of Corn adapted for use as silage only is not insurable as grain and must be insured as silage.

- 1 [If all insurable acreage is insured as grain, see Par. (2)(f)1 and 2 above for approved APH yield and APH appraisal instructions.]
- 2 [If all insurable acreage is insured as silage, see Par. (2)(g)1 and (2)(g)2 above for approved APH yield and APH appraisal instructions. See Par. (2)(g)2 a which is applicable in counties for which the Special Provisions of Insurance requires tonnage appraisals for claim purposes if non-irrigated acreage insured as silage is to be harvested as grain.]

- 3 A separate APH yield (database) must be established for grain and for silage when some of the acreage on the unit will be insured as grain and some will be insured as silage.

For each crop year that separate acceptable production records are available for grain and/or for silage, use the grain actual yields to calculate the APH yield for grain and the silage actual yields to calculate the APH yield for silage (by unit and IRR and NI practices).

For a crop year with only one type of production (silage or grain), complete the other type's database using zero planted acreage procedures. (The production for the type harvested is not converted and entered in the other type's database.)

- a An appraisal is required if acceptable production records of either type will not be maintained.
- b In counties for which the actuarial table contains premium rates for Non-Irrigated silage but does not provide premium rates for Non-Irrigated grain (**NACAT**→unless a written agreement has been approved to insure such acreage as grain←**NACAT**), all insurable Non-irrigated acreage will be insured as Non-irrigated silage. If a loss is to be claimed on acreage insured as Non-Irrigated silage which will be harvested as grain, such acreage must be appraised in tons (as silage).
- c For carryover insureds with established databases:
- i If the type for which the databases were established, on a unit basis, is the same type as insured for the current crop year, update the database with the most recent APH crop year's production history using applicable procedures. It is not necessary to make adjustments/conversions to prior production history.
- ii If a different or additional type (applicable in grain and silage counties), on a unit basis, is insured for the current crop year than the type for which the database was established:
- aa If the entire unit is insured as grain for the current crop year, and the previous year's database was established on a silage basis, any actual and/or assigned yields must be converted to bushels and a database established for grain.
- bb If the entire unit is insured as silage for the current crop year, and the previous year's database was established on a grain basis,

any actual and/or assigned yields must be converted to tons and a database established for silage.

- iii If both grain and silage is insured on the same unit, if the previous production history indicates type, use the grain actual yield(s) to calculate the APH yield for grain and the silage actual yield(s) for silage. If records are for one type, any actual and/or assigned yields must be converted to the other type and a database established for the other type.

- (2)(i) Soybeans. Only one yield is required for Intertilled Between Rows (IBR) and Not Intertilled Between Rows (NIBR) practices. However, if the insured elect to maintain separate yields, that is acceptable.

J(3) **Cotton and ELS Cotton**. [See Exhibit 17 for additional APH Instructions.]

- (3)(a) Acceptable Supporting Records. Gin records and gin bale receipts must show net weight in pounds. Individual bale receipts may be used to support determinations for grade, staple length and micronaire reading. When the Harvest Incentive Endorsement is applicable and a claim for indemnity was completed, do NOT use the pounds added to or subtracted from the production to count (required under the endorsement) for APH purposes.
- (3)(b) Quality Adjustment. To be eligible for quality adjustment, the quality of cotton produced must be such that on the date stated in the applicable policy (final notice of loss [FCIC policy] or date on the last grading card [NCIS policy]), the price quotation for cotton of like quality is less than 75 percent of that day's growth area price quotation, at the same area, for Cotton of the grade, staple length and micronaire reading shown on the FCI-35.
- (3)(c) Separate production reports (yields) are required to establish or update an APH yield for Cotton and ELS Cotton.
- (3)(d) Instructions for non-irrigated skip-row Cotton or ELS Cotton. In order to provide a yield that may be used for any skip-row pattern the insured may carry out, skip-row cotton must be converted to a solid planted basis. [See Exhibit 17 for skip-row yield conversion factors, percent planted factors, computation procedures and worksheet for production history.]
  - 1 When completing the APH form, the acres entered in the acre's column (Col. 17, FCI-19A) must be the acres considered planted (to cotton) by FSA. If the insured reported gross skip-row acres, multiply the acres reported by the appropriate percent planted factor (for the skip-row pattern carried out), round to the nearest tenth acre and enter the result in the acres column.
  - 2 Acreage planted in different skip-row patterns requires use of the correct skip-row factor(s) for the year(s) in which the different patterns were carried out.

- 3 Acreage planted in more than one skip-row pattern requires use of an additional step to arrive at a solid planted yield. [See Exhibit 17, Par. 6E, Example 5, Step 2.]
- 4 When a Non-Irrigated skip-row planting pattern is reported, the solid planted yield in the approved APH Yield block (Item 21) of the FCI-19A APH form must be multiplied by the appropriate skip-row yield conversion factor (for the skip-row pattern carried out) to determine the APH yield for skip-row acreage. The APH yield is then applied to the rate table to determine the rate.
- a Agents are to transfer the factored skip-row yield calculation to the approved yield column (item 10 FCI-19) of the acreage report.
- b The production guarantee for Non-Irrigated skip-row Cotton is calculated by multiplying the approved yield (item 10 FCI-19) of the acreage report by the percentage for the level elected (50, 55, 60, 65, 70, or 75%).
- c When an APH yield has been established for a farm which includes other operators' production history, insureds may request that only their own production history be used. The RMA RSO/Insurance Provider may approve such requests.

J(4) **Dry Beans.** [For additional information and procedures, see Exhibit 21.]

- (4)(a) Contract Seed Beans ( includes Bush varieties for garden seed). The unit of measure is whole pounds of clean seed equivalent as derived from dollars per acre. A copy of the seed company contract must be on file to show the contract price for each variety grown for the current crop year.
- 1 Acceptable supporting records are final settlement sheets specifying pounds of merchantable clean seed, any cull or mill tare poundage and the price paid or value of the respective production.
- 2 [For special APH procedures, see Exhibit 27. It addresses the production computation statement located on the Dry Beans Special Provisions of Insurance and includes examples of how to calculate the approved APH yield and entries required on the acreage report.]
- (4)(b) Dry Edible Beans.
- 1 Acceptable supporting records are settlement sheets, ledger sheets and assembly sheets that show gross production of dry beans in pounds.
- 2 To be eligible for quality adjustment, pick determinations in excess of 4 percent for dry edible (commercial) beans of the classes of pea and medium white, or any other classes of dry edible beans which do not grade No. 2 or better, must be made by a grain grader licensed by the Federal Grain Inspection Service.

- J(5) **Dry Peas.** If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packers, first handlers, etc. Acceptable supporting records:
- (5)(a) **Smooth Green and Yellow.** Settlement sheets must show gross production, dockage and net production which grades #3 or better (or adjusted to #3 in accordance with policy provisions). Dockage is determined by loss adjustment methods currently in effect.
  - (5)(b) **Lentils.** Settlement sheets must show gross production, dockage and net production which grades #2 or better (or adjusted to #2 in accordance with policy provisions). Dockage is determined by loss adjustment methods currently in effect.
  - (5)(c) **Wrinkled Seed Peas.** The unit of measure is whole pounds of clean seed equivalent as derived from dollars per acre. A copy of the seed company contract must be on file to show the contract price for each variety grown for the current crop year.

Production to count for yield determination will be final settlement sheets specifying pounds of merchantable clean seed, any cull or mill tare poundage and the price paid or value of the respective production.

NOTE: [See Exhibit 27] for additional procedures that:

- 1 Address the Production Computation Statement located on the Dry Pea Special Provisions of Insurance.
- 2 Include examples of how to calculate the approved APH yield and entries required on the acreage report.

- J(6) **Forage Production.** [See Exhibit 25.] When forage is harvested as other than air dry hay, production to count must be adjusted to the equivalent of air dry hay. Documentation must show total production. Acceptable supporting records:
- (6)(a) **Sold Production.** Settlement sheets, certified weight tags, broker sales summaries or load receipts must indicate net tons of forage produced, producer's name, and delivery date.
  - (6)(b) **Farm-stored.** Determinations of harvested production to be counted must be based on measurements and conversion factors consistent with procedures used for loss adjustment.
  - (6)(c) **Fed (without being sold).** Records must specify the number of head, type of livestock (cattle, hogs, horses, sheep, etc., with weight estimated to the nearest 100 pounds for each type) and number of days fed.

Note: Separate APH yields are not required for spring and winter planted acreage of the same forage production types.

- J(7) **Onions.** If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc.

- (7)(a) Adjustments to Prior Production Previously Reported. For the 1998 crop year, for carryover insureds, prior total production previously reported as field-run must be adjusted to reflect the applicable grade standards. Multiply the total production for each crop year by a grade factor of .85, or if the Special Provisions indicate other grade factor(s), use the applicable grade factor(s). After applying the applicable grade factor, recalculate the actual/assigned yields. Insureds that have acceptable supporting records indicating applicable grades may recertify such crop year(s). Grade adjustments to prior production history will be considered corrections to APH yields; therefore, CUPS and CAPS do not apply.
- (7)(b) Acceptable Supporting Records.
- 1 For production that is sold or delivered at time of harvest, settlement sheets must indicate gross weight (onion production minus dirt and foreign material) AND net sorted weight or graded weight with percent of pack based on applicable grade standards.
  - 2 Farm stored production, should be graded or production adjusted for APH purposes (using applicable grade factor) according to applicable grade standards prior to being placed in the storage structure, gross weight (onion production minus dirt and foreign material) or structure measurements indicating deductions for obstructions are acceptable.
  - 3 Measurements must be verifiable and definitive for sold, delivered, and farm stored records. For example:
    - a Unacceptable, 16 bins or 34 loads.
    - b Acceptable, bin = 1,500 Lbs. 16 bins @ 1,500 Lbs. = 24,000 Lbs. and 34 loads @ 24,000 Lbs. = 816,000 Lbs.
  - 4 If records certified by the PRD do not include the required grade information, applicable grade factors (.85 or as specified on the Special Provisions) must be used to convert field-run production to policy grade standards. If grade is certified after the PRD, it will be used when updating the next year's APH yield.
- J(8) Green Peas. If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc.
- (8)(a) Acceptable Supporting Records. A copy of the contract and/or settlement sheet must show planted acres, the contract price for the tenderometer reading or sieve size shown on the Special Provisions of Insurance for that type of pea, dollars received for peas delivered (exclusive of bonuses for acres, high production, split payment, late planting payment, etc., or deductions for seed, pesticides and their application, planting or harvesting), variety (specific name from the seed company) and acres harvested.

- (8)(b) Bypassed/Unharvested Acreage. Follow the instructions provided under Canning and Processing Beans [Par. J(1)(b) of this Sec.].
- (8)(c) For harvested delivered production, determine the production for APH by dividing the dollar amount received from the processor by the contract price per pound for the tenderometer or sieve size designated by the actuarial table.
- (8)(d) All dry pea production harvested from green pea acreage, provided the insured retains ownership of the dry peas, will be divided by .60 and added to the total green pea production on the APH form. The total production is divided by the acreage originally planted to green peas.

J(9) **Popcorn.**

- (9)(a) Acceptable Supporting Records. A copy of the contract must show planted acres and the contract price. Processor records must be settlement sheets showing pounds of shelled popcorn. Any ear popcorn production must be converted to shelled popcorn. Production from yellow or white dent corn will be counted as popcorn on a weight basis. Individual scale tickets may be used to support determinations for moisture and quality adjustment.
- (9)(b) For quality adjustment, the processor records must indicate that the production has been rejected by the processor because it was not of merchantable popcorn quality.
- (9)(c) Separate production reports (yields) are required to establish or update an APH yield for the Irrigated (I) and Non-Irrigated (NI) practices.

J(10) **Potatoes.** If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc.

- (10)(a) For the "Southern" Potato states (Alabama, Arizona, Arkansas, California, Delaware, Florida, Georgia, Louisiana, Maryland, Mississippi, Kentucky, Missouri, Nevada, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia) marketable mature potatoes (except for production with external defects) will be considered production for APH.
- (10)(b) Acceptable Supporting Records. Production that is sold or delivered at the time of harvest must include potatoes sold as seed, fresh market or processing potatoes and account for culled potatoes. Acceptable supporting records for:
  - 1 Processed potatoes are settlement sheets that show first net weight (gross weight of potatoes minus dirt and foreign material).
  - 2 Fresh market and table stock potatoes are settlement sheets that show total pack-out weight (including overweight, over-pack, etc., if applicable), including culls.

3 Seed potatoes are records must that show total weight sold from acres insured under the Certified Seed Potato Option Amendment.

(10)(c) Farm stored production are production records that show the gross weight of stored potatoes if an inspection is not made prior to potatoes being placed in storage. A copy of the weight slips and production measurements must be provided.

(10)(c) APH are Claims for Indemnities. If insured under the Quality, Processing Quality, or Frost/Freeze Option, first net weight from the claim prior to adjustment for quality is used for APH purposes.

(10)(d) The Potato Quality Option and the Processing Potato Quality Option. If insured under either option, marketing records or records determined at the time of harvest prior to potatoes being placed in storage MUST indicate the percentage of potatoes grading U.S. No. 2 or better (or as otherwise specified in the actuarial table). The percentage factor (PF), as stated on the Potato Quality Option will be based on the actual average percentage (AAP) of Potatoes grading U.S. No. 2 or better (as specified on the actuarial table) as determined from the insured's records if four or more years of acceptable records are available. If less than four years of acceptable records are available, the percentage factor will be calculated as follows:

*YEARS ACTUAL PERCENTAGE RECORDS	ACTUAL AVG. PERCENTAGE (AAP)		**DEFAULT PERCENTAGE (DP)	PERCENTAGE FACTOR (PF)
0	(0 AAP)	+	(4 DP)	÷ 4 = PF
1	(1 AAP)	+	(3 DP)	÷ 4 = PF
2	(2 AAP)	+	(2 DP)	÷ 4 = PF
3	(3 AAP)	+	(1 DP)	÷ 4 = PF

\*Use of loss records showing the percentage of Potatoes meeting the grade designations stated above must be used as an actual year of records for any year in which we determine the percentage of Potatoes meeting the stated grades.

\*\*The default percentage is:

THE GRADE PERCENTAGE(S) BY GROUP, FRESH MARKET OR PROCESSING, TYPE, AND GRADE NO.(S), AS APPLICABLE FROM THE COUNTY ACTUARIAL DOCUMENT.

J(11) **Rice.**

(11)(a) Acceptable supporting records are settlement, ledger, and assembly sheets that show gross production in tons, hundredweight or pounds. Individual scale tickets may be used to support determinations for moisture, test weight, dockage, quality adjustment and unit division.

(11)(b) Quality Adjustment. To be eligible for quality adjustment, the following determinations must be made by a grain grader licensed by the Federal Grain Inspection Service.

- 1 Milling yield.
- 2 Chalky kernels.

(11)(c) Rice is insured only under a flood irrigated practice.

(11)(d) Harvested production from regrowth is counted as production for APH yield purposes.

J(12) **Safflower, Sunflower Seed, and Canola.**

(12)(a) Acceptable supporting records are settlement sheets, ledger sheets, and assembly sheets that show gross production of the commodity in pounds.

(12)(b) Safflower Quality Adjustment. To be eligible for quality adjustment, seed damage for Safflower must be made by a grain grader licensed by the Federal Grain Inspection Service.

(12)(c) Special Production Reporting/APH Yield Requirements. Separate production reports (yields) are required to establish or update APH yields for Oil (OIL includes birdseed) and Non-Oil types of Sunflower Seed, IF separate (different) "T" Yields are shown on the actuarial table for Oil and Non-Oil types. When different "T" Yields are applicable, Oil and Non-Oil databases (production records) may be used to establish the initial approved APH yield. In subsequent crop years, Oil and Non-Oil acres and production must be reported separately.

Note: If different "T" Yields are not shown on the actuarial table, separate Oil and Non-Oil databases are not required. However, if separate price elections for Oil and Non-Oil types have been established, separate line entries are required on the acreage report.

J(13) **Small Grains: Wheat, Barley, Oats, Rye, and Flax.**

(13)(a) Acceptable Supporting Records. Settlement sheets, ledger sheets and assembly sheets must show gross production in pounds or bushels. Individual scale tickets may be used to support determinations for moisture, dockage, kernel damage, test weight, quality adjustment and unit division.

(13)(b) Quality Adjustment. To be eligible for quality adjustment:

- 1 The following determinations must be made by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act.

	Wheat	Barley	Oats	Rye	Flax
Sound kernels		X	X		
Damaged kernels	X	X		X	X
Shrunken & broken kernels	X				
Thin kernels		X		X	
Black kernels		X			
Smutty, garlicky or ergoty grain	X	X	X	X	X

- 2 Due to the presence of substances or conditions, including microtoxins, identified by the Food and Drug Administration or other public health organizations of the United States as injurious to human or animal health, the determination must have been made by a laboratory acceptable to the RMA RSO/Insurance Provider.

(13)(c) For fall-planted Wheat or Barley in counties for which there is only a spring final planting date, insurance attaches to the fall-planted crop ONLY if an

adequate stand exists on the final spring planting date and the Insurance Provider agrees to insure the acreage. Insureds must report all planted acreage on which insurance attached for APH purposes.

(13)(d) The Wheat Winter Coverage Endorsement (Option A or B) is available in all counties that have both a fall and spring planting date. If the Wheat Winter Coverage Endorsement is NOT selected and Winter Wheat (WW) is damaged after the final planting date to the extent that producers in the area would not normally further care for it, the acreage must be seeded to an appropriate type of the crop in order for insurance to continue. The production from such acreage will count for the WW crop.

- 1 If Option A or B is elected, an appraisal reflecting the crop's potential production is required for APH purposes prior to destroying WW or putting it to another use. The acres and appraised potential production then must be used to calculate the WW APH yield. [See Exhibit 29 for a flow chart outlining acres and production used for APH when Option A or B has been selected.]
  - a For Option A, if the appraised potential production is less than 70 percent of the production guarantee, additional production is accessed that, when considered with the appraised potential production, equals 70 percent of the production guarantee. Only the appraised potential production is used for the WW APH. Additional production accessed for the policy provision is not used. For example: The production guarantee is 50 bu. per acre; therefore, the minimum production to count under Option A is 35 bu. per acre. The appraised potential is 10 bu. per acre and 25 bu. per acre is attributed to the policy provision. The 10 bu. appraised potential production is used for the WW APH if the acreage is destroyed or put to another use.
  - b For Option B, the appraised potential production is used for WW that is destroyed or put to another use.
- 2 Under Option A or B, once an appraisal is made and the WW acreage is released, the insured may:
  - a Destroy the WW and plant the acreage to another crop.
  - b Destroy the WW and plant the acreage to spring Wheat (SW) and

- i Insure the SW as a separate optional unit. In this case, the appraised potential production is used for the WW APH. The acres and production from the SW are used for the SW APH unless the production is commingled with WW production. [If the production is commingled, see iii below.]
  - ii Not insure the SW. In this case, the appraised potential production is used for the WW APH. The SW is uninsured and the acres and production are NOT used for the APH unless the production is commingled with production from an insured unit (either WW or SW).
  - iii If the SW production is commingled with WW production, the SW acreage will be considered to be a part of the original WW unit. The acreage originally planted to Winter Wheat and the acreage planted to Spring Wheat and the appraised production (WW) and Spring Wheat production will be used for the Winter Wheat APH.
- (13)(e) Short Rate. Acreage initially insured that qualifies for the short rate and was removed from insurance coverage (acreage report revised to indicate the short rate) is not used for APH purposes unless the acreage is harvested and the harvested production is commingled with production from insured acreage.
- (13)(f) Barley or Oat small grain mixtures planted for harvest as grain are insurable as the crop which is predominant on a weight basis in the mixture, if the predominant crop is insured. The applicable crop designation (Barley or Oats) must be indicated on the acreage report.
- (13)(g) Malting Barley approved APH yields are determined differently depending on whether Option A or Option B under the 96-91B Malting Barley Price and Quality Endorsement has been selected. [See Exhibit 22 for additional APH instructions for Malting Barley Price and Quality Endorsement procedures.]
- (13)(h) Special production reporting/APH requirements:
- 1 Malting Barley [see Exhibit 22].
  - 2 Durum and Spring Wheat, IF the Durum Wheat price has been elected and separate (different) "T" yields are shown on the actuarial table. When different "T" Yields are applicable, Spring Wheat records (databases/production records) may be used to establish initial approved APH yields for Durum Wheat. For subsequent crop years, Durum and Spring Wheat must be reported separately.

Note: If different "T" Yields are not shown on the actuarial table, separate databases are not required. Spring Wheat records for the

applicable practice may be used for Durum Wheat. However, if the Durum Wheat price has been elected, separate line entries are required on the acreage report.

- 3 Summerfallow (SF) APH yield instructions. If the SF database contains less than three years of actual and/or assigned yields, the approved APH yield for the SF practice will be the higher of the APH yield calculated for the summerfallow practice using added practice procedures (with "Special" "T" Yields) or the approved APH yield calculated for the continuous cropping (CC) practice if a CC practice has been carried out on the same unit. This procedure is applicable in counties with separate published "T" yields for SF and CC practices and applies until the SF practice contains at least three years of actual or assigned yields. [See Exhibit 20 for examples.]

    - a Determine the yield for the SF practice. If a CC practice has been carried out on the same unit, determine the CC practice's yield using the current APH procedure. Compare the two yields. The approved APH yield for the SF practice is the higher of the approved APH yield for the CC practice or the yield calculated for the SF practice. If the CC yield is higher, the information in the CC database is duplicated and reported to FCIC as the SF practice. However, production history for the SF practice must be retained and used to update the SF database according to the applicable APH procedure for subsequent crop years.
    - b Once the SF database contains three years of actual and/or assigned yields, it will be used to calculate the approved APH yield for the SF practice according to applicable subsequent crop year APH procedure.
- J(14) **Sugar Beets.** If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc.
- (14)(a) Acceptable Supporting Records. Sugar company delivery records or settlement sheets must show net paid tons of beets delivered and percent of sugar.
  - (14)(b) Adjustments to Production. Sugar beet production for APH is adjusted by taking net paid tons times percent sugar divided by county percent sugar factor found in the Special Provisions. The APH certification process is also used for Sugar Beets (verifiers are not authorized to use additional years' history which may be available from the processor).
  - (14)(c) Pre-acceptance inspections are required for California Sugar Beets (except Imperial County) when the application was signed after insurable acreage was planted.

J(15) **Sugarcane.** If farm management records are used to support production reports, they must be substantiated by records from the boiling house (mill). Unit of measure is whole pounds of raw sugar.

(16)(a) Acceptable Supporting Records. Boiling house (mill) records must show net tons, net tons per acre, or net pounds of raw sugar.

- 1 Raw sugar production indicated in net tons must be multiplied by 2000 to determine pounds of raw sugar. Pounds of raw sugar are then entered in column 16 of the APH form.
- 2 Appraised potential production used for APH purposes must also be determined in net pounds of raw sugar. Formula: Appraised tons per acre X percent-of-sugar factor X 2000 = potential production in pounds of raw sugar.

The percent-of-sugar (sucrose) must be determined from: 1) field samples from the same field made by the mill, 2) acreage harvested from the same field, or 3) the percent-of-sugar as indicated by a factor on the County Actuarial Table, if the percent-of-sugar from 1) or 2) is not available. Enter the percent-of-sugar in item 19 of the APH form which was used to adjust the production for the most recent crop year in the base period.

Note: Appraised potential production indicated on claims for indemnities will be in pounds of raw sugar.

(15)(b) Sugarcane cut for seed. The insured must notify the Insurance Provider at least 15 days before cutting any sugarcane for seed. The notice must include the unit number and the number of acres the insured intends to cut for seed.

- 1 If proper notice is given, the applicable approved APH yield for the current crop year, will be used as appraised potential production for the acreage cut for seed unless a field appraisal was made. Insureds may request a field appraisal if they feel the approved APH yield does not accurately reflect the acreage's potential production. If a field appraisal is made, the appraised potential production (either for APH or claim purposes) will be used for acreage cut for seed.

2 If the proper 15-day notice is not given, insurable acreage cut for seed will be considered put to another use WITHOUT consent. The applicable approved APH yield for the current crop year will be applied as an UNINSURED cause of loss and used for claims purposes only. The insurable acreage cut for seed will be used for APH purposes; however, the uninsured cause of loss appraisal is not.

(15)(c) Lag Year Instructions. Sugarcane records are generally not available by the cancellation date for the most recent crop year. Therefore, there is a one-year lag in the database; e.g., for the 1998 crop year, the base period will begin with the 1996 crop year and may contain up to 10 APH consecutive crop years (begin with 1996 and work backwards). Because of the lag year, adjustments are necessary to advance the percentage of the variable "T" Yields when sugarcane was produced in 1997 to assure equitable APH yields compared to other Category B APH Crops.

1 Added land provisions apply to units on which the insured have not actively engaged in farming for a share of the crop's production for more than two crop years prior to the 1997 crop year. [See Exhibit 36.]

2 "New Producer" procedures apply if a person was not actively engaged in farming for a share of the Sugarcane production for more than **TWO CROP YEARS** prior to the 1997 calendar year. [See Exhibit 37.]

3 For units (by practice) on which Sugarcane was produced for the 1997 crop year, 1997 is recognized as a crop year with actual yields available, even though they cannot be reported until the 1999 crop year. For new insureds who elected to provide production reports and for carryover insureds who do not qualify as a "New Producer" or the acreage does not qualify as added land, determine the applicable percentage of the "T" Yield as follows:

a If no production history prior to the 1997 crop year can be provided and assigned yield provisions do not apply, the APH Yield is 80 percent of the applicable "T" Yield. The APH database is completed using four 80 percent "T" Yields.

b If one actual/assigned yield (example: 1996) is applicable, the APH database is completed using one actual/assigned yield and three 90 percent "T" Yields.

c If two actual/assigned yields (example: 1996 and 1995) are applicable, the APH yield is calculated using two actual/assigned yields and two 100 percent "T" Yields. Two actual/assigned and two 100 percent "T" Yields are entered in the database.

d If three actual/assigned yields (example: 1996, 1995 and 1994) are applicable, the APH yield is calculated using

three actual/assigned yields and one 100 percent "T" Yield. The three actual/assigned yields and one 100 percent "T" Yield are entered in the database.

- e For carryover insureds, yield limitations apply on a unit basis (by practice) when using the special lag year procedures.
- f Use the yield descriptors as indicated [Par. D of this Sec.] to identify each yield entered in the APH databases.

J(16) **Sweet Corn (Canning & Freezing).** If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc.

(16)(a) Acceptable Supporting Records. A copy of the contract must show planted acres and the contract price. Processor records must be settlement sheets showing tons delivered for payment (gross tons if there was no quality adjustment), grades (where specified on the actuarial table) and harvested acres.

(16)(b) Bypassed/Unharvested Acreage. [Follow the instructions provided under Canning and Processing Beans, Par. J(1)(b) of this Sec.]

J(17) **Tobacco** (Guaranteed Production Policy) (Types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; and 32 MD). If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc. Acceptable supporting records:

17(a) Sold Production. Tobacco warehouse records must show total pounds sold. For APH purposes, when harvested production for the unit is damaged due to insurable cause(s) and:

- 1 Has a value less than the market price, the APH production is adjusted by dividing the average value per pound for the unit by the market price per pound for the type and multiplying that result by the number of pounds of the damaged production.
- 2 Has no market price available for the grade harvested, the APH production will be reduced 20 percent for each grade the production falls below the lowest marketable grade with a market price.

(17)(b) Carryover Tobacco. Harvested production which was not sold in the crop year produced is also used for APH purposes; however, carryover Tobacco production must be substantiated by records from a third party such as FSA or the Insurance Provider/RMA RSO.

J(18) **Tomatoes (Fresh Market and Guaranteed Production Plans).** If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc. The unit of measure is 25-pound carton equivalent to the nearest whole carton. Certified records may include a printout or receipt from each first handler

of the crop for that crop year. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec.10, C[4] for acceptable pick records] or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates, bushels or pounds must be converted to the equivalent of 25-pound cartons.

- J(19) **Tomatoes (Canning and Processing).** If farm management records are used to support production reports, they must be substantiated by records from a marketing outlet, processor, packer, first handler, etc. Statements or contract summaries from processors must indicate the quantity of paid No. 1 fruit.

NOTE: Only one approved APH yield is required for Hand-Harvest and Machine-Harvest practices.

K Reserved

**7 CATEGORY C APH CROPS (PERENNIAL CROPS)**

Almonds, Apples, Arizona-California Citrus (for the 1999 policy crop year ), Blueberries, Cranberries, Figs, Grapes, Macadamia Nuts, Peaches, Pears, Plums, Prunes, Stonefruit (Apricots, Nectarines and Peaches), Table Grapes, Texas Citrus (for the 1999 policy crop year) and Walnuts are Category C APH crops.

**7A Related Handbooks**

A(1) **FCIC-M13 DATA ACCEPTANCE SYSTEM HANDBOOK**

A(2) **FCIC-25010 GENERAL LOSS ADJUSTMENT STANDARDS**

A(3) **OTHER FCIC APPROVED HANDBOOKS**

**7B Definitions.** [See Sec. 3]

**7C Responsibilities**

C(1) **Agent.** [See Sec. 5, A]

C(2) **Producer/Insured.** [See Sec. 5, B]

C(3) **Verifier.** [See Sec. 5, C]

C(4) **Additional RMA RSO.** [See Sec. 5, D]

C(5) **APH Verification at Time of Loss.** [See Sec. 5, E]

**7D General Instructions.** To be eligible for coverage, minimum requirements for insurability stated in the crop policy must be met (i.e., age, production, or a combination of age and production). Insurability requirements will be verified through the use of a certification process requiring Producer's Pre-Acceptance Worksheet(s) or pre-acceptance field inspections performed by the Insurance Provider or by RMA RSO. "T" Yields are available for all Category "C" crops (including Blueberries in Michigan) except for Texas Citrus and Blueberries in Maine, Mississippi, New Jersey, and North Carolina.

D(1) **Approved Yields.** Insurance Providers are required to calculate and approve APH yields for all Category C APH crops (including Blueberries in Michigan ) except for the following crops and situations. The RMA RSO will determine the approved APH yields for:

(1)(a) Texas Citrus:

- (1)(b) Blueberries:
- 1 Each crop year in Maine, Mississippi, New Jersey, and North Carolina;
  - 2 In Michigan if the Pre-Acceptance Field Inspection Selection Criteria in of this Section is met or exceeded [See Par. F(2)].
- (1)(c) Cases requiring Pre-Acceptance Field Inspections [see Par. F(1)] unless the RMA RSO has issued guidelines that authorize the Insurance Provider to calculate the approved APH yield.
- D(2) **Preliminary Yields.** For new insureds, agents/representatives ARE REQUIRED to calculate preliminary APH yields for all Category C APH crops except Texas Citrus and Blueberries in Maine, Mississippi, New Jersey, and North Carolina. [See Sec. 5, Par. A for detailed responsibilities of the agent/representative.]
- D(3) **Acreage Determination.** All acreage measurements for perennial crops will be based on land acres (i.e., planimetered, wheeled/taped) with deductions for non-crop areas. Within the land acre measurement method, tree/vine acres may be used to determine acreage for limited situations. To determine tree/vine acreage determinations, the tree/vine spacing(s) and number of trees/vines must be determined/verified. Non-crop acreage must be determined in the same manner as when land acre measurements are employed. When blocks/groups of trees/vines are removed, the acreage is measured/determined and then deducted. If tree/vine acreage determinations will result in more accurate acreage determinations than land acre measurements, tree/vine acreage determinations are acceptable for the following situations:
- (3)(a) Determination of the acreage of different types, varieties, interplanted crops within a particular tract of measured acreage. The sum of the parts must be equal to the measured acreage.
  - (3)(b) Determination of the acreage of irregular shaped fields when the acreage has not been previously measured and FSA aerial photography that identifies the acreage is NOT available at the local FSA office.
  - (3)(c) Irregular terrain is not conducive to accurate wheel/tape measurements, the acreage has NOT been previously measured, and FSA aerial photography that identifies the acreage is NOT available at the local FSA office.
- D(4) **Base Periods.** The base period for each APH database is determined by consecutive APH CROP YEARS, not calendar years, and consists of:
- (4)(a) Ten consecutive APH crop years immediately preceding the current crop year defined in the applicable insurance policy for Almonds, Blueberries, Cranberries, Figs, Grapes, Pears, Plums, Prunes, Stonefruit (Apricots, Nectarines and Peaches), Table Grapes, Texas Citrus (fruit) and Walnuts.
  - (4)(b) Ten consecutive APH crop years preceding the crop year immediately preceding the current crop year (a lag year) defined in the policy for Arizona-California Citrus and Macadamia Nuts.

- (4)(c) Five consecutive APH crop years immediately preceding the current crop year defined in the applicable insurance policy for Apples and Peaches.

**7E** **Producer's Pre-Acceptance Worksheet.** Each applicant/insured, except for Texas Citrus and new Blueberry insureds (policies), must certify underwriting information by the PRD by completing, signing, and dating Producer's Pre-Acceptance Worksheet(s) for each Category C APH crop insured. Beginning with the 1998 crop year, this includes carryover Blueberry insureds in Maine, Michigan, Mississippi, New Jersey, and North Carolina. The Producer's Pre-Acceptance Worksheet is a self-certification form that must be completed and submitted each crop year by the producer. It may be necessary for the agent/representative to assist the producer in the form's completion in order to obtain the required information. The information provided on the worksheet is used to annually determine the insurable acreage on the unit for the current crop year, indicates whether a complete field inspection is needed, or provide other important data that may affect the APH yield or insurability of the crop.

- E(1) **Completion Requirements.** If the applicant/insured either do not complete or does not complete in an acceptable manner the Producer's Pre-Acceptance Worksheet, Insurance Providers must obtain the required information, make pre-acceptance field inspections to determine the required information, or deny coverage for the crop year. Based on the actual yields submitted or the information certified, a pre-acceptance field inspection may be required [See Par. F(2) for Pre-Acceptance Field Inspection Selection Criteria].
- E(2) **Insurance Providers must monitor** Producer's Pre-Acceptance Worksheets to assure they are completed in an acceptable manner. In order to verify accurate completion, the Insurance Provider must perform field reviews on at least five percent of the worksheets. Reviews of Producer's Pre-Acceptance Worksheets completed when pre-acceptance field inspections are performed (e.g., acreage tolerance, high actual yield variability, etc.) may be used to meet this requirement when accurately documented.
- E(3) **Completion Instructions.** The following items must be completed on the self-certified inspection forms.

Item No.

- (1) Enter the applicant/insured's full name.
- (2) Enter the applicant/insured's policy number.
- (3) Enter the unit number.
- (4) Enter the name of the insured crop.
- (5) Enter the name of the state in which the acreage is located.
- (6) Enter the legal description of the land, if applicable.
- (7) Enter the policy crop year for which the Pre-acceptance Worksheet is being completed.
- (8) Enter the name of the county in which the acreage is located.
- (9) Enter the FSA Farm Serial Number, if applicable.
- (10) Divide the orchard, vineyard, bog etc. into as many blocks as needed to facilitate collection and reporting information. [See individual Crop Block Requirements for block worksheet instructions]. Separate blocks by type/practice, variety, age, and density if practical. Prepare a sketch map showing the location of each block designated by a unique number. Enter these numbers in column #10. Complete the items applicable to the crop (10-21) for each block. Calculate an APH yield for each block. [See Block Production Worksheet, Par. 71.]
- (11) Enter the year trees, vines, bushes etc. were set out or the year the block was grafted to the current variety.
- (12) Enter the number of acres to tenths (0.10) determined using only planimetered, wheeled/taped measurement methods. For cranberries, use acres from bog maps recorded with the marketing organization (e.g., Ocean Spray, Cliff Star, etc.).
- (13) Enter the name(s) of the variety(ies)/type contained in this block.
- (14) Enter the number of bearing plants (trees, vines, bushes etc.) which make up this block.
- (15) Enter the average tree spacing/pattern observed within this block (example 18.5 X 20) (N.A. cranberries).
- (16) Enter the average pruning height (peaches only).

- (17) Calculate the percent stand by dividing the number of bearing trees/vines/bushes in item 14 by the product of density in item 18 multiplied by Acres in item 12. (Item 14 ÷ [Item 18 X Item 12]).
- (18) Calculate the plant density (number of trees/vines, etc., per acre) as follows: number of square feet per acre ÷ number of square feet per tree (based on the current planting pattern). For example, based on a tree spacing of 20 X 20 = 400 square ft., the number of trees per acre is calculated as 43,560 square ft. per acre ÷ 400 square ft. per tree = 109 trees per acre. Or, if trees are being interplanted as a part of a tree replacement program and the spacing changes to 10 X 20 = 200 sq. ft., per tree, the correct density becomes 43,560 sq. ft. per acre ÷ 200 sq. ft. = 218 trees per acre.
- (19) Designate if the block is irrigated by entering IRR or NI by entering NI.
- (20) Designate if this block has met policy minimums for insurability if applicable, (e.g., 150 bushels/250 boxes for Apples, fourth leaf on Peaches etc.).
- (21) Designate by block whether the varieties are spur type or nonspur type (Apples only).
- (22) IMPORTANT: Prior to answering this question, the average yield from the preliminary APH based on certified data must be calculated. If the applicant/insured answers "YES" to this question, a field inspection and hard copy records of acreage and production are required.
- (23) If the producer is using organic farming practices or another non-conventional practice and answers "YES" to this question, a field inspection and hard copy records of acreage and production are required.
- (24) If the producer does not have an adequate water supply and answers NO to this question, a field inspection and hard copy records of acreage and production are required.
- (25) The applicant/insured must review certified data and accompanying certification statement and sign and date the form.

OMB No. 0563-0053

<b>FCI-12-PAW (Perennial Crops)</b> 6-97	<b>USDA/FCIC</b>	1. Applicant's Name:	2. Policy No.:	3. Unit No.:	4. Crop:	5. State:
<b>PRODUCER'S PRE-ACCEPTANCE WORKSHEET</b>		6. Legal Description:	7. Crop Year:	8. County:	9. Farm No.:	

Block No. 10	Mo/Yr Set Out/Grafted 11	Acres 12	Variety/Type 13	Number of Plants 14	Plant Spacing 15	Pruning Height 16	Percent Stand 17	Density 18	Practice IRR/NI 19	Insurable or Uninsurable 20	Spur or Nonspur 21

22. Has damage (ie., disease, hail, freeze) occurred to Trees/Vines/Bushes/Bog or have cultural practices been performed that will reduce the insured crop's production from previous levels?	Yes	No
23. Is the producer using organic farming practices, or other non-conventional practices?	Yes	No
24. Is the current water supply (surface allotment/well) adequate to produce a normal crop for the crop year being certified above?	Yes	No

I certify that the information I have furnished as reflected on this form is complete and accurate for the commodity(ies), unit(s) and year(s) shown. I understand this form may be reviewed or audited and that information inaccurately reported or failure to retain records to support information on this form, may result in a recomputation of the approved APH yield. I also understand that failure to report completely and accurately may result in avoidance of my Crop Insurance contract and may result in criminal or civil false claims penalties (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

25 Insured's Signature:	Date:
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**7F Pre-Acceptance Field Inspections.** Pre-acceptance field inspections are underwriting tools primarily designed to establish insurability of the crop, evaluate the risk to be assumed by the Insurance Provider, and verify underwriting information provided by the producer. Pre-acceptance field inspections may be made if the applicant/insured either do not complete or does not complete the Producer's Pre-Acceptance Worksheet in an acceptable manner [See Par E(1)].

F(1) **Required Pre-Acceptance Field Inspections.** Insurance Providers must perform pre-acceptance field inspections:

- (a) For a specified county crop program, if notified in writing by FCIC in Kansas City that pre-acceptance field inspections are required.
- (b) When requested by the RMA RSO in conjunction with RMA RSO determined yields. The RMA RSO is authorized to request a pre-acceptance field inspection if one has not been performed, or if one has been submitted as required according to the following chart and a new field inspection is necessary for the RMA RSO to determine an accurate approved RMA RSO determined yield.
- (c) As required by the following chart.

CROP	INSURED/STATUS		
	NEW INSURED	NEW OR CARRYOVER INSURED & SELECTED BY PRE- ACCEPTANCE FIELD SELECTION CRITERIA <sup>1/</sup>	NEW OR CARRYOVER INSURED & DAMAGE HAS OCCURRED TO TREES/ VINES /BUSHES / BOG OR CULTURAL PRACTICES HAVE BEEN PERFORMED THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS LEVELS
Blueberries	An inspection is required.	A new inspection is required if the most recent pre-acceptance field inspection is <u>more than FIVE years old.</u>	An inspection is required.
Texas Citrus	An inspection is required.	Pre-acceptance field inspection criteria are not applicable.	An inspection is required.
Apples, Cranberries, Grapes, Peaches, Pears, Plums, or Stonefruit.	An inspection is NOT required, unless selected by the pre-acceptance field selection criteria.	An inspection is required if no pre-acceptance field inspection or the most recent pre-acceptance field inspection is <u>more than FIVE years old.</u>	An inspection is required.
Almonds, AZ-CA Citrus, Figs, Macadamia Nuts, Prunes, Table Grapes, or Walnuts	An inspection is NOT required, unless selected by the pre-acceptance field selection criteria.	An inspection is required if no pre-acceptance field inspection or the most recent pre-acceptance field inspection is <u>more than TEN years old.</u>	An inspection is required.

<sup>1/</sup> Unless waived by the RMA RSO, the applicable Pre-Acceptance Perennial Crop Inspection Report and supporting documentation must be sent to the RMA RSO for determination of the approved APH yield. [See Par. F(2) Pre-Acceptance Field Selection Criteria and Par F(6) for required documentation.]

F(2) **Pre-Acceptance Field Inspection Selection Criteria.** The following pre-acceptance field inspection criteria apply to all Category C APH crops except Texas Citrus. Unless a pre-acceptance field inspection or the most recent pre-acceptance field inspection is older than specified for the crop, unless waived in writing by the RMA RSO, pre-acceptance field inspections are mandatory for any unit for which:

(2)(a) A greater yield than the average yield is requested by the insured with reasonable cause. The request must be in writing and signed by the insured.

(2)(b) High variability of actual yields (used to calculate the approved APH yield) is indicated by the following yield variance calculations:

1 Frequency of actual yields that are less than 75 percent of the APH AVERAGE YIELD [See Section 3 Definitions] is equal to or greater than that shown on the following Yield Variance Table and at least one such actual yield occurred during the most recent three APH crop years, a pre-acceptance field inspection is required.

<u>Number of Times the Annual Actual Yield is Less Than 75 Percent of the APH Average Yield</u>	<u>Number of Years of Verifiable Records</u>
2	4 or 5
3	6 or 7
4	8 - 10

2 The average of the most recent three years' actual yields is at least 25 percent less than the average yield.

(2)(c) Productivity is reduced. An inspection is required when KNOWN tree/vine/bush/bog damage has occurred or cultural practices have been performed that will reduce the insured crop from previous production levels, or if the insured answers YES to question 22 contained on the Producer's Pre-Acceptance Worksheet. [Question # 22, "Has damage (i.e., disease, hail, freeze) occurred to trees/vines/bushes/bog or have cultural practices been performed that will reduce the insured crop's production from previous levels?"]

(2)(d) An organic or a non-conventional farming practice is carried out. An inspection is required if it is KNOWN that an organic or non-conventional farming practice will be carried out or if the insured answers YES to question # 23 on the Producer's Pre-Acceptance Worksheet. [Question # 23, "Is the producer using organic farming practices, or other non-conventional practices?"]

- (2)(e) The irrigation water supply is not adequate: If irrigated, and the insured answers NO to question #24 on the Producer's Pre-Acceptance Worksheet a pre-acceptance inspection is required. [Question # 24, "Is the current water supply (surface allotment/well) adequate to produce a normal crop for the crop year being certified above?"]
- (2)(f) Unusual cases are submitted to the RMA RSO . Unusual cases include requests submitted to the RMA RSO for a review of questionable records for a determination of acceptability or a request to use records prior to a break in continuity of records. In these cases, the yield history is not completed on the APH form for the crop year(s) in question. To be considered by the RMA RSO, a pre-acceptance field inspection must be completed by the Insurance Provider and sent with all supporting documentation [See Par. F (6) of this section] must be sent to the RMA RSO.

F(3) **RMA RSO Waiver of Field Inspections and/or RMA RSO Determined Yields.**

- (3)(a) Pre-acceptance Field Inspections. When the application of the Pre-acceptance Field Inspection Criteria identifies an excessive number of contracts for pre-acceptance field inspections that cannot be feasibly accomplished, the RMA RSO is authorized to issue guidelines which waive pre-acceptance field inspections for certain situations (e.g., abnormally low yields from insurable cause(s) of loss for a given area may cause the yield variance table to require field reviews of an excessive number of contracts).
- 1 Insurance Providers are not required to perform field inspections, based on Yield Variances (as amended by RMA RSO guidelines), on more than 10 percent of their Category C APH contracts (per crop, per region). The RMA RSO is authorized to issue additional guidelines/criteria identifying which contracts (by crop, by region) are to be selected under the 10 percent limitation.
  - 2 Insurance Providers should contact the applicable RMA RSO, specify the reason which may cause excessive pre-acceptance field inspections, and provide examples which clearly indicate that excessive pre-acceptance field inspections would be required.
- (3)(b) RSO Determined Yields. The RMA RSO is authorized to issue guidelines which waive forwarding of the applicable Pre-Acceptance Perennial Crop Inspection Report, supporting documentation [See Par. F(6)], and RSO determination of the approved APH yield. If RMA RSO approval of APH yields is WAIVED:
- 1 For units which meet or exceed minimum insurance requirements, the Insurance Provider determines the approved APH Yield(s). Units not meeting minimum insurance requirements may be eligible for the Non-Insured Assistance Program (NAP).
  - 2 Approved APH yields are based on the correct information determined during the pre-acceptance field review (when required) and calculated using the applicable of standard Category C APH

procedures or guidelines issued by RMA RSO for a certain situation (e.g., FCIC may issue additional APH procedures that allow Insurance Providers to calculate approved APH yields when an alternate bearing crop year is identified).

- 3 A list of such policies will be forwarded each year to the applicable RMA RSO. RMA RSO may spot check such policies.

F(4) **Assignment of field inspections.** The Insurance Provider insuring the crop will perform all field inspections. Insurance Providers must assign a field inspection to an inspector:

(4)(a) Within five working days of receipt of the request,

(4)(b) But no later than 10 calendar days after the Production Reporting Date (PRD).

Inspectors must notify the Insurance Provider if they cannot complete the field inspection within 10 working days of receiving the inspection request. Inspectors must make arrangements to prevent delaying the yield verification process and to complete the inspection timely. The insured should be present during the inspection to answer any questions and provide authorized access to the unit(s) to be inspected.

F(5) **Time Frames for Inspections.** Inspectors will forward all documents to the Insurance Provider through the inspector's supervisor after completing the inspection.

(5)(a) Deadlines. The inspector must complete the pre-acceptance field inspection and return all required documentation to the Insurance Provider (i.e., must be received by the Insurance Provider, or RMA RSO office) no later than:

1 20 calendar days after the PRD for Texas Citrus and for Blueberries in Maine, Mississippi, New Jersey and North Carolina;

2 30 calendar days after the PRD for Blueberries in Michigan and for all other Category C APH crops.

(5)(b) Extensions of Deadlines. Insurance providers may contact the RMA RSO to arrange a schedule if this deadline cannot be met due to the volume of production reports received, additional information must be obtained, etc. The RMA RSO will establish a final date based on the volume of contracts, weather conditions affecting pre-acceptance inspections, etc. The final date for receiving the remaining production and inspection reports in the RSO will be NO LATER THAN:

1 45 calendar days after the PRD for Texas Citrus and for Blueberries in Maine, Mississippi, New Jersey and North Carolina;

2 60 calendar days after the PRD for Blueberries in Michigan and for all other Category C APH crops.

NOTE: Supporting records/documentation initially received after the applicable date specified [in 1 or 2] above will be considered unacceptable. An RMA RSO approved, APH yield will NOT be issued unless assigned yield provisions are applicable.

- (5)(c) If additional supporting records/documentation/clarification for timely submitted requests is required by the RMA RSO, the verifier will have 20 calendar days from the date of notification from the RMA RSO to secure and provide the records to the RMA RSO. If supporting records are not received in the RMA RSO by this date, the RMA will consider the records unacceptable and use assigned yield provisions for carryover insureds. For new insureds, the RMA RSO will determine that the production records are unacceptable and determine the yields accordingly.

- F(6) **Inspection Forms and Worksheets.** When a field inspection is required by procedure, a Pre-Acceptance Perennial Crop Inspection Report form and applicable Crop Addendum Worksheet(s) must be completed [See Par. G below]. In addition, acceptable supporting acreage and production evidence (hard copy) MUST be furnished to the Insurance Provider by the grower. The Insurance Provider will perform the field inspection and for situations requiring RMA RSO determined yields, forward the original inspection report and supporting documentation to the RMA RSO unless guidelines have been issued by the RMA RSO waiving this requirement. Required supporting documentation includes:

- (6)(a) Applicable Crop Addendum Worksheet(s);
- (6)(b) Producer's Pre-Acceptance Worksheet (not required for Texas Citrus or New Blueberry insureds in Maine, Mississippi, New Jersey, and North Carolina);
- (6)(c) APH form(s);
- (6)(d) Worksheets. Block Production Worksheet(s) and/or Unit Summary Worksheet(s), when applicable.

Any additional information should be documented by the inspector and attached to the inspection report forms.

- F(7) **Pre-acceptance field inspections involving applications.** If the entire crop is damaged prior to application or the date insurance should have attached, the application is not accepted and insurance does not attach. If part of the crop is damaged, the application may be accepted; however, units with damaged acreage must be rejected and insurance does NOT attach.

Once the acreage is inspected and the application accepted, subsequent damage from insured cause(s) is covered. When preliminary yields are calculated, insureds may not request mutual consent cancellation unless the approved APH yield is lower than 95 percent of the preliminary yield.

- F(8) **For carryover insureds.** If insurance is requested on added acreage that is damaged prior to the pre-acceptance field inspection, the request is rejected on a unit basis and insurance does not attach.

**7G The Pre-Acceptance Perennial Crop Inspection Report and Crop Addendum**

**Worksheets.** All items must be completed on the Pre-Acceptance Perennial Crop Inspection Report and the applicable Crop Addendum Worksheet(s) [see Exhibit 16]. The item numbers and instructions below correspond with the item numbers on the approved sample FCI 12-P, the Pre-Acceptance Perennial Crop Inspection Report form.

- G(1) **The agent/representative must complete** items 1-10 on the Pre-Acceptance Perennial Crop Inspection Report prior to forwarding the insured's file to the Insurance Provider representative responsible for assigning inspections.

Item No.

- (1) Enter the crop, policy crop year for which the field inspection is being completed, unit number, insurable and uninsurable acreage for the unit being inspected.
- (2) Enter the applicant/insured's name and address as shown on the application for insurance.
- (3) Enter the location state/code and county/code.
- (4) Enter the applicant/insured's complete telephone number.
- (5) Obtain and enter the name of the landowner. If the same as the applicant/insured, enter "same."
- (6) Obtain and enter the name of the person making the majority of the management decisions (operator/producer) for the unit. If the same as the applicant/insured, enter "same."
- (7) Enter both the name of the agency and agent/representative who will service the policy. Include agent/representative's code and county code.
- (8) Enter the complete telephone number for the agency/FSA office.
- (9) Enter the legal description to the nearest quarter section and applicable Farm Serial Number(s). If section, township, and range are not used for legal description, use locally accepted description.
- (10) Provide a location description using names and numbers of cross streets, roads, etc. Include mileage from identifiable landmarks, (e.g., nearest intersection).

- G(2) **Inspectors will complete** items 11 through 37 of the report and sign and date the form as the certified inspector [See Exhibit 16]. If additional space is needed to answer any item, a separate sheet (e.g., a Special Report) may be attached. Identify each explanation with the corresponding item number from the inspection report. Make the following entries:

Item No.

- (11) Obtain this information from the applicant/insured. It will assist the verifier in reviewing the APH forms for complete records.
- (12) Self-explanatory.

- (13) Review with the operator and explain in detail the cultivation and/or spray program used to control weeds. Include a description of the current orchard/vineyard/plantation/bog floor management (e.g., sterile/sod/cover crop, etc.).
- (14) Describe in detail the fertilization program being used for the unit. Include the producer's method of monitoring soil fertility (e.g., soil analysis, foliar analysis, or both).
- (15) Describe in detail the insect and disease control measures used by the producer (e.g., integrated pest management, a calendar spray program, organic, etc.). Based on the field inspection, identify current evidence of disease/insects as rare, moderate or severe.
- (16) Determine if the operator replaces dead or diseased plants. If the operator has a replacement program, identify to what extent, if any, the operator is using a fumigation or crop rotation program.
- (17) Note the primary use of the crop, and/or if different varieties have different uses.
- (18) Determine the usual harvest completion date from the producer.
- (19) Describe in detail the use of bees as pollinators. Include type/quantity and location. (Not applicable for Grapes.)
- (20) Describe in detail the irrigation source(s). Obtain from the grower, water source(s) and irrigation district(s) from which water is allocated, allocation percentage, and irrigation well information. Include any information regarding water obtained through water transfers and any potential curtailment of current and future water supplies.
- (21) Determine and note any abnormal flood hazards.

- (22) Discuss with the operator and assess any potential soil limitations (e.g., slope, depth, drainage, ph., saline, or alkaline toxicity, etc.). Areas of frequent replanting or stunted growth may indicate that these conditions exist.
- (23) Describe in detail the pruning practices used, date normally completed, and whether pruning is annual, biennial, etc. Indicate if there is excessive pruning or top working which would affect production of the crop to be insured.
- (24) Describe in detail the varieties used as a pollination source. Include variety, location and quantity. See addendum sheets for additional crop requirements (not applicable for grapes).
- (25) Enter the total unit acreage (insurable and uninsurable) and method of measurement. Planimetered, wheeled/taped, or acreage from bog maps (Cranberries) recorded with the marketing organization (e.g., Ocean Spray, Cliff Star, etc.) are the only acceptable acreage measurement methods.
- (26) Review the APH form for prior production and acreage (by variety) as compared to the current acreage and varieties shown on the inspection form. Note any inconsistencies and reconcile tree removals, replacements, grafting. This review will assist the verifier in determining acceptability of prior production records.
- (27) Complete these items by checking appropriate boxes. This requires walking through the unit. For "Bearing trees/vines/bogs/bushes (percent stand)" include only the acreage harvested by the grower.
- (28) Evaluate and describe your evaluation of the unit's current potential as: stable, declining or increasing.
- (29) These are subjective questions requiring evaluation of the unit's vigor relative to the calculated average yield. Note: amount of tree/vine/bush growth, limb/cane/bush size, and color, and other factors which indicate the unit's ability to produce the indicated yield. Note overall plant vigor as: good, average or poor.
- (30) If bins are used for harvesting purposes, and complete verifiable first handler or third party records are not provided to substantiate bin size, provide inside bin measurements.
- (31) Insurable acreage. Complete an appropriate crop addendum worksheet(s) for the crop being inspected [see instructions below]. Contact applicable RMA RSO for specific questions on completion.
- (32) Uninsurable acreage. Complete an appropriate crop addendum worksheet(s) for the crop being inspected [see instructions below]. Contact applicable RMA RSO for specific questions on completion.
- (33) Obtain FSA aerial photo(s) with units, FSN's and legal description clearly identified.

- (34) Prepare a sketch map showing the unit location with identifying roads, the nearest intersection, and landmarks. The diagram map of the orchard serves two purposes: 1) Identify the location of separate units for the same insured, and 2) Identify the location of blocks within one unit. Sketch out the blocks, showing the exact location of each block in relation to other blocks in the unit. Label each block with a Block Number or I.D. A general map with the location of all units on one page may also be appropriate. In addition, clearly show State and county roads (including the nearest highway intersection) along with cardinal directions (a north arrow) and any permanent land features. Identify the owner/operator's residence if applicable, and/or the operator's name and address on the sketch map.
- (35) Enter additional notes and observations which will assist the verifier in relating unit information to historic yields. Include additional sheets, as necessary, referencing appropriate items.
- (36) Item 36 A and B are subjective questions requiring evaluation of management and unit conditions. The verifier considers this information in the overall evaluation of the unit.
- (37) Provide your recommended action and sign, date and return the report to the supervisor. Forward the inspection report with the APH forms and applicable records to the RMA RSO/Insurance Provider.

FCI-12-P  
(Rev. 6-97)

U. S. DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation  
**PRE-ACCEPTANCE PERENNIAL CROP  
INSPECTION REPORT**

1. Crop	Crop Year	Unit	Insurable Acres
			Uninsurable Acres
2. Name of Applicant/Insured		Address	
3. State and County		4. Applicant/Insured's Telephone Number Area Code (       )	
5. Name of Owner		6. Name of Operator	
7. Name of Agent/Agency/FSA		8. Agent/Agency/FSA Telephone Number Area Code (       )	
9. Legal Description: Section(s)	Township	Range	Farm Serial Number
10. Location Description			

**GROWER INFORMATION**

11. Number of years grower has operated this unit. \_\_\_\_\_ Years  
 If less than 3 years, Previous owner (If known) Name Address(s)

12. Has this unit been insured in prior years?  
 If yes, years insured and prior contract number(s)?

13. Describe weed control measures used for the unit. Include a description of the orchard/vineyard/plantation/bog floor management; e.g., sterile/sod/cover

14. Describe fertilization program used for the unit. Include method of monitoring fertility; e.g., soil analysis/foliar analysis/both.

15. Describe in detail insect control measures used (e.g., integrated pest management/calendar spray program).  
 Evidence of disease/insects  Rare  Moderate  Severe

16. Is a tree/vine/bog replacement program being carried out? (Explain in detail)  
 If applicable is fumigation used in the replacement program?

17. Crops grown primarily for: Fresh Market  Processor  Juice Market

18. What date is harvest completed for the unit under normal conditions?

19. Describe in detail the use of bees as pollinators. Include type/quality and location.

20. Describe in detail the irrigation water source.  
 (A) Surface: \_\_\_\_\_ % of total supply?  
 (1) Irrigation district name: \_\_\_\_\_  
 (2) Allocation last year: \_\_\_\_\_ % of normal  
 (3) Expected allocation this year: \_\_\_\_\_ % of normal  
 (B) Irrigation Well(s): \_\_\_\_\_ % of total supply?  
 (1) How many wells? \_\_\_\_\_  
 (2) Total gallons per minute? \_\_\_\_\_ GPM  
 (C) Water obtained through water transfer: \_\_\_\_\_ acre feet per acre

21. Is the unit subject to above normal flood hazard? If yes, explain in detail.

22. Are their soil limitations (e.g. slope, depth, drainage, ph, saline/alkali, toxicity)? Explain in detail.

23. Describe in detail the pruning practices used; date normally completed, and indicate whether pruning is annual or biennial.

24. Describe in detail the varieties being used as a pollination source. Include variety/location and quantity.

(FCI-12-P Reverse)

**ACREAGE/INSPECTION INFORMATION**

25. Measured Acres of Unit: A. Planimetered FSA Photo | B. Wheel/Type | C. Bog Maps (Cranberries)

26. Have prior acres been verified? If no, explain.

27. Percent of Unit Acreage -

A. Based on Original Planting Pattern	Less Than 50%	50 - 60%	61 - 70%	71 - 80%	81 - 90%	91 - 100%
(1) Spaces Occupied By Live Trees/Vines/Bogs/Bushes						
(2) Bearing Trees/Vines/Bogs/Bushes (percent stand)						
(3) Insurable Stand						

28. Unit potential is currently:  
 Stable  Declining  Increasing

29. If calculation of a preliminary yield is authorized, do trees/vines/bushes/bog have sufficient vigor to produce the average yield computed for this unit?  
 Yes  No Plant Vigor:  Good  Average  Poor

30. If applicable provide inside bin measurements:

31. Insurable acreage and tree/vine/bush/bog information -  Complete and attach appropriate crop addendum worksheet(s).	32. Uninsurable acreage and tree/vine/bush/bog information -  Complete and attach appropriate crop addendum worksheet(s).
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33. Obtain and attach FSA aerial photo(s). | 34. Complete and attach hand sketch map.

35. Additional information and comments (attach additional sheets as necessary):

36. A. Your evaluation of the management of this operation:  
 Above Average  Average  Below Average

B. Your evaluation of the orchard/vineyard/bog/plantation condition:  
 Above Average  Average  Below Average

37. Action Recommended:  
 Acceptance  RSO Coverage Review  Rejection  RSO Rate Review

Certified Inspector | Date | Phone Number and Contact Point

Supervisor | Date | Phone Number and Contact Point

G(3) **Crop Addendum Worksheets.** Inspectors must also complete the applicable crop addendum worksheet. Perennial crop addendum worksheets are used to collect field inspection data specific to the crop by providing guidelines and underwriting questions pertinent to the crop being inspected [see Exhibit 16].

(3)(a) **Separate** perennial crop addendum worksheets are provided for the following crops: Apples, Blueberries, Cranberries, Grapes, Peaches, Pears, and a combined form for Almonds, Citrus, Figs, Fresh Plums, Prunes, Stone Fruit and Walnuts. [For each of these crops, sample perennial crop addendum worksheets are provided in Exhibit 16.]

(3)(b) **Insurable and Uninsurable Acreage.** Complete a separate addendum worksheet for insurable and uninsurable acreage. Check items 31 and 32 as applicable on the Pre-Acceptance Perennial Crop Inspection Report form to identify when a crop addendum worksheet is completed for insurable or uninsurable acreage. Use uninsurable acreage addendums to identify any acreage not yet insurable due to policy minimums or limitations (e.g., age, less than a 90% stand for grapes, required minimum production of apples has not been met, cranberry bog is being renovated, etc.).

**7H APH Yield Calculation.** Yield calculation methods used to determine approved APH yields are based on the number of years of actual and/or assigned yields that are available: 65 percent of the "T" Yield (no actual or assigned yields), variable "T" Yields (1-3 years of actual and/or assigned yields), or the simple average of the actual and/or assigned yields or a weighted average yield (if at least four years are available). [See Section 13 for additional instructions when insured/land is classified under the NCS.]

H(1) **"T" Yield Instructions.** Variable "T" Yields are determined by the number of years actual and/or assigned yields in the UNIT (by applicable P/T/V indicated in the actuarial document). If a different percentage of the "T" Yield is used for the "T" Yield than indicated by the number of actual and/or assigned yields in the database, use yield descriptor "C."

(1)(a) **Transitional ("T") Yields.** "T" Yields may be established by tree age and densities, by county, by "T" Yield map areas within a county, or by other appropriate factors. [See Exhibit 16 for examples.]

(1)(b) **Weighted Average "T" Yields [See Par. I below].** Weighted average "T" Yields are required when less than four years of actual and/or assigned yields are provided on the unit and:

1 Different "T" Yields are applicable on the unit (e.g., different tree age and densities or "T" Yield map areas); and

2 The insured has certified production and acreage (or other information required on the Producer's Pre-Acceptance Worksheet) for more than one block (e.g., tree age and densities or "T" Yield map areas) within a unit. [See Exhibit 16 for examples.]

(1)(c) **Crops with minimum age and/or production requirements.** Perennial crop policies require that certain age and/or production conditions must have been met prior to insurance attaching (e.g., minimum production of 200 bu. per acre for apples in Colorado, peaches must be in 4th leaf year, grapes must have reached the number of growing seasons designated on

the actuarial table and produced at least an average of 2 tons of grapes per acre, etc.). Refer to the crop policy for the specific applicable requirements.

- 1 To meet minimum production requirements, acceptable production reports must be filed that indicate at least one crop year has produced the minimum average amount of production. Once qualifying actual yields have been submitted, continuous production reports must be submitted for each subsequent crop year. All such actual yields will be used. The actual yields will be used to determine the variable "T" Yield percentage and incorporated into the APH database. For crops requiring minimum production, acreage which has not met the minimum production requirements does not qualify for insurance.
- 2 For crops with minimum age requirements only (e.g., almonds) or minimum age or production requirements (e.g., peaches), the insured has the option of using the previous year's acceptable production report from under age acreage or 65% of the applicable "T" Yield. Once accepted, this acreage and production must remain in the database until excluded by the base period.

H(2) **Assigned Yield Instructions.** Assigned yield provisions apply on a crop year basis to databases (units by P/T/V indicated in the actuarial document) that had insurable acres (except for units with claims for indemnities or if the producer qualifies for a temporary yield) if acceptable production reports for the most recent crop year in the base period are not provided by the PRD. Production histories from claims for indemnities are considered production reports and **MUST** be used (if in the base period and are continuous).

H(3) **No Actual or Assigned Yields.** If the crop provisions do not require minimum production and a new insured does not provide acceptable production reports containing actual yields by the PRD, approved APH yields are calculated by multiplying the applicable 100 percent "T" Yield by 65 percent. Sixty-five percent of the "T" Yield applies to the entire crop policy by unit (by P/T/V indicated in the actuarial document). This provision is applicable for only ONE year, for subsequent crop years [See Par. (3)(c) below].

(3)(a) **New insureds** must request approved APH yields by completing and signing APH forms. Separate 4-year databases are required for each unit (by P/T/V indicated in the actuarial document). Each database must contain four 65 percent "T" Yields. Agents/representatives **MUST** quote the applicable percentage of the "T" Yield as the preliminary yield.

- (3)(b) Yield limitation provisions are NOT applicable the initial year insured; however, they apply for some Category C APH crops [see Par J(5) of this section] in subsequent years to databases containing actual and/or assigned yields. [For exceptions, see Par. J(6) of this section.]
- (3)(c) For subsequent crop years:
- 1 Production reports are required and assigned yield provisions apply if acceptable production reports are not filed by the PRD.
  - 2 The "T" Yield is not set in the database. The database must be updated each year and the approved APH yield recalculated.
- (4)(d) Optional units are not authorized. (NACAT→ Insureds must file acceptable production reports for the most recent APH crop year on an optional unit basis to obtain optional units.←NACAT)
- H(4) **1-3 Actual and/or Assigned Yields.** For insureds who have provided production reports, databases containing 1-3 years of actual and/or assigned yields require the use of variable "T" Yields to complete the 4-year minimum data requirement on a unit basis (by P/T/V indicated in the actuarial document) as follows:
- (4)(a) If one actual or assigned yield, three 80 percent "T" Yields;
  - (4)(b) If two years of actual and/or assigned yields, two 90 percent "T" Yields;
  - (4)(c) If three years of actual and/or assigned yields, one 100 percent "T" Yield;
  - (4)(d) For crops which have no minimum production requirements, units (by P/T/V indicated in the actuarial document) with no actual or assigned yields receive 65 percent of the "T" Yield, unless added land/P/T/V is involved. [For added land/P/T/V, see Par. 7K(2) of this section.]
  - (4)(e) For subsequent crop years, production reports are required and assigned yield provisions apply if acceptable production reports are not filed by the PRD.
- H(5) **Four or More Years of Actual and/or Assigned Yields.** When four or more years of actual or assigned yields are available on a unit (by P/T/V indicated in the actuarial document), the approved APH yield is determined by either:
- (5)(a) A simple average of the insured's actual and/or assigned yields divided by the number of years of actual and/or assigned yields contained in the database, or
  - (5)(b) A weighted average yield WHEN producers provide separate records by block in the same unit (by P/T/V).
- H(6) **Annual production reports are required.** Assigned yield provisions apply if reports are not provided by the PRD for the most recent crop year in the base period.
- H(7) **(NACAT→Optional units** are allowed if:

- (7)(a) Optional units are provided by the crop provisions or guidelines are published in the actuarial document book, and
- (7)(b) Acceptable production reports for the most recent APH crop year were provided by the PRD, on an optional unit basis. ←NACAT)
- H(8) **Separate APH yields are required** for each unit (by P/T/V indicated in the actuarial document). Different map areas do not require separate APH yields for Category C crops. (Block production worksheets are used to determine a weighted average yield).
- H(9) **Approved Yield.** The approved APH yield may be different from the simple average for:
- (9)(a) Blueberries in Maine, Mississippi, New Jersey, and North Carolina;
- (9)(b) Texas Citrus;
- (9)(c) RMA RSO determined yields [cases outlined in Par. F (1) and F (2) of this Section];
- (9)(d) An alternate bearing crop year; and
- (9)(e) Weighted average yields when required by procedure.
- H(10) **When completing APH databases**, each yield entered in the yield column must be identified with the applicable yield descriptor, as follows (examples use a "T" Yield of 100):
- A = Actual Yield (Example: A120).  
 J = Temporary Yield (Example: J100).  
 S = 65% "T" Yield (Example: S65).  
 E = 80% "T" Yield (Example: E80).  
 N = 90% "T" Yield (Example: N90).  
 T = 100% "T" Yield (Example: T100).  
 P = Assigned yield (Example: P60).  
 C = Special "T" Yield determined for added insurable acreage (insurability based on age) added as a separate unit (Example: C90).  
 F = RMA RSO Determined Yields (Example: F85). Used when less than four years of actual yields are available and the "T" Yield is assigned by the RMA RSO, or a high-risk "T" Yield (or unrated land when high-risk "T" Yields are assigned by written agreement) is used in the approved APH Yield calculation.  
 Z= A break in continuity of records when the use of the records prior to the break in continuity is approved by the RMA RSO.

**71** **Weighted Average Yields.** The approved APH yield is normally calculated based on a simple average of total production and total acreage (**insurable and uninsurable**) within the unit for the years certified. However, if less than four years of actual yields are certified for the unit, different "T" Yields are applicable on the unit, and data from more than one block, based on age and density, is certified on the Producer's Pre-Acceptance Worksheet, a weighted average "T" Yield must be calculated. The "T" Yield will be factored using standard APH procedures (e.g., 80%, 90%, or 100% "T" Yields).

I(1) **Block Production Worksheet.** This worksheet is used to allow the producer to report separate production and acreage by block as defined below. Reporting production by block reduces the impact of younger age blocks on the final approved APH yield.

This worksheet may be used for Almonds, Apples, Blueberries (Michigan Only), Arizona - California Citrus, Cranberries, Figs, Grapes, Macadamia Nuts, Peaches, Pears, Plums, Prunes, Stone Fruit, Table Grapes, and Walnuts. The blocks on the Block Production Worksheet must correspond to the blocks on the Producer's Pre-Acceptance Worksheet.

(1)(a) If the unit contains trees/bogs/vines/bushes less than:

- 1 15 years of age (Apples, and Pears);
- 2 8 years of age (Cranberries, Grapes, Table Grapes, Peaches, Plums, Stonefruit);
- 3 5 years of age (Michigan Blueberries only);
- 4 9 years of age (Arizona and California Citrus);
- 5 10 years of age (Almonds, Macadamia Nuts, Prunes and Figs);
- 6 12 years of age (Walnuts);

and the producer certifies separate production and acreage by block **for all years certified** (block is defined as trees/bogs/vines/bushes of a single age and density), the producer will receive an approved APH yield based upon a combination of actual yields and "T" Yields based on the current age and density of each block. Each block contributing to the unit will be weighted based on acreage and used to calculate the final approved APH yield for the unit. [See the Block Production Worksheet and Unit Summary Worksheet examples in Exhibit 16 and respective worksheet instructions for each crop.]

(1)(b) If the unit contains trees/bogs/vines/bushes less than:

- 1 15 years of age (Apples, and Pears);
- 2 8 years of age (Cranberries, Grapes, Table Grapes, Peaches, Plums, Stonefruit);
- 3 5 years of age (Michigan Blueberries only);
- 4 9 years of age (Arizona and California Citrus);

5 10 years of age (Almonds, Macadamia Nuts, Prunes and Figs);

6 12 years of age (Walnuts);

and the producer certifies separate production and acreage by block **for at least the most recent year** (block is defined as plants of a single age and density), the producer will receive an approved APH yield based upon a combination of actual yields and "T" Yields based on the current age and density of each block as described above; however, total commingled production and acreage (insurable and uninsurable) from previous crop years will be attributed only to blocks that are of the age specified [in 1 - 6 above] and older for the applicable crop. Each block contributing to the unit will be weighted based on acreage and used to calculate the final approved APH yield for the unit. [See Exhibit 16 for the Block Production Worksheet, Unit Summary Worksheet, and the respective worksheet instructions for each crop.]

If less than four years are certified for the unit and block data is NOT certified on the Producer's Pre-Acceptance Worksheet by age and density, "T" Yields will be calculated based on average age and density. Using the Block Production Worksheet or Unit Summary Worksheet for such units will not be necessary as the information can be transferred directly to the APH form.

The applicable "T" Yield will be factored using standard APH rules (e.g., 80%, 90%, or 100%).

- I(2) **Block Production Worksheet Completion Instructions.** This worksheet is used by producers to report separate production and acreage by block as described above. The blocks on the production worksheet must correspond to the blocks on the producer's Pre-Acceptance Worksheet.

Item No.

- (1) Enter the applicant/insured's full name.
- (2) Enter the applicant/insured's policy number.
- (3) Enter the unit number.
- (4) Enter the name of the insured crop.
- (5) Enter the name of the state in which the acreage is located.
- (6) Enter the legal description of the land if applicable.
- (7) Enter the policy crop year for which the APH is being calculated.
- (8) Enter the name of the county in which the acreage is located.
- (9) Enter the Farm Serial Number.
- (10) Enter the appropriate crop year(s) for the base period.
- (11) Enter the appropriate block number from the Producer's Pre-acceptance Worksheet.

- (12) Enter the leaf age of the block for the leaf year (policy crop year) which is calculated as follows:
- Spring-Planted Coming leaf year - 1st full leaf year following setting or grafting and add one year. For example, if 1997 is the coming leaf year and the trees were set in February of 1990 (2/90), the correct leaf age is  $97 - 89 = 8$ th leaf year.
- Fall-Planted Coming leaf year - 1st full year following setting or grafting. For example, if 1997 is the coming leaf year and the trees were set in November of 1990 (11/90), the correct leaf age is  $97 - 90 = 7$ th leaf year (age).
- For Arizona and California Citrus: Consider the year of bloom that insurance attached. Subtract 5 from the year of the year of bloom. Example: Insurance will attach for the 1999 crop year. Citrus bloomed in the spring of 1998 for the 1999 crop year. Therefore,  $1998 - 5 = 1993$ . In order to insure citrus in 1999, the trees would have to be planted in the spring of 1993 or earlier.
- (13) Enter the density from the Producer's Pre-acceptance Worksheet.
- (14) Enter total production for the block as adjusted for production reporting purposes when actual yields are reported.
- (15) Enter planted acreage for the block in acres to tenths for each year an actual yield is reported.
- (16) Enter the appropriate yield and yield type descriptor for each crop year.
- (17) "T" Yields are adjusted for the following situations:
- Less than three years of actual production records.
  - Published "T" Yield Factors.
  - Percent stand (Apples, Michigan Blueberries, and Peaches).
- Apply applicable "T" Yield factor(s) to the "T" Yield obtained from the appropriate "T" Yield table for the crop (e.g., Apples and Peaches): "T" Yield 270 boxes per acre multiplied by a "T" Yield Factor of .80 = final "T" Yield of 216 boxes per acre).
- (18) Determine the average yield for the block by totaling the yields in column 16 and dividing by the number of years of actual, assigned and/or "T" Yields used.
- (19) Producer reviews certified data and accompanying certification statement and signs and dates the form.



(1)(c) RESERVED

- l(3) **Unit Summary Worksheet.** This worksheet is used to calculate weighted average "T" Yields or weighted average unit APH yields when required.
- (a) Weighted average "T" Yields are calculated when the producer provides separate records by block but less than four years of records are certified. Complete items 1-16. [See Exhibit 16, Par. 3 for examples.]
  - (b) A weighted average unit APH yield is calculated when separate production and acreage records are certified to for more than one block within the unit and a Block Production Worksheet has been completed. Complete items 1-9 and 17-23. [See Exhibit 16, Par. 3 for examples.]

Item No.

- (1) Enter the applicant/insured's full name.
- (2) Enter the applicant/insured's policy number.
- (3) Enter the unit number.
- (4) Enter the name of the insured crop.
- (5) Enter the name of the state in which the acreage is located.
- (6) Enter the legal description of the land if applicable.
- (7) Enter the policy crop year for which the APH is being calculated.
- (8) Enter the name of the county in which the acreage is located.
- (9) Enter the FSA Farm Serial Number.
- (10) Enter the appropriate unit number.
- (11) Enter the appropriate block number from the Producer's Pre-acceptance Worksheet.

- (12) Enter the appropriate "T" Yield for each block as adjusted for the following situations:
- Less than three years of actual production records.
  - Published "T" Yield Factors.
  - Percent stand (Apples, Blueberries, Peaches, Stonefruit and Plums).
- Apply applicable "T" Yield Factor(s) to the "T" Yield obtained from the appropriate "T" Yield table for the crop (e.g., "T" Yield 270 boxes per acre multiplied by a "T" Yield Factor of .80 = final "T" Yield of 216 boxes per acre).
- (13) Enter planted acreage for each block as certified in item 12. on the Producer's Pre-acceptance Worksheet.
- (14) Enter the result of multiplying column 12 by column 13 as Extensions.
- (15) Enter total acres (sum of column 13) and total extensions (sum of column 14).
- (16) Calculate the weighted average "T" Yield by dividing total extensions by total acres in 16. The weighted average "T" Yield is then transferred to the APH for missing years.
- (17) Enter the appropriate unit number.
- (18) Enter the appropriate block number from the Block Production Worksheet.
- (19) Enter the appropriate average yield from item 18 of the Block Production Worksheet.
- (20) Enter planted acreage for each block as certified in item 12 on the Producer's Pre-acceptance Worksheet.
- (21) Enter the result of multiplying column 19 by column 20 as Extensions.
- (22) Enter total acres (sum of column 20) and total extensions (sum of column 21).
- (23) Calculate the weighted average yield for the unit by dividing total extensions by total acres in 22. The weighted average yield is then transferred to the preliminary yield block of the APH form. The verifier approves the APH yield.



**7J Additional Instructions for Carryover Insureds.**

- J(1) **When a carryover insured** is unable to finish harvest (due to an insurable cause), or records are unavailable from the processor, marketing outlets, etc. (by unit by P/T/V indicated in the actuarial document) by the production reporting date, the prior APH yield is used as a temporary yield for the most recent crop year in the base period. The temporary yield is preceded by the yield descriptor "J" and is valid for one year only. The temporary yield must be replaced by an actual yield. If the actual production is not provided, assigned yield provisions apply.

NOTE: Insureds using this provision may retain optional units when applicable.

- J(2) **Yield and acreage data** within the base period indicated on a previous approved production report will be retained (except for truncating databases to conform with the crop's base period), provided continuity of production reports has not been broken. Actual yields within the base period previously certified by the insured may not be dropped from the database without RMA RSO consent. The database is corrected for the current crop year if an error is determined that exceeds APH yield tolerances.
- J(3) **Submission of prior records.** The insured may submit production reports by the PRD for crop years within the base period for which production reports were not previously submitted (including yields previously assigned by the RMA RSO), provided continuity of production reports is maintained.
- J(4) **Production Reports Not Filed.** If production reports are not filed by the production reporting date, 75 percent of the prior APH yield on a per acre basis will be assigned for the most recent crop year in the database. Complete the APH form by entering the assigned yield in the Yield Column (Col. 18 FCI-19-A) preceded by a "P." Enter reported acres in the Acres Column (Col. 17 FCI-19-A) [See item J(1) for exception].

NOTE: Production reports certified by the insured are subject to Insurance Provider APH field reviews if acceptable records to support such reports are not submitted and verified by the Insurance Provider.

- J(5) **Yield limitations.** Yield floors DO NOT apply. Cups or Caps apply to the following Category C APH Crops: Almonds, Cranberries, Citrus (AZ-CA), Figs, Grapes, Macadamia Nuts, Pears, Plums, Prunes, Stonefruit, Table Grapes, and Walnuts. For these crops, carryover databases who have at least one actual or assigned yield qualify for yield limitation provisions.
- (5)(a) **Cups or caps** apply on a database (unit by P/T/V indicated in the actuarial document) basis, if the database contains at least one actual or assigned yield when the most recent crop years' production history is added to the database.

(5)(b) Rate determination instructions:

- 1 If the approved APH yield is CUPPED, the rate is determined using the cupped yield and a 5 percent surcharge is applied. For data processing purposes, 10 percent yield limitation flags are used and the surcharge administered on a line entry basis. [See FCIC - M13 Data Acceptance System Handbook.]
- 2 If the approved APH yield is CAPPED, the rate is determined using the capped yield. For data processing purposes, 20 percent yield limitation flags are used. [See FCIC - M13, Data Acceptance System Handbook.]

J(6) Yield limitations (cups or caps) do not apply:

(6)(a) Classified by NCS (the first effective crop year) or the crop year removed from NCS. Caps ONLY apply for subsequent crop years while classified by NCS [see Sec. 13, for additional NCS instructions].

(6)(b) Special cases referred to the RMA RSO for yield determination.

NOTE: "Special case" means when the Insurance Provider is NOT authorized to calculate the approved APH yield or the approved APH yield cannot be determined by the verifier and the case is referred to the RMA RSO for an approved APH yield.

(6)(c) Previously approved APH yields are corrected or changed. These include:

- 1 Revision of a previously reported actual yield based on acceptable, more accurate production records submitted by the insured.
- 2 Revision of the approved APH yield, acre's and/or production according to the procedure outlined for APH reviews when production and acreage information found on a field review does not match. [See Sec. 14.]
- 3 Actual yields which have been submitted are accepted for other than the most recent crop year in the database. (Assigned yields or "T" Yields are replaced).

(6)(d) The initial year added land/P/T/V procedures are applicable; or units, P/T/V's (indicated in the actuarial documents) with established APH databases containing actual and/or assigned yields are combined or further divided.

**7K Provisions for Added Insurable Acreage, Added Land/New Producers.**

- K(1) **Added Insurable Acreage.** Acreage of the crop which was not insurable for the previous crop year that meets or exceeds minimum policy requirements for the current policy crop year (e.g., production requirements, maturity, age, leaf year, etc.). APH yield calculation instructions by P/T/V indicated in the actuarial document:
- (1)(a) **Added acreage to an existing unit.** When added to an existing unit, use the weighted average APH yield procedure to calculate the approved APH Yield for the unit [see Exhibit 16, Apples Example 2].
- 1 If the production from previously uninsurable acreage is commingled with production from insurable acreage, total production divided by total acreage is used for all crop years which were commingled. The commingled production and acreage meeting or exceeding policy requirements are entered on the APH form.
  - 2 If the crop policy requires minimum production, and separate acreage and production records which meet policy requirements are submitted (block records), such acreage and production are included on the APH form (non-insurable years prior to the qualifying crop year's records are excluded).
  - 3 If insurability of the crop is based on maturity and records of acres and production from the previous uninsurable crop year are provided as a separate block, such production is entered on the APH form.
  - 4 A special "T" Yield based on the number of years of actual and/or assigned yields on the unit is weighted into the approved APH yield (by entering it in the yield column of the block production worksheet).
- (1)(b) **If added as a separate unit.** When insurability of the crop is based on maturity, and the crop attained the required maturity, the approved APH yield is calculated using four Special "T" Yields. If acreage and production from the previous uninsurable crop year are provided, such production history is entered on the APH form.
- If the crop requires production records that meet minimum production requirements, and acceptable records for such acreage are provided, the actual yields submitted for the crop year and three Special "T" Yields are used to calculate the approved APH yield. The qualifying acreage and production are entered on the APH form.
- (1)(c) **Special "T" Yields** (weighted average if block records are submitted) are calculated using a percentage of the applicable "T" Yield based on the years of actual and/or assigned yields in the database for the unit/P/T/V of the insured crop (within the county) with the most APH crop years of actual and/or assigned yields, irrespective of P/T/V. Special "T" Yields entered in the database are preceded by the yield descriptor "C."
- K(2) **Added Land/New Producers.** New producers or carryover insureds who have recently added land (recently purchased or leased perennial crop acreage which

meets policy requirements) may use the prior producer's records (by P/T/V indicated in the actuarial document), whether or not that producer continues to share in the crop, WHEN ACCEPTABLE HARD COPY RECORDS of acreage and production (prior loss MPCI records are acceptable) are submitted to the Insurance Provider.

- (2)(a) Production reports submitted. When acceptable production reports/records are submitted, use the applicable procedures (simple or weighted average yields) based on whether or not separate block records are submitted. [See Par. I this Sec. for procedures and Exhibit 16 for examples.] See record requirements for producers sharing in the crop with another producer [Sec.10 Par. E].
- (2)(b) Production reports NOT submitted. If acceptable production reports/records are not provided, and insurability of the crop is based on maturity and the crop has attained the required age, 65 percent of the appropriate "T" Yield is applicable using standard Category C Crop APH yield procedure. If the insured can demonstrate that a greater yield than 65 percent of the "T" Yield is reasonable for that particular acreage, the insured may request an RMA RSO determined yield [see Par. 7F(2)(a)].

#### 7L Additional APH Provisions by Crop.

- L(1) Almonds. Delivery statements, pool closing statements or production recaps must show total meat pounds (including rejects paid for by the buyer, by variety.) Pounds of in-shell Almonds, including rejects, paid for by the buyer must be shown separately, by variety. Pounds of in-shell Almonds must be converted to meat pounds. [See Exhibit 31 for conversion factors by variety.]
- L(2) Apples. Certified records including printouts or receipts from each first handler of the fruit for that crop year must show total marketable (as defined in the policy or endorsement) production (in bushels, bin count, or weight delivered) by variety. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec. 10, C(4) for acceptable pick records] or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

If insured under the Fresh Fruit Option or Sunburn Option/Endorsement and a claim for indemnity has been completed, total marketable production from the claim prior to adjustment for quality is used for APH purposes.

- L(3) Blueberries. Printouts or receipts from a handler must indicate the date, producer's name, and total production in pounds. Printouts or receipts from a packing operation, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec. 10, Par. C(4)], warehouse, certified scale receipt (with third party verification), inventory stock sheet, receiving report, grower pay report, grower summary reports must indicate the date of the transaction, producer's name, and total production. Total production must indicate unmarketable and marketable production separately. Marketable production must indicate grade and type of production: fresh, processing, or juice. Production indicated as trays, flats, cartons, containers, or quarts must be converted to pounds. The method of conversion must be explained and included with the records.

- L(4) **Citrus (AZ & CA).** Pool statements, pool summary statements, pack statements or year-end settlement sheets must show standard packed cartons by type and carton weight. Citrus cartons of different size(s) must be converted to the equivalent of the standard carton (listed in the policy) for the type.
- L(5) **Cranberries.** Truckload weight receipts, berry slips, settlement weight sheets, sales receipts, final or year-end statements from a processor or packing house must indicate net paid barrels of cranberries delivered or stored for each unit.
- L(6) **Figs.** Packer or California Advisory Board Summary Sheet must show net paid pounds of marketable Figs (including manufacturing grades). Marketed fresh-fruit production is converted to a dried-fruit basis by dividing the total pounds of fresh fruit by 3.0. For new insureds and policies which are being canceled and rewritten (transfers) supporting records of acreage and production must be provided to the verifier.
- L(7) **Grapes.** Settlement sheets, sales receipts, final or year-end statements from a winery, cannery or processor must indicate net paid tons of Grapes delivered by variety. Remittance or final statement sheets from Raisin packers or the Raisin Administrative Committee must show the net paid tons of clean, dry Raisins; or, the number of insured tons of raisins established on a claim for indemnity. Each pound of Raisins converts to 4.5 pounds of green Grapes.
- Production for Grapes harvested before normal maturity or for special uses are used for APH purposes when adequate records are available. The production of such Grapes will be increased by the factor calculated by dividing the price per ton for such Grapes by the price per ton for fully mature Grapes of the same type (as stated in the crop endorsement).
- L(8) **Table Grapes.** Packing house records must be settlement sheets, receiving statements, final sales statements from broker or Table Grape Commission records. Records must show the number of packed lugs by variety. If the fruit is packed in other than standard weight lugs (as stated in the crop endorsement), the net weight of the lugs must be noted.
- L(9) **Macadamia Nuts.** Delivery records, production recaps or sales receipts from processors must indicate weight of wet-in-shell nuts by variety excluding foreign material. Wet-in-shell is defined as the weight of the Macadamia nuts as they are removed from the orchard with the nut meats in the shells after removal of the husk and before being dried.
- L(10) **Peaches (Canning & Processing).** [See Stonefruit, Par. L(15).]
- L(11) **Peaches.** The base period is five continuous crop years beginning with the crop year previous to the current crop year (the base period for the 1997 crop year is 1996-1992). Certified records may include a printout or receipt from each first handler of the fruit for that crop year. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec.10, Par. C.(4)] or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

L(12) **Pears.** Certified records including printouts or receipts from each first handler of the fruit for that crop year must show total production in tons by variety. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec. 10, C (4)] or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

(12)(a) California Only. Production for APH purposes must be reported for the applicable grade: first grade canning, U.S. # 1 (Summer, Fall, or Processing Pears), Extra #1 or U.S # 1(Winter Pears). If records certified by the production reporting date do not include production by grade, use the following grade factors to convert field-run production to production to count for APH purposes: Type I = 85%, and Type II = 80%. If the grade is certified after the production reporting date, it will be included in the next year's update.

1 Actual grade and price record. If an insured provides actual grade and price records by the production reporting date that result in a higher APH yield than using the above factors, the higher yield must be used.

2 A production level of at least 6.25 tons per acre of field-run production in at least one of the four previous crop years is sufficient to satisfy the requirement of 5.0 tons per acre at the applicable grade.

(12)(b) For all states except California, field-run marketable production is acceptable.

L(13) **Plums.** Fresh Plums production to count will be U.S. No. 1 as modified by the California Tree Fruit Agreement. Marketed fresh-fruit production is converted to a dried-fruit basis by dividing the total pounds of fresh fruit by 3.0.

L(14) **Prunes.** The unit of measure is tons (to the nearest tenth) of natural condition (dried) Prunes. Advance payment summary sheets must show, by variety, net paid weight which grades substandard or better. Marketed fresh-fruit production is converted to a dried-fruit basis by dividing the total tons of fresh fruit by 3.1.

L(15) **Stonefruit.**

- (15)(a) For Type IV Cling Peaches, the Cling Peach Advisory Board's (CPAB) determined acreage is to be used for APH purposes. If the CPAB acreage is not available, wheeled acreage is acceptable. California, processor or CPAB summary must show net paid tons of No. 1 and No. 2 fruit, by variety and type. Minimum one year acceptable production records for the type that is elected. Fresh records may be used for the processing type elected.
- (15)(b) Type II Apricots and Type V Freestones (processing), must meet California Department of Food and Agriculture minimum standards and include all production accepted (marketed). Minimum one year acceptable production records for the type that is elected. Fresh records may be used for the processing type elected.
- (15)(c) Peaches (fresh market) Type VI, Apricots (fresh market) Type I and Nectarines Type III. Certified records may include a printout or receipt from each first handler of the fruit for the crop year. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec. 10, C(4)] or a warehouse receipts are acceptable. Bin count, cartons, crates, lugs or irregular sizes or weight must be converted to the appropriate unit of measure. Minimum one year acceptable production records for the type that is elected.
- (15)(d) Production from alternative uses is used for APH purposes when adequate records are available. Production of fresh Stonefruit damaged by insured causes that could be marketed for any use other than fresh packed Stonefruit is determined by multiplying the number of tons that could be marketed by the value per ton of fruit or \$50.00 per ton, whichever is greater, and dividing that result by the highest price election available on the actuarial table for the type.

L(16) **Walnuts.** Delivery records, production recaps or sales receipts from processors must indicate the net weight of inshell Walnuts by variety.

NOTE: Any production evidence which does not meet the requirements specified for the crop may be forwarded to the RMA RSO to determine its acceptability.

**8 OTHER COVERAGE PLANS****8A Category A, Producer Listing APH Crops**

The Producer Listing Plan offers coverage based on the actuarial table with a listing that identifies the coverage available. Yields are based on actual production history reported to the FSA county office.

A(1) **Eligible Crop**: Peanuts.

AD(2) **Certification of Peanut Yields**. Peanuts will continue to use listings.

(2)(a) **Production Report**. Insureds are not required to report yield history on an APH form. They will continue to report yield history to FSA.

(2)(b) **Actuarial Documents**. The rates and coverages are quoted from the appropriate actuarial documents.

(2)(c) **Approved APH Yield and History**. Upon written request from the insured, a form will be issued from the RMA RSO indicating the approved APH yield and the insured's yield history.

A(3) **Price Election**. The insured may select one price election percentage per contract for Peanuts within the price election range listed in the actuarial documents. The price election percentage elected applies to both Quota and Non-Quota Peanuts. Price elections of less than 60 percent are not available. For CAT coverage, the insured may select one price election percentage, 60 percent of the maximum price.

A(4) **Premium Calculation**. The premium is equal to the production guarantee, times the price election, times the premium rate, times the insured acreage, times the share, times any applicable premium adjustment factor. For CAT coverage, the 50 percent coverage level ONLY is available and the 60 percent price election applies to both quota and non-quota peanuts.

**8B Category D, Dollar Plan Crops**

B(1) **Eligible Crops**: Citrus (Florida), Citrus Trees (Texas), Forage Seeding, Hybrid Corn Seed, Hybrid Sorghum Seed, Macadamia Trees, Peppers, Raisins, Sweet Corn (Fresh Market), Tomatoes (Fresh Market - Dollar Plan).

B(2) **Plan Description**. This plan offers the producer the opportunity to select one of several dollar amounts of insurance per unit (per acre or per ton, depending on the crop). The available coverage elections and the rates are indicated on the actuarial table. Use any maps or supplemental listings included in the actuarial materials to determine the coverage options and premium rates.

**(NACAT→NOTE)**: Production reports are not required to qualify for optional units. Exception: Raisins may be divided into more than one unit if, for each proposed (optional) unit:

- (2)(a) Records. The insured maintain written, verifiable (tray counts are acceptable) records of Raisin production for at least the previous crop year; and
- (2)(b) Non-contiguous Land. The acreage of insured Raisins is located on non-contiguous land. ←NACAT)

**B(3) Hybrid Corn Seed or Hybrid Sorghum Seed.**

- (3)(a) Hybrid Seed Yields are established by county and are used to calculate the amount of insurance. The Hybrid Seed Yield that applies at each coverage level will be published as part of the county actuarial documents. The insured may elect a coverage level (associated yield) as well as price election. Coverage is provided only for acreage grown under a contract executed with a seed company by the acreage reporting date.
- (3)(b) The amount of insurance is the Hybrid Seed Yield times the price election. The amount of insurance for hybrid seed approximates the dollar value of insurance of Corn planted for grain. However, the basis of insurance for hybrid seed is female acres. Acreage planted to the male inbred line is not insurable.

The insured must accurately report the acreage occupied by the female inbred line. The Standard Planting Practice is to plant the male and female inbred lines in rows separated by normal spacing (e.g., two rows male and six rows of female-FFFMMFFF). This results in 75 to 80 percent of the total acreage being occupied by the female inbred line. This is the concept underlying the determination of the amount of insurance. In some cases the male inbred line may be interplanted between normally spaced rows planted to the inbred female line. In this situation, the Hybrid Seed Yield will be adjusted to reflect the level of coverage normally associated with field Corn so that the amount of insurance for the two planting practices (Standard Planting and Interplanting) is equivalent.

- (3)(c) Minimum Contract Payment. A statement by the insured is required either on the acreage report or on a document accompanying the acreage report. This statement will include the amount of any guaranteed minimum payment provided by the insured's contract with a seed company.

Required Statement:

"My contract with (Seed company) does not provide a guaranteed minimum payment to me."

"My contract with (Seed company) provides a guaranteed minimum payment of \_\_\_\_ (dollars or bushels) per acre."

The amount of insurance must be reduced if there is a guaranteed minimum payment. Deduct any minimum payment that is denominated in bushels from the yield that is used to establish the amount of insurance. If the minimum payment is stated in dollars, divide the amount by the price election. Round the result to the nearest whole bushel and subtract it from the Hybrid Seed Yield.

- (3)(d) Yield Base factor for Seed Companies. FCIC will require additional information about a seed company's operations, the inbred lines and foundation seed projections from seed companies in some circumstances. These circumstances include very high expected yields for a particular hybrid, poor crop insurance experience, newly formed seed companies, previously limited production records submitted by a seed company, etc. The RMA RSO will request additional information when needed. An annual update of actual yield history and expected yields is required from each seed company as a prerequisite to approving yields by FCIC Research and Development.
- (3)(e) Approved Yields. The RMA RSO will provide companies with approved yields for varieties/hybrids upon request. Requests should be received by the RMA RSO no later than the end of the insurance period. Agents initiate requests by preparing "Notification of Request for Yield Guarantee Determinations" and by sending them to the Insurance Provider who forwards to the appropriate RMA RSO. Representative (Provider) then provides the hybrid seed company with blank forms for completion of the "Hybrid Seed Corn/Hybrid Sorghum Seed Yield/Verification" for each hybrid to be insured. The Hybrid Seed Corn/Hybrid Sorghum Seed Yield Verification form will be returned to the RMA RSO. The RMA RSO will calculate and issue the Approved Yield for each variety and forward to the Insurance Provider requesting the yield. Losses will be paid on the same basis as yields are determined (ear corn, shelled, etc.).
- (3)(f) Value per Bushel. The dollar value per bushel is calculated by the Insurance Provider at loss time, and is multiplied times the seed production to count to obtain the value of seed production to calculate the indemnity. The dollar value per bushel equals the amount of insurance (dollars) divided by approved yield times the coverage level. A variety with one approved yield can have more than one dollar value per bushel as the amounts of insurance may vary.

$$\text{Dollar Value/Bu.} = \frac{\text{Amount of Insurance (\$/Ac)}}{\text{Approved Yield (Bu/Ac) x Level (\%)}}$$

B(4) **Citrus** (Florida):

- (4)(a) Tolerances. If the acreage on the policy meets or exceeds established tolerances for the region, an on-site inspection of the grove(s) is required by the Insurance Provider.
- (4)(b) Discretionary Review. A list of policies exceeding the established tolerances will be forwarded to the RMA RSO for a discretionary review. [See Exhibit 16, Par. 1L or Florida Citrus crop handbook for grove inspection instructions.]

8C **Category E, Tobacco Quota Plan**

- C(1) Eligible Crop: Tobacco insured under the Quota Plan of Tobacco (Type 31, all states).
- C(2) Plan Description. This plan bases the insurance guarantee on the FSA poundage quota assigned to the producer, with optional or mandatory adjustments as indicated in the policy.

8D **Category F, Tobacco-Guaranteed Production Plan (Types Not Requiring Individual APH Production Reports)**

- D(1) Eligible Crop: Tobacco on the guaranteed production policy except for types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; 32 MD.
- D(2) Plan Description. Except for the types listed in (1) above, listings will continue to be used.
- (2)(a) Reporting Yield History. Insureds are not required to report yield history on an APH form. They will continue to report yield history to FSA as in the past. The RMA RSO obtains the data from FSA, processes the data into producer classifications, and publishes the classifications in the actuarial classification listings (FCI-32).
- (2)(b) Actuarial Documents. The rates and coverages are quoted from the appropriate actuarial documents.
- (2)(c) Approved APH Yield and Classification. Upon written request from the insured, the RMA RSO will provide documentation of the insured's yield history and approved APH yield classification.

8E **Category G, Nursery Crop**

E(1) **Eligible Crop**: Nursery Crops listed on the eligible plant listing located in the Actuarial Table.

(1)(a) Scientific name and common name;

(1)(b) Type;

(1)(c) Hardiness, zone, and winter protection codes;

(1)(d) Special risks;

(1)(e) Temperature sensitivity;

(1)(f) Disease risks;

(1)(g) Supply (versus) demands;

(1)(h) Other concerns.

The expert must not have a financial interest in any nursery eligible for nursery crop insurance and should be affiliated with a Land Grant University.

E(2) **New Plant Types**. The RMA RSO recommends the addition of new plant types to be added to the NEPL to the Actuarial Branch in Kansas City, MO.

E(3) **Inspection**. An on-site inspection of the Nursery is required if guidelines established by the [FCIC 24080 Nursery Crop Insurance Underwriting Guide] are met or exceeded. The applicable Insurance Provider performs the inspection.

E(4) **Coverage**. Coverage Available for CAT, 60 percent of the 90 percent wholesale inventories at the 50 percent coverage level.

8F Reserved

**9 USE OF THE APH FORM****9A The APH Form**

- A(1) **Purpose.** The APH form meets all production reporting requirements and is to be used as the insured's production report(s). It may be used to establish or update the yield history for a farming operation by crop, unit, practice, etc. Supporting evidence (records), when required, must meet acreage and production requirements [outlined in Sec. 10 of this handbook].
- A(2) **Approval of APH forms is required** if a form other than the FCI-19-A(APH) is used. Any Insurance Provider desiring to use an alternate form must submit a request with justification, to:

Federal Crop Insurance Corporation,  
Director, Product Development Division,  
P.O. Box 419293,  
Kansas City, Missouri 64141.

**9B General Provisions**

- B(1) **Approved APH Form.** An approved APH form must be used by Insurance Providers for all APH crops requiring production reports to establish the approved APH yield: Almonds, Apples, Canning and Processing Beans, Canola, AZ-CA Citrus, Blueberries, Coarse Grains (Corn, Grain Sorghum and Soybeans), Cotton, ELS Cotton, Cranberries, Dry Beans, Figs, Forage Production, Grapes, Table Grapes, Macadamia Nuts, Onions, Peaches, Pears, Peas (Dry & Green), Plums, Popcorn, Potatoes, Prunes, Rice, Safflower, Small Grains (Wheat, Barley, Oats, Rye and Flax), Stonefruit (Apricots, Nectarines, Peaches), Sugar Beets, Sugarcane, Sunflower Seed, Sweet Corn (Processing), Tobacco (Guarantee Types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; 32 MD; Tomatoes (Canning and Processing), Tomatoes (Fresh Market Guaranteed Production) and Walnuts.
- B(2) **Required Entries.** Entries must be completed on the APH form for each APH crop year by unit and by P/T/V (within the unit that requires separate APH yields). Verifiers must establish a database for each P/T/V listed on the County Coverage and Rate Table (FCI-35) that has different "T" Yields for each P/T/V that has been carried out and/or will be carried out for the current crop year.

Separate databases must also be established within a unit for each area classification ("T" Yield Map Area). For high-risk land (when high-risk "T" Yields are established), a separate database must be established within a unit if less than four years of actual/assigned yields are available for the high-risk land (by P/T/V). When four or more years of records are available, it is not necessary to continue to maintain separate databases for high-risk land. It is not required to establish separate databases (APH yields) for area classifications that are for a rate only.

- B(3) **Verification and Review.** The APH form is subject to verification and Insurance Provider field review. Policies without records (65 percent "T" Yields ONLY) are subject to office review. The insured must maintain acceptable production evidence for each crop year by unit for each P/T/V and crop year. Insureds may submit production evidence for all units and years for which yields are being certified and request verification of the information. If they do so, they will not be subject to the APH field review process for the crop year. When the crop is selected for review, supporting evidence (records) of acreage and production will be required by unit for all crop years' acreage and production as certified on the form.

When established tolerances have been exceeded as determined on the field review, the APH form will be corrected. [See Sec. 14, A, B, and C]. Such reviews will be performed by authorized RMA RSO/Insurance Provider personnel. Actual yield history determinations which may be used to correct approved APH yield include:

- (3)(a) Indemnity Forms. Production evidence for loss adjustment purposes which is recorded on FCI-74, FCI-63, FCI-74 T-P-C, MPC1 production worksheet, etc., which is accepted by RMA RSO or an Insurance Provider.
- (3)(b) FSA forms or records completed for production measurement service purposes.
- (3)(c) Reviews. Production determined for other FSA program purposes or in the course of an FSA spot check or RMA RSO/Insurance Provider review.
- B(4) **Amended APH Forms.** The insured may amend the APH form after submission on the basis of more recent information. Amended APH forms submitted after the production reporting date will be used when computing the following year's yield.
- B(5) **APH Review.** When selected for an APH review, the INSURED is responsible for furnishing production evidence to support the production as reported on the APH form. Any FSA information or supporting documentation for the production report must be furnished by the INSURED at the time of the review.
- B(6) **Correcting APH Yields.** The verifier must correct the yields reported on the APH form for the current crop year if yield tolerances are exceeded based on the results of an APH review. The verifier must correct the APH yield the following year if discrepancies exist but are within the tolerances. The RMA RSO/Insurance Provider may also request an APH review on any unit that has a yield which appears to be excessive, based on:
- (6)(a) Established tolerances.
- (6)(b) Personnel knowledge of the producer's farming operation.
- (6)(c) Actual yields on neighboring farms that have similar productive characteristics.
- (6)(d) Unique circumstances that may have affected the crop on the unit but did not affect the majority of the other farms in the county.

9C **Preparation of The APH Form - General Instructions**

- C(1) **The APH form is designed to** accommodate both the insured with established yield history (database) and the new insured. The form contains space for ten APH years of yield history (limited to five years for Peaches and Apples) necessary for the verifier to calculate an approved APH yield.
- (1)(a) **Continuous years of yield history.** The producer completes the APH form by furnishing all continuous years of yield history data.
  - (1)(b) **Production Not Reported.** The agent/representative completes the production history by entering assigned and/or variable "T" Yields for years for which actual production was not reported.
  - (1)(c) **Each year.** carryover insureds are required to certify the most recent APH crop year in the base period.
  - (1)(d) **Supporting records** may be required by the verifier to allow for verification of actual yields in the database if not previously verified.
  - (1)(e) **Signature and Date Required.** The insured must sign and date the form when certifying the most recent APH crop year and/or using the form to report production for prior APH crop years.
  - (1)(f) **Preliminary yields** must be computed by the agent/representative for new insureds when authorized to do so by RMA RSO.
- C(2) **Each APH form accommodates two databases.** Separate databases are established as indicated [in C(3) below].
- C(3) **Separate yield determinations** (databases) are required for each APH crop year certified for each:
- (3)(a) **Unit.** Acres and production prorated between basic units are not acceptable records for basic units unless prorated on a claim for indemnity.
  - (3)(b) **Insured** (landlord or tenant).
  - (3)(c) **Practice.** Different practice (except for Soybeans Intertilled Between Rows [IBR] and Not Intertilled Between Rows [NIBR]), type, or variety identified in the actuarial documents as having separate (different) "T" Yields.
  - (3)(d) **Area Classification** ("T" Yield Map Area and high-risk land if "T" Yields are established) except for Category C Crops when weighted average yields are required.

- C(4) **Production.** The production adjusted for APH is entered in the total production column when actual yields are reported. Some crops require an adjustment or conversion to total production before being entered. If a worksheet is used to adjust APH production, it must be sent to the verifier along with the APH form. [See Sec. 6, F for worksheets and instructions used to determine APH production, separate commingled production, and Exhibit 17 to determine skip-row yield factors for Cotton.]
- (4)(a) For adjustments or conversions required to determine production for individual crops. [See Sec. 6, J for Category B Crops or Sec. 7L for Category C Crops.]
- (4)(b) Claim for Indemnity. Production determined on a Claim for Indemnity for the 1986 and subsequent crop years (Proof of Loss, FCI-74, FCI-74 T-P-C, etc.) will be used, except for appraisals made for excluded causes of loss (NACAT→(hail and/or fire when the FCI-78 Hail and Fire Exclusion is elected).←NACAT) Beginning with the 1992 crop year, appraisals made for uninsured causes of loss (e.g., failure to follow recognized good farming practices and acreage destroyed without consent) are not used for APH purposes.
- 1 Appraisals for potential production remaining in the field (for unharvested acreage) are considered production for APH yield purposes.
  - 2 Use production from the Claim for Indemnity if production reported by the insured does not correspond to the production on the claim for indemnity. Exceptions: (NACAT→1) apple claims where the production was adjusted for quality and an Apple Option was in force; 2) potato claims when the production was adjusted for quality and the Quality, Processing or Frost/Freeze Option was in force←NACAT); 3) allocated production from an unreported unit(s); 4) Sugar beet appraisals that were reduced because Sugar beets were in the first stage (use appraisals prior to reduction); 5) Onion and Peach actual production prior to any adjustment to the production for a high market value. [Also see General Loss Adjustment Standards regarding allocated production from unreported unit(s).]
- (4)(c) Production Adjustments. Production reported on the APH form will be adjusted for moisture, test weight, quality, grade, etc., on the same basis as claims for indemnities [see exceptions in (b) above], provided supporting records indicate requirements stated in the policy have been met. Note: This also includes farm stored production.
- (4)(d) Moisture. Production having less moisture than the percentage stated in the policy will not be increased to account for the difference.
- (4)(e) Production Not Adjusted. Production reported by the insured will not be reduced for moisture, foreign material, cracked kernels, etc., UNLESS INDICATED on supporting records.

- (4)(f) Seed. Grain used as seed for the producer's own use should be included in the APH yield history. The insured must furnish scale tickets or weight slips showing date of weighing, name of producer and commodity. The insured must also certify the amount of seed which was used for planting by:
- 1 Certifying to amount of the seed planted per acre.
  - 2 Certifying to and identifying the acreage on an aerial photo.
- (4)(g) Irrigated and Non-Irrigated Acreages. Separate APH yields must be determined for Irrigated and Non-Irrigated practices when separate "T" Yields or "T" Yield factors are indicated on the actuarial table. Exception: when the planting pattern for the Non-Irrigated corners of a field continues into the Irrigated acreage of a center pivot or acres and production from the center pivot is not separated from the Non-Irrigated corners [See Sec. 4, Par. D(4)(b)4 b]. If production is commingled between an Irrigated and a Non-Irrigated practice, separate yields may be established for the two practices by using the commingled production worksheet or by using the insured's certification of estimated production for the Irrigated and Non-Irrigated production. [See Sec. 6, Par. E, (2).]

9D **Preparation of APH Form** - ITEM BY ITEM INSTRUCTIONS for Category B and Category C APH Crops.

See additional yield history provisions by crop [Sec. 6, Par. J and Sec. 7 Par. L]. [See Exhibit 8 for completed samples for individual crops and for directions outlining adjustments to total production entries.] Directions for sample production worksheets for Sugar Beets, Dry Beans, (~~NACAT~~→Potato quality options←~~NACAT~~) and for commingled production worksheets are provided. [See Sec. 6, Par. F(1).]

D(1) **Separate yields** are required each crop year for each unit, insured (landlord or tenant), different practice, area Classification ("T" Yield Map Area). [See Par. C(3)(a)-(d) for additional instructions.]

D(2) **Agents/Representatives** must complete the following items on the APH form [FCIC-19-A furnished for illustration purposes on the last page of this Exhibit] in the following manner:

- |           |  |
|-----------|--|
| Item 1    | Insured's name or insurable entity, address, phone number, Social Security or tax identification number.   |
| Item 2    | Required Field Review. If a field review is required, the "Field Review" box must be checked.<br><br>Required Inspection. The "Inspection" box must be checked when the agent has specifically identified acreage on which a crop inspection is required. These inspections will be performed only by individuals delegated the authority by RMA RSO/Insurance Provider.   |
| Item 3    | State, county and policy number to which the form pertains.  |
| Items 4&5 | Agent's name, address, phone number and code. Insurance Provider's name and address.   |
| Item 6    | Crop name, farming P/T/V (if applicable) and unit number for the unit. Enter the abbreviation for the farming practice requiring a separate APH yield.   |
| Item 7    | Enter the section, township and range descriptions for land under the Rectangular Survey System. Use other descriptions to identify the geographical location of the unit if legal descriptions cannot be determined or legal descriptions are not applicable. If additional space is needed, attach a supplemental sheet. Check the appropriate box to indicate if any unit or portion of the unit is physically located in another county but insured by Written Agreement in this county. |
| Item 8    | Name(s) of others sharing in the crop. If none, enter "NONE".  |
| Item 9    | Check appropriate "Record Type(s)" box(es) to indicate the form of verifiable acceptable records maintained for the last year in the base period. NOTE: Farm-stored production records may include bin, silo, crib, wagon measurements, etc.   |

- Item 10 Processor contract number(s), processor name, when applicable, and/or total number of trees or vines for perennial crops (not applicable if Producer's Pre-Acceptance Worksheet has been completed).
- Item 11 For perennial crops, the year(s) in which the majority of the insurable trees or vines in the unit, by block, were planted/set out in the orchard, vineyard, grove or bog (not applicable if Producer's Pre-Acceptance Worksheet has been completed). Contract price for Green Peas, percent of sugar for Sugarcane and Sugar Beets and (NACAT→Potato option percentages for Potatoes insured under the quality options←NACAT) (for the most recent year in the base period). For new producers, added land, added P/T/V, enter the crop years they have produced the crop (e.g., 1996 and 1997). See individual crop examples [Exhibits 8 and 16] for completed samples. If not applicable, leave blank.
- Item 12 Enter the current FSA FSN.
- Item 13 Formerly referred to as the ASCS Yld block. Required when "T" Map Areas and High-risk Map Areas are applicable, enter the area classification from the county actuarial table. If not applicable or not used, leave blank.
- Item 14 The applicable 100 percent "T" Yield, needed when less than four years of actual and/or assigned yields are available (NACAT→and to calculate the yield floor for Category B crops.←NACAT) New producers (Category B Crops) qualify for 100 percent of "T" Yields (110 percent of the "T" Yield in pilot new producer counties).
- Item 15 Enter the appropriate years for the base period.
- Item 16 Enter total production as adjusted for production reporting purposes when actual yields are reported.
- NOTE: Sample production worksheets have been provided for Sugar Beets, Dry Beans, (NACAT→Potato quality options ←NACAT)and skip-row Cotton. [See Sec. 6 F and Exhibit 8]
- Item 17 Enter planted insurable acreage in acres to tenths for each year an actual yield is available in column 16. For annual crops, enter "0.0" if the crop was not planted for any year.
- Item 18 Enter the appropriate yield and yield type descriptor for each yield entered in the database. [See Sec. 6 for instructions.]
- Item 19 Enter the total of all entries in column 18.
- Item 20-A When authorized [for crops listed in Sec. 6, Par. J and Sec. 7L, (if weighted average APH yield not required)], divide the total from item 19 by the number of years. Apply any applicable yield limitations (cup, cap, or [NACAT→yield floor←NACAT]) and enter the limited yield as the preliminary yield.

NOTE: If a Special "T" Yield was determined, enter the Special "T" Yield, i.e., "C100."

- Item 20-B Enter the prior approved APH yield, if applicable. If it is not applicable, enter N/A.
- Item 21 (Completed by verifier.) Enter the approved APH yield after all entries are verified.

(NACAT→For potatoes insured under the Potato Quality Option or the Processing Potato Quality Option, enter the appropriate percent for #1 Potatoes and #2 or better Potatoes for both fresh and processing Potatoes when applicable.←NACAT)

Insured's Signature:\_\_\_\_\_ Date:\_\_\_\_\_

- D(3) Agents/representatives must obtain the insured's signature and the date of the signature. Point out the certification statement and explain the statement to make sure the insured understands what is being certified and the consequences of an inaccurate production report.

NOTE: FCIC APH forms for Category "C" crops may be computer generated. The items may be arranged too more precisely fit the production reporting requirements of specific crops. All FCIC or other approved APH computer generated forms MUST also have a space to indicate the preliminary yield, a space for the insured's signature, and Certification Statement if they are to be used as production reports. If arranged differently, follow the instructions provided with the form or contact the RMA RSO for assistance. A remark's section may be added to indicate the basis for establishing the approved APH yield.

#### 9E **Combining and Splitting of Units**

When production report(s) are on file and continuity of insurance participation is not broken, the prior yield history must be considered if optional units are changed (combined or split) when completing the current crop year APH form. [See Exhibit 15 for directions and examples.] Refer unit calculations to the RMA RSO for crops requiring RMA RSO determined yields.

# APH FORM

OMB No. 0563-0003

**FCI-19-A(APH)**  
(Rev. 6-95)

U. S. DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation  
**PRODUCTION AND YIELD REPORT**

YIELD COMPUTATION FOR THE  
**CROP YEAR** \_\_\_\_\_

See reverse side of form for statement required by the Privacy Act of 1974  
We reserve the right to correct errors made in computations

1 Producer's Name and Address   Phone No.: _____ SSN/Tax No.: _____	2 Required Field <input type="checkbox"/>  Required Inspection <input type="checkbox"/> 3 State: _____  County: _____  Policy No.: _____	4 Agent Name/Address   Phone No.: _____ Agent Code: _____ 5 Company Name/Address
--	---	--

6 Crop  Practice Type Unit No.	7 Section  Township  Range  Land Other County <input type="checkbox"/> Yes <input type="checkbox"/> No	15 Crop Year 19 19 19 19	16 Total Production _____ _____ _____ _____	17 Acres _____ _____ _____ _____	18 Yield _____ _____ _____ _____
8 Other Entity(ies)		12 FSA Farm No. 19 19 19 19		19 Total	
9 Record Type: _____ Crop Year: _____ <input type="checkbox"/> Production Sold/Commercial Storage <input type="checkbox"/> On Farm Storage, Recorded Bin Measurement <input type="checkbox"/> Livestock Feeding Records <input type="checkbox"/> Appraisal <input type="checkbox"/> FSA Loan Record <input type="checkbox"/> Other Number of Trees or Vines _____		13 FSA Yld. _____ 14 Transitional Yld. _____		20(A) Preliminary Yield _____ 21 Approved APH Yield (For Verifier Use)	
10 Processor Number/Name		11 Other		20(B) Prior Yield _____	

6 Crop  Practice Type Unit No.	7 Section  Township  Range  Land Other County <input type="checkbox"/> Yes <input type="checkbox"/> No	15 Crop Year 19 19 19 19	16 Total Production _____ _____ _____ _____	17 Acres _____ _____ _____ _____	18 Yield _____ _____ _____ _____
8 Other Entity(ies)		12 FSA Farm No. 19 19 19 19		19 Total	
9 Record Type: _____ Crop Year: _____ <input type="checkbox"/> Production Sold/Commercial Storage <input type="checkbox"/> On Farm Storage, Recorded Bin Measurement <input type="checkbox"/> Livestock Feeding Records <input type="checkbox"/> Appraisal <input type="checkbox"/> FSA Loan Record <input type="checkbox"/> Other Number of Trees or Vines _____		13 FSA Yld. _____ 14 Transitional Yld. _____		20(A) Preliminary Yield _____ 21 Approved APH Yield (For Verifier Use)	
10 Processor Number/Name		11 Other		20(B) Prior Yield _____	

I certify that the information I have furnished as reflected on this form is complete and accurate for the commodity(ies), unit(s) and year(s) shown. I understand this form may be reviewed or audited and that information inaccurately reported or failure to retain records to support information on this form, may result in a recomputation of the approved APH yield. I also understand that failure to report completely and accurately may result in voidance of my crop insurance contract and may result in criminal or civil false claims penalties (18 U.S.C., 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

INSURED'S SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_



## **COLLECTION OF INFORMATION AND DATA (PRIVACY ACT)**

To the extent that the information requested herein relates to the information supplier's individual capacity as opposed to the supplier's entrepreneurial (business) capacity, the following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a). The authority for requesting information to be furnished on this form is the Federal Crop Insurance Act, as amended, (7 U.S.C. 1501 et seq.) and the Federal Crop Insurance Regulations contained in 7 CFR chapter IV.

Collection of the Social Security Account Number (SSN) or the Employer Identification Number (EIN) is authorized by section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506), and is required as a condition of eligibility for participation in the Federal crop insurance program. The primary use of the SSN or EIN is to correctly identify you, and any other person with an interest in your operation of 10 percent or more, as a policyholder within the systems maintained by the Federal Crop Insurance Corporation (FCIC). Furnishing the SSN/EIN is voluntary; however, failure to furnish that number will result in you being denied program participation and benefits.

The balance of the information requested is necessary for the insurance company and FCIC to process this form to provide insurance, provide reinsurance, determine eligibility, determine the correct parties to the agreement, determine and collect premiums or other monetary amounts (or fees), and pay benefits. The information furnished on this form will be used by Federal agencies, FCIC employees, insurance companies, and contractors who require such information in the performance of their duties. The information may be furnished to: FCIC contract agencies; employees and loss adjusters; reinsured companies; other agencies within the United States Department of Agriculture; the Internal Revenue Service; the Department of Justice, or other Federal or State law enforcement agencies; credit reporting agencies and collection agencies; other Federal agencies as requested in computer matching programs; and in response to judicial orders in the course of litigation. Furnishing the information required by this form is voluntary; however, failure to report the correct, complete information requested may result in rejection of this form; rejection of any claim for indemnity, replanting payment, or other benefit; ineligibility for insurance; and a unilateral determination of any monetary amounts due.



**10 ACREAGE AND PRODUCTION EVIDENCE REQUIREMENTS (APH)**

Acceptable records are required which support the approved APH yield. If selected for field review, supporting evidence is required to be available by the insured for all the crop years for which acreage and production was certified on the current crop year APH form (by crop). Acreage and production evidence must be retained by the insured for three crop years after the crop year it is initially certified. The following acreage and production evidence requirements pertain to all crops using the APH form as production reports.

**10A Acceptable Production Reports**

All acceptable production reports that are continuous, signed, and submitted by the production reporting date (PRD) by the insured for the applicable base period, will be used. Once acreage and production are certified, they will remain in the insured's database. Additional acreage and production may be certified and included in the database as long as the continuity and all other requirements are met. Acreage and production cannot be dropped or removed from the database without RMA RSO approval.

A(1) **Base Period.** For most Category B and Category C crops, the base period consists of the 10 most recent APH crop years. [See Sec. 3 for definition of Base Period].

Exceptions:

(1)(a) AZ-CA Citrus and Sugarcane. AZ-CA Citrus (beginning with the 1998 crop year) and Sugarcane, has a lag year for APH purposes. The Sugarcane base period begins with the 1996 APH crop year and the 1999 AZ-CA Citrus base period begins with the 1997 APH crop year.

(2)(b) Apples and Peaches, has a base period of the five most recent APH crop years.

A(2) **Continuity.** There may be NO break in the continuity of years for which production reports are provided. A production report indicating the crop was not planted (zero acreage) is considered a year of records for purposes of determining production report continuity.

A(3) **Break in Continuity.** If a break in continuity (of production reports) occurs for a crop year due to no interest in the crop (did not farm, cash-leased to another party, sold, etc.) and the insured requests to use acreage and production history prior to the break in continuity, the records may be used with verifier approval.

(3)(a) For Category B crops, if the verifier approves use of the records prior to the break in continuity, enter a "Z" in the crop year that broke continuity and calculate the APH yield according to the current procedure.

- (3)(b) For Category C crops, Blueberries (except in MI) and Texas Citrus, and situations that require an RMA RSO Determined Yield [see Sec. 7, F(2)], the request and the records for crop years prior to the break in continuity must be submitted to the RMA RSO for approval. The RMA RSO will determine if the records may be used.

#### 10B **Submission of Production Reports**

In order to be used for a crop year, acceptable production reports must be signed and submitted to the agent by the PRD and include:

- B(1) **All units** in which the insured (entity) had an interest in the crop for each APH crop year production reports are certified. Include all insurable acreage that was "PLANTED" FOR HARVEST AS DEFINED IN THE CROP PROVISIONS. PLANTED acres for APH purposes means "insurable acreage planted to the crop for harvest as defined in the crop provisions." For annual crops, the verifier may consider zero planted acreage reports (by unit) as production reports.

The report must contain yield history from harvested acreage and appraised potential production for the previous APH crop year(s) by an RMA RSO, FSA or MPCI company representative. If PLANTED acreage of the crop was destroyed/put to another use and an appraisal of potential production was not made (not insured, or no claim), the production report will indicate planted acres and a yield of zero. The production report must include planted insurable acreage for annual crops and insurable acreage for perennial crops. [For additional production and acreage requirements/exceptions for perennial crops, see Sec.7, Par. H(1)(c).]

B(2) **For APH Purposes, Do NOT Include:**

- (2)(a) Acreage and production of the crop that was seeded as a cover crop, for experimental purposes, for pasture, or that was NOT produced for an insurable purpose or any other uninsurable acreage as provided in the crop's policy (and reported as such if an MPCI policy is in force).
- (2)(b) Acreage planted for the development or production of Hybrid Seed or for experimental purposes.
- (2)(c) Farming practices carried out that are not in accordance with the farming practices for which the premium rates, production guarantees or amounts of insurance have been established.
- (2)(d) Eligible prevented planting acreage that was not planted to the insured crop.
- (2)(e) Acreage initially planted after the final planting date unless late planting coverage is provided by the crop provisions or RMA RSO/Insurance Provider allows and the insured agree in writing (on an FCIC approved form) to a coverage reduction (a Late Planting Agreement is available only on selected crops). [See Exhibit 1].
- (2)(f) A crop planted to a type, class or variety established as not adapted to the area or excluded by the Special Provisions.

(2)(g) A second crop following the same crop (insured or not insured) harvested in the same crop year unless specifically permitted by the Crop Provisions or the Special Provisions.

(2)(h) Production produced on unrated acreage used for wildlife protection or management.

Note: If separate determinations of acreage and production (insurable and not insurable) can be made SUCH ACREAGE AND PRODUCTION ARE NOT used for APH purposes. If production was not kept separate, total acreage and total production (insurable and not insurable) must be included when calculating the actual yield.

(2)(i) ~~(NACAT)~~ Practical to Replant. For annual crops, acreage which was destroyed and which was practical to replant but was not replanted according to the policy provisions for the crop (insurance did not attach). ~~(NACAT)~~

(2)(j) Acreage and Production from any initially insured Small Grain Crops (Wheat, Barley, and Oats as indicated in the Special Provisions) will not be used to calculate the approved APH Yield if the agent was notified, prior to the published date in the Special Provisions, that the insured intended to:

- 1 Destroy acreage prior to harvest, or
- 2 Graze the acreage on or after the published date in the Special Provisions.

(2)(k) Appraisals made for production LOST due to insurable or uninsurable causes of loss (i.e., appraised production lost due to fire or chemical carryover).

#### 10C Supporting Evidence

C(1) Records. When supporting evidence is required, insureds may submit the following types of records:

(1)(a) Farm management records which indicate total acres and production by crop and crop year are acceptable for Barley, Canola, Corn, Cotton, ELS Cotton, Dry Beans, Flax, Grain Sorghum, Oats, Popcorn, Rice, Rye, Safflower, Soybeans, Sunflower, and Wheat. [See Sec. 6, Par. J.]

- (1)(b) Production reports must be substantiated by records from a marketing outlet, processor, packer, first handler, etc., for Almonds, Apples, Blueberries, Canning and Processing Beans, Citrus (Arizona-California and Texas), Cranberries, Dry Beans, Figs, Forage Production, Grapes, Macadamia Nuts, Onions, Peaches, Pears, Peas (Dry and Green), Plums, Potatoes, Prunes, Stonefruit (Apricots, Nectarines, and Peaches), Sugar Beets, Sugarcane, Sweet Corn (Canning and Freezing), Table Grapes, Tobacco (Production Guarantee -Types 41 and 32 PA; 51 and 61 CT; 51, 52, and 61 MA; 32 MD; 31 NC; VA, WV), Tomatoes (Canning and Processing and Fresh Market Guaranteed Production Plan), Walnuts [see Sec. 6, J and Sec. 7 Par. L].
- (1)(c) FSA Recorded Evidence. Acreage and production evidence previously recorded at FSA on FSA documents such as FSA 658-1, FSA 503, FSA 578, FSA 658, FSA 156, or other FSA computer generated forms. The CCC 477 or FSA 423 will NOT be used for "T" yield purposes.
- (1)(d) RMA RSO or Insurance Provider Recorded Evidence. Acreage and production evidence accepted by either RMA RSO or Insurance Provider on their respective Field Inspection and Claim for Indemnity forms (FCI-74, FCI-74 T-P-C, FCI-63, etc.) or MPC1 Production Worksheet forms. For Category B and C Crops, claims from 1986 and succeeding crop years will be used even if the insured does not file production reports for those years.

NOTE: If a Claim for Indemnity has reduced the production to count to account for transportation to a market, reconditioning, etc., facility, that adjustment may be added back into the production to count for APH purposes. If an add-back is made, it must be documented and provided to the verifier with the applicable production report. A copy of the documentation must also be attached to the applicable production report and retained in the insured's file at the service point.

- (1)(e) Substantiated Evidence. Production substantiated by evidence such as copies of elevator or warehouse receipts, ledger sheets, load summaries, settlement sheets, CCC loan documents, etc.

These documents must show:

- 1 commodity,
- 2 name of the insured,
- 3 name of the buyer, storer, or marketing outlet,
- 4 crop year produced and date of the transaction,
- 5 P/T/V when applicable, and
- 6 quantity of production which can be converted to the proper unit of measure, if necessary.

- (1)(f) Measurements. Farm-stored production measurements performed by an authorized person from RMA RSO, FSA or an Insurance Provider.

C(2) **Production Fed to Livestock**

Production fed and substantiated by livestock feeding records, field harvest records, etc., as documented through a formal record system (e.g., FCIC's Guidelines for a Production Record Management System) may be used for APH. When feeding from a previous year's inventory, to which current year's production will be added, the amount of previous years' production must be measured at least 15 days prior to the beginning of harvest. If feeding continuously, the producer should record the following:

- (2)(a) Amount of grain fed each day.
- (2)(b) Bin ID from which the production was taken.
- (2)(c) Number and kind of livestock.
- (2)(d) Estimated average weight of livestock per head and location or pen number.
- (2)(e) The unit number from which the fed production was taken (indicate in the remarks on the Livestock Feeding Record).
- (2)(f) Fed Production whether from previous years or fed directly from the field or truck (indicate in remarks on the Livestock Feeding Record).

C(3) **(NACAT → Supporting Evidence/Production Reports for Optional Units)**

- (3)(a) Most Recent APH Crop Year. To qualify for optional units, acceptable production reports must be filed for each optional unit (by P/T/V) for the most recent APH crop year used to calculate the approved APH yield. Acceptable supporting records such as; farm management records (Category B APH crops), elevator ledger sheets, bin measurements, livestock feeding records, field harvest records, etc., that indicate planted acres and production for each optional unit and must be available for that year and account for all planted acreage and total production.
- (3)(b) Prior APH Crop Year(s). For APH crop years prior to the most recent APH crop year, if a NEW insured is UNABLE to provide separate acceptable production reports on an optional unit basis but provides acceptable records of acreage by unit and production for each basic unit by P/T/V, production for optional units within a basic unit may be determined on a basis (except for optional units determined by P/T/V), and applied to optional units with planted acres. For example: 100 acres, 150 acres, and 50 acres were planted on units 00101, 00103 and 00105 respectively. The insured has records of 37,500 bu. total production,  $37,500 \div 300 = 125$  bushels per acre. For unit 00101: 12,500 (100 acres x 125 bu.), 100.0 acres and "A"125 bu. are entered on the APH form in the Total Production, Acres, and Yield column. For unplanted units 00102 and 00104, 0.0 is entered in the acre's column and "Z" in the yield column. The insured is eligible for five optional units.
- (3)(c) For Subsequent Crop Years. If optional units are desired, acceptable production reports must be filed for each optional unit. Acceptable supporting records such as; farm management records (Category B APH

crops), elevator ledger sheets, bin measurements, livestock feeding records, field harvest records, etc., that indicate planted acres and production for each optional unit and which account for all planted acreage and total production must be available for each subsequent APH crop year. Acres and production submitted to qualify for optional units for the previous crop year may not be combined into a basic unit and then prorated if the insured wishes to continue to qualify for optional units. ←NACAT)

C(4) **Acceptable Pick Records**

When pick records are allowed as production evidence, they must meet basic requirements [stated in C(1) and C(3) of this Sec.] plus the requirements outlined below.

- (4)(a) **Name.** Pick records must indicate names of the individuals paid by the grower (crew leader or picker).
- (4)(b) **Photocopy of Actual Records.** A photocopy of complete pick records for the crop year must be submitted to the Insurance Provider. These records must be the actual running tallies of production harvested by the pickers; a summary of the pick records is not acceptable unless it is not feasible to photocopy all the material. In this instance, a summary which itemizes each invoice or transaction may be submitted with an example of the pick records used to calculate the total production. The pick records must also be legible, understandable and reasonable when explained by the insured. Such records must accompany the APH form.
- (4)(c) **Verifiable Receipts.** Pick records must be accompanied by verifiable receipts such as a photocopy of the canceled check(s) showing the banking institution's stamp of payment. If this is unavailable, a copy of payments made to the Social Security Administration for tax payments made on behalf of the picker(s) is acceptable. The insured must also identify the price paid per volume of picked, converted to the insurable unit of measure (bushels, lugs, or boxes), and weight per bushel, lug, or box.

- (4)(d) Calculations Used. Pick records must include the calculations used to determine total production or be accompanied by a cover page which shows the calculations used to determine the production shown on the APH form. All calculations must be verified by the RMA RSO/Insurance Provider. All bin, volume, and weight figures must be converted to the insurable unit of measure (bushels, lugs, or boxes), and weight per bushel, lug, or box.
- (4)(e) Other Acceptable Records. If production is marketed direct to the consumer, a pre-harvest appraisal (performed by RSO/Insurance Provider) or a daily accounting of sales is acceptable unless the actuarial document for the crop requires a pre-harvest appraisal for APH purposes. The daily account must be a photocopy of the insured's actual ledger. Tax forms or other receipts of verification must be submitted showing the income and production derived from the sale. Pick records alone, if production is marketed directly to the consumer are not acceptable if the actuarial table indicates an appraisal must be made for APH purposes.
- (4)(f) Records Not Acceptable. Production summaries or estimates will not be accepted. This includes summaries and estimates made by inspectors, agents, growers, RMA RSO or MPCl personnel.
- (4)(g) Unacceptable or No Records. When unacceptable records or no records are received, forward to the RMA RSO to determine the yield for the year and issue the approved APH yield.

#### 10D Field Visits

- D(1) Requesting Field Visit. Insureds may request that Insurance Providers perform field visits (by unit) for APH record purposes if **INSURED** acreage will be:
- (1)(a) Destroyed or NOT harvested as defined in the crop provisions (put to another use),
- (1)(b) Harvested as defined in the crop provisions and the insured will not be able to maintain/provide acceptable records of the harvested production (examples: high moisture grain chopped for silage or forage production stored in an airtight structure).
- (1)(c) Harvested as defined in the crop provisions for Corn and the insured will not be able to maintain/provide acceptable records for 50 percent or more of the Corn acreage. [See Sec. 6, Par. J(2)(f)2 and (g)2.]
- Harvested Corn production with acceptable records may be converted from tons to bushels and vice versa using the bushels/tonnage conversion factor when necessary to provide records that are consistent with the type insured. [See Sec. 6, Par. J(2)(e)]. If less than 50 percent of the acreage is harvested and the remainder of the acreage was not appraised, then such records are unacceptable for APH purposes.
- D(2) Acreage and APH Determinations. When requested by an insured, field visits for APH acreage and production determinations are performed by the Insurance Provider servicing the policy. Insureds may request acreage and production

determinations from the FSA for APH purposes; however, they will be charged for the cost of the inspection by the county FSA office according to FSA procedure. The insured must provide such determinations to the Insurance Provider.

D(3) **Requesting Acreage and APH Determinations.** Requests for acreage and production determinations made by an Insurance Provider will be made through the agent/representative to the Insurance Provider.

D(4) **Assigned Yields.** Failure to provide required acreage and production evidence, when required by the Insurance Provider or during a field review, will require use of assigned yields in calculating the approved APH yield.

10E **Use of Another Producer's Records**

E(1) **When an insured has not maintained acceptable records,** acreage and production evidence from another person who shares in the same acreage of the crop for the current crop year may be used to support production reports certified by the insured:

(1)(a) When the evidence is acceptable and accounts for all of the other producer's acreage and production of the crop in the county.

(1)(b) When continuity requirements are met [See Exhibit 23].

(1)(c) And a copy is provided by the insured when selected for APH review or when required by RMA RSO/Insurance Provider.

E(2) **Landlord and Tenant APH Yields.** When determining APH yields for both the landlord and tenant (share-rented), the production reports from each party will be used; unless, the use of production reports from one insured party is requested by the other insured. Parties sharing in the crop may use production reports submitted by the other insured provided:

(2)(a) Authorization Granted. The party wanting to use the other insured's production reports has authorized their use by power of attorney or in writing by the production reporting date. If a written authorization statement is used, it must include the certification statement required on the APH form.

NOTE: Each existing database is updated with the production reports from the appropriate party each crop year.

(2)(b) All other APH requirements are met (i.e., continuity requirements; all units, P/T/V's have acceptable production reports, etc.).

**11 RECONSIDERATIONS, MEDIATION, AND APPEALS**

Any participant (individual or entity) who has applied for, or whose rights to participate in or receive a payment or benefit in accordance with any program administered by FCIC, may obtain a review of the adverse decision. An "adverse decision" is an administrative decision made by an officer, or employee, that is adverse to a participant. The term includes a denial of equitable relief by FCIC or the failure of FCIC to issue a decision or otherwise act on a request or right of the participant within a reasonable time if time frames are not specified in such statutes or regulations. However, adverse decisions based on: a general program provision or program policy, any statutory or regulatory requirement that is applicable to all similarly situated participants, mathematical formulas established under a statute or program regulations and decisions based solely on the application of those formulas, is not appealable.

A participant may request reconsideration, mediation, and/or appeal to the National Appeals Division (NAD) by timely requesting such consideration with the appropriate authority.

**11A Time Limitations**

A request for reconsideration, mediation, and/or NAD appeal must be filed within 30 calendar days after written notice of the decision is mailed or otherwise made available to the participant. A request for reconsideration, mediation, and/or NAD appeal will be considered filed when personally delivered to the appropriate reviewing authority or when a properly addressed request, postage paid, is postmarked.

**11B Reconsiderations and Appeals to RMA RSO**

- B(1) **Reconsideration.** A subsequent consideration of a prior decision by the original decision maker. A participant cannot request reconsideration of a final decision that resulted from the reconsideration request.
- B(2) **Appeal.** A written request by a participant asking the next level reviewing authority to review an adverse decision.
- B(3) **Final Decision.** An initial program decision rendered by decision maker. A decision that is otherwise final will remain final unless a request is timely received for reconsideration, mediation or appeal to NAD.
- B(4) **Documentation.** The request must state the basis upon which the participant relies to show that: 1) the decision was not proper and not made in accordance with applicable program policies/regulations; or 2) all material facts were not properly considered.

11C **Mediation/Alternative Dispute Resolution (ADR) Of RMA RSO Decisions**

Mediation is a process in which a trained, impartial, neutral third party, called a mediator, help parties find ways to settle their dispute. There is no formal hearing in mediation. Instead, using joint meetings and private caucuses, mediators (1) help the parties identify their real goals, (2) narrow the issues, and (3) look for alternatives and options as well as areas of common interest which are consistent with program policies, regulations, and statutes, and (4) prevent the parties from focusing on only one solution. Mediators have no formal power to make a decision: their role is that of facilitator.

C(1) **When Mediation May be Chosen.** Participants have the right to seek mediation involving any decision within 30 days after written notice of the decision which is the subject of the request is mailed or otherwise made available to the participant.

C(2) **Requests for Mediation.** In states covered by a Certified State Mediation Program which handle the crop insurance issues, participants request mediation by writing to the RMA RSO, Director. In noncertified States participants request mediation by contacting the decision maker. The decision maker or his or her designee will:

(2)(a) Determine whether resources are available for mediation;

(2)(b) Locate and select a mediator;

(2)(c) Provide the participants notice of mediation.

If the participant objects to the selected mediator, the insured may request selection of another mediator.

C(3) **Time Limitation.** The participant may request reconsideration of an adverse decision before requesting mediation, but cannot request reconsideration of the decision after choosing mediation.

A participant who chooses mediation before filing an appeal with NAD:

(3)(a) Retains the rights of the 30-day period in which a participant may appeal to NAD;

(3)(b) Will have the balance of days remaining in the 30-day period to appeal to NAD when mediation has concluded without resolution.

C(4) **Frequency.** A participant may mediate an adverse decision only once.

11D **NAD Appeals**

A participant may appeal a final decision of the RMA RSO, or FOSB directly to NAD. Additionally, if a participant receives a determination from an agency that an agency decision is not appealable the participant may submit a written request to the Director, NAD for a determination of appealability.

D(1) **Appealability Determinations.** In order to be considered, a request for:

(1)(a) Determination of appealability, must be filed in writing not later than 30 calendar days after the date on which a participant receives a determination from an agency that an adverse decision is not appealable. Such requests must be submitted to the Director, NAD.

(1)(b) An appeal of the adverse decision, must be filed in writing not later than 30 calendar days after the director's determination is received by the participant that an agency decision is appealable.

D(2) **Documentation.** A request for a NAD hearing will be in writing and personally signed by the participant. It must include a copy of the adverse decision to be reviewed, if available, along with a brief statement of the participant's reasons for believing that the decision, or agency's failure to act was wrong.

D(3) **Levels of NAD appeals.**

(3)(a) Division Hearings. Requests must be made to the applicable NAD Area Office [See Exhibit 12]. A hearing before a Hearing Officer will be in person unless the appellant agrees to a hearing by telephone.

(3)(b) Appellant Requests for Director Reviews. In order to be entitled to a Director Review, not later than 30 days after the date on which an appellant receives the determination of a Hearing Officer, the named appellant must submit to the director, a personally signed written request to review the determination. Such request shall include specific reasons why the appellant believes the determination is wrong.

(3)(c) Agency Requests for Director Reviews. Not later than 15 business days after the date on which an agency receives the determination of a Hearing Officer, the head of the agency may make a written request that the Director review the determination. Such request shall include specific reasons why the agency believes the determination is wrong, including citations of statutes or regulations that the agency believes the determination violates. Any such request may be made by the head of an agency only, or by a person acting in such capacity, but not by any subordinate officer of such agency.

- (3)(d) Reconsiderations of Director Decisions. May be requested by the appellant or agency within 10 calendar days of receipt of the determination. The request must contain a detailed statement of a material error of fact made in the determination, or a detailed explanation of how the determination is contrary to statute or regulation, which would justify reversal or modification of the determination. If the request for reconsideration meets the criteria, the Director shall include a copy of the request for reconsideration in a notice to the non-requesting parties to the appeal. The non-requesting parties shall have five days from receipt of such notice from the Director to file a response to the request for reconsideration to the Director.
- (3)(e) Director Address. Requests to Director, NAD, must be made to the National Appeals Division, 3101 Park Center Drive, Room 1020, Alexandria, Virginia 22302.
- D(4) **Pre-hearing Conference.** The Hearing Officer shall hold a pre-hearing conference in order to attempt to resolve the dispute or to narrow the issues involved.
- D(5) **Adverse Agency Decisions Not Under the Jurisdiction of NAD:**
- (5)(a) Program decisions governed by Federal contracting laws and regulations (appealable under other rules and to other forums, including to the Department's Board of Contract Appeals);
- (5)(b) Programs subject to various proceedings provided for in 7 CFR part 1;
- (5)(c) The Freedom of Information Act;
- (5)(d) Suspension and debarment disputes, including, but not limited to, those falling within the scope of 7 CFR parts 1407 and 3017;
- (5)(e) Disputes between reinsured companies and the Federal Crop Insurance Corporation (including adverse decisions made by a Insurance Provider);
- (5)(f) Personnel, equal employment opportunity, and other similar disputes with any agency or office of the Department which arise out of the employment relationship;
- (5)(g) The Federal Tort Claims Act, 28 U.S.C. 2671 ;
- (5)(h) Discrimination complaints prosecutable under the nondiscrimination regulations at 7 CFR parts 15, 15a, 15b, and 15e.

11E **Judicial Reviews**

A final determination of NAD is reviewable and enforceable by any United States District Court of competent jurisdiction. A participant may not seek judicial review of any agency adverse decision appealable under this part without first receiving a final determination from NAD.

11F **Insurance Provider Reconsiderations for Changes or Corrections to APH Yields**

F(1) **Changes or Corrections to Preliminary APH Yields.** If the verifier calculates or determines yields resulting in approved APH yields which are less than 95 percent of the preliminary yield quoted by the agent/representative and documented on the APH form, NEW insureds have the following options:

- (1)(a) Accept the yields on all units (no action required by the insured); or
- (1)(b) Accept the yields on all units and request reconsideration of approved APH yields which differ from the preliminary yield. If a reconsideration is requested and the approved APH yield is not changed, the original approved APH yield is binding unless subject to dispute resolution through arbitration or mediation in accordance with the policy terms. If the original approved APH yield is changed during the reconsideration, the approved APH yield calculated as a result of the reconsideration is binding unless subject to dispute resolution through arbitration or mediation in accordance with the policy terms.

Note: The verifier may correct errors in yield computation or in the application of FCIC approved procedures. Corrections are not subject to additional reconsiderations.

- (1)(c) **(NACAT→)**Request mutual consent cancellation of the crop policy for unacceptable APH yields.

Limited or additional coverage contracts may be canceled by mutual consent for the current crop year when:

- 1 For new insureds, the approved APH yield computed for any unit of the crop is less than 95 percent of the preliminary yield computed for the unit.
- 2 A preliminary yield was not calculated and the approved APH yield is not acceptable to the insured. (Applies to both new and carryover insureds.)

The forms necessary for cancellation must be completed timely [see (2) below]. Timeliness of the request must be verified prior to the approval of the request for mutual consent cancellation. If certified mail is used to notify the insured, the return receipt is acceptable documentation of date of notification of the approved APH yield(s). If certified mail was not used, the date of notice of the approved yield to the insured must be documented by the person (agent/representative) notifying the insured. A copy of the documentation must be provided to the Insurance Provider in order to process the request. Upon request the documentation will be made available to RMA RSO for review. ←NACAT)

- F(2) **Time limitations.** A request for reconsideration must be filed within 30 calendar days after written notice of the decision is mailed or otherwise made available to the insured. Such request shall be considered filed when personally delivered to the appropriate reviewing authority or when a properly addressed request, postage paid, is postmarked.
- F(3) **APH Reconsideration Documentation.** The insured must provide, through the agent/representative, all of the following:
- (3)(a) A copy of the acreage and production evidence initially provided.
  - (3)(b) A copy of the notification for which the reconsideration is requested.
  - (3)(c) A statement of why the insured thinks the determination is not correct and any additional evidence supporting such statement.
  - (3)(d) The date on which notification of the approved APH yield was mailed or otherwise made available. This date must be documented by the return receipt from certified mail, a postmarked envelope used to transmit the approved yield, or by written verification of the date the approved APH yield was presented to the insured (by the provider) and how it was presented.
  - (3)(e) Contract number, agent/representative's name and the Insurance Provider's address.

**12 ACTUARIAL DATA****12A Actuarial Document Information**

A(1) **County Actuarial Document Book (CADB)**. FCIC publishes actuarial data by eligible crop by county.

The CADB contains:

(1)(a) County Coverage and Rate Table (FCI-35).

(1)(b) Special Provisions of Insurance.

(1)(c) Classification Documents for some crops.

A(2) **Crop Actuarial Books**.

12B **FCI-35, County Coverage and Rate Table**. This document (varies by crop) provides risk class, rates and coverage for crops.

FCI-35, County Coverage and Rate Table Supplement. This supplement is used to assign NCS rates and takes precedence over the FCI-35.

**12C Special Provisions of Insurance**

The Special Provisions are contained in the CADB and must be explained or provided to the insured. They contain information specific to individual crop policy. The Special Provisions include:

C(1) **Insurable P/T/V**.

C(2) **Program dates** by P/T/V if applicable: Cancellation, Sales Closing, Final Planting, Acreage Reporting, and Billing.

C(3) **Other information** specific to crop policies for the state and county.

12D **Classification Documents**

If the farm unit is located in more than one risk classification area, separate line entries must be recorded on the acreage report for each separate classification rate.

- D(1) **FCI-32, Crop Insurance Actuarial Classification Listing.** The document is used to assign classifications (based on land or management) by individual listings. The accompanying rules page will clarify whether the FCI-32 is the primary classification mechanism or supplements and takes precedence over another document (example FCI-35, FCI-33).

FCI-32, Supplement. Used primarily to convey minor changes to the FCI-32 and to assign NCS classifications for crops classified on the FCI-32. The FCI-32 Supplement takes precedence over the FCI-32. [See Sec. 13, E(1).]

- D(2) **FCI-33, Crop Insurance Actuarial Map.** A detailed map indicating the classifications for the actuarial structure of a county. It may consist of one or multiple pages and a rules page. It also identifies high-risk or unrated land, when applicable. Maps are also used as "T" Yield locator documents or may authorize deviations from the basic actuarial structure. Classifications assigned by the FCI-33 are used with the FCI-35 to determine rates.

FCI-33, Supplement. Supplements are limited listings of classification exceptions to those shown on FCI-33. The FCI-33 Supplement takes precedence over the FCI-33.

12E **Premium Calculation.** The premium calculation varies by crop. The premium calculation steps for Wheat, Barley, Oats, Rye, Sugarcane, and Sugar Beets is as follows: (Please note that this example is for estimating premium only).

E(1) **Calculate Liability.** (Approved APH yield x acres x price election x share x level)

Answer \_\_\_\_\_

E(2) **Refer to the appropriate Base Premium Rate\*** by coverage level table. Find the APH Yield span and rate class within which the producer's approved yield falls. Locate the base premium rate for the coverage level election.

E(3) **Multiply the base premium rate** by the liability.

Answer 2 X Answer 1 \_\_\_\_\_

E(4) **Refer to the Rate Map Area.** If applicable, multiply Answer 3 by the Rate Map Area Adjustment Factor of the applicable classification; otherwise, enter Answer 3.

Answer 3 X (Appropriate Rate Map Area Adjustment Factor) \_\_\_\_\_

E(5) **Refer to the Option Factor Table by Type/Practice.** If applicable, select the appropriate Option Factor and multiply Answer 4 by the factor shown; otherwise, enter Answer 4. (Total Premium: Note that the Total Premium must not exceed Liability)

Answer 4 X (Appropriate Option Factor by Type/Practice) \_\_\_\_\_

E(6) **Refer to the Option Factor Table.** If applicable, select the appropriate Option Factor and multiply Answer 5 by the factor shown; otherwise, enter Answer 5. (Total Premium: Note that the Total Premium must not exceed Liability)

Answer 5 X (Appropriate Option Factor) \_\_\_\_\_

E(7) **Refer to the Producer Premium Percentage table.** Find the producer premium percentage for either limited or maximum subsidy, depending on the selected coverage level election and the price election percentage\*\*. Multiply Answer 6 (Total Premium) by the producer premium percentage to determine the Producer Premium.

Answer 6 X Producer Premium Percentage \_\_\_\_\_

\* Base premium rate may be adjusted for good experience, APH and/or NCS procedures or written agreements.

\*\* Price election percentage = price election/max price election.

NOTE: Total Premium and Producer Premium must be rounded to the nearest whole dollar.

12F **Reserved**



**13 NONSTANDARD CLASSIFICATION SYSTEM (NCS)**

This is general procedure for the NCS program for all crop categories. The actuarial document is used to identify insureds affected by NCS [see Par. 13B].

Overview of the NCS program: All crops insured or reinsured by the FCIC system of insurance are eligible for NCS. The purpose of NCS is to address insureds on an individual basis without affecting the majority of insureds. The generalized system for assigning insurance rates and coverage such as the APH program does not address all extremes of insurance risk. Detailed review of FCIC's insurance experience indicates a small percentage of contracts exhibit atypical loss frequency and severity when compared to standard experience of all insureds. These contracts are identified and treated as a nonstandard risk group. Coverage and/or rate adjustments provided to this class of insureds are modified to reflect the risk experience of each insurance contract.

**13A Nonstandard Classifications**

- A(1) **Eligible Crops.** All crops insured or reinsured by the FCIC are eligible for NCS except: Citrus Trees, Forage Seeding, Macadamia Trees and Raisins. Nonstandard classifications (rate or yield adjustment) are assigned by crop.
- A(2) **Terms and Their Application for NCS Purposes**
- (2)(a) **Actual Yield:** Total harvested production of a crop divided by the number of acres on which the crop was planted. For insured acres, an actual yield is total production to count as defined in the insurance policy divided by insured acres. For NCS purposes, such yields will not be adjusted unless errors are identified.
- (2)(b) **Nonactual Yield:** All yields other than actual yields assigned for the purpose of determining insurance coverage. Nonactual yields include:
- 1 "T" Yields.
  - 2 Assigned Yields.
- (2)(c) **NCS Yield:** A Nonactual Yield assigned to land. The NCS Yield replaces all Nonactual Yields shown above for APH yield determination.
- (2)(d) **NCS Yield Factor:** A yield reduction factor assigned to persons or entities. When NCS Yield Factors are applied, Nonactual Yields (100% "T" Yields, not variable "T" Yields when variable "T" Yields are entered in the database) and assigned yields used are multiplied times the NCS Yield Factor for determining the APH yield.
- (2)(e) **Person:** An individual, partnership, association, corporation, estate, trust, or other legal entity, and wherever applicable, a state or a political subdivision, or agency of a state.
- (2)(f) **Entity or Entities:** A person or persons other than an individual.
- (2)(g) **Actively engaged in the farming operation:** A person who in return for a share of profits and losses, makes a contribution to the production of an

insurable crop in the form of capital, equipment, land, personal labor, or personal management.

- (2)(h) Substantial beneficial interest: An interest of 10 percent or more. In determining whether such an interest equals at least 10 percent, all interests which are owned directly or indirectly through means as ownership of a corporation which owns the interest will be taken into consideration. In order to insure this is not circumvented by an individual or entity, FCIC may determine that an ownership interest requirement of less than 10 percent will be applied.

This determination is made at the time insurance attaches and continues for the year.

- (2)(i) Land: A defined geographic area (FSN, legal description) on which rates and/or coverages are adjusted for NCS purposes.

A(3) **General Instructions**

- (3)(a) Assignment of Nonstandard Classifications. For statements regarding assignment of nonstandard classifications, refer to FCI-32 Supplement, FCI-33 Supplement, and FCI-35 Supplement rules pages. Special "T" Yield procedures for added land/P/T/V DO NOT apply when classified under NCS.

If acceptable production records are not provided for the added land/P/T/V: If the NCS classification is for rate only, 65 percent of the applicable "T" Yield applies. If the NCS classification assigns an NCS yield or yield factor, the applicable of the NCS yield or NCS "T" Yield (calculated by using the NCS factor) is used.

If acceptable production records are provided for the added land/P/T/V and the NCS classification is for rate only, when less than four years of records are provided, the variable "T" Yield based on the years of records provided is used to complete the database. When less than four years of records are provided, if the NCS classification assigns a NCS yield or yield factor, the applicable of the NCS yield or NCS "T" Yield are used to complete the database.

1 For Category B, C, D, and E Crops. Nonstandard classifications assigned to persons are shown on the FCI-35 Supplement. Nonstandard classifications assigned to land are shown on the FCI-33 Supplement.

2 For Category A and F Crops. Nonstandard classifications assigned to persons are shown on the FCI-32 Supplement. Nonstandard classifications assigned to land are shown on the FCI-32 Listing.

- (3)(b) Applies to. Nonstandard classifications assigned to a person will apply to:

1 The person; and



(4)(a) Rate or Yield Adjustment. When nonstandard classifications (rate or yield adjustment) are assigned to a person/entity:

- 1 Caps and **(NACAT→Yield Floors←NACAT)** do not apply. Caps apply after the initial crop year classified by NCS.
- 2 All Nonactual Yields used for the purpose of determining insurance coverage are reduced by multiplying the NCS Yield Factor times the Nonactual Yield. [See A (2)(d) of this Sec. and (4)(a).]
- 3 When a NCS yield or NCS yield factor changes in subsequent crop years, the new NCS yield or NCS yield factor is used to determine nonactual yields without regard to any previous adjustment for NCS. In lieu of maintaining the original APH database with unadjusted yields, nonactual yields may be restored by dividing the NCS nonactual (factored) yields by the NCS yield factor for that crop year.

EXAMPLE: Using an **NCS Yield Factor (.75)** assigned to a **person**

Farm Serial Number	Nonactual Yield	NCS Yield Factor	Adjusted Nonactual yield
FSN 0011	"T" 30 bu. (100%"T" Yield)	x .75	= 23 bu.
FSN 0011	Assigned Yield 24 bu.	x .75	= 18 bu.
The NCS yield factor (.75) is used to factor all Nonactual Yields.			

- (4)(b) NCS Assigned to Land. When nonstandard classifications (rate or yield adjustment) are assigned to land for all persons.
- 1 Caps and **(NACAT→Yield Floors←NACAT)** do not apply. Caps apply after the initial crop year classified by NCS.
  - 2 All Nonactual Yields used for the purpose of determining insurance coverage are replaced by the NCS Yield applicable to the identified land.
  - 3 When an NCS yield or NCS yield factor changes in subsequent crop years, the new NCS yield or NCS yield factor is used to determine nonactual yields without regard to any previous adjustment for NCS. In lieu of maintaining the original APH database with unadjusted nonactual yields, nonactual yields may be restored by dividing the NCS nonactual (factored) yields for the previous year by the NCS yield factor used for that crop year.

EXAMPLE: Using an **NCS Yield** (24 bu.) applied to land for **all persons**

Farm Serial Number	Nonactual Yield	NCS APH Yield
FSN 0011	"T" 30 bu.(100% "T" Yield) is replaced by: 24 bu.	= 24 bu.
FSN 0011	Assigned Yield 32 bu. is replaced by: 24 bu.	= 24 bu.
The NCS Yield (24) is used for determining the approved yield instead of Nonactual Yields.		

(4)(c) Lowest NCS Yield Classification. When determining APH yields for both the landlord and tenant (share-rented), the lowest nonstandard yield classification applicable to any one of the parties will be used for all parties.

A(5) **Nonstandard Rate Assignment Provisions.** Rates assigned for NCS purposes will apply unless the acreage is unrated or a higher rate is assigned to such acreage elsewhere in the actuarial table using standard APH procedure.

A(6) **Types Of Nonstandard Classifications.**

(6)(a) Nonstandard coverage and/or rate classifications may be assigned to:

- 1 A person/entity for all insurable P/T/V's on all land;
- 2 A person/entity for a specified P/T/V on all land;
- 3 A person/entity for all insurable P/T/V's on specified land;
- 4 A person/entity for a specified P/T/V on specified land;
- 5 All persons/entities on specified land for all insurable P/T/V's; or,
- 6 All persons/entities on specified land for a specified insurable P/T/V.

(6)(b) Review nonstandard classification documents to determine the type of applied adjustment.

13B **Nonstandard Classification Documents**

The forms used to incorporate nonstandard classifications into the Actuarial Document Books will be the FCI-32 Actuarial Classification Listing Supplement, FCI-33 Crop Insurance Actuarial Map Supplement, and the FCI-35 County Coverage and Rate Table Supplement. All supplements are on a county-by-crop basis.

- B(1) **The FCI-32 Actuarial Classification Listing Supplement.** [See E (1).] This supplement will make coverage and/or rate adjustments to persons. Coverage will be adjusted by assigning an area number classification. Rate adjustments are assigned to the person. The rate classifications will apply to all acreage in which the listed person has a share in the county. For coverage classification purposes, use the lower of:
- (1)(a) The classification of the listed producer, or
  - (1)(b) The classification of the entity or person sharing with the listed producer.
- B(2) **FCI-33 Crop Insurance Actuarial Map Supplements** (Legal Description or FSA Farm Serial Number). [See E (2) of this Sec.] This supplement assigns a yield and/or rate to a defined parcel of land. NCS Yields are assigned in the unit of measurement for the crop (Example: A 10.0 for Soybeans = 10 bushels).
- B(3) **FCI-35 County Coverage and Rate Table Supplements** (Person-Legal Description or Person-FSA Farm Serial Number). [See E (3) of this Sec.] This supplement makes coverage and/or rate adjustments to persons. Coverage is adjusted by multiplying the Yield Factor by all Nonactual Yields used by the person in accordance with the type of adjustment made [as outlined in A (4) of this Sec.]. Rate adjustments assigned to persons are shown on the applicable supplement.

13C **Reconsideration and Appeals (NCS)**

Persons receiving NCS notification from FCIC have reconsideration rights. There must be a reconsideration conducted before the appeal rights are applicable.

- C(1) **Upon receipt** of the NCS notification letter, persons affected by the NCS have 30 days to request a reconsideration of the NCS from the appropriate RSO.
- C(2) **Any person adversely affected** by a determination of the RMA RSO during reconsideration may further appeal under federal regulations [contained in 7 CFR part 11.]

13D **Removal of Insureds from the NCS**

If nonactual yields (assigned) were adjusted for NCS purposes, it will be necessary to restore them in the database prior to calculating approved APH yields for any insured removed from the NCS listing. If yield limitation provisions are applicable, they do not apply the initial crop year removed from NCS. Once the database is restructured, subsequent crop years are updated using the APH procedure in effect.

13E Actuarial Document Supplements for NCS

E(1) FCI-32 Actuarial Classification Listing Supplement  
 (Producer Listing Category A Crops)

TOBACCO	YOUR STATE (47)	YOUR COUNTY (125)	
	CROP YEAR 19XX	DATE 06/11/XX	PAGE 2 OF 2
NAME OF PRODUCER/FARM SERIAL NUMBER			
FARMER, JOHN A. ALL FSN'S	<b>((A))</b>	TYPE - OPTION - PRACTICE -	022 997
		CLASS RATE	03 4.4
FARMER, SAM C. ALL FSN'S	<b>((B))</b>	TYPE - OPTION - PRACTICE -	022 997
		CLASS RATE	05 4.0

(1)(a) Example ((A)), the classification for John A. Farmer is an Area 3 classification for all acreage of Type 22 Tobacco he insures. An assigned rate (4.4) will also apply to all acreage of T-22 he insures.

(1)(b) Example ((B)), the classification for Sam C. Farmer is an Area 5 classification for all acreage of Type 22 Tobacco he insures. An assigned rate (4.0) will also apply to all acreage of T-22 he insures.

NOTE: If John Farmer shares with Sam Farmer on one unit, the lower classification and higher rate applicable to any one of the parties will apply to all parties on the shared unit. In these examples, classification Area 3 and the assigned rate 4.4 will also apply to both John and Sam on the shared unit.

E(2) **FCI-33 Crop Insurance Actuarial Map Supplement**  
**(Legal Description)**

FORM FCI-33 SUPPLEMENT (LEGAL) U.S. DEPARTMENT OF AGRICULTURE FEDERAL CROP INSURANCE CORP.	STATE: YOUR STATE (17) CROP: SOYBEANS (0081)	COUNTY: YOUR COUNTY (167) DATE PREPARED: 06/11/XX PAGE NO. 2 OF 2				
LEGAL DESCRIPTION	PRACTICES					
<p style="text-align: center;"><b>((A))</b></p> 1N 4W SEC. 19 E ½ OF E ½ ONLY	TYPE - 997  OPTION - PRACTICE - 053  YLD FAC 10.0 RATE 4.0	997  094  10.0 4.0				
<p style="text-align: center;"><b>((B))</b></p> 1N 6W SEC. 20 NE ¼ OF NE ¼ ONLY	TYPE - 997  OPTION - PRACTICE - 053  YIELD 15.0	997  094  15.0				

**Example ((A))**

FCI-19-A(APH) BEFORE NCS YIELD ADJUSTMENT		
CROP YEAR	ACRES	YIELD
19XX		
19XX		N29.0
19XX		N29.0
19XX	0.0	Z
19XX	0.0	Z
19XX	50.0	A12.0
19XX	50.0	A6.0
APPROVED YIELD:		19.0

FCI-19-A(APH) AFTER NCS YIELD ADJUSTMENT		
CROP YEAR	ACRES	YIELD
19XX		
19XX		T10.0
19XX		T10.0
19XX	0.0	Z
19XX	0.0	Z
19XX	50.0	A12.0
19XX	50.0	A6.0
NEW APPROVED YIELD		10.0

For insurance purposes, the New Approved Yield (10.0) will be used. If four or more actual yields were contained in the database, no yield adjustment would be made using the NCS yield factor.

- (2)(a) **Example ((A))**, a 10.0 bushel NCS Yield replaces all other Nonactual Yields assigned to the E1/2 of the E1/2 of Section 19 T1N-R4W. The assigned rate 4.0 also applies to this land. The classification changes apply to the practices shown.
- (2)(b) **Example ((B))**, a 15.0 bushel NCS Yield replaces all other Nonactual Yields assigned to the NE1/4 of the NE1/4 of Section 20 T1N-R6W. The rate assigned is based on the new approved APH yield per acre for the land.

NOTE: The approved APH yield is the lower of the APH yield (cup or yield floor NOT applied) or the NCS yield (cup or yield floor NOT applied). The Cap applies while classified by NCS for subsequent crop years after the effective crop year classified by NCS. The lower yield is reported electronically to FCIC as the approved APH yield.

E(3) **FCI-35 County Coverage and Rate Table Supplement**  
(Legal Description)

FORM FCI-33 SUPPLEMENT (LEGAL) U.S. DEPARTMENT OF AGRICULTURE FEDERAL CROP INSURANCE CORP.		STATE: YOUR STATE (29) CROP: SOYBEANS (0081)		COUNTY: YOUR COUNTY (053) DATE PREPARED: 06/11/XX PAGE NO. 2 OF 2	
PERSONAL/LEGAL DESCRIPTION					
<b>((A))</b> FARMER, JOHN A. ALL LEGAL DESCRIPTIONS		TYPE -	997	997	
		OPTION -			
		PRACTICE -	053	094	
		YLD FAC RATE	.60 4.0	.60 4.0	
<b>((B))</b> FARMER, SAM C. 1N 4W: SEC. 19 E ½ OF E ½ ONLY		TYPE -	997	997	
		OPTION -			
		PRACTICE -	053	094	
		YLD FAC RATE	.40 4.5	.40 4.5	

(3)(a) Example ((A)), NCS YIELD FACTOR and the assigned rate applies to all land John A. Farmer insures and to all land insured by any entities in which he has a substantial beneficial interest.

**Example ((A))**

FCI-19-A(APH) BEFORE NCS YIELD ADJUSTMENT			NON- ACTUAL YIELD X FACTOR	FCI-19-A(APH) AFTER NCS YIELD ADJUSTMENT		
CROP YEAR	ACRES	YIELD		CROP YEAR	ACRES	YIELD
19XX				19XX		
19XX		N32.0	T35 X.60 =	19XX		T21.0
19XX		N32.0	T35 X.60 =	19XX		T21.0
19XX	0.0	Z		19XX	0.0	Z
19XX	0.0	Z		19XX	0.0	Z
19XX	50.0	A17.0		19XX	50.0	A17.0
19XX	50.0	A19.0		19XX	50.0	A19.0
APPROVED YIELD: 25.0				NEW APPROVED YIELD 20.0		

For insurance purposes, the New Approved Yield (20.0) will be used.

(3)(b) Example ((B)), the NCS Yield Factor only applies to the land located in E ½ of E ½ of Section 19 T1N-R4W and Soybeans are planted to practices 043 and 094. The NCS adjustments also apply to any entities he has a substantial beneficial interest in on the identified land. The NCS adjustments do not apply to any other acreage Sam Farmer insures. The assigned rate (4.5) is applied in the same manner as the NCS Yield Factor.

**Example ((B))**

FCI-19-A(APH) BEFORE NCS YIELD ADJUSTMENT			NON-ACTUAL YIELD X FACTOR	FCI-19-A(APH) AFTER NCS YIELD ADJUSTMENT		
CROP YEAR	ACRES	YIELD		CROP YEAR	ACRES	YIELD
T1N - R4W SECTION 19 E ½ OF E ½ ONLY PRACTICE: 043				T1N - R4W SECTION 19 E ½ OF E ½ ONLY PRACTICE: 043		
19XX						
19XX						
19XX						
19XX						
19XX		N32.0	T35 X .40 =	19XX	T14.0	
19XX		N32.0	T35 X .40 =	19XX	T14.0	
19XX	0.0	Z		19XX	0.0 Z	
19XX	0.0	Z		19XX	0.0 Z	
19XX	50.0	A8.0		19XX	50.0 A8.0	
19XX	50.0	A14.0		19XX	50.0 A14.0	
APPROVED YIELD: 22.0				NEW APPROVED YIELD 13.0		

For insurance purposes, the New Approved Yield (13.0) will be used.

NOTE: If John Farmer shares with Sam Farmer on the E ½ of the E ½ in Section 19 T1N-R4W, the lower classification and higher rate applicable to any one of the parties will apply to all parties on the shared unit. In these examples, the .40 NCS Yield Factor and assigned rate (4.5) would apply to Soybeans planted to practices 043 and 094. The .60 NCS Yield Factor and assigned rate (4.0) would apply to Soybeans planted to practices 053 and 095.

**14 APH FIELD REVIEW INFORMATION**

Tolerances are established for each crop Category. They are stated in terms of percent difference. The percent difference is calculated by dividing the difference of the two yields by the actual yield determined to be correct by the reviewer. Calculate a separate percent difference for each yield certified by unit by P/T/V, group, FSA FSN, etc., requiring separate APH yields.

Tolerances for the crop categories are:

14A **Categories "A", "D", "E", "F", "G" have a tolerance of zero:** Peanuts, Citrus (Florida), Citrus Trees, Forage Seeding, Hybrid Seed, Macadamia Trees, Nursery, Peppers, Raisins, Sweet Corn (Fresh Market), Tobacco (Quota), Tomatoes (Fresh Market-Dollar Plan), and Tobacco on the Guaranteed Production Policy (except for types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; 32 MD). Any discrepancy discovered will be corrected for the current crop year.

14B **The following Category "B" crops** have a five (5) percent tolerance for each actual yield certified: Barley, Canola, Corn, Cotton, ELS Cotton, Dry Beans (except bush varieties for garden seed), Flax, Grain Sorghum, Oats, Popcorn, Rice, Rye, Safflower, Soybeans, Sunflowers and Wheat. A discrepancy in excess of five (5) percent of the actual yield certified requires a revised FCI-19-A(APH) and a completed review report. Changes will be effective for the current crop year if the revision changes the APH yield (item 19) by more than "5 percent." If the item 19 yield change is "5 percent" or less, the correction is effective the following crop year.

NOTE: Any production report listing an incorrect "T" Yield as the approved APH yield (block 21 of the FCI-19-A(APH)) must be corrected for the current crop year.

14C **The following Category "B" and "C" crops** have a two (2) percent tolerance for each year's yield certified: Almonds, Apples, Blueberries, Canning and Processing Beans, Citrus (Arizona-California), Cranberries, Dry Beans (bush varieties for garden seed), Figs, Forage Production, Grapes, Macadamia Nuts, Onions, Peaches, Pears, Peas (except for Contract Seed Peas), Plums, Potatoes, Prunes, Sugar Beets, Sugarcane, Stonefruit, Sweet Corn (Canning and Freezing), Table Grapes, Tobacco (production guarantee - types 41 and 32 PA; 51 and 61 CT; 51, 52 and 61 MA; 32 MD, Tomatoes (Canning and Processing, and Fresh Market Guaranteed Production Plan) and Walnuts. A discrepancy in excess of two (2) percent of the yield certified requires a revised FCI-19-A(APH) and a completed review report. This change is effective for the current crop year if the revision changes the approved yield (before rounding) by more than "2 percent." If the approved yield change is "2 percent" or less, the correction is effective the following crop year.

14D RESERVED.

1998 CROP POLICY INFORMATION

Crops	FCIC		NCIS		APH or Dollar (\$)	Late Planting	Prev. Planting	*Replant	Unit of Measure	*Optional(O) Basic (B) Unit	*Unit Disc.	*High-Risk Land Ex.Opt.
	Policy	Endorsement /Crop Prov.	Basic Provisions	Crop Provisions								
Almonds	92B1	98-028	700-B	719	APH				lbs.	B/O		
Apples	92-054		700	721	APH				boxes/bushels	B/O		
Avocados (Pilot)	92B1	98-019	700-B	711	\$				\$	B/O	Yes	
Blueberries (Pilot)	92B1	97-012	700-B	794	APH				lbs.	B		
C & P Beans (Rev 11-90)	88-G	88-34	700-A	704	APH	Yes <sub>1</sub>			tons	B by type/O	Yes	
Canola/Rapeseed (Pilot)	92B1	97-015	700-B	795	APH	<u>2</u>	<u>2</u>	Yes	lbs.	B/O	Yes	
Citrus (AZ & CA)	92B1	98-001	700-B	731	APH				cartons	B by type/O		
Citrus (Florida)	92B1	98-002	700-B	724	\$				boxes	B by type/O		
Texas Citrus Fruit(Rev 11-96)	92B1	98-049	700-B	733	APH				tons	B/O		
Texas Citrus Tree	92B1	98-046	700-B	737	\$				dollars	B/O		
Coarse Grains (Corn, Soybeans, Gr.Sorg.)	92B1	96-041	700-B	702	APH	<u>2</u>	<u>2</u>	Yes	bu./tons	B/O	Yes	Yes <sub>1</sub>
Cotton	92B1	98-021	700-B	703	APH	<u>2</u>	<u>2</u>		lbs.	B/O	Yes	Yes <sub>1</sub>
ELS Cotton	92B1	98-022	700-B	745	APH		<u>2</u>		lbs.	B/O	Yes	Yes <sub>1</sub>
Cranberries	92B1	98029	700-B	742	APH				barrels	B/O		
Dry Beans	92B1	97024	700-B	712	APH	<u>2</u>	<u>2</u>	Yes	lbs.	B/O	Yes	Yes <sub>1, 3</sub>
Figs	92B1	94060	700-B	792A	APH				lbs.	B by type/O		
Florida Fruit Tree	92B1	96-014	700-B	748	\$				dollars	B by type/O		
Forage Production	92B1	98-033	700-B	729	APH				tons	B		
Forage Seeding	92B1	98-032	700-B	730	\$			Yes	dollars	B/O	Yes	
Grapes	92B1	98-053	700-B	717,717CA	APH				tons	<u>4</u>		
Table Grapes	87-39		700	741	APH				lugs	B/O		

<sub>1</sub> Requires insured's signature

<sub>3</sub> Not available in Idaho, Oregon, Utah, and Washington

<sub>2</sub> Included in the Crop Policy

<sub>4</sub> Basic unit by variety in CA/Optional - All other states B/O units

\* Applies to limited and additional coverage only

1998 CROP POLICY INFORMATION

Crop	FCIC		NCIS		APH or Dollar (\$)	Late Planting	Prev. Planting	*Replant	Unit of Measure	*Optional(O) Basic (B) Unit	*Unit Disc.	*High-Risk Land Ex. Opt.
	Policy	Endorsement / Crop Prov.	Basic Provisions	Crop Provisions								
Hybrid Corn Seed	96-062		700	738	\$	<u>2</u>	<u>2</u>		bu.	B/O	Yes	
Hybrid Sorghum Seed	88-G	96-050	700-A	797	\$	<u>2</u>	<u>2</u>		bu.	B/O	Yes	
Macadamia Nuts	92B1	98-023	700-B	790	APH				lbs.	B/O		
Macadamia Trees	92B1	99-024	700-B	791	\$				dollars	B/O		
Millet (Pilot)	92B1	96-017	700-B	789	APH	<u>2</u>			cwt.	B/O	Yes	
Nursery	92B1	96-056	700-B	782	Unique				container	5 mile radius		
Onions	92B1	98-013	700-B	709	APH	Yes <sup>1</sup>			cwt.	B/O by type		
Peaches (11-90)	86-21		700	720	APH				bu.	B/O		
Peanuts	93-075		700-A	718	APH	Yes <sup>1</sup>		Yes 10% <sup>3</sup>	lbs.	FSN		
Pears	92B1	98-057	700-B	715	APH				tons	B/O		
Peas (Green and Dry)	92064		700	713	APH	Yes <sup>1</sup>			dollars (APH) lbs. (claim)	B/O	Yes	
Peppers	92B1	98-010	700-B	740	\$			Yes	box (1 1/9 bu.)	B/O	Yes	
Plums	92B1	98-090	700-B	706	APH				lugs	B/O		
Popcorn	87-38		700	744	APH	Yes <sup>1</sup>		Yes	lbs.	B/O	Yes	Yes <sup>1</sup>
Potatoes (Rev 11-90)	86-28		700	734	APH	Yes <sup>1</sup>			cwt.	B/O	Yes <sup>4</sup>	
Prunes	86-42		700	747	APH				tons	B/O <sup>6</sup>		
Raisins	92B1	97-017	700-B	723	\$				tons	B by Variety/O		
Rice	92B1	98-018	700-A	716	APH	<u>2</u>	<u>2</u>	Yes	lbs.	B/O	Yes	Yes <sup>1</sup>
Safflower	88-G	91-44	700-A	749	APH	Yes <sup>1</sup>			lbs.	B/O	Yes	Yes <sup>5</sup>

1 Requires insured's signature      4 Except Certified Seed Potatoes  
 2 Included in the Crop Policy      5 Not available in Idaho and Utah  
 3 10 percent/10 acres replant requirement      6 Optional if provided for by the Actuarial Table

\* Applies to limited and additional coverage only

1998 CROP POLICY INFORMATION

Crops	FCIC		NCIS		APH or Dollar (\$)	Late Planting	Prev. Planting	*Replant	Unit of Measure	*Optional(O) Basic (B) Unit	*Unit Disc.	*High-Risk Land Ex. Opt.
	Policy	Endorsement/ Crop Prov.	Basic Provisions	Crop Provisions								
Small Grains: (Wheat, Barley, Oats, Rye, Flax)	92B1	96-011	700-B	714	APH	<u>2</u> , <u>3</u>	<u>2</u>	Yes <sup>3</sup> (Wheat Only)	bu.	B/O	Yes	Yes <sup>1</sup>
Stonefruit: Peaches, Apricots (Fresh/ Process.) Nectarines (Fresh)	88-G	88-51	700-A	796	APH				lugs/tons	B by type/O		
Sugar Beets	92B1	97039	700-B	707	APH	<u>2</u>	<u>2</u>	Yes	tons	B/O	Yes	Yes <sup>4</sup>
Sugarcane	92B1	96-038	700-B	732	APH				lbs.	B/O	Yes	
Sunflower Seed	92B1	96-078	700-B	708	APH	<u>2</u>	<u>2</u>	Yes	lbs.	B/O	Yes	Yes <sup>1</sup>
Sweet Corn	92-042		700	728	APH	Yes <sup>1</sup>			tons	B/O	Yes	Yes <sup>1</sup>
Fresh Market Sweet Corn	92B1	98-011	700-B	746	\$			Yes	container	B/O	Yes	
Guaranteed Tobacco	88-G	90-35	700-A	736	APH	<u>1</u>			lbs.	B by type/O by FSN	Yes	
Quota Tobacco	85-36		700-A	710	\$	Yes <sup>1</sup>			lbs.	B by FSN		
C & P Tomatoes	88-G	88-37	700-A	727,793	APH	Yes <sup>1</sup>			tons	B/O	Yes	
Fresh Market Tomatoes	92B1	98-009	700-B	739	\$			Yes	cartons	B/O	Yes	
Fresh Guaranteed Tomatoes	92B1	98-022	700-B	722	APH			Yes	cartons	B/O	Yes	
Walnuts	92B1	98-029	700-B	743	APH				lbs.	B/O		
Catastrophic Risk Protection Endorsement (Contract Change Date After August 20, 1996)	<u>5</u>	97-CAT	<u>5</u>	1997-777								

<sup>1</sup> Requires insured's signature

<sup>2</sup> Included in the Crop Policy

<sup>3</sup> Not available for fall planted Wheat.

<sup>4</sup> Not available in Colorado

<sup>5</sup> Endorsement attaches to specific crop policies or endorsements when CAT coverage is selected by the insured.

\* Applies to limited and additional coverage only

1998 CROP POLICY INFORMATION

Group Risk Plan (GRP)  Crops	FCIC		NCIS		Expected County Yield	Late Planting	Prev. Planting	Replant	Unit of Measure	Unit by County/ Basic (B)/ Optional (O) Farm (WF)	Unit Disc.	High-Risk Land Ex.Opt.
	Policy	Endorsement /Crop Prov.	Basic Provisions	Crop Provisions								
Barley <sub>1</sub>	97-102	97-191	950	952	Yes				bu.	Yes (County)		
Corn <sub>1</sub>	97-102	97-141	950	954	Yes				bu.	Yes (County)		
Cotton <sub>1</sub>	97-102	97-121	950	956	Yes				lbs.	Yes (County)		
Forage Production	97-102	97-133	950	942	Yes				tons	Yes (County)		
Grain Sorghum <sub>1</sub>	97-102	97-151	950	962	Yes				bu.	Yes (County)		
Peanuts <sub>1</sub>	97-102	97-175	950	960	Yes				lbs.	Yes (County)		
Soybeans <sub>1</sub>	97-102	97-181	950	964	Yes				bu.	Yes (County)		
Wheat <sub>1</sub>	97-111	97-111	950	941	Yes				bu.	Yes (County)		
<b>PILOT INSURANCE PLANS (Selected States/Counties)</b>					APH/ Dollar (\$)							
<b>Income Protection (IP)</b> Corn	92B1	96-341	700B	702C-IP	APH/\$	<u>2</u>	<u>2</u>	<u>1</u>	bu./\$	Yes (County)		
Cotton	92B1	96-321	700B	703-IP	APH/\$	<u>2</u>	<u>2</u>	<u>1</u>	lbs./\$	Yes (County)		
Wheat	92B1	96-311	700B	714-IP	APH/\$	<u>2</u>	<u>2</u>	<u>1</u>	bu./\$	Yes (County)		
Soybeans	92B1	97-381	700-B	702S-IP	APH/\$			<u>1</u>	bu./\$	Yes (County)		
Grain Sorghum	92B1	97-351	700-B	702G-IP	APH/\$			<u>1</u>	bu./\$	Yes (County)		
<b>Crop Revenue Coverage (CRC)</b> Corn <sub>1</sub>			700B-CRC	702-CRC	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes (B/O <sub>1</sub> )		Yes <u>3</u>
Soybeans <sub>1</sub>			700B-CRC	702-CRC	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes (B/O <sub>1</sub> )		Yes <u>3</u>
Grain Sorghum <sub>1</sub>			700B-CRC	702-CRC	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes (B/O <sub>1</sub> )		Yes <u>3</u>
Cotton <sub>1</sub>			700B-CRC	703-CRC	APH/\$	<u>2</u>	<u>2</u>	No	lb./\$	Yes (B/O <sub>1</sub> )		Yes <u>3</u>
Wheat <sub>1</sub>			700B-CRCW	714W-CRC	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes (B/O <sub>1</sub> )		Yes <u>3</u>
Revenue Assurance Cov. (RA) - Corn <sub>4</sub>			700B-RA	702RA	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes(B/O <sub>1</sub> /WF)		Yes <u>3</u>
Soybeans <sub>4</sub>			700B-RA	702RA	APH/\$	<u>2</u>	<u>2</u>	Yes	bu./\$	Yes(B/O <sub>1</sub> /WF)		Yes <u>3</u>

<sub>1</sub> Available as Limited or Additional Coverage Only    <sub>2</sub> Included in the Crop Policy  
<sub>3</sub> Requires insured's signature    <sub>4</sub> Available as Additional Coverage Only  
 GRP, IP, CRC and RA insurance plans, if elected, meet the FSA linkage requirements.

(NACAT→

## 1 QUALIFYING FOR OPTIONAL UNITS

### 1A Retention and Forfeiture

This exhibit addresses retention of optional units when production has been commingled on some optional units or when acceptable production reports were not filed for all units. The following information will clarify FCIC's position on units.

Note: The terms "basic" and "optional" units are used, but the procedure applies equally to those crops for which units are defined in terms of "policy" and "guideline."

### 1B Basic and Optional Units

Basic units are MUST units for which the insured automatically qualifies without exception; optional units are MAY units. The insured may choose coverage on the basis of optional units IF the units qualify as outlined in the crop's endorsement, crop provisions, or unit division guidelines and IF the following reporting requirements are met:

B(1) Acceptable Production Reports. Production reports from the most recent APH crop year for all units (basic and optional) of the crop must be timely filed. [See Sec. 4, D(4) and Sec. 10, C(3).]

B(2) Claim for Indemnity. If the insured has a loss for the current crop year, the insured is required to maintain production evidence to support the current crop year's unit arrangement as shown on the acreage report. If, at loss time, production is discovered to be commingled between:

(2)(a) Basic units, the production MUST be apportioned or prorated as applicable to the appropriate basic unit. The apportioned production is used to process both the current year's claim and the following crop year's production reports.

(2)(b) Optional units, the units with commingled production MUST be combined on the current crop year's claim and the next crop year's production report.

These do not require that other optional units of the crop be combined on the claim for the current crop year. However, the insured will not qualify for optional units the following crop year if claim records or production reports are not on file for all planted units. The claim will be used as a production report for APH.

### 1C Production Reports for APH

Production Reports for APH are defined in Sec. 3, in Sec. 10, A and B:

C(1) APH forms (if completed, acceptable, signed and submitted timely).

C(2) Loss claim records (in all cases).

C(3) Zero acreage reports (when acceptable production reports are filed for all planted units).

1D Steps for Reviewing Production Reports to determine if optional units may be retained.

- D(1) **Identify all units with claim records.** Actual yield information from claims will be used. [For exception see Sec. 9, C(4)(b).]
- D(2) **Claim Records.** Determine whether claim records account for all units of the crop with planted, insurable acres.
- (2)(a) If so, zero acreage reports for an annual crop may be considered a production report for the crop for the purposes of maintaining continuity of production reports. The APH yield column is updated with "Z" when sufficient space remains in the database. If acceptable production reports are on file for all units (basic and optional) of the crop, optional units may be retained as documented on the loss claims.
- (2)(b) If not, proceed to step 3.
- D(3) **Acceptable Production Reports.** Determine whether acceptable production reports are on file for all units of the crop with planted, insurable acreage that did not have loss claim records.
- (3)(a) Zero-Planted Acreage. If acceptable production reports are on file for all units of the crop, for any zero-planted units (practices, etc.) the APH yield column is updated with "Z" when sufficient space remains in the database. Optional units may be retained for the next crop year as certified on the production reports and loss claims.
- (3)(b) Assigned Yields. If acceptable production reports are not on file, for all planted units of the crop, for APH purposes for the next crop year assigned yields are used for all planted units that do not have loss claim records. For zero-planted units (practices, etc.) when sufficient space remains in the database, the APH yield column is updated with "Z." Assigned yields are not used for zero-planted units since they are not considered a "crop year" for APH purposes. Optional units are not allowed for the next crop year.

There MUST be acceptable production reports on file for ALL planted units (basic and optional) for the crop before the insured is allowed to have ANY optional units [EXCEPT as outlined in Sec. 4, D(4)(a)].

**2**     **EXAMPLES**

The following examples show how this procedure is applied for Category B crops when the insured has provided acceptable reports containing actual and/or assigned yields for a previous crop year.

**Example 1:**

UNIT	HOW	WHAT
00100	APH form	A (Actual)
00201	Claim	A (Actual)
00202	Claim	A (Actual)
00300	Zero Plant	Z

Production reports are filed for all units of the crop with planted acres. For the zero planted unit a Z is entered in the database if sufficient space remains.

**Example 2:**

UNIT	HOW	WHAT
00100	NO APH form	P (Assigned - Planted Acres)
00201	Claim	A (Actual)
00202	Claim	A (Actual)
00300	Zero Plant	Z

Production reports are not filed for all planted units of the crop. Claim records are always used. Assigned yields apply to all other planted units. Optional units 00201 and 00202 revert to basic unit 00200.

**Example 3:**

UNIT	HOW	WHAT
00100	NO APH Form	P (Assigned - Planted Acres)
00201	NO APH Form	P (Assigned - Planted Acres)
00202	Claim	A (Actual)
00300	Zero Plant	Z

Production reports are not filed for all planted units of the crop. Use the claim record and use assigned yields for all other planted units. Optional units 00201 and 00202 revert to basic unit 00200.

**Example 4:**

UNIT	HOW	WHAT
00100	NO APH Form	P (Assigned - Planted Acres)
00201	APH Form	P (Assigned - Planted Acres)
00202	APH Form	P (Assigned - Planted Acres)
00300	Zero Plant	Z

Production reports not filed for all planted units of the crop, therefore, none of the production reports can be accepted. [Exceptions are listed in Sec. 4, Par. D (4)(a).] Optional units 00201 and 00202 revert back to basic unit 00200.

**Example 5:**

UNIT	HOW	WHAT
00101	NO APH Form	P (Assigned - Planted Acres)
00102	NO APH Form	P (Assigned - Planted Acres)
00201	Claim	A (Actual)
00202	Claim	A (Actual)
00301	Claim	A (Actual)
00302	Zero Plant	Z

Production reports were not filed for all planted units. Claim records were used. All units revert to basic units 00100, 00200, and 00300. A "Z" yield type descriptor is entered for unit 00302 since zero planting does not count as a "crop year" for APH purposes.

**Example 6:**

UNIT	HOW	WHAT
00101	Claim	A (Actual)
00102	Claim	A (Actual)
00103	Claim	A (Actual)
00104	Claim	A (Actual)

The acreage report was processed with the following unit arrangement: 00101, 00102, 00103, and 00104. When working the claim, it was discovered that production was commingled between units 00101 and 00102, and also between 00103 and 00104. The claim is therefore processed on the basis of two optional units: 00101 and 00103. If these are the only units of the crop, or if production reports and/or claim records are on file for all other units with planted acres, the next crop year's APH would be processed with two optional units. However, if other units exist for the crop and production reports and/or claims records are not on file, the claim records will be used to update the yields but optional units revert to basic unit 00100 [as shown in Examples 2 and 5.] ←NACAT)

(NACAT→)

**1 CLARIFICATION OF SECTION DEFINITION**

**SECTION DEFINITION.** The definition of a section for unit division purposes: A section is defined as a unit of measure under the Rectangular Survey System describing a tract of land usually one mile square and containing approximately 640 acres. In some areas (e.g., Louisiana, New Mexico, Texas), other methods of measure (i.e., Spanish grants, railroad surveys, leagues, labors, Virginia Military Lands etc.) are employed. If these units of measure are legally recorded and consist of at least 640 acres, they will be considered a "section equivalent."

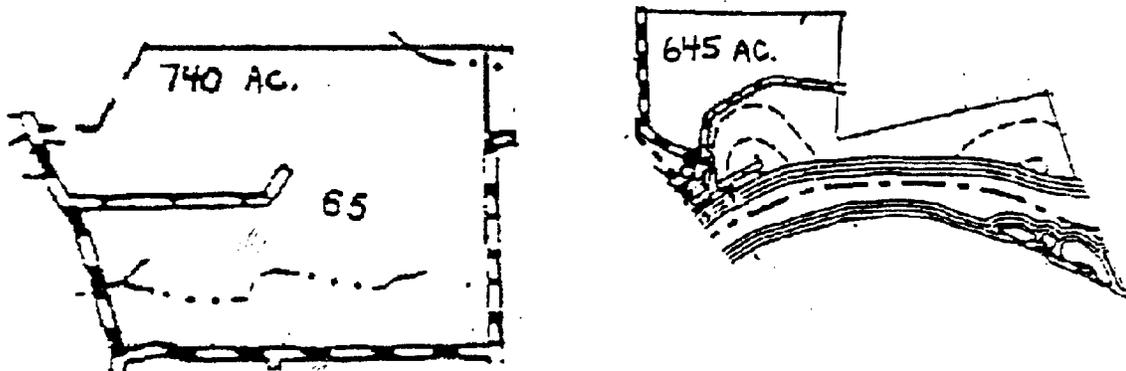
**1A Optional Units by Section**

This definition applies to all crops which are allowed optional units by section. It also applies to all states where sections, as defined above, exist.

**1B Section Equivalents**

"Section equivalents" using other methods of measure under a Rectangular Survey System refers to: A unit of measure consisting of at least 640 acres.

Examples:

**1C****Order of Precedence**

The order of precedence to determine whether sections, "section equivalents," or FSA Farm Serial Numbers are used to determine optional units is:

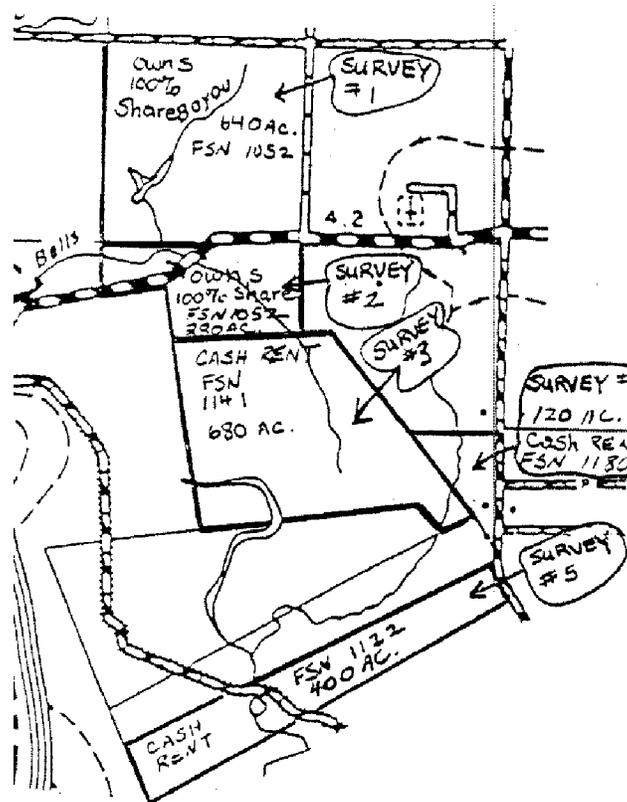
- C(1) Section, usually one mile square, containing approximately 640 acres.
- C(2) "Section equivalent," containing at least 640 acres.
- C(3) FSA Farm Serial Numbers in the absence of section descriptions and "section equivalents."

**2 EXAMPLES**

Assume that for each survey identified, the insured has kept separate records of acreage and production, the survey boundaries are clearly visible, and that the planting pattern does not cross the survey boundaries.

### RECTANGULAR SURVEY SYSTEM

**EXAMPLE 1:** The county is primarily surveyed in one-mile squares containing approximately 640 acres.

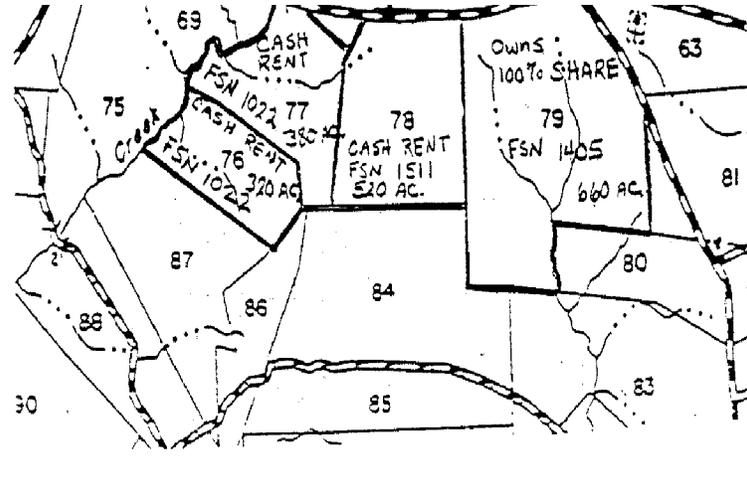


Units are determined by precedence as follows:

Survey #1 is a separate optional unit (section) - 00101

Survey #3 is a separate optional unit ("section equivalent" survey containing 640 acres or more) - 00102

Survey #2, #4 and #5 are each FSN optional units (FSN units in the absence of section and "section equivalent" descriptions) - 00103, 00104 and 00105.

**EXAMPLE 2: Rectangular Survey System (Spanish Land Grant)**

Units are determined by precedence as follows:

Survey #79 is a separate optional unit ("section equivalent") - 00101

Survey #78 is an optional unit (FSN unit in absence of "section equivalent" description) - 00102

Surveys #67, #77 and #76 is one optional unit (FSN unit in absence of "section equivalent" descriptions because each survey contains less than 640 acres and is a single FSN.) - 00103 ←NACAT)

**(NACAT→****1 UNIT DIVISION OPTION - INDIANA, OHIO, AND TEXAS**

- 1A **Determination Instructions.** In areas surveyed under the U.S. Rectangular Survey System, sections are the basis for optional units. U.S. Rectangular Survey references mean: Sections, parcels of land with legally identified boundaries (generally one mile square, which contain approximately 640 acres), township, and range.
- 1B **U.S. Rectangular System.** The U.S. Rectangular System was not made in some areas of Indiana, Ohio, and Texas. In some areas, parcels of land are legally identified by other methods such as donations, locations, surveys, Spanish grants, railroad surveys, leagues, labors, and Virginia Military Lands.
- B(1) **Surveys.** Legally identifiable railroad surveys similar to the U.S. Rectangular Survey System (square and consisting of approximately 640 acres) may be considered "Sections" under the U.S. Rectangular Survey System for optional unit purposes in the referenced states.
- B(2) **Identifiable parcels.** Legally identifiable parcels (using the most recent subdivision) containing at least 640 or more acres may be considered "section equivalents" for optional unit purposes.
- 1C **Areas Not Surveyed Using the U.S. Rectangular Survey.** In areas not surveyed using the U.S. Rectangular Survey System, optional units are determined by:
- C(1) **"Section equivalents"** (single parcels containing at least 640 acres), or
- C(2) **FSA Farm Serial numbers** in the absence of "section equivalents" as described in B and C unless the insured signs the Unit Division Option aggregating (two or more legally identifiable parcels of land that are grouped together to equal or exceed 640 acres) parcels of land into "section equivalents."

The Unit Division Option applies when legally identifiable parcels smaller than 640 acres exist. The insured may not establish optional units by FSN when the Option is applicable.

**2 UNIT DIVISION OPTION INSTRUCTIONS**

In areas of Indiana, Ohio, and Texas not surveyed under the U.S. Rectangular Survey System or similar surveys allowing for sections or "section equivalents" [See 1 B above], insureds may request the Unit Division Option to aggregate two or more, (any shape) legally identifiable parcels of land into "section equivalents" for optional unit division purposes.

NOTE: For the purpose of this option: If a survey is required to identify the parcel(s) of land, and the parcel(s) is not legally identifiable, a unit cannot be divided by a physical boundary (i.e., road, creek, drainage ditch, fence, etc.) which is NOT identified by a legal survey is not sufficient.

**2A Optional Units for the Proposed Aggregation**

To qualify for optional units for the proposed aggregation, the insured MUST comply with the production reporting, record, and planting pattern guidelines specified in the applicable crop policy or actuarial documents.

**2B Establish the Same Aggregated Optional Units**

The insured MUST establish the same aggregated optional units for all crops insured by all insurance providers. The purpose of the option is to provide aggregated optional units on the same basis as those determined by section under the Rectangular Survey System.

B(1) **More than one Unit Division Option.** If it is discovered that the insured has more than one Unit Division Option, the one with the earliest signature date will apply.

B(2) **Limited to Basic Units.** If the insured does not have acreage and production records or does not file required production to support the aggregated optional units, the insured will be limited to basic units for the crop(s). [See Sec. 4, Par. D(4)(a) 1 a and b for exceptions.]

B(3) **Bona fide landlord - tenant arrangements** (companion policies) are not required to have the same aggregated optional units. If a landlord and a tenant have different aggregated optional units, each entity or policy will have its own approved APH yield and unit arrangement.

**2C Policies with More than One Agent**

If the insured has policies with more than one agent, the insured must decide which agent to work with to develop the Unit Division Option aggregate and then provide the other agent(s) copies of the Unit Division Option on or before the acreage reporting date.

**2D Continuous Option**

The option is a continuous option and applies (until canceled) to any crop for which optional units are chosen. Written documentation must be completed and filed in the insured's crop insurance file folder by the applicable acreage reporting date.

D(1) **Optional Units.** If the insured chooses optional units for any crop(s), the aggregated optional units established on the option apply to all insured crop(s) permitted optional units by section.

D(2) **Optional Units not elected.** If the insured does not want optional units for a crop(s), the option is not effective for that crop(s).

D(3) **Identifiable.** All parcels of the aggregated optional unit MUST be legally identified by number or name of each parcel (donation, section, labor, block, tract, etc.), and identified on the option.

D(4) **Contiguous.** All parcels of land in an aggregated optional unit MUST be contiguous (lie adjacent to each other). It is not required that the aggregated optional unit be of a rectangular shape. Aggregated acreage may or may not be classified as cropland.

D(5) **Ownership or control** of all land in the aggregate by the insured is not required.

D(6) **Additional land.** If the insured starts farming additional land that was not included in any of the aggregated optional units, the added land may be:

(6)(a) Added to an existing aggregated optional unit, or

(6)(b) Combined with other non-aggregated land to form its own aggregated optional unit.

Note: The additional or added land must be contiguous as stated in (6)(a) and (6)(b) above.

## 2E **Optional Units**

Optional units determined by sections or "Section equivalents" (single parcels containing at least 640 acres) are not required to be entered on the option.

## 2F **Agents Will Prepare the Option**

Agents will prepare the FCIC-553 Unit Division Option or option approved by FCIC and forward it to the Insurance Provider for verification. If the agent needs assistance in preparing the option, the Insurance Provider/RSO will provide the assistance.

## 3 **UNIT DIVISION OPTION GUIDE**

### 3A **Guidelines for Completing the Unit Division Option**

(1) Does the insured farm the land as separate parcels, keep and maintain separate production records, and have separate verifiable records of planted insurable acreage and harvested production for at least one crop from the most recent APH crop year for each proposed optional unit?

Yes, continue to number 2.

No, Stop!

(2) Enter legal descriptions for all the parcels to be aggregated on the option.

(3) Attach a sketch map, commercial map, or plat map that displays the parcels as they are aggregated. FSA aerial photos may be used. Delineate each proposed optional unit. Do not split any parcel that does not have a separate legal description identifying the parcel. Legal descriptions must be shown on the attached map.

(4) Identify the optional units with the applicable unit number ( 00101, 00102, etc.).

(5) Inform the insured that **ALL** the acreage of the crop planted in the aggregated acreage divided from the basic unit will be one optional unit.

(6) Forward the Unit Division Option and maps to the Insurance Provider as soon after completion as possible, but not later than 15 calendar days after the applicable acreage reporting date.

FCI-553  
(6-97)

UNITED STATES DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

OMB No. 0563-0053

UNIT DIVISION OPTION

This is a continuous Option  
Refer to item 7 of this Option

INSURED'S NAME:

CONTRACT NO:

ADDRESS:

CROP YEAR:

COUNTY:

Upon our verification of this option, we agree to amend the definition of OPTIONAL UNITS when your Federal Crop Insurance Policy(ies) permit optional units by section subject to the following terms and conditions:

1. You are allowed one Option per county that covers all applicable insured crops. The Option must be submitted to us on or before the applicable acreage reporting date for the crop before it is effective for that crop. If it is determined, you have two or more Options, the Option with the earliest date will be applicable to all crops and the other Option(s) will be void.
2. You must aggregate legally identifiable parcels of land into parcels that contain a minimum of 640 acres. The aggregation of parcels for optional units will be established at the time you complete and sign this Option. Optional units are established on the attached sketch map(s).
3. For each optional unit you MUST have available written verifiable records of acreage and production for the previous APH crop year and maintain records for the current crop year.
4. Upon our request, if you fail to provide to us such records, optional units created under this Option will revert to the basic unit(s).
5. Determination of your optional units will be made at the time you report your acreage of the insured crop.
6. For crop(s) requiring production reports, to retain such optional units, acceptable production reports must be filed annually for each optional unit.
7. This Option may be canceled by either you or us for any succeeding crop year by giving written notice on or before the cancellation date for the crop year.
8. All other provisions of the policy not in conflict with this Option are applicable.

INSURED'S NAME:	DATE
CORP. REP'S SIGNATURE AND CODE NUMBER	DATE
VERIFIED BY:(RSO AUTHORIZED SIG.)	DATE

A false claim made to the Corporation, or a false statement made on a matter within the jurisdiction of the Corporation, may subject the maker to criminal and civil penalties (1 8U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730.)



**WORKSHEET FOR MULTIPLE PERIL CROP INSURANCE**

LOCATION \_\_\_\_\_ STATE \_\_\_\_\_ COUNTY \_\_\_\_\_

NAME OF APPLICANT \_\_\_\_\_ TELEPHONE NUMBER \_\_\_\_\_ APPLICANT'S SSN OR EIN \_\_\_\_\_

APPLICANT'S MAILING ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_

ON THE REVERSE SIDE OF THIS FORM, LIST ADDITIONAL NAMES AND APPROPRIATE SOCIAL SECURITY NUMBER(S) AND/OR EMPLOYER IDENTIFICATION NUMBER(S) FOR ALL INDIVIDUALS WITH AT LEAST A 10 PERCENT INTEREST IN THE CROP INSURANCE POLICY.

ACTUAL HISTORY OF ACREAGE AND PRODUCTION UP TO TEN CROP YEARS								
OTHER PERSON(S) SHARING			OTHER PERSON(S) SHARING			OTHER PERSON(S) SHARING		
CROP	FSA FSN		CROP	FSA FSN		CROP	FSA FSN	
RMA YIELD			RMA YIELD			RMA YIELD		
CROP YEAR	TOTAL PRODUCTION	ACRES PLANTED	CROP YEAR	TOTAL PRODUCTION	ACRES PLANTED	CROP YEAR	TOTAL PRODUCTION	ACRES PLANTED
PRACTICE _____ TYPE/VARIETY _____			PRACTICE _____ TYPE/VARIETY _____			PRACTICE _____ TYPE/VARIETY _____		
ESTIMATED ACRES TO BE PLANTED			ESTIMATED ACRES TO BE PLANTED			ESTIMATED ACRES TO BE PLANTED		

PLEASE REQUEST THAT YOUR CROP INSURANCE REPRESENTATIVE EXPLAIN ALL YOUR OPTIONS FOR ADDITIONAL COVERAGE

WORKSHEET FOR MULTIPLE PERIL CROP INSURANCE  
INDIVIDUALS WITH A 10 PERCENT OR MORE INTEREST IN THE FARMING OPERATION

NAME

SSN OR EIN

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

HELPFUL HINTS FOR YOU:

- 1 "CROP YEAR" MEANS CONSECUTIVE YEARS THAT THE CROP WAS PLANTED WHICH YOU ARE REPORTING TO OBTAIN AN INSURANCE YIELD.
- 2 WHEN THE WORKSHEET FOR MULTIPLE PERIL CROP INSURANCE IS COMPLETED, YOU MUST HAVE RECORDS THAT SUPPORT THE AMOUNT OF PRODUCTION YOU ENTER. ENTER ONLY CONTINUOUS CROP YEARS FOR WHICH YOU HAVE PRODUCTION RECORDS.
- 3 INSURANCE COVERAGE IS PROVIDED ON A UNIT BASIS. YOU QUALIFY FOR SEPARATE UNITS BY 100% SHARE AND IF OTHER PERSONS SHARE IN THE CROP. BE SURE TO TELL YOUR REPRESENTATIVE IF SOMEONE ELSE SHARES IN THE CROP, TO ASSURE PROPER UNIT DETERMINATION.
- 4 INSURANCE MAY BE PROVIDED FOR SPECIFIC PRACTICES, VARIETIES OR TYPES. BE SURE THAT YOU INFORM YOUR REPRESENTATIVE OF THE PRACTICE YOU HAVE CARRIED OUT OR THE TYPE OR VARIETY THAT YOU HAVE GROWN.  
**FOR EXAMPLE:** IRRIGATION IS CONSIDERED A "PRACTICE" AND MAY IMPACT YOUR COVERAGE. YOUR REPRESENTATIVE WILL NEED TO KNOW THE CROP(S) AND ACREAGE THAT YOU IRRIGATE.
- 5 YOU MUST REPORT THE SOCIAL SECURITY NUMBERS (SSN'S) AND/OR EMPLOYER IDENTIFICATION NUMBERS (EIN'S) OF INDIVIDUALS WITH A 10% OR MORE INTEREST IN YOUR CROP POLICY.
- 6 ASK YOUR REPRESENTATIVE TO EXPLAIN YOUR ACREAGE REPORTING RESPONSIBILITIES.
- 7 ASK YOUR REPRESENTATIVE TO EXPLAIN YOUR RESPONSIBILITIES IN THE EVENT OF CROP DAMAGE OR CROP LOSS.
- 8 REQUEST THAT YOUR REPRESENTATIVE QUOTE YOUR COVERAGE IN DOLLARS PER ACRE. REMEMBER, THOUGH, THAT ANY INDEMNITY IS ON LOSS OF YIELD.

**CERTIFICATE OF INSURANCE**

This Certification of Insurance form may be used by companies and their representatives to provide evidence that multiple peril crop insurance has been purchased. When verification of insurance coverage is required (requested by the insured or FSA) ALL PERSONS listed as an SBI or as an insured covered by the policy(ies) and their applicable EIN/SSN MUST also be provided. Note: Both the representative and policyholder are required to sign the Certificate.

\_\_\_\_\_  
NAME OF COMPANY

"I CERTIFY THAT \_\_\_\_\_, PRODUCER, HAS PURCHASED CROP  
INSURANCE POLICY NUMBER(S) \_\_\_\_\_, \_\_\_\_\_ FOR  
CROP  
YEAR \_\_\_\_\_ COVERING THE FOLLOWING CROPS."

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,

\_\_\_\_\_  
AGENT

\_\_\_\_\_  
DATE

**PRODUCER CERTIFICATION**

I CERTIFY THAT I HAVE PURCHASED CROP INSURANCE AND WILL NOT CANCEL THE ABOVE POLICY(IES) FOR THE \_\_\_\_\_  
CROP YEAR.

\_\_\_\_\_  
POLICYHOLDER

\_\_\_\_\_  
DATE

**MASTER YIELD****(NACAT→****1 MASTER YIELD PROCEDURE.**

Master Yields are available for some crops and locations [See Master Yield List Par. 2] where crop rotation and land leasing practices limit the APH crop years of yield history available on individual units. Data from all acreage of the crop the OPERATOR has in the county (identified by unit; practice, type, variety (P/T/V), and "T" Yield map area as shown on the FCI-35) are used to establish the approved APH Master Yield for all acreage of the crop planted in the designated Master Yield area(s). A combination of Master Yield(s) and APH approved yields (calculated by using standard APH procedures) may not be established on the same policy (by crop and county).

**1A Initial Master Yield Approval Authorities**

A(1) **Approved Training.** Insurance Providers may approve initial Master Yields for the crops and locations listed below following successful completion of approved training. Initial training is mandatory and in some instances additional update training may also be required by FCIC. FCIC may withdraw an Insurance Provider's authority to calculate initial Master Yields if FCIC reviews indicate an inordinate number of Master Yields have been calculated incorrectly. However, if the acreage and production history submitted is attributed to an entity(ies) dissimilar to the entity named on the MPC1 contract, the request must be referred to the RMA RSO for approval. Insurance Providers electing NOT to be responsible for approval of initial Master Yields will refer all requests to the RMA RSO.

(1)(a) Sugar Beets, all locations approved for Master Yields.

(1)(b) Sweet Corn, all locations approved for Master Yields.

(1)(c) Tomatoes - Fresh Market, limited to California.

(1)(d) Tomatoes - Processing, limited to California.

(1)(e) Green Peas, all locations approved for Master Yields.

(1)(f) Dry Peas, all locations approved for Master Yields.

(1)(g) Dry Beans, all locations approved for Master Yields.

(1)(h) Canning and Processing Beans, all locations approved for Master Yields.

(1)(l) Potatoes, all locations approved for Master Yields, except Texas.

A(2) **Initial Master Yields.** The RMA RSO must approve ALL initial Master Yields for all other crops and locations approved for Master Yields.

1B **Requirements for Establishing Initial Master Yield(s)**

B(1) **Operator/Tenant.** Master Yields are established on an operator/tenant entity basis. Operator/tenant entity is described as the person/entity with the largest insurable interest in the crop. If two or more equal interests are involved, the operator/tenant entity is the person who makes the daily farm management decisions regarding the crop. Farm management decisions begin with land selection and continue through harvest. If the policy covers land farmed by more than one operator/tenant entity, a separate Master Yield must be established for each operator/tenant entity (i.e., the insured is a landlord on some land and an operator/tenant entity on other land or, is a landowner with multiple operators). The operator for each Master Yield must be denoted (in the block indicating the producer's name and address) on the APH form to indicate the Master Yield has been established on an operator/tenant entity basis. The Master Yield determined for the operator/tenant entity also applies to insured landlord(s) involved in that farming operation except for a landlord that has CAT coverage or other acreage on which a Master Yield is not applicable. A copy of the operator's Master Yield or a Master Yield with the operator's history must be placed in the landlord's file. All initial Master Yields for insureds sharing in the crop (companion contracts) must be reconciled using the following guidelines prior to issuing approved Master Yields.

(1)(a) If the operator/tenant is insured and has an approved Master Yield (or requests an initial Master Yield that is subsequently approved) and a person who shares in the crop (landlord) with the operator/tenant also timely requests a Master Yield, the operator/tenant's Master Yield is applicable.

(1)(b) An insured sharing in the crop with an operator/tenant who has an approved Master Yield will have his or her production guarantee(s) based on standard APH procedures unless a timely request for a Master Yield was made.

(1)(c) A person sharing in the crop with an operator/tenant who does not have an approved Master Yield may request an initial Master Yield from the verifier by the PRD; however, Insurance Providers must forward the request and individual unit APH forms to the RMA RSO for approval.

(1)(d) If the operator/tenant's (whose records were used to calculate the approved APH yield) status as an operator/tenant changes after the PRD, the approved Master Yield may be used for that crop year; however, it must be recalculated for the following crop year. An operator/tenant's status changes if the operator/tenant rents/leases land to another person who qualifies as the operator/tenant. Persons who may continue to use the Master Yield include:

1 A landlord with an approved Master Yield based on an operator/tenant's records whose status changed.

2 An operator/tenant whose status changed but continues to have an insurable interest in the crop.

B(2) **Previous Crop Year's.** Master Yields approved for previous crop year(s) which were not established on an operator/tenant entity basis may, if requested timely by the insured, be converted to an operator/tenant entity basis.

- B(3) **Approved by Verifier.** Master Yields must be established and approved by the verifier for each:
- (3)(a) "T" yield map area.
  - (3)(b) P/T/V as indicated in the Actuarial Documents.
  - (3)(c) For unique situations, the RMA RSO may designate homogenous Master Yield area(s) for initial Master Yields or if homogenous Master Yield Areas are requested for a subsequent crop year. If the RMA RSO designates homogeneous Master Yield areas, they must be clearly indicated on the initial Master Yield form (e.g., county, map area, legal descriptions). Any limitations (if applicable) as to entity must also be indicated.

1C **Production Reporting Requirements**

Persons requesting initial Master Yields must furnish at least the four most recent APH crop years of continuous production reports (that contain actual and/or assigned yields for each crop year) for the crop, by county, within the base period. Insureds under standard APH the previous year who request initial Master Yields must use all previously certified yield history that is still within the base period. [See Sec. 6, B(2)(b)]. Insureds with an approved Master Yield for a crop who begin farming the crop in an adjoining county may request a Master Yield for the crop in that county from the RMA RSO. Records from other entities sharing in the crop on the same land with the operator/tenant may be used to meet the four-year record requirement with RMA RSO approval.

- C(1) **For the most recent APH crop year in the database,** an APH form must be completed and signed by the insured for each unit (by basic or optional units) and by "T" Yield Map Area (when applicable) on which the crop was grown. For such locations (legal descriptions) acreage and production must also be reported separately by P/T/V when indicated on the actuarial table. Production reported for the most recent APH crop year determines whether the insured qualifies for basic or optional units.
- C(2) **Different parcels of land** are often leased from year to year; therefore, units may not correspond for all reported years in the database. However, the insured must report ALL planted acres and production for each APH crop year.
- (2)(a) **Reporting Production.** For APH crop year(s) previous to the most recent APH crop year, acreage and production must be reported separately by P/T/V (when indicated on the actuarial table) and by location (legal description) when "T" Yield Map areas are involved. If production is commingled between multiple "T" Yield map areas, but the acreage within map areas can be identified, the production must be apportioned to the respective acreage (by P/T/V) using the Commingled Production Worksheet [See Sec. 6 F) and the applicable "T" Yields.
  - (2)(b) **Commingled Production.** If for APH crop year(s) previous to the most recent APH crop year, production is commingled between multiple "T" Yield map areas and the acreage for the respective "T" Yield Map areas (by P/T/V) cannot be identified, all production and acreage shall be attributed to the highest yielding map area (by P/T/V).

(2)(c) Master Yield summary(ies) are compiled using the above acreage and production history [See Par. 3D this Exhibit].

C(3) **Certification.** Master Yields are established by using production history certified by APH crop year, by the insured (normal Category B procedure). Additional years of yield history that is available from processors, marketing outlets, etc., are not used unless certified by the insured.

#### 1D **Agent Responsibilities**

D(1) **Master Yield Summaries.** Agents must complete an APH form(s) that summarizes for each APH crop year; planted acres and production for each P/T/V (when indicated on the actuarial table) and by location when "T" Yield Map areas are involved. If an initial Master Yield request, agents must quote Preliminary Master Yields from the Master Yield summary form(s). Agents must also quote a preliminary APH yield using standard APH procedures for comparison purposes.

(1)(a) Initial Master Yield requests. Agents must review the preliminary APH yield calculated using standard APH procedures and the preliminary Master Yield with the insured. The insured must select the method (either APH or the Master Yield) to be used to calculate the approved yield.

(1)(b) Signature. The agent must obtain the insured's signature on the Master Yield Summary in the Insured's Signature Block. The summary must indicate either acceptance of the preliminary Master Yield or voidance of the request. If the insured wishes to void the request a statement must be added that indicates "The Master Yield is declined and the APH yield will be based on Standard APH."

D(2) **The agent forwards** Master Yield Summary APH form(s), all individual unit APH forms and supporting documentation to the Insurance Provider.

1E **Verifier Responsibilities.** The verifier, for all Master Yields, reviews the data submitted and completes or corrects the APH forms if necessary, using the following guidelines. For crops which Insurance Providers are not authorized to approve initial Master Yields and for crops the Insurance Providers elect not to approve initial Master Yields [for crops listed in 1 A(1) of this Sec.], all individual unit APH forms, Master Yield Summary(ies) (requests for Master Yield[s]), and supporting documentation must be forwarded to the RMA RSO for approval of the initial Master Yield(s).

E(1) **Individual Determined Yields (IDY).** At least four APH crop years of records are required to qualify for a Master Yield on the crop; however, four years of records are not required to establish a Master Yield for each unit, P/T/V, or "T" Yield map area. If a Master Yield (P/T/V or "T" Yield map area requiring separate APH yields) has less than four years of actual/assigned yields available, an IDY will be used to complete the database. If not classified under NCS (rate or yield), the IDY is calculated and identified as follows:

(1)(a) Reference Master Yields. If more than one Master Yield, determine the reference Master Yield. The reference Master Yield is the Master Yield with the greatest number of years of actual and/or assigned yields in the Master Yield database. (Assigned yields may be applicable if in previous crop years, the yield was calculated using standard APH.) If more than

one Master Yield contain the greatest number (same number) of years of actual and/or assigned yields, such Master Yields are considered to be "reference" Master Yields. If IDY's are required for reference Master Yield determine them as indicated below:

- 1 100 percent, if the reference Master Yield database contains three years of actual and/or assigned yields.
- 2 90 percent, if the reference Master Yield database contains two years of actual and/or assigned yields.
- 3 80 percent, if the reference Master Yield database contains one actual or assigned yield.

Calculate the Reference Master Yield's preliminary/approved APH yield.

(1)(b) Non-Reference Master Yields. When IDY's are necessary to complete non-reference Master Yield databases, determine them as follows:

- 1 If ALL reference Master Yields are equal to or greater than 100 percent of its respective "T" Yield, the IDY for the non-reference Master Yield is 100 percent of the applicable "T" Yield.

Note: IDY's calculated from reference Master Yield databases are preceded by the yield descriptor "C" in the non-reference Master Yield databases.

- 2 If ANY reference Master Yields are less than 100 percent of the respective "T" Yield:
  - a Determine the IDY based on the number of years of actual and/or assigned yields in the non-reference database (3-years = 100 percent, 2-years = 90 percent, 0 or 1-year = 80 percent of the respective "T" Yield). IDY's based on 80 percent with no actual or assigned yields are preceded by the yield descriptor "C" in the non-reference Master Yield databases. Or,
  - b Refer the Master Yield to the RMA RSO for a determination of the IDY.

E(2) IDY's for insureds/land classified under NCS are determined as follows:

- (2)(a) For NCS classifications that affect the RATE ONLY, the IDY is the percentage of the applicable "T" Yield determined by the years of actual/assigned yields provided for that Master Yield (not a reference Master Yield). 0-Years 65 percent, 1-Year 80 percent, 2-years 90 percent, and 3-years 100 percent.
- (2)(b) If the NCS classification provides for a yield adjustment (yield or yield factor), the IDY is the applicable NCS Yield.

- E(3) **Previous crop year IDY's** (e.g., previous Master Yields, or individual determined yields) used to create the minimum four-year database are not "set" in the Master Yield database. They must be removed in subsequent crop years as actual yields are reported or assigned yields are applicable. Once four years of actual or assigned yields are applicable for the Master Yield nonactual yields MUST NOT remain in that database.
- E(4) **Verification of actual yields.** All actual yields certified must be examined on a unit basis by P/T/V to determine if they are reasonable. Actual yields exceeding the applicable "T" Yield published in the actuarial document multiplied by the factor indicated below (unless different actual yield verification factors are published by the RMA RSO) are considered questionable. Yield flags will be used to identify high yields on which desk audits and/or APH record reviews are required.
- (4)(a) **Irrigated practice:** 140 percent of the applicable "T" Yields
- (4)(b) **Non-Irrigated practice:** 150 percent of the applicable "T" Yields
- (4)(c) **Irrigated and Non-Irrigated "T" Yields** not identified separately on the Actuarial document: 150 percent of the applicable "T" Yield.
- (4)(d) **Actual yield verification** factors published by the RMA RSO. For example, the RMA RSO may publish different factors if "T" Yields are based on less than 100 percent of the county average yield or exceptionally high actual yields have been produced for a given crop year(s).
- E(5) **Review of questionable actual yields.** All questionable crop year actual yields must be reviewed by the Insurance Provider.
- (5)(a) **Identified Errors.** If an error can be identified and resolved, the actual yield is corrected by the verifier (i.e., transposed numbers, data entry errors, incorrect decimal placement, etc., may often be identified without a review of supporting records.)
- (5)(b) **Unidentified Errors.** If an error is not identified or the actual yield after correction still exceeds the guidelines, verification of the actual yield as compared to supporting records is required (APH Record Review).
- (5)(c) **Review of supporting records** to verify their acceptability and the accuracy of actual yields. If the supporting records are acceptable:
- 1 And the actual yield(s) in question are correct, Insurance Providers must forward the Master Yield(s) and supporting records to the RMA RSO.
  - 2 And error(s) are found, they are corrected by the Insurance Provider verifier to agree with the supporting records. If after correction, the actual yield still exceeds the applicable guidelines, Insurance Provider verifiers must forward the Master Yield request and supporting documentation to the RMA RSO.

RMA RSO's may waive or modify the requirement to send all Master Yields to the RMA RSO for these situations for certain crops in certain areas.

- (5)(d) The RMA RSO reviews the questionable actual yields submitted and approves, adjusts, or rejects them.
  - (5)(e) Once a questionable actual yield has been audited and approved by the RMA RSO or Insurance Provider it is not subject to further desk audits (APH record reviews) unless the data is revised in subsequent crop years.
- E(6) **Verification of preliminary Master Yields.** All preliminary Master Yields (required when initial Master Yields have been requested) must also be examined to determine if they are reasonable as compared to the applicable "T" Yield. Master yields exceeding the applicable "T" Yield published in the actuarial document multiplied by the factor indicated below are considered questionable. Yield flags will be used to identify high Preliminary Master yields on which desk audits are required.
- (6)(a) Irrigated practice: 120 percent of the "T" Yield.
  - (6)(b) Non-Irrigated practice: 130 percent of the "T" Yield.
  - (6)(c) Irrigated and Non-Irrigated practices not identified separately on the actuarial document: 130 percent of the "T" Yield.
  - (6)(d) If error(s) can be identified and resolved, the preliminary Master Yield is recalculated by the verifier (i.e., transposed numbers, data entry errors, incorrect decimal placement, incorrect calculations, etc., may often be identified without a review of supporting records.)
  - (6)(e) If an error is not identified or the preliminary Master Yield, after correction, still exceeds the applicable guideline, verification of all actual yields reported as compared to supporting records is required. (Carryover insureds previously under APH who are requesting an initial Master Yield are not required to retain production records beyond the APH record retention requirements.)
  - (6)(f) Review of supporting records to verify reported actual yields. If the supporting records are acceptable:
    - 1 And the actual yield(s) in question are correct, Insurance Providers must forward the Master Yield(s) and supporting records to the RMA RSO.
    - 2 If error(s) are found, they are corrected by the Insurance provider verifier to agree with the supporting records. If after correction, the preliminary Master Yield still exceeds the applicable guidelines, Insurance Provider verifiers must forward the Master Yield request and supporting records to the RMA RSO.

RMA RSO's may waive or modify the requirement to send all preliminary Master Yields to the RMA RSO for these situations for certain crops in certain areas.

- (6)(g) Once a questionable preliminary Master Yield has been reviewed, actual yields verified correct and the Master Yield approved, it is not subject to further desk audits in subsequent crop years unless the data is revised.

1F **Master Yield Application.** The approved Master Yield (by P/T/V) applies to all individual units within the Master Yield area. Units with four or more years of records also use the Master Yield (by P/T/V as the approved APH yield).

1G **Updating Established Master Yield(s)**

- G(1) **Approving.** Once initial Master Yields are approved by the RMA RSO or Insurance Provider [for crops listed in 1 A(1)], the Insurance Provider verifier updates, calculates, and approves Master Yield(s) for subsequent crop years.
- G(2) **Updating.** Individual unit and Master Yield APH forms must be updated each succeeding crop year.
- G(3) **Updating with Zero acres.** If the crop was not grown the previous calendar year, update all Master Yield APH forms with zero acres (if sufficient space exists in the database).
- G(4) **Reviews.** The RMA RSO/Insurance Provider underwriter reviews the data submitted, completes or corrects the updated Master Yield APH form(s) when applicable, and issues the approved updated Master Yield APH form by completing the Approved APH Yield block (item 21 FCI-19-A). Actual Yields reported for each subsequent APH crop year are reviewed for reasonableness [as previously indicated in Par. E(4) and (5) of this exhibit].

- (4)(a) **For an added P/T/V or added land** (outside of an initial Master Yield "T" Yield map area) for which an approved Master Yield has not been previously established, insureds must request another initial Master Yield. Such requests must be received in the applicable verifier's office no later than 20 calendar days after the production reporting date.

- 1 Refer to Paragraph E for yield calculation instructions.
- 2 If the insured is not classified by the NCS and does not request another Master Yield or the request is not timely, the added P/T/V will receive 80 percent of the applicable "T" yield. For insureds/land classified by the NCS, determine the yield as indicated for IDY's in Par. 1E(1) of this exhibit. The added land, P/T/V must have a Master Yield established the subsequent crop year.

- (4)(b) **Landlord and tenant arrangements** and how Master Yields are established.

- 1 For Master Yields established on an operator/tenant basis, the operator/tenant is responsible for providing annual production reports to update the Master Yield on all land he or she operates.

The verifier must provide a copy of the approved Master Yield to each insured to whom it applies.

- 2 For previously established Master Yields NOT established/converted to an operator/tenant entity basis, each insured is responsible for providing annual production reports to update the Master yield.

- 1H **Deadlines.** Requests for Master Yields, production reports, and any supporting documentation must be received by the Insurance Provider verifier no later than 20 calendar days after the production reporting date. Any Master Yield request requiring RMA RSO approval received in the RMA RSO later than 30 calendar days after the PRD will be returned to the Insurance Provider without an RMA RSO approved Master Yield. The Insurance Provider is then responsible for rejecting the request and determining the approved yield using standard APH procedures. The RMA RSO will document such policies for possible compliance reviews to assure that appropriate approved yields were issued.

Note: If RMA RSO approval of the Master Yield is NOT required, and the insured fails to carry out any requirement necessary to qualify for the Master Yield (including filing the required production reports), the Master Yield must be rejected and the approved yield calculated using standard APH procedures.

- 1I **Yield Limitation Provisions.** If the previous Approved APH yield for the P/T/V, or "T" Yield map area was:
- I(1) Determined under the same conditions (Master Yield the previous crop year and Master Yield the current crop year), the Approved APH yield will not increase or decrease by more than the applicable yield limitation.
  - I(2) Not determined under the same conditions (standard APH last year, Master Yield the current crop year, or individual Master Yield which was converted to an operator/tenant entity), there is no limit to the amount of change in the yield.

1J **Acceptance and Cancellation.**

J(1) For initial Master Yields:

- (a) If the approved Master Yield is at least 95 percent of the preliminary Master Yield, the Master Yield is binding.
- (b) If the approved Master Yield is less than 95 percent of the preliminary Master Yield, mutual consent cancellation or reconsideration provisions are applicable [See Sec. 11].
- (c) If a preliminary Master Yield was not quoted by the agent or if the insured's intentions are not clearly documented [as indicated in 1D(1)(b)] the RMA RSO/Insurance Provider will return the Master Yield request unapproved. APH Yields calculated under standard APH procedures will then apply.

J(2) Once Master Yields are approved insureds may not switch to standard APH unless, the insured cancels the Master Yield in writing on or before the cancellation date for the insured crop and requests an approved yield using standard APH procedures. When switching to regular APH, all years of the production history (contained in the Master Yield) that can be attributed to the insured entity's farming operation under standard APH procedures must be used (A landlord may have to recertify actual yields for his or her own farming operation if the Master Yield was established on an Operator/tenant basis).

NOTE: Previously approved Master Yields are retained if the policy is transferred and a break in continuity of insurance does not occur, the operator/tenant entity remains the same, and the Master Yield is not canceled.

2 MASTER YIELD LIST BY STATE, PRACTICE, CROP

States	Practice (Pr.)	Crops
California	Irrigated	Potatoes, Sugar Beets, Tomatoes (C & P) and (FM)
Colorado	Check FCI-35	Potatoes, Onions, and Sugar Beets
Florida	Irrigated	Tomatoes (FM - PP)
Georgia	Irrigated	Tomatoes (FM - PP)
Idaho	Check FCI-35	Dry Beans, C&P Beans*, Peas* (Dry Peas, Green Peas), Potatoes*, Sugar Beets*, Sweet Corn*
Indiana	No Pr. Specified	Tomatoes (C & P)*
Missouri	Check FCI-35	Potatoes
Michigan	No Pr. Specified	Tomatoes (C & P)*
Minnesota	Irrigated & Non-Irrigated	Potatoes: in Clay, Clearwater, East Polk, Kittson, Lake of the Woods, Mahnomen, Marshall, Norman, Pennington, Red Lake, West Polk and Wilkin Counties*
	No Pr. Specified	Sugar beets
Montana	Irrigated	Sugar Beets
Nebraska	Check FCI-35	Potatoes, Sugar Beets
North Dakota	No Pr. Specified	Dry Peas
	Irrigated & Non-Irrigated	Potatoes*, Sugar Beets
Nevada	Irrigated	Potatoes
Ohio	No Pr. Specified	Tomatoes (C & P)*
Oregon	Irrigated	Dry Beans, C&P Beans, Dry Peas, Green Peas, Potatoes, Sugar Beets, and Sweet Corn
South Carolina	Irrigated	Tomatoes (FM - PP)
South Dakota	Check FCI-35	Potatoes
Texas	Irrigated	Potatoes: Bexar, Frio, Hidalgo, La Salle, and Medina Counties
Utah	Irrigated	Potatoes
Washington	Irrigated	Dry Beans, C&P Beans, Dry Peas, Green Peas, Potatoes, Sugar Beets, and Sweet Corn
Wyoming	Irrigated	Sugar Beets

\* May also require the use of a map. ←NACAT)

3 **EXAMPLE OF MASTER YIELD CONCEPT.**

This example illustrates the Master Yield concept. The crop has been grown in two "T" Yield classification areas (Map Area). One P/T/V has been grown in each Map Area. Figures 1-3 are located in Map Area 1.

3A Figure 1, production reports for farm A indicate two actual yields (one basic unit located in section 11).

Figure 1: Unit 00100, Sec. 11, Map Area 1

15. CY.	16. TP.	17. ACRES	18. YIELD
19XX	42,200	100.0	A422
19XX		0.0	Z
19XX	43,000	100.0	A430
19XX		0.0	Z
			19.
20. Prior Y.		21. Approved APH	

3B Figures 2 and 3, production reports for farm B indicate two actual yields for unit 00201 (section 12 ) and no actual yields for unit 00202 (section 13).

Figure 2: Unit 00201, Sec. 12, Map Area 1

15. CY.	16. TP.	17. ACRES	18. YIELD
19XX		0.0	Z
19XX	40,000	100.0	A400
19XX		0.0	Z
19XX	35,200	80.0	A440
			19.
20. Prior Y.		21. Approved APH	

Figure 3: Unit 00202, Sec. 13, Map Area 1

15.CY.	16.TP.	17.ACRES	18.YIELD
19XX		0.0	Z
			19.
20. Prior Y.		21. Approved APH	

3C Figures 4, 5 and 6 are production reports for farm C which indicate three optional units located in sections 27, 28, and 36 all within Map Area 2. Unit 00301 does not have any actual yields. Unit 00302 has two actual yields. Unit 00303 has one actual yield.

Figure 4: Unit 00301, Sec. 27, Map Area 2

15. CY.	16. TP.	17. ACRES	18. YIELD
19XX		0.0	Z
			19.
20. Prior Y.		21. Approved APH	

Figure 5: Unit 00302, Sec. 28, Map Area 2

15.CY.	16.TP.	17.ACRES	18.YIELD
19XX	20,250	50.0	A405
19XX		0.0	Z
19XX		0.0	Z
19XX	40,000	100.0	A400
			19.
20.Prior Y.		21. Approved APH	

Figure 6: Unit 00303, Sec. 32, Map Area 2

15.CY.	16.TP.	17.ACRES	18.YIELD
19XX		0.0	Z
19XX		0.0	Z
19XX		0.0	Z
19XX	8,200	20.0	A410
			19.
20. Prior Y.		21. Approved APH	

Each actual yield must be compared to the applicable "T" Yield for the Map Area multiplied by the actual yield verification factor for the applicable practice (Map Area 1 [400 x 1.40 = 560] Map Area 2 [350 x 1.40 = 490]). None of the actual yields exceed the factored "T" Yields; therefore, they are considered reasonable.

3D Figures 7 and 8 are Master Yield APH Summary Forms, one for each Map Area. These forms are completed the same as the instructions [outlined in Sec. 9], except they contain the total acreage and production of the crop for each Map Area for the operator/tenant entity requesting the Master Yield.

The insured has filed production reports for each optional unit for at least the most recent policy crop year (on planted units) in the base period and therefore qualifies for optional units.

Figure 7: Master Yield Summary, Area 1  
Applicable to Units 00100, 00201, and 00202

15. CY.	16. TP.	17. ACRES	18. YIELD
19XX	42,200	100.0	A422
19XX	40,000	100.0	A400
19XX	43,000	100.0	A430
19XX	35,200	80.0	A440
			19. 1692
20(A) PLEM. Yield 423		21. Approved APH Yield	

Figure 8, Master Yield Summary, Area 2  
Applicable to Units 00301-00303

15.CY.	16.TP.	17.ACRES	18.YIELD
19XX			C350
19XX			C350
19XX	20,250	50.0	A405
19XX		0.0	Z
19XX		0.0	Z
19XX	48,200	120.0	A402
			19. 1507
20(A) PLEM. Yield 377		21. Approved APH Yield	

The forms are forwarded to the verifier who approves the initial Master Yield. A separate Master Yield Summary is required for each "T" yield map area for each practice, type, or variety (requiring separate APH yields) requested.

IDY's are required for the Area 2 Master Yield. Since the approved yield for the reference Master Yield (Area 1) exceeds the area 1 "T" Yield (400), the 100 percent "T" Yield is the IDY for the area 2 Master Yield

Each preliminary Master Yield must be compared to the applicable "T" Yield for the Map Area multiplied by the applicable Master Yield verification factor (Map Area 1 [400 x 1.20 = 480] Map Area 2 [350 x 1.20 = 420]). Neither of the preliminary Master Yields exceed the factored "T" Yields; therefore, they are considered reasonable and approved.

←NACAT)

**LIMITED RESOURCE FARMER WAIVER  
REQUEST TO WAIVE ADMINISTRATIVE FEES  
FOR CATASTROPHIC AND/OR LIMITED COVERAGE**

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

COUNTY: \_\_\_\_\_

Social Security Or Tax I.D.: \_\_\_\_\_

I request that the administrative fee be waived for Catastrophic Risk Protection or Limited Coverage for the \_\_\_\_\_ crop year.

I certify that I am a producer on, or operator of, a small or family farm and either:

\_\_\_\_\_ I have an annual gross income of less than \$20,000 derived from all sources of revenue for each of the prior two years, or

\_\_\_\_\_ as a producer on a farm, or farms, consisting of less than 25 acres aggregated for all crops, I derive a majority of my gross income from my farming operation; and that my gross farming income does not exceed \$20,000.

If requested, I agree to provide records of income and acreage needed to document my qualification as a limited resource farmer.

Producer Signature:

Request Approved by:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Approving Official

Date

1 COMPLETION OF THE APH FORM

1A Example 1

In this example a carryover insured who had planted acres failed to provide the prior year's production reports. An assigned yield (.75 x 103) is used for the previous crop year.

1 PRODUCERS NAME AND ADDRESS  I. M. INSURED R.R. 1 ANY ADDRESS  PHONE NO: XXX-XXX-XXXX      SSN/TAX NO: XXX-XX-XXXX		2 REQUIRED FIELD REVIEW REQUIRED INSPECTION  3 STATE: YOUR STATE  COUNTY: YOUR COUNTY  POLICY NO: XX-XXX-XXXX		4 AGENT NAME/ADDRESS I.M. AGENT R.R. 1 ANY ADDRESS  PHONE NO:      AGENT CODE:XXXXXX XXX-XXX-XXXX			
				5 COMPANY NAME/ADDRESS ANY COMPANY ANY ADDRESS			
6 CROP 0041 (CORN)  PRACTICE 003 (NI)  TYPE 029 (GR)  UNIT NO. XXXXX	7 SECTION X  TOWNSHIP X  RANGE X  LAND OTHER COUNTY YES NOX			15 CROP YEAR 19XX 19XX 19XX	16 TOTAL PRODUCTION  19XX 19XX 19XX	17 ACRES  19XX 19XX 19XX	18 YIELD  19XX 19XX 19XX
8 OTHER ENTITY (IES)  NONE		12 FSA FARM NO. XXXX  19XX 19XX		19XX 19XX 19XX 19XX	11,500.0 13,200.0	100.0 120.0	A115 A110
9 RECORD TYPE:      CROP YEAR: 19XX  PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT  LIVESTOCK FEEDING RECORDED      APPRAISAL  FSA LOAN RECORD      OTHER NUMBER OF TREES OR VINES		13 RMA YIELD:  109		19XX 19XX 19XX	105.5 111.0 100.0	P82 P82 P77	19 TOTAL 466
10 PROCESSOR NUMBER/NAME		11 OTHER		14 TRANSITIONAL YIELD: 80	20 (A) PRELIMINARY YIELD 93  20 (B) PRIOR YIELD 103		21 APPROVED APH YIELD 93 (For Verifier use only)

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S), AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

INSURED'S SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_



1C **Example 3**

- C(1) **Established Database.** In this example, the producer, a carryover insured, had a previously established database. The information on file was printed by the verifier onto the APH form and was provided (through the agent/representative) to the insured.
- C(2) **Prior Year's Production.** The insured then filled in the prior year's production and record type (item 9.).
- C(3) **Preliminary Yield.** The agent/representative then calculated a preliminary yield and forwarded the APH form to the verifier.
- C(4) **Approved Yield.** The verifier reviews the information certified by the insured and approves the APH yield.

1 PRODUCERS NAME AND ADDRESS  I. M. INSURED R.R. 1 ANY ADDRESS  PHONE NO: XXX-XXX-XXXX    SSN/TAX NO: XXX-XX-XXXX		2 REQUIRED FIELD REVIEW REQUIRED INSPECTION  3. STATE: YOUR STATE COUNTY: YOUR COUNTY  POLICY NO: XX-XXX-XXXX		4 AGENT NAME/ADDRESS I.M. AGENT R.R. 1 ANY ADDRESS  PHONE NO:XXX-XXX-XXXX    AGENT CODE:XXXXXX  5.COMPANY NAME/ADDRESS ANY COMPANY ANY ADDRESS			
6 CROP 0011 (WHEAT)	7 SECTION X  TWNSHP X  RANGE X  LAND OTHER COUNTY YES    NOX	15 CROP YEAR 19XX  19XX  19XX	16 TOTAL PRODUCTION  19XX  19XX  19XX	17 ACRES  19XX  19XX  19XX	18 YIELD  19XX  19XX  19XX		
8 OTHER ENTITY (IES)  NONE		12 FSN XXXX  13 RMA YIELD: 43		19XX  19XX  19XX  19XX  19XX  19XX	2,800.0  5,850.0  5,160.0  8,800.0  2,970.0  2,940.0	100.0  150.0  120.0  220.5  110.0  105.0	A28  A39  A43  A40  A27  A28
9 RECORD TYPE:  CROP YEAR: 19XX  PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED    APPRAISAL FSA LOAN RECORD    OTHER NUMBER OF TREES OR VINES		10 PROCESSOR NUMBER/NAME  11 OTHER		14 TRANSITIONAL YIELD: 35  20 (A) PRELIMINARY YIELD 34  20 (B) PRIOR YIELD 33		19 TOTAL 205	21 APPROVED APH YIELD 34 (For Verifier use only)

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S), AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

INSURED'S SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_

1D **Example 4**

In this example, the producer is a new insured and has acreage and production evidence only for the prior crop year. The insured and the agent/representative complete the APH form as follows:

- D(1) **Initial Database.** The insured completes the production report [as outlined in Sec. 9]. The agent/representative assists as necessary.
- D(2) **Preliminary yield.** The agent/representative computes the preliminary yield and forwards the APH form to the verifier.
- D(3) **Approved Yield.** The verifier, after approving the APH yield, returns the yield report to the insured (through the agent/representative). The yield report will probably be computer generated and it must contain the approved APH yield (item 21).

1 PRODUCERS NAME AND ADDRESS  I. M. INSURED R.R. 1 ANY ADDRESS  PHONE NO: XXX-XXX-XXXX    SSN/TAX NO: XXX-XX-XXXX		2 REQUIRED FIELD REVIEW REQUIRED INSPECTION  3. STATE: YOUR STATE COUNTY: YOUR COUNTY  POLICY NO: XXX-XXX-XXXX		4 AGENT NAME/ADDRESS I.M. AGENT R.R. 1 ANY ADDRESS  PHONE NO:XXX-XXX-XXXX    AGENT CODE:XXXXXX				
				5. COMPANY NAME/ADDRESS ANY COMPANY ANY ADDRESS				
6 CROP 0081 (SOYBEANS)  PRACTICE 003 (NI)  TYPE  UNIT NO. XXXXX	7 SECTION X  TOWNSHIP X  RANGE X  LAND OTHER COUNTY    YES    NOX			15 CROP YEAR 19XX  19XX  19XX	16 TOTAL PRODUCTION	17 ACRES	18 YIELD	
8 OTHER ENTITY (IES)  NONE		12 FSA FARM NO. XXXX		19XX  19XX  19XX  19XX				
9 RECORD TYPE:            CROP YEAR: 19XX  PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED    APPRAISAL FSA LOAN RECORD                    OTHER NUMBER OF TREES OR VINES		13 RMA YIELD:  109		19XX  19XX  19XX  19XX	2,976.0	95.0	E17  E17  E17  A31	
10 PROCESSOR NUMBER/NAME		11 OTHER		14 TRANSITIONAL YIELD: 21		20 (A) PRELIMINARY YIELD 21  20 (B) PRIOR YIELD N/A		19 TOTAL 82
				21 APPROVED APH YIELD 21 (For Verifier use only)				

I CERTIFY THAT THE INFORMATION I HAVE FURNISHED AS REFLECTED ON THIS FORM IS COMPLETE AND ACCURATE FOR THE COMMODITY(IES), UNIT(S), AND YEAR(S) SHOWN. I UNDERSTAND THIS FORM MAY BE REVIEWED OR AUDITED AND THAT INFORMATION INACCURATELY REPORTED OR FAILURE TO RETAIN RECORDS TO SUPPORT INFORMATION ON THIS FORM, MAY RESULT IN A RECOMPUTATION OF THE APPROVED APH YIELD. I ALSO UNDERSTAND THAT FAILURE TO REPORT COMPLETELY AND ACCURATELY MAY RESULT IN VOIDANCE OF MY CROP INSURANCE CONTRACT AND MAY RESULT IN CRIMINAL OR CIVIL FALSE CLAIMS PENALTIES (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

INSURED'S SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_

1E **Example 5**

FCI-19A(APH) GC  
(PERENNIAL CROPS)

19XX ALMONDS (0028)  
PRODUCTION AND YIELD REPORT

NAME : I AM INSURED		ANY TOWN 99	
ADDRESS: R.R. 1		ANY STATE 999	
TOWN, STATE ZIP		CONTRACT NO:	
PHONE: (XXX) XXX-XXXX		XX-XXX-XXXX	
		SSN/TAX NO.:	
		XXXXXXXXXXXX	
SERVICE OFFICE: C. I. AGENT		AGENT CODE: XXXXXXXX	
ADDRESS: 101 N. MAIN ST.			
TOWN, STATE ZIP			
COMPANY: YOUR AGENCY, INC		COMPANY CODE: XXXXXX	
UNIT NO. 00100		FSA FSN: XXXXXX	
LEGAL DESCRIPTION: 10 T4N R6E			
OTHER ENTITY: NONE			
PROCESSOR NUMBER/NAME: ALMONDS			
PRACTICE: IRRIGATED		BEARING TREES/VINES: 0	
TYPE: YEAR PLANTED: 1980			
VARIETY:			
CROP YR.	TOTAL PROD.	PLANTED ACRES	AVERAGE YIELD PER ACRE
19XX	92,500	50.5	A1832
19XX	95,000	50.5	A1881
19XX	97,500	50.5	A1931
19XX	100,000	50.5	A1980
19XX	103,125	60.0	A1719
19XX	97,900	60.0	A1632
SUB TOT.			10975
19XX	86,250	60.0	A1438
AREA:	TOTAL OF AVE. YIELD		12413
TRANSITIONAL YIELD:	PRIOR YIELD. 1830		
AVE. YIELD = TOTAL OF AVG.YLDS ÷ # OF YRS			APPROVED APH YIELD 1773 (For Verifier use only)
PRELIMINARY YIELD: 1773			

In this example, I Am Insured had a previous almond database and has certified the prior crop year's production. The verifier updated I Am Insured's database and the average yield of 1773 for the current crop year.

1F **Example 6**

FCI-19A(APH) HC  
 (GREEN PEA)  
 19XX GREEN PEAS (0064)  
 PRODUCTION AND YIELD REPORT

NAME: I AM INSURED		ANY AGENT 99				
ADDRESS: RR # 1		ANY COMPANY 999				
TOWN, ST. ZIP		CONTRACT: XX-XXX-XXXXX				
PHONE: (XXX)-XXX-XXXX		SSN/TAX NO.: XXX-XX-XXXX				
SERVICE OFFICE: C. I. AGENT		AGENT CODE :XXXXXXX				
ADDRESS: 101 N. MAIN ST.						
TOWN, ST. ZIP						
COMPANY: YOUR AGENCY INC.		COMPANY CODE: XXXXX				
UNIT NO.: 00100		FSA FSN :				
LEGAL DESCRIPTION: 01 T105N R2W						
OTHER ENTITY: NONE						
PROCESSOR NUMBER/NAME: GREEN PEA						
PRACTICE: 002						
TYPE:						
CROP YEAR	DOLLARS RCD. FOR CROP	CONTRACT PRICE	ADJUSTED PROD.	DRY PEAS ÷ .6	PLANTED ACRES	AVG. LBS PER ACRE
19XX	4,783.80	.05950	80,400		30.0	A2680
19XX	2,565.00	.06000	42,750		15.0	A2850
19XX	4,559.75	.06100	74,750		25.0	A2990
19XX	4,875.00	.06250	78,000		30.0	A2600
19XX	2,929.50	.06300	46,500		15.0	A3100
19XX	7,010.29	.07105	98,667	17,133	40.5	A2859
19XX	5,859.97	.07145	82,001		25.2	A3254
19XX	7,686.00	.07000	109,800		30.0	A3660
19XX	4,623.00	.06900	67,000		20.0	A3350
19XX	2,930.00	.05860	50,000		20.0	A2500
SUBTOT						29,843
AREA: TOTAL OF AVERAGE YIELDS						29,843
TRANSITIONAL YIELD: 0 PRIOR YIELD:						
AVERAGE YIELD = TOTAL OF AVERAGE YIELDS ÷ NO. OF YEARS						2984
PRELIMINARY YIELD: 2984						

In this example, I Am Insured certified 10 years of records which included the contract price. The total production was determined by dividing the dollars received by the contract price for the TR or Sieve number shown on the actuarial table for the type of green peas on the unit. For the Dry Peas column, Dry pea production harvested from green pea acreage was added to the green pea production.

1G Example 7

FCI-19A(APH) (POTATO)

19XX POTATOES (0084)  
PRODUCTION AND YIELD REPORT

NAME: I AM INSURED		ANY AGENT 99					
ADDRESS: RR # 1		ANY COMPANY 999					
TOWN, ST. ZIP		CONTRACT: XX-XXX-XXXXX					
PHONE: (XXX)-XXX-XXXX		SSN/TAX NO.: XXX-XX-XXXX					
SERVICE OFFICE: C. I. AGENT		AGENT CODE :XXXXXXX					
ADDRESS: 101 N. MAIN ST.							
TOWN, ST. ZIP							
COMPANY: YOUR COMPANY INC.		COMPANY CODE: XXXXX					
UNIT NO.: 00100		FSA FSN :					
LEGAL DESCRIPTION: 08 T3N R35E							
OTHER ENTITY: NONE							
PROCESSOR NUMBER/NAME: PEELS							
PRACTICE: IRRIGATED (002)							
TYPE: GROUP A (161)							
CROP YEAR	TOTAL PROD	PLANTED ACRE	AVERAGE CWT	FRESH 1'S	FRESH 1&2'S	PROCESS 1'S	PROCESS 1&2'S
19XX	3890	10.0	A389				
19XX	8120	20.0	A406				
19XX	8340	20.0	A417				
19XX	7260	20.0	A363				
19XX	7360	20.0	A368				
19XX	5187	18.0	A288	DP-50	DP-60	DP-50	DP-85
19XX	5390	18.0	A299	DP-50	DP-60	DP-50	DP-85
19XX	6306	20.0	A315	DP-50	DP-60	DP-50	DP-85
SUBTOT			2845	0	0	0	0
19XX	4761	20	A238	DP-50	DP-60	DP-50	AP-92
TOTAL AVG. YLDS		3083	TOT%				
AVG. YLD.			AVG%				
PR. YLD.		356	PR.%	50	60	50	AP-87

PRELIMINARY YIELD 343, APPROVED YIELD 343, TRANSITIONAL YIELD 320, AREA: 1

In this example, I Am Insured certified the prior year's production. He had 20.0 acres of potatoes that made 4761 CWT 238 CWT per acre. The verifier updated I Am Insured's database. I Am Insured has an approved yield of 342 CWT at the applicable percentage factor for the current crop year.

DP = Default Percentage from Actuarial Document. Not applicable to CAT.

1H **Example 8**

FCI-19A(APH) FC  
ANNUAL CROPS)

19XX SWEET CORN (0042)  
PRODUCTION AND YIELD REPORT

NAME: I Am Insured		ANY AGENT	99
ADDRESS: RR # 1		ANY COMPANY	999
TOWN, ST. ZIP		CONTRACT: XX-XXX-XXXXX	
PHONE: (XXX)-XXX-XXXX		SSN/TAX NO.: XXX-XX-XXXX	
SERVICE OFFICE: C. I. AGENT		AGENT CODE :XXXXXXX	
ADDRESS: 101 N. MAIN ST.			
TOWN, ST. ZIP			
COMPANY: Your AGENCY INC.		COMPANY CODE: XXXXX	
UNIT NO. - 00100		FSA FSN :	
LEGAL DESCRIPTION: 08 T4N R7W			
OTHER ENTITY: NONE			
PROCESSOR NUMBER/NAME: GIANT			
PRACTICE: NON-IRRIGATED (003)			
TYPE: OTHER, GOLDEN (082)			
CROP YEAR	TOTAL PRODUCTION	PLANTED ACRES	AVERAGE YIELD PER ACRE
19XX	336.0	50.5	A6.7
19XX	122.5	60.5	A2.0
19XX	219.0	35.1	A6.2
19XX	232.6	40.1	A5.8
19XX	172.5	26.7	A6.5
19XX	255.0	36.0	A7.1
19XX	179.6	40.6	A4.4
19XX	200.7	51.5	A3.9
19XX	250.6	48.6	A5.2
SUB TOTAL			47.8
19XX	200.0	25.0	A8.0
AREA:	TOTAL OF AVERAGE YIELDS:		55.8
TRANSITIONAL YIELD: 0	APPROVED YIELD:		5.6

PRELIMINARY YIELD: 5.6  
 PRIOR YIELD: 5.3  
 AVERAGE YIELD = TOTAL OF AVERAGE YIELDS ÷ NO. OF YEARS

In this example, I Am Insured had a prior average yield of 5.6 tons per acre. I Am Insured certified the prior year's production and the verifier updated the database showing an approved yield of 5.6 tons per acre for the current crop year.

11 **Example 9**

FCI-19A(APH) FC  
(ANNUAL CROPS)

19XX SUGAR BEETS (0039)  
PRODUCTION AND YIELD REPORT

NAME: I AM INSURED		ANY AGENT	99
ADDRESS: RR # 1		ANY COMPANY	999
TOWN, ST. ZIP		CONTRACT: XX-XXX-XXXXX	
PHONE: (XXX)-XXX-XXXX		SSN/TAX NO.: XXX-XX-XXXX	
SERVICE OFFICE:	C. I. AGENT	AGENT CODE :XXXXXXX	
ADDRESS:	101 N. MAIN ST.		
	TOWN, ST. ZIP		
COMPANY:	YOUR COMPANY	COMPANY CODE: XXXXX	
UNIT NO.: 00100		FSA FSN:	
LEGAL DESCRIPTION:			
OTHER ENTITY: NONE			
PROCESSOR NUMBER/NAME: WHITE SUGAR			
PRACTICE: IRRIGATED (002)			
TYPE:			
CROP YEAR	TOTAL PRODUCTION	PLANTED ACRES	AVERAGE YIELD PER ACRE
19XX	13,409.5	432.5	A31.0
19XX	15,022.8	508.9	A29.5
19XX	5,808.5	219.6	A26.5
19XX	8,840.9	409.9	A21.6
19XX	17,500.1	645.2	A27.1
19XX	19,974.7	816.2	A24.5
SUB TOTAL			160.2
19XX	17,654.0	630.5	A28.0
AREA:	TOTAL OF AVERAGE YIELDS		188.2
TRANSITIONAL YIELD: 0	APPROVED YIELD:		26.9

PRELIMINARY YIELD 26.9  
 PRIOR YIELD 26.7  
 AVERAGE YIELD=TOTAL OF AVERAGE YIELDS ÷ NO. OF YEARS

In this example I Am Insured had a prior average yield of 26.7 ton per acre. I Am Insured certified the most recent crop year's production and the verifier updated the database showing an approved yield of 26.9 tons per acre.

1      RESERVED

1      RESERVED

(NACAT → AT LEAST 60 OR MORE DAYS PRIOR TO SALES CLOSING DATE)

OMB NO. 0563-0042

FCI-5  
(Rev. 1-96)

U. S. DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation  
**REQUEST FOR ACTUARIAL CHANGE**

(Please Type or Print Legibly)

Agency or Service Office Name and Address	Company Name and Address (if applicable)

Agent Code:	Company Code:
Phone:	Phone:

1. Producer name and address as shown on the application (where two or more entities insure the same land a request must be completed for each contract)	2. State _____ County _____
	3. Contract number: _____
	4. Social Security No./Tax Id. No.: _____
	5. Producer is: _____
(Town) _____ (State) _____ (Zip Code) _____	Landlord <input type="checkbox"/> Operator <input type="checkbox"/> Owner/Operator <input type="checkbox"/>

6. Provide the following information for the land on which the actuarial change is requested

DESCRIPTION OF FARM				NAME OF CROP	WHOLE ACRES	PRAC-TICE	TYPE, CLASS VARI-ETY	CUR-RENT AREA NO.	INSURED SHARE	NAME OF OTHER PERSON(S) SHARING IN CROP (Print)
SECTION (To the nearest 1/4 Section)	TWP	RANGE	FSA FARM NUMBER							

7. Actuarial change which is requested (Be specific - identify classification area and provide reasons which support this actuarial change)

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8. Land identified in item 6:

- a) Has been in crop production for \_\_\_\_ years
- b) Has been operated \_\_\_\_ years by the present operator
- c) Comprises an entire \_\_\_\_ yes  no

If no, what other land is included in the unit (section, township, range and/or farm location).

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9. Any other pertinent information

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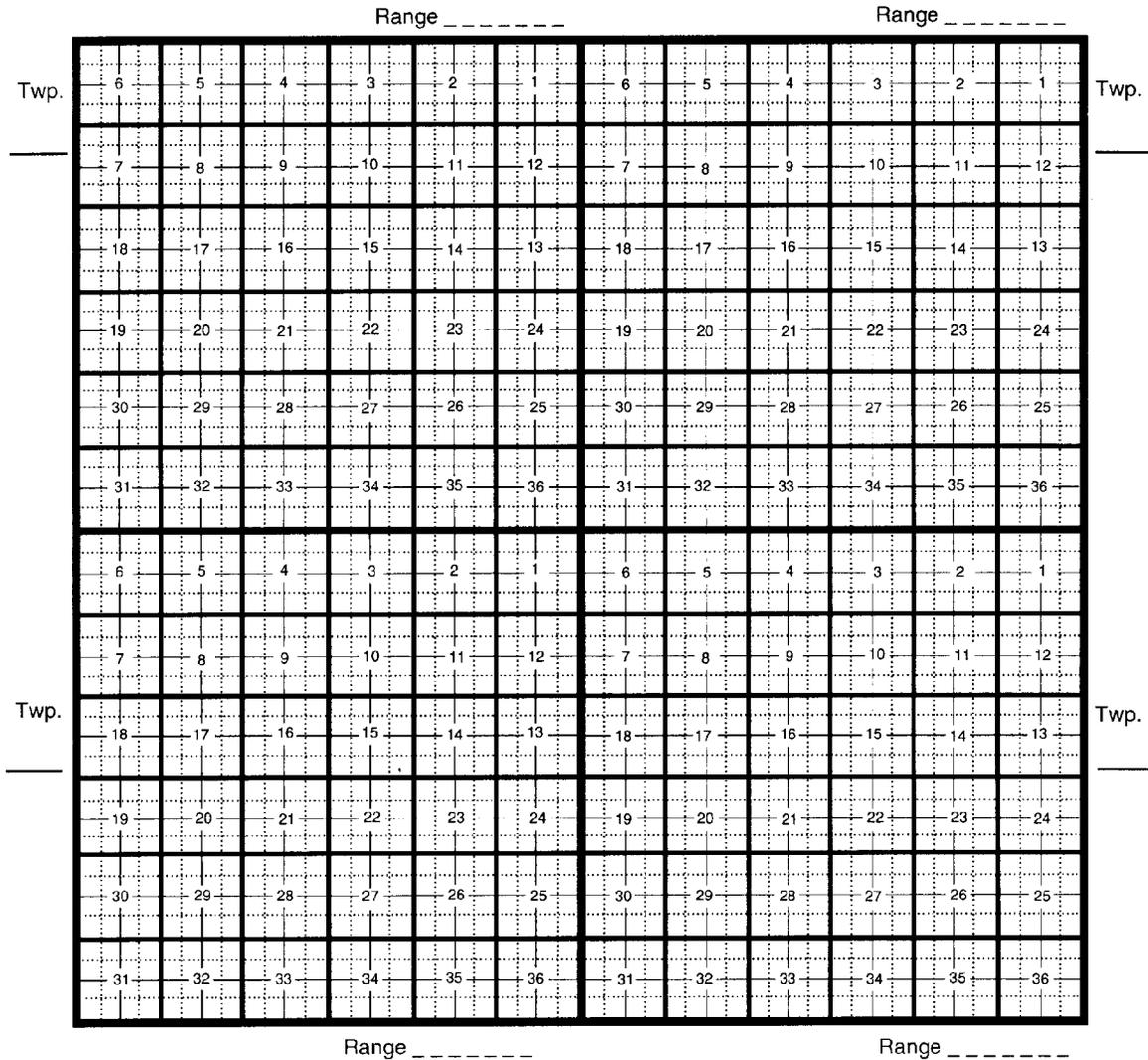


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CONTINUED ON REVERSE SIDE

FCI-5 (Reverse Side)(Rev. 1-96)

10. Use the grid map below to plot the location of all land in the county farmed by the producer (specify to the nearest quarter section). FSA or comparable aerial photos should be submitted if field boundaries can not be drawn on grid map with reasonable accuracy.



I hereby certify that to the best of my knowledge and belief the information contained herein for the designated crop(s) on the above identified farm(s) is		I have reviewed the above information and to the best of my knowledge and belief it represents accurate information.		I recommend that the requested actuarial change be approved.	
Signature of Producer	Date	Signature of Agent	Date	Signature of Company	Date

See Reverse for Collection Of Information And Data (Privacy Act) ←NACAT

**(NACAT → LESS THAN 60 DAYS PRIOR TO SALES CLOSING DATE)**

OMB NO. 0563-0042

**FCI-5-B**  
(4-97)

**U. S. DEPARTMENT OF AGRICULTURE**  
Federal Crop Insurance Corporation  
**REQUEST FOR ACTUARIAL CHANGE**  
**60 DAYS OR MORE AFTER SALES CLOSING DATE**

(Please Type or Print Legibly)

Agency or Service Office Name and Address	Company Name and Address (if applicable)
Agent Code:	Company Code:
Phone:	Phone:

1. Producer name and address as shown on the application (where two or more entities insure the same land a request must be completed for each contract)	2. State _____ County _____
	3. Contract number: _____
	4. Social Security No./Tax Id. No.: _____
	5. Producer is: _____
(Town) _____ (State) _____ (Zip Code) _____	Landlord <input type="checkbox"/> Operator <input type="checkbox"/> Owner/Operator <input type="checkbox"/>

**6. Provide the following information for the land on which the actuarial change is requested**

DESCRIPTION OF FARM				NAME OF CROP	WHOLE ACRES	PRAC-TICE	TYPE, CLASS VARI-ETY	CUR-RENT AREA NO.	INSURED SHARE	NAME OF OTHER PERSON(S) SHARING IN CROP (Print)
SECTION (To the nearest 1/4 Section)	TWP	RANGE	FSA FARM NUMBER							

7. Actuarial change which is requested (Be specific - identify classification area and provide reasons which support this actuarial change).

I have read and understand the following:

- a) If this request is for the purpose of establishing a rate or coverage different from that available from the Actuarial Table, or initially establishing rates and coverage not available from the Actuarial Table, I agree to accept the rates and coverage assigned on the written agreement as of the date of this request, if they are within 5 percent of the rates and coverage I requested and as contained on this form.
- b) If the rate and coverage provided on the written agreement are different from those contained in this request (by more than 5 percent), or if I did not specify the terms to which I would agree, I will have the option of accepting the rate and coverage provided by the written agreement or those provided by the Actuarial Table, if available.
- c) If this request is denied, the written agreement is not approved, or I do not accept the written agreement under (b above) by the expiration date specified in the written agreement, I agree that I must accept the rate and coverage from the Actuarial Table, if available. If this request is to initially establish a rate and coverage not otherwise available from the Actuarial Table, I agree that such insurance coverage will not be provided should this request be denied or the written agreement is not approved or accepted by the expiration date.
- d) I agree that any option to cancel or change my crop insurance policy for the current crop year based on FCIC determinations described in (b) or c) above) may be exercised in accordance with the policy by the cancellation date.
- e) I agree that the preceding statements will apply to any determinations made by FCIC as the result of a request for reconsideration, mediation or an appeal relate to this request for a written agreement.

8. Land identified in item 6:

- a) Has been in crop production for \_\_\_\_\_ years
- b) Has been operated \_\_\_\_\_ years by the present operator
- c) Comprises an entire unit?    yes     no   
If no, what other land is included in the unit (section, township, range and/or farm location)?

d) Has the crop been planted?    yes     no

9. Any other pertinent information?

Note: Initial Written Agreements requested after the sales closing date require a Crop Inspection at the time the offer is made to the insured if the crop is planted.

CONTINUED ON REVERSE SIDE

FCI-5 (Reverse Side)(Rev. 1-96)

10. Use the grid map below to plot the location of all land in the county farmed by the producer (specify to the nearest quarter section). FSA or comparable aerial photos should be submitted if field boundaries can not be drawn on grid map with reasonable accuracy.

Range \_\_\_\_\_ Range \_\_\_\_\_

Twp.		6	5	4	3	2	1		6	5	4	3	2	1	Twp.
		7	8	9	10	11	12		7	8	9	10	11	12	
		18	17	16	15	14	13		18	17	16	15	14	13	
		19	20	21	22	23	24		19	20	21	22	23	24	
		30	29	28	27	26	25		30	29	28	27	26	25	
		31	32	33	34	35	36		31	32	33	34	35	36	
		6	5	4	3	2	1		6	5	4	3	2	1	
		7	8	9	10	11	12		7	8	9	10	11	12	
		18	17	16	15	14	13		18	17	16	15	14	13	
		19	20	21	22	23	24		19	20	21	22	23	24	
		30	29	28	27	26	25		30	29	28	27	26	25	
		31	32	33	34	35	36		31	32	33	34	35	36	
		6	5	4	3	2	1		6	5	4	3	2	1	
		7	8	9	10	11	12		7	8	9	10	11	12	
		18	17	16	15	14	13		18	17	16	15	14	13	
		19	20	21	22	23	24		19	20	21	22	23	24	
		30	29	28	27	26	25		30	29	28	27	26	25	
		31	32	33	34	35	36		31	32	33	34	35	36	
		6	5	4	3	2	1		6	5	4	3	2	1	
		7	8	9	10	11	12		7	8	9	10	11	12	
		18	17	16	15	14	13		18	17	16	15	14	13	
		19	20	21	22	23	24		19	20	21	22	23	24	
		30	29	28	27	26	25		30	29	28	27	26	25	
		31	32	33	34	35	36		31	32	33	34	35	36	
		6	5	4	3	2	1		6	5	4	3	2	1	
		7	8	9	10	11	12		7	8	9	10	11	12	
		18	17	16	15	14	13		18	17	16	15	14	13	
		19	20	21	22	23	24		19	20	21	22	23	24	
		30	29	28	27	26	25		30	29	28	27	26	25	
		31	32	33	34	35	36		31	32	33	34	35	36	
		6	5	4	3	2	1		6	5	4	3	2	1	
		7	8	9	10	11	12		7	8	9	10	11	12	
		18	17	16	15	14	13		18	17	16	15	14	13	
		19	20	21	22	23	24		19	20	21	22	23	24	
		30	29	28	27	26	25		30	29	28	27	26	25	
		31	32	33	34	35	36		31	32	33	34	35	36	

Range \_\_\_\_\_ Range \_\_\_\_\_

I hereby certify that to the best of my knowledge and belief the information contained herein for the designated crop(s) on the above identified farm(s) is accurate and correct.		I have reviewed the above information and to the best of my knowledge and belief it represents accurate information.		I recommend that the requested actuarial change be approved.	
Signature of Producer	Date	Signature of Agent	Date	Signature of Company Representative	

**COLLECTION OF INFORMATION AND DATA (PRIVACY ACT)**

To the extent that the information requested herein relates to the information supplier's individual capacity as opposed to the supplier's entrepreneurial (business) capacity, the following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a). The authority for requesting information to be furnished on this form is the Federal Crop Insurance Act, as amended, (7 U.S.C. 1501 et seq.) and the Federal Crop Insurance Regulations contained in 7 CFR Chapter IV.

Collection of the Social Security Account Number (SSN) or the Employer Identification Number (EIN) is authorized by section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506), and is required as a condition of eligibility for participation in the Federal crop insurance program. The primary use of the SSN or EIN is to correctly identify you, and any other person with an interest in your operation of 10 percent or more, as a policyholder within the systems maintained by the Federal Crop Insurance Corporation (FCIC). Furnishing the SSN/EIN is voluntary; however, failure to furnish that number will result in you being denied program participation and benefits.

The balance of the information requested is necessary for the insurance company and FCIC to process this form to provide insurance, provide reinsurance, determine eligibility, determine the correct parties to the agreement, determine and collect premiums or other monetary amounts (or fees), and pay benefits. The information furnished on this form will be used by Federal agencies, FCIC employees, insurance companies, and contractors who require such information in the performance of their duties. The information may be furnished to: FCIC contract agencies; employees and loss adjusters; reinsured companies; other agencies within the United States Department of Agriculture; the Internal Revenue Service; the Department of Justice, or other Federal or State law enforcement agencies; credit reporting agencies and collection agencies; other Federal agencies as requested in computer matching programs; and in response to judicial orders in the course of litigation. Furnishing the information required by this form is voluntary; however, failure to report the correct, complete information requested may result in rejection of this form; rejection of any claim for indemnity, replanting payment, or other benefit; ineligibility for insurance; and a unilateral determination of any monetary amounts due.

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In accordance with the Paperwork Reduction Act, public reporting burden for the collection of information is estimated to average 60 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate, or any other aspect of this collection information, including suggestions for reducing this burden to the Department of Agriculture, Clearance Officer, OIRM, AG Box 7630, Washington, D.C. 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0563-0042), Washington, D.C. 20503.

←NACAT)

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<p>William Murphy, Director                      1303 "J" Street, Suite 450                      Sacramento, California 95814                      (916) 498-5315 (7:30 - 4:00 P)                      FAX: (916) 498-5280</p>	<p>Arizona                      California                      Hawaii                      Nevada                      Utah</p>
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1 RESERVED

**PREPARATION OF FORM FCI-74, FIELD INSPECTION AND  
CLAIM FOR INDEMNITY, FOR DETERMINATION OF  
ACREAGE AND PRODUCTION FOR APH**

When an insured qualifies for an appraisal [as outlined in Sec. 7 Par. D, an FCI-74] will be completed by a loss adjustment contractor to determine acreage and production if a Claim for Indemnity is NOT or WILL NOT be filed. Insurance Providers may use a production worksheet and applicable instructions.

MAKE THE FOLLOWING ENTRIES:

ITEM NO.

- 1 Print or type name of insured EXACTLY as shown on the most recent policy confirmation.
- 2 Contract number from the most recent policy confirmation, or enter "applicant" if new insured.
- 3 Unit number from Acreage Report after verified to be correct.
- 4 Name of crop.
- 5 Crop year for which the acreage and production is being determined.
- 6 "X" if insured is Corporation employee, representative, or affiliate.
- 7 Name of Indian landlord when Indian Lessor Agreement is in effect.
- 8-9 Make no entry.
- 10 Legal description or location where insured or representative can be reached.
- 11 Telephone number and area code of insured or representative.
- 12 Other contract number(s), if insured. Otherwise, enter "NONE". Prepare FCI-74 for other contract(s).
- 13-14 Make no entry.
- 15 The field person will enter all other UNITS for the CROP. Inspect and complete an FCI-74 for all units needing immediate inspection. [See Sec. 5, E].

**PART II - ACREAGE APPRAISED, APPRAISED PRODUCTION AND ADJUSTMENTS**

- 16-17 Make no entry.
- 18 If location is different than shown on Acreage Report, enter correct legal description (Township, Range, FSA farm serial number, etc.).
- 19 Make no entry.
- 20 If damaged, enter cause(s) of damage. Otherwise, enter "NONE".

- 21-23 Make no entry.
- 24 Enter APH record.
- 25 Make no entry.

**DETERMINE ACTUAL PLANTED INSURABLE ACREAGE BY ACTUAL MEASUREMENTS.  
PREVIOUS MEASUREMENTS FROM FCIC, FSA OR MPCl.**

- 26 Field identification symbol.
- 27 If any of the acreage in the unit or any production will NOT be determinable at a later date, determine the acreage and production.
- 28 Determined acres to tenths. ACCOUNT FOR ALL ACREAGE IN THE UNIT.
- 29 Make no entry.
- 30 Insured's share in THREE decimal places as determined at the time of inspection.
- 31 Practice (ABBREVIATED EXACTLY AS SHOWN ON ACTUARIAL TABLE) as carried out by the insured. Otherwise, make no entry.
- 32-33 Make no entry.
- 34 Intended use of appraised acreage.
- 35 Appraised potential production. In counties that have a grain and silage guarantee, an appraisal is required for each. In these cases, draw a horizontal line through the center of box 35 and enter the grain appraisal on top of the line and the silage appraisal below the line.
- 36-37 Make no entry.
- 38 For Corn: If a weight method appraisal is made in bushels, enter the shelling percentage (if other than 100) rounded to whole percent. Otherwise, make no entry.
- 39 Percent of moisture to tenths.
- 40 Make no entry.
- 43 Total acres to tenths for the unit.

**PART III - HARVESTED PRODUCTION**

- 44-59      Make no entry.
- 60          Enter the appraised yield per acre and ANY information pertinent to APH.
- 61-67      Make no entry.
- 68          Delete "4th or" before insured signs and dates.
- 69          Delete "4th or" and field person enters code number, signs, and dates.
- 70          Page numbers (Example: Page 2 of 2 pages).
- 71          Make no entry.

DISTRIBUTION:    Original - Insured's File  
                          1st copy - Insured  
                          Destroy remaining copies



**COMBINING  
AND DIVIDING BASIC AND OPTIONAL UNITS**

This exhibit addresses establishment of the APH databases for carryover insureds with valid APH yield history (APH databases containing actual and/or assigned yields) on file when: 1) the basic unit definition for a crop has changed, 2) optional units are combined into basic units, or 3) basic units are divided into optional units. Valid yield history on file includes ANY MPC I Insurance Provider's APH databases.

This procedure is effective for carryover insureds for Category B and C APH crops. It applies by unit and by P/T/V requiring separate APH yields within a unit. Separate databases are also required for each "T" Yield Map Area except for Category C APH crops when weighted average APH yields are calculated for a unit which contains more than one "T" Yield Map Area. Yield limitation provisions do not apply when units are combined or divided. Agents/representatives may combine or divide the previous APH yield history, but the verifier must issue the approved APH yield.

**1 COMBINING APH YIELD HISTORY**

**1A Situations Requiring APH Yield History (APH Databases) to Be Combined**

A(1) **Change in unit definition or arrangement.** Two or more basic units are combined into one basic unit due to a change in unit definition or change in basic unit arrangement.

A(2) **Previously insured on optional unit basis and a production report filed by basic unit.** The insured's previous APH yield history is on an optional unit basis and for the most recent APH crop year the insured files basic unit production reports.

Note: If an insured selects CAT coverage and the previous APH yield history is on an optional unit basis, the verifier MAY continue to maintain separate databases within the basic CAT unit if the insured continue to file production reports on an optional unit basis. For new CAT insureds, verifiers may establish separate databases (corresponding to optional units available to the crop at the limited or additional coverage level) within a basic unit provided the insured files acceptable production reports in that manner. However, it is the Insurance Provider's responsibility to clearly inform the insured of the correct CAT unit structure.

A(3) **Two or more FSNs combined.** The basic unit is by FSA FSN and two or more FSA FSNs are combined (reconstituted) into a FSN by the production reporting date.

1B **(NACAT→Some Situations May Require Combining Optional Units But Not the Yield History**

- B(1) **Production commingled.** Production is commingled between optional units at the time of loss. APH databases must be combined the (policy) crop year following the loss.
- B(2) **Production reported on optional unit basis but insured on a basic unit.** The insured continues to provide production reports on an optional unit basis but wishes to insure on a basic unit basis. The APH Databases may be combined only if the producer request them to be combined (in writing) by the production reporting date.
- B(3) **No production report.** Failure to provide production reports for the most recent APH crop year in the base period.←NACAT)

Situation (2) above, allows for multiple APH yields within a basic unit if separate yields are maintained. Separate line entries are required on the acreage report for each APH yield.

1C **Procedure For Combining APH Databases**

Yield history from all units (separated by P/T/V) being combined which contain actual and/or assigned yields, will be entered in the current (policy) crop year database according to the following procedure. [See Example 1 and Example 2.] The producer combines units after the production reporting date, it is not required to combine the production history. Multiple line entries may be maintained within the unit.

**Step 1** Complete the most recent year (1997 for most crops) in the database by using the current production report(s) filed for the previous (policy) crop year. If acceptable production report(s) are not filed for the previous (policy) crop year, and insurable acreage was planted, use the assigned yield for units (by P/T/V) that were planted. If insurable acreage was planted on more than one unit/P/T/V, use a simple average of the prior approved APH yields for the applicable units (by P/T/V), times .75. For units (by P/T/V) that were not planted, use zero-planted procedures.

**Step 2** Combine the total production (Col. 16 of the APH Form) and actual acres (Col. 17 of the APH Form) for each APH crop year. For APH crop years with assigned yields, multiply the insurable planted acres times the assigned yield to establish the amount of production, and calculate in the same manner as a year with actual yields. Divide the combined production by the combined acres for each APH crop year. Next, enter the combined total production, acres and average yields in the current (policy) crop year's database.

**Step 3** For (policy) crop years in which no acres have been planted on ANY of the units (by P/T/V) being combined, a "Z" is entered if the database contains sufficient space. A production report containing zero acres maintains continuity for production reporting purposes.

**Step 4** Calculate the approved APH yield using the applicable Category B or C current procedure.

2 **DIVIDING APH YIELD HISTORY**

2A **Situations Requiring APH Yield History (Databases) Be Divided**

- A(1) **The basic unit is by FSA FSN** and the FSA FSN is divided (reconstituted) into two or more FSA FSNs by the production reporting date.
- A(2) **(NACAT→The APH yield history is on a basic unit** basis and the insured files acceptable production reports for the most recent APH crop year on an optional unit basis.**←NACAT)**
- A(3) **Additional units.** The APH yield history is on a basic unit basis, the operation changes and additional basic units are required (i.e., a portion of the land which was previously cash-rented is rented for a share of the crop for the current crop year).

2B **Dividing a Basic Unit into Additional Basic Units**

- B(1) **Separate Production Reports.** For the current (policy) crop year (1998), the insured MUST submit acceptable production reports for the most recent APH crop year according to the current year's unit arrangement. [See Example 3.]
- B(2) **Recertifying prior history.** The insured may submit (recertify) production reports for prior APH crop years which were previously reported as one unit. When recertifying, production reports must begin with the most recent APH crop year in the base period and work backward (97, 96, etc.) to maintain continuity. Only continuous recertified production reports will be used to complete the new database and compute the APH yields. [See Example 4.]

**Step 1** Complete the most recent APH crop year (for most crops 1997) in each unit's database using the current production reports filed for the previous (policy) crop year.

For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) crop year, and insurable acreage was planted, use the assigned yield for units (by P/T/V) that were planted. If insurable acreage was planted on more than one unit/P/T/V, use a simple average of the prior approved APH yields for the applicable units (by P/T/V) times .75. For units (by P/T/V) that were not planted, use zero planted procedures.

If additional APH crop years are recertified, update prior APH crop years using the actual production history from each unit (by P/T/V).

**Step 2** For APH crop years not recertified, enter the actual and/or assigned yield from the previous APH crop year's database in the appropriate APH crop years for each unit. Also, enter the insurable planted acres for each APH crop year. Acres may be apportioned by the insured for each unit (by P/T/V). If acres are not apportioned by unit, enter the total acres in each unit.

**Step 3** If less than 4-years of actual and/or assigned yields are available, enter the applicable variable "T" Yield(s) to complete each 4-year database. If different variable "T" Yields are applicable to divided units, enter the appropriate variable "T" Yield for each unit.

**Step 4** Calculate the approved APH yield.

2C **(NACAT→Dividing Basic Unit into Optional Units**

C(1) **Separate production reports.** For the current (policy) crop year (1998), the insured MUST submit acceptable production reports by optional units for the most recent APH crop year in the base period to be eligible for optional units. [See Example 3.]

C(2) **Recertifying prior history.** The insured may submit (recertify) production reports for optional units for prior APH crop years which were previously reported as one unit. When recertifying, production reports must begin with the most recent APH crop year in the base period and work backward (97, 96, etc.) to maintain continuity. Only continuous recertified production reports will be used to complete the new database and compute the APH yields. [See Example 4.]

**Step 1** Complete the most recent year (for most crops' 1996) in each unit's database using the current production reports filed for the previous (policy) crop year. If additional APH crop years are recertified, update prior APH crop years using the actual production history from each unit (by P/T/V).

**Step 2** For APH crop years not recertified, enter the total production, acres, actual and/or assigned yields from the previous APH crop year's database in the appropriate APH crop years for each unit. Also, enter the insurable planted acres for each APH crop year. Acres may be apportioned by the insured for each unit (by P/T/V). If acres are not apportioned by unit, enter the total acres in each unit.

**Step 3** If less than 4-years of actual and/or assigned yields are available, enter the applicable variable "T" yield(s) to complete each 4-year database. If different variable "T" Yields are applicable to divided units, enter the appropriate variable "T" Yield for each unit.

**Step 4** Calculate the approved APH yield. ←NACAT)

2D **Dividing Units Due to A Change in Basic Unit Definition**

D(1) **Submitting production reports.** The insured may submit production report(s) according to the unit definition for the current (policy) crop year (1998 for most crops) or as units were defined the previous (policy) crop year. This procedure applies only the initial (policy) crop year that the basic unit definition was changed. For subsequent crop years, to production history must be submitted according to the applicable unit definition be acceptable.

D(2) **Recertifying prior history.** Insureds may also recertify production reports for prior APH crop years according to the current unit definition. Recertified, production reports must be for continuous APH crop years.

D(3) **If production reports are recertified and/or the current crop year is reported** according to the unit definition for the CURRENT (policy) crop year, follow the instructions in [Par. 2B, Steps 1-4]; however, the assigned yield provisions will not apply if actual acreage and production is submitted for years with assigned yields.

- D(4) **When production reports for the most recent APH crop year** are submitted according to the PREVIOUS unit definition, use the following procedure. [See Example 5];
- (4)(a) Duplicate the yield history (total production, acres, actual/assigned yields) from the previous (policy) crop years' production report(s) to all units that are derived from the prior (policy) crop years' basic unit.
  - (4)(b) Duplicate the yield history (total production, acres, actual/assigned yields) from the prior (policy) crops years' database to all units that are derived from the prior (policy) crop year's basic unit. [See Par. 2B, Step 3 for crop years requiring "T" Yields.]
  - (4)(c) Calculate the approved APH yields according to applicable Category B or C procedure.
- D(5) **Acceptable production report not filed.** If acceptable production report(s) are not filed for the current crop year, enter the assigned yield in all applicable (planted acreage) databases. [Follow the procedure in Par. 2 D (4)(b and c) for the remaining crop years in the databases.]

### **3 Adding LAND TO AN EXISTING UNIT**

When land has been added to a unit. [See Exhibit 36].

### **4 Dividing AND COMBINING APH YIELD HISTORY WITHIN A UNIT**

For a unit composed of cropland from part of a parent farm (unit) and land added from a different farm (unit[s]), use the following procedure.

#### **4A Determine the Production History to Be Retained**

[When part of a unit's production history is retained, follow the instructions in 2B above and determine the production history to be retained for the land involved.]

**4B Land with Yield History Added to the Unit**

The yield history from the divided unit [determined in A above] and the yield history from the land added to unit is combined [using the procedure in 1, C above].

See Examples 1 and 2 (combining) and Examples 3 and 4 (dividing) when splitting and combining databases within the same unit.

**5 RETAINING YIELD HISTORY FOR THE SAME LAND**

To retain yield history when the basic unit or optional unit is from a valid APH form and the same entity and land is involved:

**5A Unit Renumbered Or FSA FSN Reconstituted**

Verify that the same entity and land is involved. If the same entity and land, the actual/assigned yield history is retained. Yield limitation provisions, if applicable, will apply.

**5B Complete the APH Form for The Current Policy Crop Year**

Enter the yield history for all (policy) crop years in the database using current APH rules.



The following example illustrates establishing the current (policy) crop year database (1998) when two units have been combined into a single unit. For the prior APH crop year, unit 00101 contained actual and assigned yields. Unit 00102 was added land the prior year and contained ONLY "T" Yields of 17 bu.

Previous (Policy) Year's Databases (1997)

1997 UNIT 00101 (NI NFAC)			
YEAR	PROD.	ACRES	YIELD
91			
92	2200	55.0	A40
93		0.0	Z19
94		40.5	P15
95	2520	60.0	A42
96	1210	50.0	A20

1997 UNIT 00102 (NI NFAC)			
YEAR	PROD.	ACRES	YIELD
91			
92			
93			L17
94			L17
95			L17
96			L17
Total			68
APH			68/4=17

For the current (policy) crop year (1998, the insured reported 120 acres and 5760 bushels of production (from both locations) on a combined production report for the most recent APH crop year (1997. Acreage and productivity requirements [stated in Exhibit 36] have been met, which allows the database to be combined.

Current (Policy) Year's Combined Database

1998 UNIT 00100 NI NFAC				
Step	YEAR	PROD.	ACRES	YIELD
Step 2	92	2200	55.0	A40
Step 2	93		0.0	Z
Step 2	94		40.5	P15
Step 2	95	2520	60.0	A42
Step 2	96	1210	50.0	A20
<b>Step 1</b>	<b>97</b>	<b>5760</b>	<b>120.0</b>	<b>A48</b>
Step 4			Total	165
			APH	165/5=33

**EXAMPLE 3 DIVIDING UNITS**

**(NACAT→**

In this example, a basic unit is divided into two optional units. The insured filed acceptable production reports for the current (policy) crop year (1997 APH crop year) for units 00101 and 00102.

Previous (Policy) Year  
Basic Unit

1997 UNIT 00100 (SF)			
YEAR	PROD.	ACRES	YIELD
91	8800	200.0	A44
92		0.0	Z
93		100.0	P37
94	10080	210.0	A48
95	8000	200.0	A40
96	4800	240.0	A20

Current (Policy) Year  
Optional Unit - (Sec. 1)

1998 UNIT 00101 (SF)				
YEAR	PROD.	ACRES	YIELD	Step
91	8800	200.0	A44	Step 2
92		0.0	Z	Step 2
93		100.0	P37	Step 2
94	10080	210.0	A48	Step 2
95	8000	200.0	A40	Step 2
96	4800	240.0	A20	Step 2
<b>97</b>	<b>4400</b>	<b>80.0</b>	<b>A55</b>	<b>Step 1</b>
Total			244/6=41	Step 4
APH			41	

Current (Policy) Year's  
Optional Unit (Sec. 2)

1998 UNIT 00102 SF				
Step	YEAR	PROD.	ACRES	YIELD
Step 3	91	8800	200.0	A44
Step 2	92		00	Z
Step 2	93		100.0	P37
Step 2	94	10080	210.0	A48
Step 2	95	8000	200.0	A40
Step 2	96	4800	240.0	A20
<b>Step 1</b>	<b>97</b>		<b>0.0</b>	<b>Z</b>
Step 4	Total		183/5=37	
APH			37	

**EXAMPLE 4 DIVIDING UNITS**

In this example, 1997 APH crop year production reports were submitted for two optional units. The acreage was previously reported as one unit. Acreage previously reported was recertified for two optional units. The RMA "T" Yields are different for the two farms; the "T" Yields are 50 and 45 for units 00101 and 00102 respectively.

Previous (Policy) Year  
Basic Unit (Sec. 10 and 11)

1997 UNIT 00100 (SF)			
YEAR	PROD.	ACRES	YIELD
91	10400	200.0	A52
92		0.0	Z
93		100.0	P36
94	11340	210.0	A54
95	8000	200.0	A40
96	4800	240.0	A20
		Total	202/5=40
		APH	40

Current (Policy) Year  
Optional Unit - (Sec. 10)

1998 UNIT 00101 (SF)				
YEAR	PROD.	ACRES	YIELD	Step
91	4480	80.0	A56	Step 2
92		0.0	Z	Step 2
93	1200	40.0	A30	Step 2
94	5500	100.0	A55	Step 2
95	2880	60.0	A48	Step 2
96	4200	140.0	A30	Step 2
<b>97</b>	<b>4400</b>	<b>80.0</b>	<b>A55</b>	<b>Step 1</b>
		Total	274/6=46	Step 4
		APH	46	

Current (Policy) Year's  
Optional Unit (Sec. 2)

1998 Unit 00102 SF				
Step	YEAR	PROD.	ACRES	YIELD
Step 3	90			
Step 2	91	5920	120.0	A49
Step 2	92		0.0	Z
Step 2	93	2280	60.0	A38
Step 2	94	5840	110.0	A53
Step 2	95	5120	140.0	A37
Step 2	96	600	100.0	A6
<b>Step 1</b>	<b>97</b>		<b>0.0</b>	<b>Z</b>
Step 4			Total	183/5=37
		APH	37	

←NACAT)

**EXAMPLE 5 DIVIDING UNITS  
BASIC UNITS CHANGE**

Previous (Policy) Year  
Basic Unit

1997 UNIT 00100 (NISP)			
YEAR	PROD.	ACRES	YIELD
92			
93		0.0	N270
94		40.5	N270
95	20000	50.0	A400
96	31875	75.0	A425
		Total	1365/4=341
		APH	341

Current (Policy) Year  
Production Report

1998 UNIT 00100 (NISP)			
YEAR	PROD.	ACRES	YIELD
93			
94			T300
95	20000	50.0	A400
96	31875	75.0	A425
97	45400	100.0	A454
		Total	1579/4=395
		APH	395

In this example, the basic unit definition changed and the basic units increased from one unit to two units. The insured filed one policy unit production report. For this example, the yield history is simply duplicated for the additional unit.

Previous (Policy) Year  
Basic Unit

1998 UNIT 00100 (NISP)			
YEAR	PROD.	ACRES	YIELD
93			
94		0.0	T300
95	10000	25.0	A400
96	15938	37.5	A425
97	22700	50.0	A454
		Total	1579/4=395
		APH	395

Current (Policy) Year  
Production Report

1998 UNIT 00200 (NISP)			
YEAR	PROD.	ACRES	YIELD
93			
94			T300
95	10000	25.0	A400
96	15938	37.5	A425
97	22700	50.0	A454
		Total	1579/4=395
		APH	395

**1 PERENNIAL CROP ADDENDUM WORKSHEETS**

Perennial crop addendum worksheets are used to collect field inspection data specific to the crop by providing guidelines and underwriting questions pertinent to the crop being inspected. Separate perennial crop addendum worksheets are provided for the following crops: Apples, Peaches, Pears, Grapes, Cranberries, Blueberries; and a combined form for Almonds, Citrus, Figs, Fresh Plums, Macadamia Nuts, Prunes, Stonefruit and Walnuts.

A sample perennial crop addendum worksheet is provided for each of the above crops. Complete a separate addendum worksheet for insurable and uninsurable acreage. Check item 31 to identify when the worksheet is completed for insurable acreage. Check item 32 when completed for uninsurable acreage. Use uninsurable acreage addendums to identify acreage uninsurable due to policy minimums or limitations (e.g., age, less than a 90% stand for Grapes, required minimum production of Apples has not been met, cranberry bog is being renovated, etc.).

The item numbers and instructions below correspond with the item numbers on the Perennial Crop Addendum Worksheets. The instructions apply to both the insurable acreage and uninsurable acreage addendums. If additional space is needed to answer any item, attach a separate sheet (e.g., a Special Report) and identify each item with the item number of the inspection report. Make the following entries on a block basis.

**General Instructions (insured and uninsured addendum worksheets)**

Enter the applicant/insured's name, applicable policy crop year, unit number and page number(s) as required.

1A APPLES

- (1) Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by type/practice, variety, age, and density, if practical. Contact the RMA RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year trees were set out or the year the block was grafted to the current variety.
- (3) Enter the number of acres to tenths (0.10). The total acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column ( Col. 17 on the FCI-19-A) on the APH form reflects the insured acreage determined in the inspection. Correct the APH form if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (5) Enter the number of trees which make up this block.
- (6) Enter the average tree spacing/pattern observed within the block (example: 18X20).
- (7) Enter the appropriate rootstock designation for each block.
- (8) Enter the appropriate type for each block (e.g., spur vs. non spur).
- (9) Enter the trellis type for each block (e.g., tatura, slender spindle etc).
- (10) Enter the type of frost protection used for each block and the average number of times used. If no frost protection system is in place, enter "None."
- (11) Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as good, fair or poor based on your inspection.
- (12) Enter the average percent slope for each block.
- (13) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 15 "remarks" as needed.
- (14) Describe in detail the budwood/bough vitality and condition. Note differences in individual blocks, if appropriate.
- (15) Note blocks where winter damage has occurred in the past which may affect yields for the current crop year. If damage is noted, explain in detail, noting the month/year and type of freeze damage.
- (16) Attach additional sheets as necessary for remarks.

(Item 31) Insurable

(Item 32) Uninsurable

OMB No. 0563-0053

FCI-12-PAW (Apple)

USDA/FCIC

6-97

PRE-ACCEPTANCE INSPECTION REPORT  
APPLE ADDENDUM WORKSHEET

APPLICANT/INSURED'S NAME:

CROP YEAR:

UNIT NO.:

Block Number 1	Mo. Yr.. Set Out/Grafted 2	Acres 3	Variety/Type 4	Number of Trees 5	Plant Spacing/ Pattern 6	Rootstock 7	Spur/ Non Spur 8	Trellis Type Specify 9	Frost Protection System/Type/ No. Times 10	Air Drainage Good/Fair/ Poor 11	Percent Slope 12	IRR/NI Type 13
TOTALS:												

14 Describe in detail current budwood/bough vitality and condition. Note differences in individual blocks if appropriate.

15 Has winter damage, or damage the previous year, occurred which may affect this year's potential production on any block? If yes, list block(s) and explain in detail.

16 Remarks:

1B PEACHES

- (1) Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice/type, variety, age, and density, if practical. Contact the RMA RSO for additional block considerations. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (3) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage measurement methods. The total acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on the FCI-19-A) on the APH form reflects the insured acreage determined in the inspection. Correct the APH form if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the month/year trees were set out.
- (5) Enter the number of living trees which make up this block.
- (6) Enter the average tree spacing/pattern observed within the block (Example 18X20).
- (7) Enter the average pruning height in feet.
- (8) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 28 "remarks" as needed.
- (9) Enter the total number of dead, missing and  $\leq$  4-year-old trees as the number of skips.
- (10) Enter the average length of the fruiting wood. (<6", 6-12" or 12+").
- (11) Enter the percent of damaged limbs. (<16%, 16-50%, 50%+).
- (12) Describe evidence of disease noted in your review by block and rate as rare, moderate or severe, as appropriate.
- (13) Enter the average tree trunk diameter in inches.
- (14) Describe the application of pruning practices as annual, biennial or other.
- (15) Describe the type of pruning practices conducted by block as hand vs. mechanical.
- (16) Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as good, fair or poor based on your inspection.
- (17) Enter the average percent slope for each block.
- (18) Rate the evidence of insect and wildlife pests by block as light, moderate or severe.
- (19) Rate by block the overall weed control management as good, fair, poor.
- (20) Enter "yes" or "no" for interplanted with another crop. If interplanted with another crop, enter the crop other than Peaches.
- (21) Rate by block the evidence of nematode infestations as: light, moderate or severe.
- (22) List blocks where major (> 10%) interplanting of new peach trees has occurred within existing blocks.
- (23) If frost protection equipment is available, describe the type and amount.
- (24) Note blocks where winter damage has occurred in the past which may affect yields for the current crop year. If damage is noted, explain in detail, noting the month/year of freeze damage.
- (25) Enter soil pH, if known.
- (26) Self explanatory.
- (27) Attach additional sheets as necessary for remarks.

(Item 31) Insurable Acreage

(Item 32) Uninsurable Acreage

OMB No. 0563-0053

FCI-12-PAW (Peach) 6-97 <b>PRE-ACCEPTANCE INSPECTION REPORT</b> <b>PEACH ADDENDUM WORKSHEET</b> Insured Acreage	USDA/FCIC	1. APPLICANT/INSURED'S NAME:	2. CROP YEAR:	3. UNIT NO.:
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							TOTALS
1 Block Number							
2 Variety							
3 Acres							
4 Mo./Yr. Set Out							
5 No. Of Trees							
6 Plant Spacing/Pattern							
7 Average Pruning Height							
8 Irrigated/Nonirrigated Irrigation Type							
9 Percent Stand/No. of Skips							
10 Fruiting Wood 6", 6-12", or 12+ "							
11 % Damage Limbs: 16%, 16-50%, 50%+							
12 Disease: Rare/Moderate/Severe							
13 Average Trunk Diameter							
14 Pruning: Annual/Biennial/Other							
15 Pruning by Block: Hand/Mechanical							
16 Air Drainage: Good/Fair/Poor							
17 Percent Slope							
18 Insect, Wildlife Pests: Light/Moderate/Severe							
19 Weed Control: Good/Fair/Poor							
20 Interplanted With Another Crop (Crop)							
21 Nematode Prevalence: Light/Moderate/Severe							
22 List blocks interplanted for renovation purposes							
23 Frost Protection - System/Type/No. Times							
24 Explain any tree damage that has occurred in the past five years							
25 Was the soil ph above 6.0 on ALL blocks?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>			
26 List blocks which are terraced							
27 REMARKS:							

1C PEARS

- (1) Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice/type, variety, age, and density, if practical. Contact the RMA RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year trees were set out or the year the block was grafted to the current variety.
- (3) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage methods. The total acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on the FCI-19-A) APH form reflects the insured acreage determined in the inspection. Correct the APH form if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (5) Enter the number of trees which make up this block.
- (6) Enter the average tree spacing/pattern observed within the block (example: 10X20).
- (7) Enter the appropriate rootstock designation for each block.
- (8) Enter the trellis type for each block (e.g., tatura, slender spindle, lincoln canopy, etc.).
- (9) Enter the type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
- (10) Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as good, fair or poor based on your inspection.
- (11) Enter the average percent slope for each block.
- (12) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 15 "remarks" as needed.
- (13) Note blocks where winter damage has occurred in the past which may affect yields for the current crop year. If damage is noted, explain in detail, noting the month/year of freeze damage.
- (14) Describe fireblight protection methods used for the unit.
- (15) Attach additional sheets as necessary for remarks.



1D GRAPES/TABLE GRAPES

- (1) Divide the vineyard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice/type, variety, age, and density, if practical. Contact the RMA RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year vines were set out or the year the vineyard was grafted to the current variety. Include season (e.g., spring/fall). Complete in accordance with item \*2 at the bottom of the addendum sheet.
- (3) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage methods. The totaled acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on the FCI-19-A) on the APH form reflects the insured acreage determined during the inspection. Correct the APH form, if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (5) Enter the number of vines planted and the number of bearing vines which make up this block.
- (6) Enter the average vine spacing observed within the block.
- (7) Enter the appropriate rootstock designation in column 7 and indicate the type of Phylloxera resistant rootstock (e.g., susceptible, Axx-1, etc.) in item \*\*7.
- (8) Enter the type and condition of the trellis system. Elaborate in item 15 "remarks" as needed.
- (9) Enter the type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
- (10) Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as good, fair or poor based on your inspection.
- (11) Enter the average percent slope for each block.
- (12) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 15 "remarks" as needed.
- (13) For each block, note any past winter damage which may affect yields for the current crop year. If damage is noted elaborate in \*\*\*13 below, indicating the month/year of freeze damage, and crop year when production resumed.
- (14) Describe the method of pruning used and note any blocks which have not been pruned in accordance with the method reported for the vineyard.
- (15) Attach additional sheets as necessary for remarks.



1E CRANBERRIES

- (1) Divide the bog into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by bog at a minimum. List as a separate block, uninsurable or recently renovated acreage within a bog. Contact the RMA RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year the each bog block was established. Include season (e.g., spring/fall).
- (3) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage methods. Acres indicated on bog maps recorded with the marketing organization (e.g., Ocean Spray, Cliff Star, etc.). The total acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on FCI-19-A) of the APH form reflects the insured acreage determined in the inspection. Correct the APH form, if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (5) Percent stand  $\geq$  90% - enter yes or no.
- (6) Complete the specific management questions in item 6 for all cranberry bogs with less than four (4) years of records. Describe in detail any improvements for newly purchased bogs and the prior manager's experience.
- (7) Explain the previous loss history for the last four (4) years. If hail has occurred the last two (2) years or was a secondary cause of loss, describe the severity of the damage in item 19, attaching additional sheets as necessary.
- (8) Describe the use of a frost protection warning system for the bog. If frost protection equipment is available, describe the type and amount. If equipment is present but does not appear to be useable, note in item 19 remarks.
- (9-11) Self-explanatory.
- (12) If no frost protection system, enter "None".
- (13-14) Self-explanatory.
- (15) Describe the general condition of bog dikes and banks.
- (16) Evaluate and note pruning and sanding of the Cranberry bog. Determine if the bog is being pruned relative to its management condition.
- (17) Describe last year's and next year's harvesting method, wet and/or dry and the percentage for each method.
- (18) Attach a bog map showing each bog as a separate block. If a bog contains uninsurable acreage or is undergoing partial renovation, list these acres as separate blocks.
- (19) Attach additional sheets as necessary for remarks.



1F BLUEBERRIES (High Bush and Rabbit Eye)

- (1) Divide the plantation into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice/type, variety, and age, if practical. Contact the RMA RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year bushes were originally set out. If bushes have frozen out and have been mowed or cut off for regrowth, explain in detail in item 18 "remarks," using additional sheets as necessary.
- (3) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (4) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage methods. Total acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col. 17 on the FCI-19-A) on the APH form reflects the insured acreage determined in the inspection. Correct the APH form if necessary. Review the APH form for possible prior acreage changes.
- (5) Enter the average bush spacing observed within each block. Measure the distance between bushes (center to center) in the row and the distance between rows.
- (6) Enter the number of bushes which make up this block.
- (7) Percent stand - based upon a random row count of missing bushes. [See current loss adjustment procedures for minimum sampling methods.]
- (8) Enter the type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
- (9) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 16 "remarks" as needed.
- (10) Have the operator provide pH values for each block listed.
- (11) Self-explanatory.
- (12) Describe wildlife control measures used.
- (13) Note blocks where past winter damage has occurred in the past three (3) years which may affect yields for the current crop year. If damage is noted, explain in detail, noting the month/year of freeze damage.
- (14) Report the percent harvested by each method listed.
- (15) Describe the record keeping system utilized: (roadside, U-Pick, fresh market, processing, etc.).
- (16) Identify how the blueberries are marketed, such as through associations, cooperatives, wholesale, roadside, U-Pick, fresh market, processing, etc.
- (17) Does the applicant own a blueberry harvester?
- (18) Attach additional sheets as necessary for remarks.



## 1G BLUEBERRIES (Low Bush)

- (1) Divide the blueberry farm into as many fields as needed to facilitate collection and reporting of information. Separate fields by uninsured (vegetative) and insured (fruit-bearing) acres. Include field numbers on the sketch map prepared in item 34 of the 12-P. Enter these field identification numbers in column #1.
- (2) Enter the year of fruit-bearing for the insured crop (insurable every other year, the second growing season following pruning).
- (3) Enter acres insured.
- (4) Enter the year of vegetative growth for the uninsured crop (uninsurable the growing season immediately following pruning).
- (5) Enter acres uninsured.
- (6) Percent stand - based on visual observations while walking through the field; observe area covered by blueberry plants, weeds, bare areas, rocks, or ledges.
- (7) Have the grower provide pH values for each field. (The optimum pH value for blueberry soils is between 4.3 and 5.0.)
- (8) Enter IRR for irrigated fields and NI for non-irrigated fields. Elaborate in item 16 "remarks" as needed.
- (9) Enter the type of irrigation utilized in each field and the average number of times used. If no irrigation is in place, enter "None".
- (10) Enter the type of mulch used to cover bare areas (for example: hard or softwood bark, sawdust, peat, cedar hair bark, planer shavings, wood chips, paper mill sludge). If mulch is not used, enter "None".
- (11) Describe wildlife control measures used.
- (12) Note fields where past winter damage has occurred in the past (3) years which may affect yields for the current year. If damage is noted, explain in detail, noting the month/year of freeze damage.
- (13) Report the percent harvested by each method listed.
- (14) Describe the record keeping system utilized (processing, fresh market, roadside, U-pick, etc.).
- (15) Identify how the blueberries are marketed, such as through cooperatives, associations, processor, fresh market wholesale, roadside, U-pick, etc.
- (16) Attach additional sheets as necessary for remarks.

(Item 31) Insurable Acreage  (Item 32) Uninsurable Acreage

OMB No. 0563-0053

FCI-12-PAW (Low Bush Blueberry)  
6-97

PRE-ACCEPTANCE INSPECTION REPORT  
LOW BUSH BLUEBERRY ADDENDUM WORKSHEET

USDA/FCIC

APPLICANT/INSURED'S NAME:					CROP YEAR:		UNIT NUMBER:		
FIELD ID 1	FIRST YEAR INSURED "FRUIT BEARING" 2	ACRES 3	FIRST YEAR UNINSURED "VEGETATIVE" 4	ACRES 5	PERCENT STAND 6	pH VALUE 7	IRR/NI 8	TYPE OF IRRIGATION SYSTEM AVERAGE TIMES USED 9	TYPE OF MULCH USED PERCENT OF BARE SURFACE COVERED 10
TOTALS:									

11. Describe wildlife control measures:

12. Has Winter damage or damage the previous three (3) years occurred which may affect potential production on any fields?

13. Percent harvested by method:	% Hand Harvest	<input type="checkbox"/>	% Mechanical Harvest	<input type="checkbox"/>	Does applicant own a blueberry harvester?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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14. Describe record keeping system (eg., processing, fresh market, roadside, u-pick)

15. Describe how the blueberries are marketed (eg., cooperatives, associations, process, fresh market, wholesale, roadside, u-pick)

16. REMARKS:

1H ALMONDS/CITRUS/FIGS/FRESH PLUMS/MACADAMIA  
NUTS/PRUNES/STONEFRUIT/WALNUTS

- (1) Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice/type, variety, age, and density, if practical. Contact the RMA RSO for additional block instructions. Include block numbers on the sketch map prepared in item 34 of the 12-P. Enter these unique block numbers in column #1.
- (2) Enter the year trees were set out or the year the block was grafted to the current variety.
- (3) Enter the number of acres to tenths (0.10) determined using FCIC approved acreage methods. When totaled, acres should match the entries in item #1 of the 12-P. Review the APH form to determine if the reported acreage in the acreage column (Col 17 on the FCI-19-A) on the APH form reflect the insured acreage determined in the inspection. Correct the APH form, if necessary. Review the APH form for possible prior acreage changes.
- (4) Enter the name(s) of the variety(ies) which constitute(s) this block.
- (5) Enter the number of trees which make up this block.
- (6) Enter the average tree spacing/pattern observed within the block (Example 18X20).
- (7) Enter the appropriate rootstock designation for each block.
- (8) Enter the appropriate trellis type for each block (e.g., tatura, slender spindle etc.).
- (9) Enter the type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
- (10) Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as good, fair or poor based on your inspection.
- (11) Enter the average percent slope for each block.
- (12) Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 16 "remarks" as needed.
- (13) For Almonds, determine and enter row-by-row planting pattern by variety within the orchard (first repetition). For example: Carmel/Non-pareil, Non-pareil/Mission, Non-pareil/Non-pareil, etc. If there is a mixture of pattern because of multiple blocks, enter additional information on another sheet and attach to the inspection.
- (14) For Citrus, determine if the frost protection system is adequate for the Citrus (WPF) with frost protection rate.
- (15) Note blocks where past winter damage has occurred which may affect yields for the current crop year. If damage is noted, explain in detail, noting the month/year of freeze damage.
- (16) Attach additional sheets as necessary for remarks.

(Item 31) Insurable  (Item 32) Uninsurable

OMB No. 0563-0053

☆FCI-12-PAW (Alm/Cit/Fig/FrP/MacNuts/Pru/StF/Wal)

USDA/FCIC

6-97

PRE-ACCEPTANCE INSPECTION REPORT

ALMOND/CITRUS/FIG/FRESH PLUM/MACADAMIA NUTS/PRUNE/STONEFRUIT/WALNUT ADDENDUM WORKSHEET

APPLICANT/INSURED'S NAME:

CROP YEAR:

UNIT NO.:

Block Number 1	Yr. Set Out/Grafted 2	Acres 3	Variety/Type 4	Number of Trees 5	Plant Spacing/Pattern 6	Rootstock 7	Trellis Type Specify 8	Frost Protection System/Type/No. Times 9	Air Drainage Good/Fair/Poor 10	Percent Slope 11	IRR/NI Type 12
TOTALS:											

13 Describe the varietal planting pattern (Almonds ONLY).

14 Is frost protection adequate for citrus (WPF) with frost protection rate?

15 Has winter damage or damage the previous year occurred which may affect this year's potential production on any block? If yes, list block(s) and explain in detail.

16 REMARKS:

1L FLORIDA CITRUS GROVE PRODUCER PRE-ACCEPTANCE OR INSPECTION REPORT. Beginning with the 1999 crop year:

- L(1) **The Florida Citrus Grove Producer Pre-Acceptance** or Inspection Report form must be filed annually with the acreage report. If the total insured citrus crop (Note: Each type is a different crop. Example: Type I and Type II are different crops) acreage in the county is 250 acres or more, an Insurance Provider grove inspector must complete this inspection worksheet for all insured citrus crops in the county; otherwise, the producer may "self-certify" on the worksheet.
- L(2) **The plat map** is part of the "Florida Citrus Grove Producer Pre-Acceptance or Inspection Report and Plat Map." It must be completed for either an inspection or grower self-certification. Significant interplantings, uninsurable trees, trees of differing ages, and tree spacing must be recorded on the plat map so the proper guarantee and insurable acreage can be determined. Once the initial self-certification or inspection is performed, insureds who continue insurance in subsequent crop years will be allowed to self-certify in the remarks section on the original self-certification or inspection worksheet that no change has occurred. The insured will write "No change for 19XX Crop Year," initial and date. If an insured certifies that no change has occurred, a new self-certification and/or inspection is not required. If changes have occurred, a new self-certification and/or inspection report is required.

Changes in insurable/uninsurable acreage require a new self-certification or inspection worksheet to be completed.

Note: If the only change is the insurable age class of trees, the insured will certify in the remarks section of the worksheet the "Plot Number and the change in Tree Age in Years." Example: The original self-certification or inspection worksheet plot number 1 showed "5" in the "Tree Age in Years" column. The following year, the trees will be in the "6 to 8 years" age class. The insured will note this change, initial and date in the remarks section of the worksheet. A new self-certification or inspection is not required.

- L(3) **All acreage determinations/measurements** for Florida citrus fruit will be based on land acres.
- L(4) **The insured acreage cannot exceed** the physical amount of land acreage. If a producer interplants two citrus crops, the acreage will be prorated according to the percentage of the insurable land acres occupied by the crops interplanted. [See policy for definition of "interplanted."]

**EXAMPLE:** A producer has 10 acres of grapefruit planted at a spacing of 30 feet x 30 feet, and decides to interplant with early oranges. Orange trees are interplanted between the grapefruit trees within the row. The tree spacing has been changed to 30 feet x 15 feet, but there is no increase in the acreage. There is a 5-acre unit of early oranges and a 5-acre unit of grapefruit, NOT 10 acres of each.

**NOTE:** The same instructions apply if more than one citrus fruit is planted on the same acreage; e.g., 10 acres of early (011) and mid-season oranges (012) (50-50 mix) does not represent 10 acres of early oranges and 10 acres of mid-season oranges.

- L(5) **Insurable acreage and the amount of insurance** within a unit will be determined on a plot basis. A plot (block) is a homogenous planting pattern of a citrus crop that may or may not consist of different tree age classes (0 to 4 years, 5 years, 6-8 years, or 9 years and above). For age classes within the plot that cannot be separately plotted (subplots), use the age class with the greatest percentage of trees in the plot to determine insurable acreage and the amount of insurance. If age classes within a plot can be separately plotted (drawn out), the insurable acreage and amount of insurance are determined for each age class and reported on that basis.

**EXAMPLE:** A producer has a grove of grapefruit trees. Through attrition, some of the trees older than nine years have been replaced with trees that are in the 1-4 and 6-8-year-old age classes. These trees are planted in a random pattern in a 30- x 30-foot tree spacing. Separate plots, by age class, cannot be determined. The 9-year or older trees represent the largest percentage in the plot; therefore, the grove will be insured as 9-year-old trees.

If a specific plot could be identified for any age group listed above, that age group **MUST BE** separately reported to determine the guarantee and insurable acreage.

**NOTE:** The unit may consist of several plots of the same citrus crop. Each unit and each plot (subplot) within a unit must be separately listed, and the amount of insurance and insurability determined accordingly.

- L(6) **Completion instructions** for preparation of Florida Citrus Producer Pre-Acceptance or Inspection Worksheet.

(6)(a) **Heading:**

**NAME OF INSURED (OR APPLICANT):** Enter the insured's name as it appears on the most recent Policy Confirmation. In the case of a new applicant, enter the name of the applicant as it appears on the application for insurance.

**CONTRACT NUMBER:** Enter the contract number from the most recent Policy Confirmation. In the case of a new applicant, enter only the 2-digit state and 3-digit county code, e.g., xx-xxx.

**COUNTY:** Enter the county name and code number.

**NAME OF AGENT:** Enter the name, address, and phone number of the agent who services or will service this contract, as applicable.

**CROP YEAR:** Enter the crop year for which the grove inspection is being made.

**SEC., TWP., RNG:** Enter the legal description (section, township, and range) for the grove location. Complete a separate worksheet for each section. Note all section numbers in the "Remarks" section of page 1.

**PRODUCER'S PHONE NUMBER:** Enter the area code and phone number of the insured or prospective insured, as applicable.

(6)(b) Individual Citrus Grove Data:

Item #:

- (1) Unit Number: Each insured crop will begin unit numbering with 00100 or 00101. Basic and optional units are allowable as defined in the Florida Citrus Fruit Crop Provisions.
- (2) Plot Number: By line, enter the plot number as identified on the plat map. Separate plot numbers are required for each type within the insured crop and homogenous planting pattern of the citrus type. A homogenous planting pattern of a variety may or may not consist of different tree age classes (0 to 4 years, 5 years, 6-8 years, or 9 years and above). For age classes within the plot that cannot be separately plotted (subplots), use the age class with the greatest percentage of trees in the plot to determine insurable acreage and the amount of insurance. If the age classes within the plot can be separately plotted (drawn out), the insurable acreage and amount of insurance are determined for each age class and reported on that basis.
- (3) Crop and Variety: Enter the applicable insured citrus crop name, crop code and type (e.g., Type I, 0245, 011).
- (4) Acres in Plot: Enter the plot acres, rounded to the nearest tenth. Drainage ditches and/or canals within the planting pattern between rows and beds may or may not be considered insurable acres, at the insured's (or prospective insured's) discretion.
- (5) Tree Spacing: Enter the average tree spacing, in whole feet, for the plot. If there is a wide variation in spacing, enter "varying." We will consider it practical to separately report differing insurable age and uninsurable trees if they can be separately plotted on the plat map.
- (6) Tree Count: Enter total number of trees on the plot acreage. Enter an estimate (identify as "Est") if accurate determination is impractical.
- (7) Month & Year Set: Enter the month and year of set out for the age class (0 to 4 years, 5 years, 6-8 years, or 9 years and above) with the greatest percentage of trees in the plot.
- (8) Tree Condition: Determine tree condition and enter "excellent," "good," "average," "fair," "poor," or "other," as appropriate. If the

trees are suffering from disease, insect damage, or a physiological disorder, explain in REMARKS.

- (9) Tree Age in Years: Enter the tree age class with the greatest percentage of trees in the plot (i.e., 0 to 4 years, 5 years, 6-8 years, or 9 years and above).
- (10) Insurable quality: Per line entry, evaluate and document the insurability of the trees. If the plot contains trees that are damaged, subdivide the plot and use separate lines for insurable and uninsurable acreage.
- (11) Est. Prod., Boxes: By line, enter an estimate of the expected production for the acreage. Acreage with a potential of less than 100 boxes can be insured or excluded from insurance by the insured. If the land is excluded, it is considered not insured; if it is insured, we will consider it to have produced 100 boxes per acre.

EXCLUDED ACREAGE: Identify acreage which is uninsurable due to tree age or production potential of less than 100 boxes per acre. Leave unit column (1) blank and enter "excluded" in column (11) for such acreage.

6(c) Plat Map:

- 1 Identify highways and other significant landmarks that can be used to help identify groves' locations.
- 2 Outline citrus plot locations and identify plots by plot number. Draw plots in actual shapes and as close to scale as possible. Indicate which acreage has been excluded from coverage by labeling as "excluded."
- 3 Outline land ownership boundaries in red within each section involved. Indicate land ownership across section lines with tie bars.

6(d) Remarks:

Enter notes pertinent to the grove inspection such as nature and degree of damage, nature of the tree stand, etc.

Once the initial self-certification or inspection is performed, insureds who continue insurance in subsequent crop years will be allowed to self-certify in the remarks section of the original self-certification or inspection worksheet that no change has occurred. The insured will write "No change for 19XX Crop Year," initial and date. If an insured certifies that no change has occurred, a new self-certification and/or inspection is not required. If changes have occurred, a new self-certification and/or inspection report is required.

Note: If the only change is the insurable age class of trees, the insured will certify in the Remarks section of the worksheet the plot number and the change in "Tree Age in Years." Example: The original self certification or inspection worksheet plot number 1 showed "5" in the "Tree Age in Years" column. The following year the trees will be in the "6 to 8 years" age class. The insured will note and initial this change, initial and date in the remarks section of the worksheet. A new self certification or inspection is not required.

6(e) Certification Statement:

Where self-certification is authorized and utilized the producer must complete this form as directed. Otherwise, leave this area blank.

6(f) "For Office Use Only":

The block must be completed by the grove inspector or his or her authorized representative when:

- 1 a self-certification is NOT authorized,
  - 2 an inspection is required,
  - 3 data verification is requested by the Insurance Provider, and/or
  - 4 the form is otherwise reviewed.
- (i) Enter the appropriate "rate map area" from the Actuarial Table in the AREA NUMBER block, e.g., "AAA," "BBB," or "CCC."
  - (ii) Place a check in "blank 1" if no changes are found to be required. Place a check in "blank 2" if a new/revised acreage report must be prepared based on information contained in this report. (If a new/revised acreage report is otherwise necessary, explain in REMARKS.)
  - (iii) Check "yes" or "no" to indicate the grove inspector's or his or her authorized representative's recommendation to accept the current application /acreage report. If "no" is

checked, indicate in REMARKS which factors made the application/acreage report unacceptable.

- (iv) Enter the code number, date of signature, and the signature of the grove inspector or his or her authorized representative.
- 5 **PAGE \_\_\_ OF \_\_\_ PAGES:** Enter the total number of pages of this form for this contract in the second blank. Enter the order sequence of the particular page in the first blank, i.e., PAGE 2 OF 3 PAGES.

✪FCI-518 (Citrus)  
(Rev. 6-97)

U. S. DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation

**FLORIDA CITRUS GROVE PRODUCER PRE-ACCEPTANCE OR INSPECTION WORKSHEET AND PLAT MAP**

NAME OF INSURED (or applicant)				CONTRACT NUMBER		COUNTY																
AGENT'S NAME, ADDRESS AND PHONE NO.				CROP YEAR		SEC	TWP	RNG														
				PRODUCER'S PHONE NUMBER																		
INDIVIDUAL CITRUS GROVE DATA:											REMARKS:											
UNIT NO. (1)	PLOT NO. (2)	CROP & VARIETY (3)	ACRES IN PLOT (4)	TREE SPACING (5)	TREE COUNT (6)	MONTH & YR SET (7)	TREE CONDITION (8)	TREE AGE IN YEARS (9)	INSURABLE QUALITY (10)	EST. PROD. BOXES (11)												
EXCLUDED ACREAGE (Identify below): (1) FOR PRODUCTION LESS THAN 100 BOXES PER ACRE (2) TREES NOT OF INSURABLE AGE											<b>FOR OFFICE USE ONLY</b>											
											AREA NUMBER:											
											<input type="checkbox"/> NO CHANGES REQUIRED <input type="checkbox"/> NEW ACREAGE REPORT PREPARED											
											APPLICATION/ACREAGE REPORT RECOMMENDED FOR ACCEPTANCE?											
											YES <input type="checkbox"/>						NO <input type="checkbox"/>					
CERTIFICATION STATEMENT: 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.											DATE						CODE NUMBER					
											PRODUCER'S SIGNATURE					DATE						SIGNATURE OF GROVE INSPECTOR

**COLLECTION OF INFORMATION AND DATA (PRIVACY ACT)**

To the extent that the information requested herein relates to the information supplier's individual capacity as opposed to the supplier's entrepreneurial (business) capacity, the following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a). The authority for requesting information to be furnished on this form is the Federal Crop Insurance Act, as amended, (7 U.S.C. 1501 et seq.) and the Federal Crop Insurance Regulations contained in 7 CFR chapter IV.

Collection of the Social Security Account Number (SSN) or the Employer Identification Number (EIN) is authorized by section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506), and is required as a condition of eligibility for participation in the Federal crop insurance program. The primary use of the SSN or EIN is to correctly identify you, and any other person with an interest in your operation of 10 percent or more, as a policyholder within the systems maintained by the Federal Crop Insurance Corporation (FCIC). Furnishing the SSN/EIN is voluntary; however, failure to furnish that number will result in you being denied program participation and benefits.

The balance of the information requested is necessary for the insurance company and FCIC to process this form to provide insurance, provide reinsurance, determine eligibility, determine the correct parties to the agreement, determine and collect premiums or other monetary amounts (or fees), and pay benefits. The information furnished on this form will be used by Federal agencies, FCIC employees, insurance companies, and contractors who require such information in the performance of their duties. The information may be furnished to: FCIC contract agencies; employees and loss adjusters; reinsured companies; other agencies within the United States Department of Agriculture; the Internal Revenue Service; the Department of Justice, or other Federal or State law enforcement agencies; credit reporting agencies and collection agencies; other Federal agencies as requested in computer matching programs; and in response to judicial orders in the course of litigation. Furnishing the information required by this form is voluntary; however, failure to report the correct, complete information requested may result in rejection of this form; rejection of any claim for indemnity, replanting payment, or other benefit; ineligibility for insurance; and a unilateral determination of any monetary amounts due.

**2 EXAMPLES**

The following examples and procedure are applicable for perennial crops and are not limited to Apples or Peaches.

**2A APPLES**

Use the following forms for the following Apple examples:

- (1) Producer's Pre-acceptance Worksheet
- (2) "T" Yield Table
- (3) "T" Factor Table

The producer has certified information for 7 blocks based on age, variety, and density. ("T" Yield Table and "T" Factor Table to derive "T" Yields.)

OMB No. 0563-0053

☆FCI-12-PAW (Perennial Crops) 6-97  <b>PRODUCER'S PRE-ACCEPTANCE WORKSHEET</b>	USDA/FCIC	1. Applicant's Name: <b>I. M. INSURED</b>	2. Policy No.: <b>MPCI #</b>	3. Unit No.: <b>00100</b>	4. Crop: <b>APPLES</b>	5. State: <b>WA</b>
	6. Legal Description: <b>Sec. 4 TY RZZ</b>		7. Crop Year: <b>1998</b>	8. County: <b>Grant</b>		9. Farm No.: <b>8912</b>

Block No. 10	Mo/Yr Set Out/Grafted 11	Acres 12	Variety/Type 13	Number of Plants 14	Plant Spacing 15	Pruning Height 16	Percent Stand 17	Density 18	Practice IRR/NI 19	Insurable or Uninsurable 20	Spur or Nonspur 21
1	4/1968	2.2	GOLDENS	475	10X20	N/A	99	218	IRR	INS	N/A
2	4/1968	3.2	RED DEL	690	10X20	N/A	99	218	IRR	INS	N/A
3	4/1978	1.7	GOLDENS	371	10X20	N/A	100	218	IRR	INS	N/A
4	4/1978	0.7	RED DEL	153	10X20	N/A	100	218	IRR	INS	N/A
5	4/1988	1.4	GOLDENS	305	10X20	N/A	100	218	IRR	INS	N/A
6	4/1988	3.8	RED DEL	692	12X20	N/A	100	182	IRR	INS	N/A
7	4/1991	5.3	GALA	1802	8X16	N/A	100	340	IRR	INS	N/A

22. Has damage (ie., disease, hail, freeze) occurred to Trees/Vines/Bushes/Bog or have cultural practices been performed that will reduce the insured crop's production from previous levels?	Yes	<input checked="" type="checkbox"/>	No
23. Is the producer using organic farming practices, or other non-conventional practices?	Yes	<input checked="" type="checkbox"/>	No
24. Is the current water supply (surface allotment/well) adequate to produce a normal crop for the crop year being certified above?	<input checked="" type="checkbox"/>	Yes	No

I certify that the information I have furnished as reflected on this form is complete and accurate for the commodity(ies), unit(s) and year(s) shown. I understand this form may be reviewed or audited and that information inaccurately reported or failure to retain records to support information on this form, may result in a recomputation of the approved APH yield. I also understand that failure to report completely and accurately may result in voidance of my Crop Insurance contract and may result in criminal or civil false claims penalties (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

25 Insured's Signature:  <b>I. M. INSURED</b>	Date:  <b>XX/XX/XX</b>
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**COLLECTION OF INFORMATION AND DATA (PRIVACY ACT)**

To the extent that the information requested herein relates to the information supplier's individual capacity as opposed to the supplier's entrepreneurial (business) capacity, the following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a). The authority for requesting information to be furnished on this form is the Federal Crop Insurance Act, as amended, (7 U.S.C. 1501 et seq.) and the Federal Crop Insurance Regulations contained in 7 CFR chapter IV.

Collection of the Social Security Account Number (SSN) or the Employer Identification Number (EIN) is authorized by section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506), and is required as a condition of eligibility for participation in the Federal crop insurance program. The primary use of the SSN or EIN is to correctly identify you, and any other person with an interest in your operation of 10 percent or more, as a policyholder within the systems maintained by the Federal Crop Insurance Corporation (FCIC). Furnishing the SSN/EIN is voluntary; however, failure to furnish that number will result in you being denied program participation and benefits.

The balance of the information requested is necessary for the insurance company and FCIC to process this form to provide insurance, provide reinsurance, determine eligibility, determine the correct parties to the agreement, determine and collect premiums or other monetary amounts (or fees), and pay benefits. The information furnished on this form will be used by Federal agencies, FCIC employees, insurance companies, and contractors who require such information in the performance of their duties. The information may be furnished to: FCIC contract agencies; employees and loss adjusters; reinsured companies; other agencies within the United States Department of Agriculture; the Internal Revenue Service; the Department of Justice, or other Federal or State law enforcement agencies; credit reporting agencies and collection agencies; other Federal agencies as requested in computer matching programs; and in response to judicial orders in the course of litigation. Furnishing the information required by this form is voluntary; however, failure to report the correct, complete information requested may result in rejection of this form; rejection of any claim for indemnity, replanting payment, or other benefit; ineligibility for insurance; and a unilateral determination of any monetary amounts due.

2A(2) APPLE

EXAMPLE ONLY

"T" YIELD TABLE

WASHINGTON [53]  
APPLES (0054)

TYPE            PRACTICE\*  
89F            002

\*Except:

063 Spokane County: Practice 002 and 003.  
065 Stevens County: Practice 002 and 003.

COUNTY CODE	NAME	LEGAL DESCRIPTION	"T" YIELD FACTOR #
	Adams	ALL	1.05
005	Benton	ALL	1.10
007	Chelan	T22N R21E	1.00
		T25N R20E-R21E	0.90
		T26N R20E-R22E	0.90
		T27N R21E-R23E	0.90
		T28N R21E-R23E	0.90
		ALL OTHER TWN SHPS	0.90
017	Douglas	T20N R22E	1.00
		T21N R22E	1.00
		T22N R21E-R22E	1.00
		T23N R20E	0.80
		T30N R24E-R26E	0.70
		ALL OTHER TWN SHPS	0.90
021	Franklin	ALL	1.05
025	Grant	ALL	1.05

# Apply the transitional yield factor to the appropriate yield on the following table to determine the transitional yield.

2A(3) APPLE

EXAMPLE ONLY

"T" YIELD TABLE

WASHINGTON (53)  
APPLES (0054)

YEAR PLANTED	LEAF YEAR	DENSITY-TREES PER ACRE		
		0-299	300-599	600+
		"T" YIELD (boxes)		
1996	1	0	0	0
1995	2	0	0	0
1994	3	85	135	185
1993	4	165	285	350
1992	5	290	435	505
1991	6	395	600	660
1990	7	510	760	810
1989	8	630	905	960
1988	9	740	1000	1055
1987	10	850	1055	1100
1986	11	950	1085	1100
1985	12	1005	1100	1100
1984	13	1050	1100	1100
1983	14	1075	1100	1100
1982	15	1090	1100	1100
1981	16	1100	1100	1100
1980	17	1100	1100	1100
1979	18	1100	1100	1100
1978	19	1100	1100	1100
1977	20	1100	1100	1100
1976	21	1100	1100	1100
1975	22	1100	1100	1100
1974	23	1100	1100	1100
1973 & earlier	24+	1100	1100	1100

3A APPLES

EXAMPLE 1

The producer certified total production and total acreage as shown on the APH form. Approved APH yield is based on a simple 5-year average.

6 CROP APPLES (054)  PRACTICE IRR. (002)  TYPE 89F  UNIT NO. 0100	7 SECTION 36	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD
	TWNSHP 10S				
	RANGE 10W				
	LAND OTHER COUNTY YES NO				
8 OTHER ENTITY (IES)  NONE		12 FSA FARM NO. 8912			
9 RECORD TYPE: CROP YEAR:		1993	11,346	18.3	A620
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER  NUMBER OF TREES OR VINES 4,495		13 FSA YIELD:			
		1994	12,050	18.3	A658
		1995	11,975	18.3	A654
		1996	9,100	18.3	A497
		1997	19,250	18.3	A1052
					19 TOTAL 3481
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (AVERAGE) 696	14 TRANSITIONAL YIELD:		20 (A) PRELIMINARY YIELD 696  20 (B) PRIOR YIELD	21 APPROVED APH YIELD 696 bx./Acre for 18.3 Acres (For Verifier use only)

3B APPLES

EXAMPLE 2

The producer has certified production for blocks 1-6 (mature over 15 years of age) and separate production for block 7 (less than 15 years of age) on the block production worksheet. The "T" Yield shown is adjusted by the "T" Factor (if applicable) and is factored using the number of years records for the unit. The weighted average APH yield is used to determine the approved APH yield.

6 CROP APPLES (054)  PRACTICE IRR. (002)  TYPE 89F  UNIT NO. 0100	7 SECTION 36	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD		
	TWNSHP 10S						
	RANGE 10W						
	LAND OTHER COUNTY YES NO						
8 OTHER ENTITY (IES)  NONE		12 FSA FARM NO. 8912					
9 RECORD TYPE: CROP YEAR:  PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,495		1993	11,346	18.3	A620		
		1994	12,050	18.3	A658		
		13 FSA YIELD:		1995	11,975	18.3	A654
		1996	9,100	18.3	A497		
		1997	19,250	18.3	A1052		
						19 TOTAL 3481	
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average) 696	14 TRANSITIONAL YIELD:	20 (A) PRELIMINARY YIELD 829 20 (B) PRIOR YIELD		21 APPROVED APH YIELD 829 bx./Acre for 18.3 Acres (For Verifier use only)		



3B APPLES

EXAMPLE 2

OMB No. 0563-0053

☼FCI-19-A (APH-USW)  
6-97

U. S. DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation  
**UNIT SUMMARY WORKSHEET**

1 NAME: <b>I. M. INSURED</b>		2 POLICY NUMBER: <b>MPCI</b>	3 UNIT NUMBER: <b>00100</b>
4 CROP: <b>APPLES</b>		5 STATE: <b>WA</b>	6 LEGAL DESCRIPTION: <b>Sec. 4 TY RZZ</b>
7 CROP YEAR: <b>1998</b>	8 COUNTY: <b>GRANT</b>		9 FARM NUMBER: <b>8912</b>

WEIGHTED AVERAGE TRANSITIONAL ("T") YIELD				WEIGHTED AVERAGE APH YIELD			
10 UNIT NUMBER:				17 UNIT NUMBER: <b>00100</b>			
BLOCK 11	"T" YIELD 12	ACRES 13	EXTENSIONS 14	BLOCK 18	YIELD 19	ACRES 20	EXTENSIONS 21
				<b>1-6</b>	<b>916</b>	<b>13.0</b>	<b>11,908.0</b>
				<b>7</b>	<b>614</b>	<b>5.3</b>	<b>3,254.2</b>
15 TOTALS:				22 TOTALS: <b>18.3</b> <b>15,162.2</b>			

16 WEIGHTED AVERAGE TRANSITIONAL YIELD TOTAL EXTENSIONS/TOTAL ACRES =	23 WEIGHTED AVERAGE APH YIELD TOTAL EXTENSIONS/TOTAL ACRES = <b>829</b>
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**3B APPLES**

**EXAMPLE 3**

The producer has certified separate production blocks 1-6 (mature over 15 years of age) and separate production for block 7 (less than 15 years of age) for only the most recent crop year on the block production worksheet. The "T" Yield shown is adjusted by the "T" factor (if applicable) and is factored using the number of years records for the unit. The weighted average APH yield is used to determine the approved APH yield.

6 CROP APPLES (054)  PRACTICE IRR. (002)  TYPE 89F  UNIT NO. 0100	7 SECTION 36	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD		
	TWNSHP 10S						
	RANGE 10W						
	LAND OTHER COUNTY YES NO						
8 OTHER ENTITY (IES)  NONE		12 FSA FARM NO. 8912					
9 RECORD TYPE: CROP YEAR:		1993	11,346	18.3	A620		
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF <u>TREES</u> OR VINES 4,495		13 FSA YIELD:		1994	12,050	18.3	A658
		1995	11,975	18.3	A654		
		1996	9,100	18.3	A497		
		1997	19,250	18.3	A1052		
					19 TOTAL 3481		
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average) 696	14 TRANSITIONAL YIELD:	20 (A) PRELIMINARY YIELD 701  20 (B) PRIOR YIELD		21 APPROVED APH YIELD 701 bx./Acre for 18.3 Acres (For Verifier use only)		





3B APPLES

EXAMPLE 4

The producer has certified 3 years of production and acreage as shown on the APH form. A weighted average "T" Yield based on age and density is calculated as shown on the unit summary worksheet. The "T" Yield is adjusted for the number of years of records and shown on the APH.

6 CROP APPLES (054)  PRACTICE IRR. (002)  TYPE 89F  UNIT NO. 0100	7 SECTION 36	15 CROP YEAR  16 TOTAL PRODUCTION  17 ACRES  18 YIELD	1995 11,975 18.3 A654 1996 9,100 18.3 A497 1997 19,250 18.3 A1052 19 TOTAL 3206	20 (A) PRELIMINARY YIELD 802  20 (B) PRIOR YIELD	21 APPROVED APH YIELD 802 bx./Acre for 18.3 Acres (For Verifier use only)
	TWNSHP 10S				
	RANGE 10W				
	LAND OTHER COUNTY YES NO				
8 OTHER ENTITY (IES)  NONE		12 FSA FARM NO. 123			
9 RECORD TYPE: CROP YEAR:					T1,003
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER  NUMBER OF TREES OR VINES 4,495		13 FSA YIELD:			
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average) 802	14 TRANSITIONAL YIELD:			



3B APPLES

EXAMPLE 5

The producer has certified 3 years of production and acreage as shown on the APH form. Separate production records were provided for block 7 (less than 15 years of age). The weighted average APH yield is used to determine the approved APH yield.

6 CROP APPLES (054)  PRACTICE IRR. (002)  TYPE 89F  UNIT NO. 0100	7 SECTION 36	15 CROP YEAR  16 TOTAL PRODUCTION  17 ACRES  18 YIELD				
	TWNSHP 10S					
	RANGE 10W					
	LAND OTHER COUNTY YES NO					
8 OTHER ENTITY (IES)  NONE		12 FSA FARM NO. 123				
9 RECORD TYPE: CROP YEAR:						
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER  NUMBER OF TREES OR VINES 4,495		13 FSA YIELD:	1995	11,975	18.3	A654
			1996	9,100	18.3	A497
			1997	19,250	18.3	A1052
						19 TOTAL
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average) 802	14 TRANSITIONAL YIELD:	20 (A) PRELIMINARY YIELD 877  20 (B) PRIOR YIELD		21 APPROVED APH YIELD 877 bx./Acre for 18.3 Acres (For Verifier use only)	





**3B APPLES**

**EXAMPLE 6**

The producer has certified 3 years of production and acreage as shown on the APH form. Separate production records were provided for block 7 (less than 15 years of age). The weighted average APH yield is used to determine the approved APH yield.

6 CROP APPLES (054)  PRACTICE IRR. (002)  TYPE 89F  UNIT NO. 0100	7 SECTION 36	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD
	TWNSHP 10S				
	RANGE 10W				
	LAND OTHER COUNTY YES NO				
8 OTHER ENTITY (IES)  NONE		12 FSA FARM NO. 123			
9 RECORD TYPE: CROP YEAR:		1994			T1003
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,495		13 FSA YIELD:			
		1995	11,975	18.3	A654
		1996	9,100	18.3	A497
		1997	17,550	18.3	A959
					19 TOTAL 3113
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average) 778	14 TRANSITIONAL YIELD:		20 (A) PRELIMINARY YIELD 984 20 (B) PRIOR YIELD	21 APPROVED APH YIELD 984./Acre for 13.0 Acres 5.3 Acres Non-Insured (For Verifier use only)





**4A PEACHES**

Use the following forms for the following Peach examples:

4A(1) Producer's Preacceptance Worksheet

4A(2) "T" Yield Table

4A(3) Varietal Maturation Classification Listing

OMB No. 0563-0053

✂FCI-12-PAW (Perennial Crops) 6-97 <b>PRODUCER'S PRE-ACCEPTANCE WORKSHEET</b>	USDA/FCIC	1. Applicant's Name: I. M. INSURED	2. Policy No.: MPC I #	3. Unit No.: 00100	4. Crop: PEACHES	5. State: MO
	6. Legal Description: Sec. 4 T10 R24		7. Crop Year: 1998	8. County: DUNKLIN	9. Farm No.: 8912	

Block No. 10	Mo/Yr Set Out/Grafted 11	Acres 12	Variety/Type 13	Number of Plants 14	Plant Spacing 15	Pruning Height 16	Percent Stand 17	Density 18	Practice IRR/NI 19	Insurable or Uninsurable 20	Spur or Nonspur 21
1	1/1992	10.0	RED GLOBE (LATE)	1090	20X20	8	100%	109	IRR	INS	N/A
2	1/1989	20.0	HARVESTOR (MID)	2299	18X20	7	95%	121	NI	INS	N/A
3	1/1990	15.0	EMPRESS (EARLY)	1308	20X20	7	80%	109	NI	INS	N/A

22. Has damage (ie., disease, hail, freeze) occurred to Trees/Vines/Bushes/Bog or have cultural practices been performed that will reduce the insured crop's production from previous levels? Yes  No

23. Is the producer using organic farming practices, or other non-conventional practices? Yes  No

24. Is the current water supply (surface allotment/well) adequate to produce a normal crop for the crop year being certified above?  Yes  No

I certify that the information I have furnished as reflected on this form is complete and accurate for the commodity(ies), unit(s) and year(s) shown. I understand this form may be reviewed or audited and that information inaccurately reported or failure to retain records to support information on this form, may result in a recomputation of the approved APH yield. I also understand that failure to report completely and accurately may result in voidance of my Crop Insurance contract and may result in criminal or civil false claims penalties (18 U.S.C. 1006 and 1014; 7 U.S.C. 1506; 31 U.S.C. 3729 and 3730).

25 Insured's Signature: I. M. INSURED Date: XX/XX/XX

FCI-12-PAW (Perennial Crops) (Reverse)

4A(2)

**PEACH "T" YIELD TABLE (EXAMPLE ONLY)**

-----  
 PRACTICE - IRRIGATED (002) NONIRRIGATED (003) TYPE - FRESH (F) PROCESSING (P)  
 -----

AGE	4YRS	5YRS	6YRS	7YRS	8YRS	9YRS	10YRS	11YRS	12YRS	13YRS
EARLY	55	70	100	105	135	135	125	115	105	85
MID	120	135	165	170	190	190	180	170	155	140
LATE	130	155	185	190	215	215	205	195	180	160

SEASON (MATURITY DATE) DESIGNATIONS

MATURATION DATE RANGE

VARIETAL EXAMPLES

E - EARLY SEASON VARIETIES

5/15 - 6/16

SPRINGGOLD-SUZIE Q

M - MID SEASON VARIETIES

6/17 - 7/05

CORONET - HARVESTER

L - LATE SEASON VARIETIES

7/06 - 9/15

REDGLOBE - PARADE

REFER TO COUNTY FCI-35 RATE TABLE FOR CHILLING HOUR REQUIREMENTS.

REFER TO "T" YIELD HANDBOOK FOR PROPER SEASON CLASSIFICATIONS.

ORCHARDS WHICH HAVE A TREE POPULATION EXCEEDING A DENSITY OF 150 TREES PER ACRE WILL BE REFERRED TO THE RMA FOR PRE-ACCEPTANCE AND YIELD DETERMINATION.

TREE POPULATIONS LESS THAN 90 TREES PER ACRE WILL BE FACTORED DOWN BY DIVIDING THE NUMBER OF TREES BY 109 (CHART STANDARD) AND THEN APPLY THE FACTOR TO THE APPLICABLE "T" YIELD.

EXAMPLE:  $90 \div 109 = .83 \times 150 \text{ BUSHELS} = 125 \text{ BUSHELS}$ .

ORCHARDS IN EXCESS OF 13 YEARS WILL TAKE 80% OF THE APPLICABLE 13 YEAR OLD "T" YIELD.

4A PEACHES

EXAMPLE 1

A Peach producer has certified peach production and acreage (**insurable and uninsurable acreage separately**) by block on three blocks. Block number 1 has met policy minimums for two years, Block number 2 has four years of data certified, Block number 3 was recently acquired and only two years of data are available. Yield potential chart was used to reflect the yield of the younger blocks. (Note: "T" Yield for Block number 3 adjusted to reflect 80 percent stand).

6 CROP PEACHES (034)	7 SECTION	4	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD	
	PRACTICE NI. (003)	TWNSHP					10
	TYPE	RANGE					24W
	UNIT NO. 00100	LAND OTHER COUNTY					YES NO
8 OTHER ENTITY (IES)		12 FSA FARM NO. 8912					
NONE							
9 RECORD TYPE: CROP YEAR:							
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,697			13 FSA YIELD:	1994	3,380	20.0	A169
			1995	3,560	20.0	A178	
			1996	6,730	45.0	A150	
			1997	7,335	45.0	A163	
						19 TOTAL 660	
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average)	14 TRANSITIONAL YIELD:	20 (A) PRELIMINARY YIELD 156		21 APPROVED APH YIELD		
	165		20 (B) PRIOR YIELD		156 bu./Acre for 45.0 Acres (For Verifier use only)		



**4B PEACHES**

**EXAMPLE 1**

OMB No. 0563-0053

✻FCI-19-A (APH-USW)  
6-97

U. S. DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation  
**UNIT SUMMARY WORKSHEET**

1 NAME: <b>I. M. INSURED</b>		2 POLICY NUMBER: <b>MPCI</b>		3 UNIT NUMBER: <b>00100</b>	
4 CROP: <b>PEACHES</b>		5 STATE: <b>MO</b>		6 LEGAL DESCRIPTION: <b>Sec. 4 T10 R24</b>	
7 CROP YEAR: <b>1998</b>		8 COUNTY: <b>DUNKLIN</b>		9 FARM NUMBER: <b>8912</b>	

WEIGHTED AVERAGE TRANSITIONAL ("T") YIELD				WEIGHTED AVERAGE APH YIELD			
10 UNIT NUMBER:				17 UNIT NUMBER: <b>00100</b>			
BLOCK 11	"T" YIELD 12	ACRES 13	EXTENSIONS 14	BLOCK 18	YIELD 19	ACRES 20	EXTENSIONS 21
				<b>1</b>	<b>185</b>	<b>10.0</b>	<b>1,850</b>
				<b>2</b>	<b>178</b>	<b>20.0</b>	<b>3,560</b>
				<b>3</b>	<b>107</b>	<b>15.0</b>	<b>1,605</b>
15 TOTALS:				22 TOTALS: <b>45.0</b> <b>7,015</b>			

16 WEIGHTED AVERAGE TRANSITIONAL YIELD				23 WEIGHTED AVERAGE APH YIELD			
TOTAL EXTENSIONS/TOTAL ACRES =				TOTAL EXTENSIONS/TOTAL ACRES = <b>156</b>			

4B PEACHES

EXAMPLE 2

Peach producer has certified production and acreage (**insurable and uninsurable**) for two years on the APH. A weighted average "T" Yield was calculated based on age, density, percent stand for each block of acreage certified on the Producer's Pre-acceptance Worksheet (Block 3 was adjusted for 80 percent stand). 90 percent of the average "T" Yield was applied in calculating the APH because the insured provided two years of records.

6 CROP PEACHES (034)  PRACTICE NI. (003)  TYPE  UNIT NO. 00100	7 SECTION	4	15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD
	TWNSHP	10				
	RANGE	24				
	LAND OTHER COUNTY	YES NO				
8 OTHER ENTITY (IES)  NONE		12 FSA FARM NO. 8912				
9 RECORD TYPE: CROP YEAR:						
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,697		13 FSA YIELD:	1994			N142
			1995			N142
			1996	6,730	45.0	A150
			1997	7,335	45.0	A163
10 PROCESSOR NUMBER/NAME Any Processor	11 OTHER (Average)  149	14 TRANSITIONAL YIELD:	20 (A) PRELIMINARY YIELD 149  20 (B) PRIOR YIELD		21 APPROVED APH YIELD 149 bu./Acre for 45.0 Acres (For Verifier use only)	



**FSA RULES FOR SKIP-ROW PLANTING PATTERNS**

**1 GENERAL INFORMATION**

From the Definitions section of the Cotton Crop Provisions, "Skip-row" means a planting pattern that:

- 1A **Consists of alternating rows** of Cotton and fallow land or land planted to another crop the previous fall; and
- 1B **Qualifies as a skip-row planting pattern** as defined by the FSA or successor agency.

**2 FSA RULES**

The rules, from FSA Acreage Compliance Determinations Handbook, for determining the area devoted to the crop for skip-row planting are as follows:

<b>If the planting pattern is ...</b>	<b>AND the distance from plant to plant in the strip is ...</b>	<b>THEN ...</b>
single rows alternating with idle land (single-wide rows)	less than 64 inches	consider the entire area devoted to the crop.
	64 inches or more	consider 64 inches devoted to the crop.
strips of 2 or more rows alternating with idle land  <b>Note:</b> See exceptions below for cotton.	less than 64 inches	consider the entire area devoted to the crop.
	64 inches or more	consider half a row width, but no less than 15 inches beyond the strips of crop, devoted to the crop.
for cotton, strips of 2 or more 30-inch rows alternating with idle land	less than 60 inches	consider the entire area devoted to cotton.
	60 inches or more	consider half a row width, but no less than 15 inches beyond the strips of crop, devoted to cotton.
for cotton, strips of 2 more 32-inch or wider rows alternating with idle land, where the producer has a history of 32-inch or wider rows (as determined by FSA)	at least 60 but less than 64 inches	the producer has the option to consider: <ul style="list-style-type: none"> <li>• the entire area devoted to cotton</li> <li>• half a row width, but no less than 15 inches beyond the strips, devoted to cotton.</li> </ul>

**3 ACRES CONSIDERED PLANTED**

- 3A **Acreage determinations and qualifying skip-row planting patterns** must agree with the FSA rules [Par. 2]. For MPCl acreage report purposes, the planting pattern established on the final planting date is used for determining acreage and APH yield for subsequent crop years.
- 3B **[See Table 4 for Percent Planted Factors]** for 40-inch and 36-inch row planting patterns.]

**4 ACREAGE REPORT YIELD**

- 4A **To compute the acreage report yield** for the planting pattern carried out, multiply the approved solid-planted yield from the APH form times the yield conversion factor for qualifying skip-row planting pattern. Use the following tables to convert non-irrigated skip-row cotton yields to a solid-planted basis:
- A(1) **Table 1 factors apply to** Arkansas, Louisiana, Missouri, and all states east of these states.
- A(2) **Table 2 factors apply to** New Mexico, and the following counties in Texas: Baylor, Concho, Runnels, Schleicher, Shackelford, Sutton, Taylor, Throckmorton, Valverde, Wilbarger, and all counties west of these counties.
- A(3) **Table 3 factors apply to** Kansas, Oklahoma, and all Texas counties for which Table 2 does not apply.

5 TABLES -

TABLE 1

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

Planting Pattern <sup>1/</sup>	Yield Conversion Factor
Solid-planted or non-qualifying Skip-row patterns	1.00
2 X 1 Skip-row	1.33
2 X 1 Narrow Skip (40-40-24)	1.23
2 X 1 Narrow Skip (38-38-26)	1.25
2 X 2 Skip-row	1.50
2 X pattern with 4 or more fallowed rows (2x4, 2x6, etc.)	1.67 <sup>2/</sup>
4 X 1 Skip-row	1.20
4 X 2 Skip-row	1.33
4 X 4 Skip-row	1.33 <sup>2/</sup>
6 X 1 Skip-row	1.14
6 X patterns with 2 or more skip-rows	1.20 <sup>2/</sup>
All Other	As Computed Below

- 1/ Row widths are equal unless otherwise indicated.
- <sup>2/</sup> Factors limited by procedure.

5A **Planting Patterns**

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

A(1) **Divide the width in inches** of the area skipped in the pattern (as defined by FSA) by the width in inches of the whole pattern, rounded to 2 decimals.

A(2) **Add 1.00 to the results** obtained in item (1)

Example:  $3 \times 1$  (40" rows) =  $40 \div 160 = .25 + 1.00 = 1.25$

In some areas, mixed patterns are planted such as 4x1x2x1. To calculate the factor for these patterns, determine the factor for each part (4x1 and 2x1) and compute a weighted factor based on the number of planted rows.

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

**5B    The Result Of Item B Must Not Exceed**

- B(1)    **1.67 for any pattern or part** of a pattern of 1 planted row or 2 consecutive planted rows alternating with idle land.
- B(2)    **1.45 for any pattern or any part** of a pattern of 3 consecutive planted rows alternating with idle land.
- B(3)    **1.33 for any pattern or part** of a pattern of 4 consecutive planted rows alternating with idle land.
- B(4)    **1.20 for any pattern or part** of a pattern of 5 or 6 consecutive planted rows alternating with idle land.
- B(5)    **1.00 for any pattern or a part** of a pattern of 7 or more consecutive planted rows alternating with idle land.

TABLE 2

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

PLANTING PATTERN	YIELD CONVERSION FACTOR
Solid-planted (solid drilled-62") or nonqualifying skip-row patterns	1.00
1 planted X1 or more skipped 30" - 35"	1.14
1 planted X1 or more skipped 36" - 62"	1.28
1(38")X1(34")	1.28
1(<30")X1(<30")	1.00
2X1 36" - 62"	1.42
2X1 30" - 35"	1.26
2(30" - 62")X1(<30")	1.00
2(36" - 62")X1(30" - 35")	1.26
2(30" - 35")X1(36" - 62")	1.26
2 planted X2 or more skipped 36" - 62"	1.80
2 planted X2 or more skipped 30" - 35"	1.60
2(30" - 35")X2(36" - 62")	1.70
2(36" - 62")X2(30" - 35")	1.70
3X1 36" - 62"	1.35
3 planted X2 or more skipped 36" - 62"	1.69
3X1 30" - 35"	1.20
3 planted X2 or more skipped 30" - 35"	1.50
4X1 36" - 62"	1.28
4 planted X2 or more skipped 36" - 62"	1.57
4X1 30" - 35"	1.14
4 planted X2 or more skipped 30" - 35"	1.40
5X1 36" - 62"	1.14
5 planted X2 or more skipped 36" - 62"	1.43

Table 2 cont.

PLANTING PATTERN	YIELD CONVERSION FACTOR
5x1 30" - 35"	1.07
5 planted X2 or more shipped 30" -35"	1.27
6x1 30" - 62"	1.00
6 planted X2 or more skipped 36" - 62"	1.28
6 planted X2 or more skipped 30" - 35"	1.14
7X1 30" - 62"	1.00
7 planted X2 or more skipped 30" - 62"	1.10
8X1 30" - 62"	1.00
8 planted X2 or more skipped 30" - 62"	1.06
9 planted X1 or more skipped 30"-62"	1.00
10 or more planted X 1 or more skipped 30" - 62"	1.00

Note:  $\leq$  = less than

In some areas, mixed patterns are planted such as 3X2 4X1 2X2. To calculate yield conversion factor for these patterns, determine factor for each pattern (3X2, 4X1 & 2X2) and compute a yield conversion factor based on a simple average.

Example: 3X2 4X1 2X2 planted in 40" rows  
 3X2 = 1.69  
 4X1 = 1.28  
 2X2 = 1.80  
 $4.77/3 = 1.59$

These factors apply to Kansas, Oklahoma, and all Texas counties for which Table 2 does not apply.

TABLE 3

PLANTING PATTERN	YIELD CONVERSION FACTOR
Solid planted (solid drilled-62") or Nonqualifying skip-row patterns	1.00
1 planted X1 or more skipped 30"-35"	1.14
1 planted X1 or more skipped 36"-62"	1.28
1(38")X1(34")	1.28
1(<30")X1(<30")	1.00
2X1 36"-62"	1.33
2X1 30"-35"	1.26
2(30"-62")X1(<30")	1.00
2(30"-35")X1(36"-62")	1.26
2 planted X2 or more skipped 36"-62"	1.50
2 planted X2 or more skipped 30"-35"	1.41
2(30"-34")X2(35"-62")	1.46
2(35"-62")X2(30"-34")	1.46
3X1 36"-62"	1.31
3 planted X2 or more skipped 36"-62"	1.45
3X1 30"-35"	1.20
3 planted X2 or more skipped 30"-35"	1.37
4X1 36"-62"	1.28
4 planted X2 or more skipped 36"-62"	1.40
4X1 30"-35"	1.14
4 planted X2 or more skipped 30"-35"	1.33

TABLE 3 cont.

PLANTING PATTERN	YIELD CONVERSION FACTOR
5X1 36"-62"	1.14
5 planted X2 or more skipped 36"-62"	1.34
5X1 30"-35"	1.07
5 planted X2 or more skipped 30"-35"	1.27

Note:  $\leq$  = less than

All other skip row patterns having 6 or more planted rows with 1 or more skip (fallow) row(s) will have the same factors as those shown in Table 2.

In some areas, mixed patterns are planted such as 3X2 4X1 2X2. To calculate yield conversion factor for these patterns, determine factor for each pattern (3X2, 4X1 & 2X2) and compute a yield conversion factor based on a simple average.

Example: 3X2 4X1 2X2 planted in 40" rows  
 3X2 = 1.45  
 4X1 = 1.28  
 2X2 = 1.50  
 $4.23/3 = 1.41$

**(TABLE 4) ACRES CONSIDERED PLANTED BY FSA TABLE \***

40" ROW/PLANT PATTERN	% PLANTED FACTOR
1 IN 1 OUT	.8000
1 IN 4 OUT	.3200
1 OUT 2 IN, 1 OUT 2 IN, 1 OUT 2 IN, 1 OUT	.6000
2 IN 1 OUT	.6667
2 IN 1 OUT, 2 IN 2 OUT	.5714
2 IN 1 OUT, 2 IN 4 OUT	.4444
2 IN 1 OUT, 2 IN 2 OUT, 2 IN 4 OUT	.4615
2 IN 1 OUT, 2 IN 1 OUT, 2 IN 2 OUT	.6000
2 IN 1 OUT, 2 IN 1 OUT, 2 IN 4 OUT	.5000
2 IN 2 OUT	.5000
2 IN 2 OUT, 2 IN 2 OUT, 2 IN 4 OUT	.4286
2 IN 2 OUT, 2 IN 3 OUT	.4444
2 IN 2 OUT, 2 IN 4 OUT	.4000
2 IN 4 OUT	.3333
2 IN 8 OUT	.2000
3 IN 1 OUT	.7500
4 IN 1 OUT	.8000
4 IN 2 OUT	.6667
4 IN 4 OUT	.5000
6 IN 2 OUT	.7500
8 IN 1 OUT	.8889
10 IN 2 OUT	.8333
12 IN 4 OUT	.7500
12 IN 1 OUT	.9231
16 IN 1 OUT	.9412
16 IN 2 OUT	.8889
20 IN 1 OUT	.9524
1 IN 1 OUT      36 " ROW/PLANT PATTERN	.8333

\*NOTE: For all skip-row Cotton (Irrigated and Non-Irrigated) this must be the planted portion of the field as defined by FSA (See Cotton AUP and ELS contract provisions). Contact the applicable county FSA office for the correct percent planted factor for any row widths and planting patterns or varying row widths and planting patterns not listed in the above table.

**6 COMPLETION OF THE COTTON APH FORM**

**6A Example 1**

This example is a two-step process to convert skip-row yields to a solid-plant yield. The insured certified for the most recent six crop years, the following total production and acres considered planted to cotton by FSA.

Next most recent crop year 217,070 lbs. and 620.2 acres  
 Next most recent crop year 182,250 lbs. and 450.0 acres  
 Next most recent crop year 128,800 lbs. and 400.0 acres  
 Next most recent crop year 143,310 lbs. and 510.0 acres  
 Next most recent crop year 259,000 lbs. and 700.0 acres  
 Most recent crop year 122,010 lbs. and 400.0 acres

The insured carried out a Non-Irrigated 2 X 1 skip-row practice planted in 40 inch rows all years.

YEAR	PROD.	ACRES	YIELD
19XX	217,070	620.2	A350
19XX	182,250	450.0	A405
19XX	128,800	400.0	A322
19XX	143,310	510.0	A281
19XX	259,000	700.0	A370
19XX	122,010	400.0	A305
			19.TOTAL
20(A) PLEM.YIELD.		21. APPROVED APH YIELD	
20(B) PRIOR YIELD.			

In order to complete the APH form on a solid planted basis, the average yield for the six crop years were transferred to the Total Production Column (Col. 16 FCI-19-A) in another block of the APH form. The average yields are then divided by the applicable yield conversion factor and the result is entered in the Yield Column (Col. 18 FCI-19-A).

YEAR	AVG. YIELD	YIELD CONV. FACTOR	YIELD
19XX	350	1.42	A246
19XX	405	1.42	A285
19XX	322	1.42	A227
19XX	281	1.42	A198
19XX	370	1.42	A261
19XX	305	1.42	A215
			19.TOTAL
20(A) PLEM.YIELD.		21. APPROVED APH YIELD	
20(B) PRIOR YIELD.			

6B **Example 2**

This example illustrates the use of the Multi-purpose Production and Yield Report Worksheet [Sec. 6, F(14)] to arrive at the solid-plant yield for the six years certified. Total production for each of the six years is divided by the appropriate yield conversion factor (for the planting pattern and row spacing). The factored production for each crop year is entered in the Total Production Column (Col. 16 FCI-19-A) of the APH form. Acres considered planted to Cotton are entered in the Acres Column (Col. 17 FCI-19-A) If gross acres (Col. 4), the appropriate percent factor must be applied. The solid-plant yields for the six crop years for the practice carried out (Non-Irrigated) are entered in the Yield Column (Col. 18 FCI-19-A).

**MULTIPURPOSE PRODUCTION AND YIELD REPORT WORKSHEET**

Crop Year	1	2	3	4	5	6
19XX	217,070	÷ 1.42 =	152,866	930.3	620.2	246
19XX	182,250	÷ 1.42 =	128,345	675.0	450.0	285
19XX	128,800	÷ 1.42 =	90,704	600.0	400.0	227
19XX	143,310	÷ 1.42 =	100,923	765.0	510.0	198
19XX	259,000	÷ 1.42 =	182,394	1050.0	700.0	261
19XX	122,010	÷ 1.42 =	85,923	600.0	400.0	215

**APH FORM**

YEAR	FACTORED PROD.	ACRES	YIELD
19XX	* 152,866	620.2	A246
19XX	* 128,346	450.0	A285
19XX	* 90,704	400.0	A227
19XX	* 100,923	510.0	A198
19XX	* 182,394	700.0	A261
19XX	* 85,923	400.0	A215
			19.TOTAL
20(A) PLEM.YIELD.		21. APPROVED APH YIELD	
20(B) PRIOR YIELD.			

\* = Factored production

6C **Example 3**

The following APH form is for a carryover insured who has an existing database. For the most recent crop year, the insured reported 94,640 pounds of skip-row production and 124.4 gross skip-row acres. A Non-Irrigated (2X1) 40 inch planting pattern was carried out. The agent assisted the insured in completing the APH form by dividing the production by the skip-row yield conversion factor (1.42) and multiplying the percent planted factor (.6667) times the acreage planted (for the most recent crop year) and entering this information on the insured's APH form. The approved APH yield is calculated using Category B APH procedure.

YEAR	FACTORED PROD.	ACRES	YIELD
19XX	49,510	90.0	A550
19XX	39,900	92.2	A433
19XX	60,030	88.5	A678
19XX	* 20,160	80.0	A252
19XX	* 28,420	81.2	A350
19XX	* 66,648	83.0	A803
			19.TOTAL 3066
20(A)	PLEM.YIELD.	21. APPROVED APH YIELD 511	
20(B)	PRIOR YIELD.		

\* = Factored Yield

6D **Example 4**

In this example, a new insured reported the four most recent crop year's production. Unit 00101's production for the next most recent crop year was commingled between Irrigated and Non-Irrigated skip-row practices [see the example on the following page].

UNIT 00101 - Irrigated practice

UNIT 00100		IRRIGATED	
YEAR	PRODUCTION	ACRES	YIELD
19XX	29,824	64.0	A466
19XX	48,400	55.0	A880
19XX	* 15,400	50.0	A308
19XX	* 36,600	52.0	A704
			19.TOTAL 2358
20(A) PLEM.YIELD. 590		21. APPROVED APH YIELD	
20(B) PRIOR YIELD. N/A		590	

\* = Production Commingled  
 "T" Yield = 460

UNIT 00102 - Non-Irrigated Practice

UNIT 00102		NON-IRRIGATED	
YEAR	PRODUCTION	ACRES	YIELD
19XX	* 37,200	200.0	A186
19XX	* 28,700	140.0	A205
19XX	* 11,023	151.0	A73
19XX	* 36,660	244.0	A150
			19.TOTAL 614
20(A) PLEM.YIELD. 154		21. APPROVED APH YIELD 154	
20(B) PRIOR YIELD. N/A			

\* Production Commingled and Factored  
 "T" Yield = 300

6E **Example 5**

The yield conversion factors for this example were taken from Table 2 of this Exhibit and determined from the following information.

The insured commingled production between irrigated cotton and non-irrigated skip-row cotton. The total production is 32,710 pounds, 50 acres irrigated; 29.4 acres (considered planted to cotton) non-irrigated skip-row, 2X3, 40 inch rows (yield conversion factor 1.80); 26.6 acres (considered planted to cotton) non-irrigated skip-row 2X4, 40 inch rows (yield conversion factor 1.80); 95.0 acres (considered planted to cotton) non-irrigated skip-row 2X1, 40 inch rows (yield conversion factor 1.42).

- Step 1: Determine the Irrigated and Non-Irrigated yield [see the commingled production worksheet (Exhibit 9)].
- Step 2: Determine the yield factor for the Non-Irrigated skip-row acreage [see skip-row yield determination factor determination].

**COMMINGLED COTTON PRODUCTION DETERMINATION**

**Step 1**

PRACTICE	PLANTED ACRES	100% "T" YIELD	YIELD EXTENSION	YIELD FACTOR	FACTOR X "T" YIELD
IRR	50.0 x	350 =	17,500	.88	(350 x .88) = 308
NI	151.0 x	130 =	19,630	.88	(130 x .88) = 114

Total Production:  $32,710 \div 37,130 = .88$

**SKIP-ROW YIELD FACTOR DETERMINATION**

**Step 2:**

NI SKIP ROW	PLANTED ACRES	YIELD CONVERSION	FACTORED ACRES	YIELD CONVERSION FACTOR	SOLID PLANTED YIELD (NI YIELD ÷ YIELD FACTOR)
2X3(40")	29.4 x	1.80 =	52.9	1.56	$114 \div 1.56 = 73$
2X4(40")	26.6 x	1.80 =	47.9	1.56	$114 \div 1.56 = 73$
2X1(40")	95.0 x	1.42 =	134.9	1.56	$114 \div 1.56 = 73$

**TOTAL 151.0 235.7 ÷ 151.0 = 1.56**

1      RESERVED

## APH YIELD LIMITATIONS

## 1 EXAMPLE 1

1A **Carryover insured with actual yields.** The following **Corn** example assumes a 100 bu. "T" Yield for a carryover insured with two years of low actual yields.

A(1) **For 1997**, the insured reported an actual yield of 53 bushels per acre for the 1996 crop year. The approved APH yield was calculated by entering the actual yield (53 bu.) and three 80 percent "T" Yields (80 bu.) and dividing the total by four.  
 $A53 + E80 + E80 + E80 = 293 \div 4 = 73$ .

A(2) **For 1998**, the insured reported an actual yield of zero bushels per acre for the previous (1997) crop year. (The corn was flooded out).

(2)(a) **Average APH Yield.** The zero actual yield is added to the previous production data and two 90 percent "T" Yields (90 bu.) are used to complete the 4-year database. The sum of those yields is divided by four.  
 $A0 + A53 + N90 + N90 = 233 \div 4 = 58$

(2)(b) **The 10 Percent Yield Limitation (Cup)** is calculated by multiplying the previous year's approved APH yield x .90 (73 x .90 = 66). (Always round up)

(2)(c) **Yield Floor.** **(NACAT→**The insured has provided two years of records and is eligible for the 75 percent yield floor (100 bu. "T" Yield x .75 = 75 bu.).  
**←NACAT)**

(2)(d) **Approved APH Yield.**

1 **(NACAT→**The cupped yield (66 bu.) and the yield floor (75) are compared. The approved APH yield is the higher yield (75 bu.).  
**←NACAT)**

2 **(CAT→**The cupped yield (66 bu.) and the average APH yield are compared. The approved APH yield is the higher yield (66 bu.).  
**←CAT)**

(2)(e) **The premium is determined by:**

1 **(NACAT→**Using the yield floor (75 bu.) and the 1998 average APH yield (58 bu.) to determine the premium rate.  
**←NACAT)**

2 **(CAT→**Using the cupped yield (66 bu.) and the 1998 average APH yield (58 bu.) to determine the premium rate.  
**←CAT)**

## 2 EXAMPLE 2

2A **Carryover insured with actual yields.** The following **Cotton example** (solid-planted or irrigated skip-row cotton) assumes a 400 lb. "T" Yield, for a carryover insured with five years of actual records which reflect three low actual yields.

A(1) **For 1997**, the insured reported actual yields of 600 Lbs. (1993 crop year), 245 Lbs. (1994 crop year), 0 Lbs. (1995 crop year), and 300 Lbs. (1996 crop year) per acre. The approved APH yield was calculated by adding the four actual yields together and dividing the total by four.  $A600 + A245 + A0 + A300 = 1145 \div 4 = 286$

A(2) **For 1998**, the insured reported an actual yield of 50 Lbs. per acre for the previous crop year (1997). (The cotton was damaged by drought.)

(2)(a) **1998 average APH yield.** The 50 lb. actual yield was added to the previous data and used to complete the APH database.  $A600 + A245 + A0 + 300 + A50 = 1195 \div 5 = 239$

(2)(b) **10 percent yield limitation (Cup).** The 10 percent cup is calculated by multiplying the previous year's approved APH yield x .90 ( $286 \times .90 = 257$ ).

(2)(c) **Yield Floor.** (NACAT→The insured has provided five years of records and is eligible for the 80 percent yield floor (400 lb. "T" Yield x .80 = 320 lb.). ←NACAT)

(2)(d) **Approved APH Yield.**

1 (NACAT→The cupped yield (257 Lbs.) and the yield floor (320 Lbs.) are compared. The approved APH yield is the higher yield (320 Lbs.). ←NACAT)

2 (CAT→The cupped yield (257 Lbs.) and the average APH yield are compared. The approved APH yield is the higher yield (257 Lbs. bu.). ←CAT)

(2)(e) **The premium is determined by:**

1 (NACAT→Using the floor yield (320 Lbs.) and the average APH yield to determine the rate. ←NACAT)

2 (CAT→Using the 1998 cupped yield (257 Lbs.) and the 1998 average APH yield to determine the rate. ←CAT)

2B **For Non-Irrigated Cotton** planted to a qualifying skip-row pattern, the approved APH yield is calculated on a solid-planted basis; however, (NACAT→the applicable yield conversion Factor is applied when determining the yield floor←NACAT), the cupped yield, APH yield for acreage report purposes, and the premium rate.

**3 EXAMPLE 3**

3A **No production records.** A new insured did not provide any production records. The insured is eligible for 65% of "T" Yield.

RMA "T" Yield 100

1993	S65
1994	S65
1995	S65
1996	<u>S65</u>
	260/4 = 65

1997 Approved APH Yield is 65

Yield limitations (Cups & Caps) do not apply until the insured provides an actual record or the assigned yield provision is applied.

3B **The carryover insured provided 1997 production history.** The yield limitation provisions are now applicable due to the actual yield for the most recent crop year in the database.

1994	E80
1995	E80
1996	E80
1997	<u>A95</u>
	335/4 = 84

The average yield is 84; however, the 1998 Approved APH Yield is LIMITED TO 78 (65 x 120%).

3C **The carryover insured provided production records for the 1996 and 1997** crop year. Yield limitation provisions do not apply because the insured provided MORE than the most recent crop year production records.

1994	N90
1995	N90
1996	A102
1997	<u>A95</u>
	377/4 = 94

The 1998 Approved APH Yield is 94.

3D **Assigned Yield.** If the carryover insured did not provide ANY production records for the 1997 crop year, assigned yield provisions apply.

1994	E80	
1995	E80	
1996	E80	
1997	P49	(65 x 75%)
	<hr/>	
	289/4	= 72

The 1998 approved, APH yield is 72. Yield limitations do not affect this example as the 1998 APH yield is within 120% of the prior year's approved APH yield of 65.

3E **The carryover insured provided a production report for the 1998 crop year.** The prior year's approved APH yield was 97.

1993	A105	
1994	A80	
1995	A98	
1996	A103	
1997	A0	
	<hr/>	
	386/5	= 77

The average yield is 77; however, the 1998 Approved APH Yield is (97 x 90%) CUPPED AT 87.

**SUMMERFALLOW DATABASES  
EXAMPLE 1, CC YIELD HIGHER THAN SF YIELD**

**\*Step 1**

Special "T" Yield reference database contains 2 years.  
SF "T" Yield = 30 x .90 = C27  
CC APH = 33

**\*\*Step 2**

1998			
	SF	APH	
YEAR	PROD.	ACRES	YIELD
93			C27
94			C27
95			C27
96	4200	100.0	A42
97		0.0	Z
		<b>Total</b>	<b>123/4=31</b>
1998 SF		APH	31

1999			
	SF	APH	
YEAR	PROD.	ACRES	YIELD
94			C30
95			C30
96	4200	100.0	A42
97		0.0	Z
98	4500	100.0	A45
		<b>Total</b>	<b>147/4=37</b>
1999 SF		APH	37

\* **New insured** 1998 database retained, but the CC database is duplicated and reported for the SF Practice.

\*\* Database retained and updated in subsequent 1999 crop year.

**EXAMPLE 2, SF YIELD HIGHER THAN CC YIELD**

**Step 1**

Special "T" Yield reference  
 database contains 3 years.  
 SF "T" Yield = 30 x 1.00 = C30  
 CC APH = 32

**\*\*\*Step 2**

1998			
	SF	APH	
YEAR	PROD.	ACRES	YIELD
92			C30
93			C30
94			Z
95	5200	100.0	A52
96			Z
97	4800	100.0	A48
		<b>Total</b>	<b>160/4=40</b>
1998 SF		APH	40

1999			
	SF	APH	
YEAR	PROD.	ACRES	YIELD
93			
94			T30
95	5200	100.0	A52
96		0.0	Z
97	4800	100.0	A48
98	2310	55.0	A42
		<b>Total</b>	<b>172/4=43</b>
1999 SF		APH	43

\*\*\* Database contains 3 years of records and is used for APH

**ADDITIONAL BEAN PROCEDURE FOR UNITS AND YIELDS BY TYPE****1 DEFINITIONS**

- 1A **BEANS.** Dry beans and contract seed beans.
- 1B **DRY BEANS.** The crop defined by the United States Standards for Beans excluding contract seed beans.
- 1C **CONTRACT SEED BEANS.** Dry beans grown under the terms of a seed bean processor contract for the purpose of producing dry beans or vegetable beans in a future crop year.
- D **TYPE.** A category of beans identified as a type in the Special Provisions.

**2 (NACAT→ UNIT DIVISION FOR DRY AND CONTRACT SEED BEANS**

- 2A **Basic Units.** Acreage planted to dry beans and contract seed beans are separate basic units. For dry beans and contract seed beans a basic unit is all insurable acreage of dry beans or contract seed beans in the county in which the insured has:

- A(1) **100 percent share;** or
- A(2) **Is owned by one entity and operated by another** specific entity on a share basis.

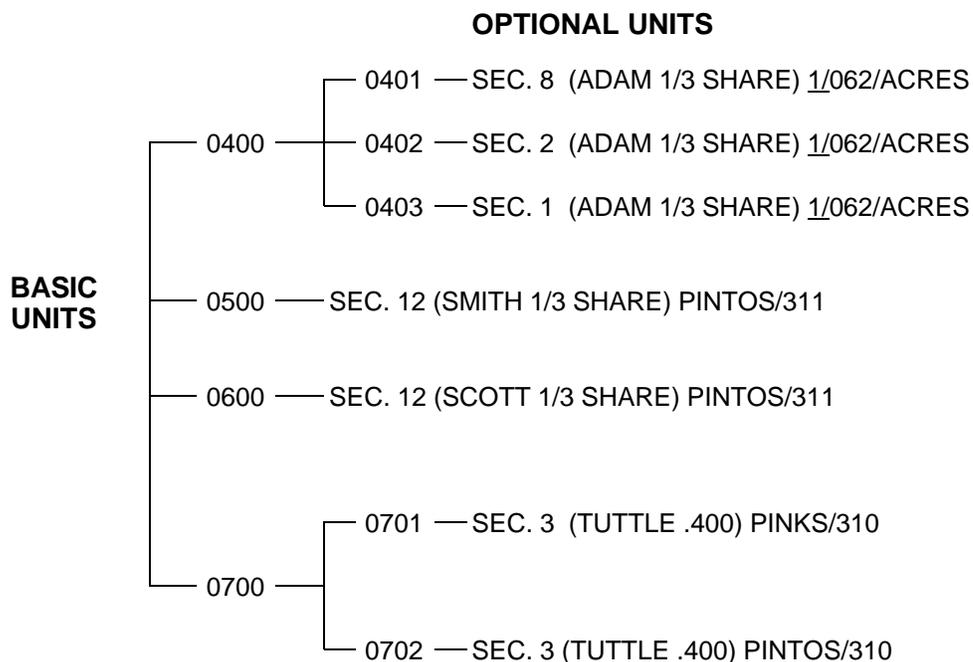
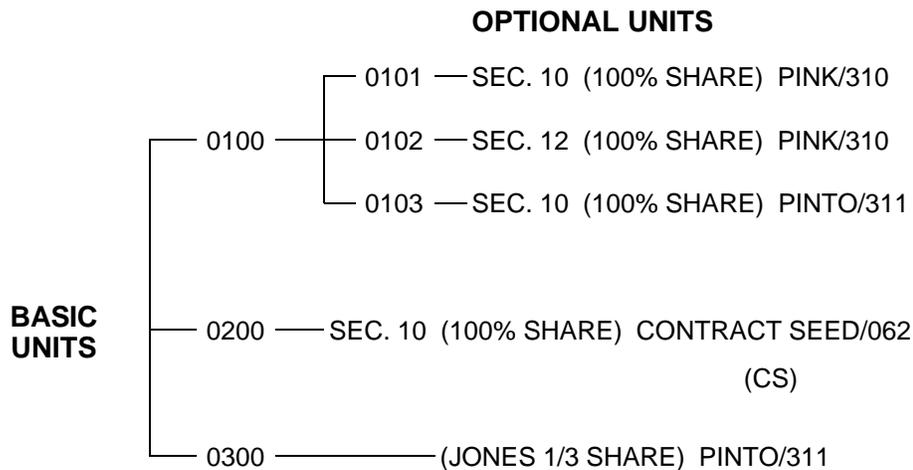
- 2B **Optional Units.** Basic units determined in A above may be further divided into optional units by:

- B(1) **Bean Type** Shown on the Special Provisions (Dry Beans ONLY, See Par. 3A).
- B(2) **Section, Section Equivalent, or FSA FSN** (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).
- B(3) **Irrigated and Non-irrigated Practices** (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).
- B(4) **Written Unit Agreement** (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).

Note: Optional units are not available for contract seed beans grown under a seed bean processor contract that specifies ONLY an amount of production.

C Determining and Numbering Units

Refer to the following examples and Sec. 4, D(4) for additional unit determination instructions. Sec. 4, D(5) provides instructions for numbering basic and optional units.



1/ If contract specifies the number of acres. (If contract specified ONLY an amount of production one basic unit.) ←NACAT)

**3 BEAN TYPES****3A Special Provisions**

The following dry bean types are listed as insurable types on the Actuarial Table (Special Provisions). "Type" is synonymous with "class" as used in the U.S. Standards for Beans; however, there may be more than one variety within a class (type). **NACAT**→ separate optional unit may be established for each type as provided in the Dry Bean Crop Provisions←**NACAT**). A dry bean policyholder MUST insure ALL insurable dry bean types and contract seed beans in the county. Production reports must be filed timely (by unit) for all types of insurable dry and contract seed beans.

- A(1) **\*Adzuki**. Type Code 321.
- A(2) **Baby Lima** (characteristic of the Small White Lima of the Henderson Bush, Thoroughgreens, and similar types). Type Code 320.
- A(3) **\*Black Turtle Soup**. Type Code 303.
- A(4) **Blackeye** (Cowpeas of the Blackeye variety). Type Code 315.
- A(5) **Cranberry** (known as Speckled Cranberry and Horticultural Pole). Type Code 304.
- A(6) **Dark Red Kidney**. Type Code 305.
- A(7) **Flat Small White** (the type as grown in northern Idaho). Type Code 312.
- A(8) **\*Garbanzo**. Type Code 306.
- A(9) **Great Northern**. Type Code 307.
- A(10) **Large Lima** (characteristic of the Large White Pole and Burpee Bush Lima type). Type Code 319.
- A(11) **Light Red Kidney**. Type Code 308.
- A(12) **Marrow** (not including Red Marrow). Type Code 317.
- A(13) **Mung**. Type Code 322.
- A(14) **Pea** (the type grown in the Great Lakes region known also as Navy beans or Medium White beans). Type Code 309.
- A(15) **Pink** (including California Pink). Type Code 310.
- A(16) **Pinto** (including the Mexican Pinto type but not the type known as Spotted Red Mexican). Type Code 311.
- A(17) **Small Red** (known as Red Mexican, California Red, and Idaho Red). Type Code 313.
- A(18) **Small White** (the type as grown on the Pacific coast, not including Tepary). Type Code 314.
- A(19) **White Kidney**. Type Code 318.
- A(20) **Yelloweye**. Type Code 316.

\* Types of dry beans recognized as insurable but not defined as a "class" of beans by the United States Standards for Beans.

3B **Other Insurable Bean Types:**

Contract Seed. Type code 062.

4 **LEVEL OF COVERAGE AND PRICE ELECTIONS**4A **Levels of Coverage**

One level of coverage (50%, 60%, 65%, 70% or 75%) applies to all types of dry beans and contract seed beans on a policy/county.

4B **Price Elections**

Price elections for dry beans may vary by type when the Special Provisions provide different price elections by type. For contract seed beans, the insured may select ONE price election ranging from 60 percent through 100 percent of the contract price.

4C **APH Yield Calculation**

[For additional instructions for APH procedure not covered in this exhibit, see Sec. 6.]

C(1) **Separate yields are required** to establish or update an approved APH yield for the following:

(1)(a) Insurable dry bean types indicated on the applicable actuarial document for the current crop year.

(1)(b) Units (Basic and (NACAT→Optional ←NACAT)).

(1)(c) Irrigated and Non-Irrigated insurable practices.

C(2) **All insureds** are required to file production reports separately for each insurable type that was grown (by unit).

NOTE: It is not necessary to create an APH form and calculate an approved APH yield for ALL possible insurable types. However, if a new insurable type is grown on which an approved APH yield has not been calculated [See Exhibit 36.] then the applicable Special "T" yield(s) for an added type will apply.

C(3) **Different "T" Yield areas (T-map areas) within a unit.** [See Sec. 6 E(2).]

C(4) **Yield limitation provisions** [See Sec. 6, I].

**ADDITIONAL MALTING BARLEY PROCEDURE****(NACAT→)****1 APH INSTRUCTIONS FOR FEED BARLEY DATABASES****1A Option A or B Approved APH Yield(s)**

Under Option A or B approved APH yield(s) MUST be calculated for Feed Barley. Acreage and production records must meet acceptability requirements outlined in this handbook for APH purposes. All Feed Barley approved, APH yields must be calculated in accordance with the Small Grains Crop Provisions and APH procedures. For instructions concerning Malting Barley Databases when Option A is elected refer to Par. C of this Exhibit.

A(1) **Feed Barley APH database(s)** MUST be established and updated by attributing ALL Barley acres and production (non-Malting varieties, approved Malting varieties, and non-approved Malting varieties) from acceptable records to the applicable Feed Barley database. A separate database must be established for each applicable practice and spring and winter types indicated on the county actuarial table.

(1)(a) For carryover insureds, separate Malting Barley and basic Barley databases established under the 95-91A Endorsement containing actual or assigned yields MUST be restructured (production history combined). Restructuring must occur by unit and according to any applicable practices. Yield limitations (caps or cups) will not apply. Yield floors will apply.

(1)(b) For carryover insureds who have established APH databases for one type ONLY (Basic or Malting Barley):

1 Basic Barley databases become Feed Barley databases regardless of whether or not the 95-91A Malting Barley Endorsement was elected.

2 Malt Barley databases established under the 95-91A Endorsement become Feed Barley databases.

Note: Caps, cups, or yield floors will apply. All databases must be updated with the 1997 production history for the 1998 crop year using APH procedures for Feed Barley.

**1B Applicable Grade Standards**

The quality standards for approved Malting Barley varieties insured under Option A or Option B are defined in the Malting Barley Price and Quality Endorsement. These standards are used in determining Malting Barley production to count for APH and claims. Failure to meet any of these standards MUST result from INSURABLE CAUSES if such loss in quality is to be recognized in indemnity calculations.

1C **Option A**

C(1) **To Qualify for Option A**, each NEW or CARRYOVER insured must provide, no later than the PRD, acceptable Malting Barley production reports, by practice for at least the four most recent APH crop years prior to the crop year immediately preceding the current crop year (e.g., at least 96, 95, 94 and 93, are required). Each Malting Barley APH crop year reported must be accompanied by acceptable records by practice of the SALES of Malting Barley production and the ACRES PLANTED TO MALTING VARIETIES. For the purposes of Option A, "sales of Malting Barley" means the production sold as MALT. In order to qualify for Option A, a carryover insured switching from the 95-91A Endorsement must recertify the Malting Barley production reports or Insurance Providers MUST RESTRUCTURE, by practice, existing Malting Barley databases to reflect sold Malting Barley production and acres planted to Malting Barley varieties. Acceptable supporting records by practice of the sales of Malting Barley production and acres planted to Malting Barley varieties MUST be provided by the insured by the PRD to accurately restructure the database. Production records must only include the actual bushels sold as Malting Barley when recording production from acres of approved Malting Barley varieties. For example, if the producer planted 100 acres of approved Malting Barley varieties and all of the production was sold as feed barley, record 100 acres and zero production on the production report.

Note: Failure to separate sold Malting Barley production in an acceptable manner for each practice carried out for a crop year will cause that crop year's production report(s) to be unacceptable for option A purposes.

- C(2) **Insurable Acreage**. All insurable Barley acreage in the county planted to an approved Malting Barley variety in which the insured has a share will be insured. However, the Malting Barley production guarantee per acre will be limited [See (5) below].
- C(3) **Feed Barley APH Databases**. When Option A is elected separate databases must be established for both Feed Barley and Malting Barley. Calculate the approved APH yield for Feed Barley and structure Feed Barley databases [according to Par. 1A] of this exhibit.
- C(4) **Option A APH Databases**. An average APH yield is determined by calculating a simple average of the insured's total Malt Barley yields for each practice (determined from sales records), divided by the number of years of sales records provided.
- (4)(a) A separate Malt Barley APH database must be established for each practice. Coverage under Option A will not attach to any practice with less than four years of acceptable Malting Barley records.
- (4)(b) "T" Yields are not applicable to Option A Malting Barley databases. Yield limitations (Caps or Cups) or yield floors will not apply.
- (4)(c) For each subsequent crop year, the insured must provide acceptable production reports (accompanied by acceptable records of sales of Malting Barley and acres planted to malting varieties by practice) by the PRD for the APH crop year immediately preceding the current crop year. If the insured fails to do so, insurance will not attach under Option A (assigned yields are not used).
- C(5) **Guarantee for Option A**. The approved APH yield used to determine the production guarantee for Option A will be the lesser of:
- (5)(a) Feed Barley. The applicable approved APH yield calculated for Feed Barley by unit and practice; or

- (5)(b) Malting Barley. The average APH yield calculated by practice [in Par. (4) above] using acceptable Malting Barley production reports/records.

1D **Option B**. Only contracted production is insured under this option.

D(1) **To qualify for Option B**, the insured must submit a copy of the Malting Barley contract for the current crop on or before the acreage reporting date. The Insurance Provider must retain the copy for verification purposes. Contract requirements:

(1)(a) Agreement in writing. The contract must be an agreement in writing between the producer and a brewery or business enterprise that produces or sells **MALT** or processed mash to a brewery, or business enterprise owned by such brewery or business; and

(1)(b) Obligations. The contract must contain the amount of contracted production, the purchase price, or method to determine the purchase price, and other such terms that establish the obligations of each party to the agreement.

If the insured fails to provide the contract timely, or any terms are omitted, the insurance provider may determine the information necessary to provide insurance under Option B or deny the liability provided by Option B.

D(2) **Insurable acreage**. All insurable Barley acreage in the county planted to an approved Malting Barley variety in which the insured has a share will be insured.

D(3) **Feed Barley APH/Databases**. When Option B is elected, calculate the approved APH yield and structure the Feed Barley databases [according to Par. 1A].

D(4) **Option B Yield**. For processing purposes, the yield used to calculate the production guarantee for Option B, will be the result of multiplying the Feed Barley approved APH yield (by unit/location/practice) by a contracted Malting Barley APH/bushel factor (.xxx), not to exceed 1.000.

(4)(a) The factor is calculated by dividing the number of Malting Barley bushels contracted by the TOTAL weighted bushels of Feed Barley. The weighted Feed Barley bushels are calculated by multiplying the Feed Barley approved APH yield (for the corresponding practice and location) times the acreage planted to an approved variety of Malting Barley (by practice and location corresponding to the Feed Barley approved APH yield). [See Par. 1F of this Exhibit for a sample worksheet (Col. 1-7) and completion instructions. See Example 1, following, for a completed example.]

(4)(b) Documentation. The calculations used to determine the factor must be documented on a worksheet, signed and dated by agent, and approved by the verifier. It becomes part of the APH file and is subject to verification during the APH review process.

(4)(c) The approved Option B yield is not required to be calculated and transmitted to FCIC on an APH form (type 15 record).

(4)(d) Acreage Report. The Option B Yield must be entered in the approved APH yield column of the acreage report for processing purposes, and the contracted bushels and APH/bushel factor must be entered in the remarks section.

**EXAMPLE 1:** Option B APH/Bushel Factor.

The insured's acreage report indicates 120 acres of an approved Malting Barley variety (MB) was planted on acreage corresponding to Feed Barley (FB) unit 00101 and an irrigated practice will be carried out [see worksheet row one]; 80 acres of an approved MB variety was planted on acreage corresponding to FB unit 00102 and that an irrigated

practice will be carried out [See worksheet row two]; 60 acres of an approved MB variety was planted on acreage corresponding to FB unit 00200 and a summerfallow (SF) practice will be carried out [See worksheet row three]; and 100 acres of an approved MB variety was planted on acreage corresponding to FB unit 00200 and that a Continuous Cropping (CC) practice will be carried out [See worksheet row four]. The FB approved APH yields are listed for the corresponding acreage in Col. 3 of the worksheet. The insured has additional acreage of FB (not planted to an approved MB variety); however, it is not necessary to enter it on the worksheet. The insured has acceptable Malting Barley contracts with two breweries [See Col.6].

**COLUMNS 1-7, WORKSHEET FOR DETERMINING OPTION B APH/BUSHEL FACTOR**

(1) UNIT (FB)	(2) PRAC- TICE	(3) (FB) APH YIELD	(4) PLANTED ACRES(MB)	(5) COL(3) X (4)	(6) CONTRACTED BU(MB)	(7) COL(6) ÷ (5)
00101	IRR	70	120.0	8,400	<u>1/</u> 10,000	
00102	IRR	62	80.0	4,960	<u>2/</u> 5,000	
00200	SF	48	60.0	2,880		
00200	CC	35	100.0	3,500		
				<b>TOTAL:</b> 19,740	<b>TOTAL:</b> 15,000	<b>FACTOR</b> : .760

1/ Contract # A, guaranteed sale price of \$6.50 per cwt.

2/ Contract # B, guaranteed sale price of \$6.80 per cwt.

D(5) **Option B, Additional Value Price Election.** The additional value price election per bushel, NOT TO EXCEED \$2.00 PER BUSHEL, for approved Malting Barley varieties insured under Option B, is the lesser of, as applicable:

(5)(a) The guaranteed sale price per bushel established in the Malting Barley contract (without regard to discounts or incentives) minus the maximum price election for Feed Barley; or

(5)(b) The premium price per bushel (without regard to discounts or incentives) if the sale price is based on a future market price as specified in the Malting Barley contract.

If more than one contract price (sale prices or premium prices) apply to the policy, a weighted average Malting Barley contract price per bushel must be calculated in order to determine the additional value price election. Refer to Par. 1F of this Exhibit for a sample worksheet (Col. 6, 8-12) and completion instructions. See Example 2 following, for a completed example.

**EXAMPLE 2: Weighted Average MB Contract Price.**

Continuing the previous example, the weighted average Malting Barley contract price is calculated as follows:

**COLUMNS 6, 8-12 WEIGHTED AVERAGE MB CONTRACT PRICE WORKSHEET**

(6) CONTRACTE D BU. (MB)	(8) PRICE (CWT)	(9) (CWT) FACTOR	(10) PRICE(BU) OR (8)X(9)	(11) DOLLARS (6)X(10)	(12) PRICE:TOTALS COL(11)÷(6)
-----------------------------------	-----------------------	------------------------	---------------------------------	-----------------------------	-------------------------------------

<u>1/</u> 10,000	\$6.50	.48	\$3.12	\$31,200	
<u>2/</u> 5,000	\$6.80	.48	\$3.26	\$16,300	
<b>TOTAL:</b> 15,000				<b>TOTAL:</b> \$47,500	<b>AVE MB PRICE</b> \$3.17

The Additional Value Price Election, not to exceed \$2.00 per bu., is determined by subtracting the maximum price election for Feed Barley from the weighted average Malting Barley price (this example \$3.17 - \$2.15 [maximum Feed Barley price election] = \$1.02).

**E Premium Calculation**

The base premium rate for Option A or Option B Malting Barley is the base premium rate for the Feed Barley approved APH yield for the SAME LOCATION and PRACTICE.  
Formula: (Malt Barley Per-acre Production Guarantee) X (share) X (acres) X (additional value Malt Barley price election) X (base premium rate for Feed Barley) X (1.1 [rate class option factor]) X (.9 [basic unit discount] X (producer premium percentage [for level elected])) = Malt Barley Premium.

**F Option B Worksheet** [Refer to the following page for the Option B Worksheet and completion instructions.]

F(1) **APH/Bushel Factor.** Complete Columns 1-7 to determine the Option B APH/Bushel factor.

F(2) **Weighted Average Contract Price.** Use Column 6 and complete Columns 8-12 to determine the weighted average Malt Barley contract price when the policy covers more than one contract price and the contract prices are different.

COLUMNS 1-7, WORKSHEET FOR DETERMINING OPTION B APH/BUSHEL FACTOR  
 COLUMNS 6, 8-12, WEIGHTED AVERAGE MB CONTRACT PRICE WORKSHEET

(1) UNIT (FB)	(2) PRAC- TICE	(3) (FB) APH YIELD	(4) PLANTED ACRES (MB)	(5) COL (3) X (4)	(6) CONTRACTED BU. (MB)	(7) COL (6) ÷ (5)	(8) PRICE/ CWT (MB)	(9) (CWT) FACTOR	(10) PRICE/BU: OR COL (8) X (9)	(11) DOLLARS COL (6) X (10)	(12) PRICE:TOTALS COL (11) ÷ (6)
				TOTAL:	TOTAL:	FACTOR:				TOTAL:	AVE MB PRICE

COL

- 1 Enter the Feed Barley (FB) unit number. An entry must be made if for the Feed Barley location, acreage is planted to an approved MB variety. A separate line entry must be made for each practice.
- 2 Enter the applicable FB practice.
- 3 Enter the FB approved APH yield, for each unit and practice on which MB is planted.
- 4 Enter the acres planted to an approved MB variety for each practice. This acreage must correspond to the FB APH by unit and practice.
- 5 Multiply the FB APH yield (Col. 3) times the MB acreage (Col.4). Enter the result in Col. 5 and total the line entries.
- 6 Enter the contracted bushels of Malting Barley (MB). If more than one contract, enter the total contracted bushels for each contract on a separate line.
- 7 Divide the total contracted bushels (Col.6) by total bushels (Col. 5) and enter the quotient to three decimal places, not to exceed 1.000. This factor is then multiplied times the FB APH yield (Col. 3) to determine the MB approved yield.

If MORE than one contract price and contract prices are different per bu:

- 8 If the contract price is per cwt. enter the contract price applicable to the contracted bu. (Col. 6). If the contract price is per bushel leave blank.
- 9 Enter .48 if the contract price is per cwt. If the contract price is per bushel leave blank.
- 10 If the contract price is per cwt., multiply the Price CWT. (Col. 8) by .48 (Col. 9) and enter the resulting price per bushel in Col. 10. Round to nearest cent (.XX). If the contract price is per bushel, enter the contract price applicable to the Contracted Bushels (Col.6).
- 11 Multiply the Contracted Bushels for each contract (Col. 6) times the applicable the Price Per Bu. (Col. 10) and enter the result in Col. 11. Total the Dollars for all contracts.
- 12 Divide the Total Dollars (Col. 11) by the Total Contracted Bushels (Col 6) and enter the quotient as the weighted average MB contracted price (Col.12). Round to the nearest cent (.XX). Deduct the maximum Feed Barley price election from the Average MB price (Col. 12). The remainder not to exceed \$2.00 is the additional value Malt Barley price election.



**PARTICIPATION - FLOW CHART**

1. Sam Good wishes to use Bo Jack's records. He may do so because Bo receives a share in the crop for the current crop year.

CURRENT CROP YEAR	FSA FSN 1000 Section 10 Sam Good 2/3 Bo Jack 1/3
-------------------	---

2. The farm was renumbered in the most recent crop year, but it is the same land. Bo Jack's records meet the acceptability requirements and may be used for the crop year.

MOST RECENT CROP YEAR TO THE CURRENT CROP YEAR	FSA FSN 1000 Section 10 Bo Jack 100%
--	--

3. Bo Jack's records are acceptable so they may be used.

NEXT MOST RECENT CROP YEAR	FSA FSN B-126 Section 10 Bo Jack 100%	(FSA FSN Renumbered)
----------------------------	---	----------------------

4. Bo Jack's records are acceptable so they may be used.

NEXT MOST RECENT CROP YEAR	FSA FSN B-126 Section 10 Bo Jack 100%
----------------------------	---

5. Bo Jack's record are acceptable so they may be used.

NEXT MOST RECENT CROP YEAR	FSA FSN B-126 Section 10 Bo Jack 100%	(FSA FSN Reconstituted Change of ownership)
----------------------------	---	---

6. FSA FSN C-20 consists of the same land and Bo Jack's records are acceptable for the crop year so they may be used.

NEXT MOST RECENT CROP YEAR	FSA FSN C-20 Section 10 Bo Jack 2/3 Don Matt 1/3
----------------------------	---

7. Bo Jack did not have a share in the crop. A break in continuity occurs. Actual yields are therefore reported for items 1 through 6.

NEXT MOST RECENT CROP YEAR	FSA FSN C-20 Section 10 Don Matt 100
----------------------------	--

(NACAT→)

**EXAMPLE  
HIGH-RISK LAND EXCLUSION OPTION**

OMB No. 0563-0053

✱FCI-549  
(Rev. 6-97)

U. S. DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation  
**HIGH-RISK LAND EXCLUSION OPTION**

This is a continuous Option.  
Refer to item 5 of this Option.

INSURED'S NAME	CONTRACT NO.
ADDRESS	CROP YEAR
	IDENTIFICATION NUMBER <input type="checkbox"/> SSN <input type="checkbox"/> TAX
CROP(S)	COUNTY

Upon our approval of this Option, we agree to amend your Federal Crop Insurance Policy to exclude from crop insurance coverage all high-risk land for the identified crop(s) and county in which you have a share, subject to the following terms and conditions:

1. The Option must be submitted to us on or before the final date for accepting applications for the initial crop year in which you wish to exclude high-risk land.
2. In the event of a loss on any insured unit, you must provide separate production records showing planted acreage and harvested production for any acreage which is excluded from crop insurance coverage under this Option.
3. By signing this Option, you are declining crop insurance coverage under the general crop insurance policy and the crop endorsement on your high-risk land.
4. As used in this Option, "high-risk" land is any land to which a high risk classification and premium adjustment factor applies as shown on the actuarial table when the "R" system is employed to classify the crop.
5. This Option may be canceled by either you or us for any succeeding crop year by giving written notice on or before the cancellation date provided by the policy, preceding such crop year.
6. You must report, on the acreage report for each crop year, the acreage of the crop planted on high-risk land.
7. All other provisions of the policy not in conflict with this Option are applicable.

INSURED'S SIGNATURE \_\_\_\_\_ | DATE \_\_\_\_\_

REPRESENTATIVE'S SIGNATURE AND CODE NUMBER \_\_\_\_\_ | DATE \_\_\_\_\_

A false claim made to the Federal Crop Insurance Corporation, or false statement made on a matter within the jurisdiction of the FCIC, may subject the maker to criminal and civil penalties under the provisions of 18 U.S.C. 1006, 1014; 7 U.S.C. 1506; 31 U.S.C. 3729, 3730. (←NACAT)

**ADDITIONAL FORAGE PRODUCTION PROCEDURE****1 FORAGE PRODUCTION****1A "T" Yield's**

Forage Production insureds with less than four years of actual records must use the 1998 applicable/variable "T" Yield [see Sec. 6, C(1) and (2)].

Yield limitation provisions are applicable if in effect.

**1B Approved APH Yields When Types Change**

Separate approved APH yields are required for types (351, 451) Alfalfa and types (352, 452) Alfalfa Grass Mixture when separate "T" Yields are indicated, for the respective types, on the actuarial table. For an added type, the approved APH Yield for the added type is calculated using the added P/T/V procedures [see Sec. 6, C(6)].

Example: Forage Production initially insured as Alfalfa (Type Code 351 or 451) changes to Alfalfa Grass Mixture (Type Code 352 or 452) when the percent stand falls below 60 percent Alfalfa [See the actuarial documents]. If the insured has not produced the Alfalfa Grass Mixture for more than two APH crop years on the unit, added P/T/V provisions apply:

- B(1) **Determine the number of years** of actual/assigned yields in the database for the previously insured type and identify the applicable "T" Yield.
- B(2) **Multiply the "T" Yield** for the new type by the "T" Yield.
- B(3) **Establish a four-year database** for the new type with the resulting Special "T" Yield preceded by the yield type descriptor code "C."
- B(4) **Cups and Caps do not apply the first year** this procedure is applicable.

**1C Forage Production Underwriting Report**

Policy provisions state that insurance will not attach on any acreage that does not have an adequate stand at the beginning of the insurance period. An adequate stand is a population of live forage plants that equals or exceeds the minimum required number of plants per square foot as shown in the Special Provisions.

Crop inspections are made before the calendar date for the beginning of the insurance period. All insureds must complete the Forage Production Underwriting Report [see Par. F] for each field of forage production. If a Claim for Indemnity was filed the preceding crop year and an adequate stand was determined, the Claim for Indemnity Report will be used to determine insurability.

The purpose of this report is to identify each field and to certify basic information needed to determine type classification, unit structure, and insurability of the stand (age of stand and adequacy of plant count). This information will be used to update the APH form before requesting an Approved APH Yield for the upcoming crop year, and also to complete the acreage report.

A copy of the Forage Production Underwriting Report must be submitted to the Insurance Provider before insurance attaches. The Production and Yield Report, and a copy must be submitted by the Production Reporting Date and a copy retained in the insured's file.

2 FORAGE PRODUCTION UNDERWRITING REPORT

Agent's Name \_\_\_\_\_

Applicant's Name \_\_\_\_\_

Policy Number \_\_\_\_\_ Crop Year \_\_\_\_\_ Field ID. \_\_\_\_\_

1. Legal Description:  
Qtr. Sec. # \_\_\_\_, TWP \_\_\_\_, N/S \_\_\_\_, RNG \_\_\_\_, E/W \_\_\_\_  
Check Applicable entry: Owned/Cash Rent \_\_\_\_, Share Rent \_\_\_\_

2. Number of Planted Acres \_\_\_\_\_

3. Year Established \_\_\_\_\_

4. Date Seeded MO \_\_\_\_\_

YR \_\_\_\_\_ (land completely broken up and reworked)

5. Seeded with Another Crop: Yes \_\_\_\_, No \_\_\_\_, Crop \_\_\_\_\_

6. Existing Stand:	Percent Ground Cover	Stand Count Per Sq. Ft.
	_____ % Alfalfa	_____ Alfalfa
	_____ Grass	_____ Grass
	_____ % Other	_____ Other

7. Practice: Irrigated \_\_\_\_\_, Non-Irrigated \_\_\_\_\_

Description of irrigation method or system:

\_\_\_\_\_  
\_\_\_\_\_

8. Previous year's usage: Seed \_\_\_\_\_ Acres

Grazed \_\_\_\_\_ Acres

Harvested: Silage \_\_\_\_\_ Acres

9. Failed \_\_\_\_\_ Acres

10. Acreage not intended to be harvested as livestock feed: \_\_\_\_\_

I certify that the information I have furnished on this underwriting report is complete and accurate for the unit and year shown. I Understand that failure to report completely and accurately may result in voidance of my crop insurance policy and may result in criminal or civil false claims actions.

Applicant's Signature Date \_\_\_\_\_

Distribution: Original to Insurance Provider, 1 copy insured's file.

**1 RETAINING 10 CROP YEARS OF APH HISTORY**

**1A Example 1**

This example is for a carryover insured who has provided actual yields for crop years 1987, 1988, 1990, 1991, 1992, 1993, 1995, 1996 and 1997. 1989 and 1994 were zero-plant years. The base period for 1997 crop year is the 10 most recent APH crop years. The carryover insured has 9 actual yields in the 1998 APH database.

1997 APH DATABASE		RECORDS SUBMITTED 1998	1998 APH DATABASE		
87	A75		87	A75	
88	A74		88	A74	
89	Z		90	A65	
90	A65		91	A81	
91	A81		92	A69	
92	A69		93	A73	
93	A73		94	Z	
94	Z		95	A25	
95	A25		96	A95	
96	A95	97	A90	97	A90
APH 557/8 = 70			APH 647/9 = 72		

**1B Example 2**

This example is for a carryover insured who has provided actual yields for crop years 1987, 1988, 1990, 1991, 1992, 1993, 1995, and 1996. The base period for 1998 crop year is the 10 most recent APH crop years. Zero acres planted were reported for crop year 1989, 1994 and 1997. The 1997 APH database is duplicated for the 1998 APH database with the exception of the yield descriptor Z deleted for crop year 1989. The carryover insured has 8 actual yields in the 1998 database.

1997 APH DATABASE		RECORDS SUBMITTED 1998	1998 APH DATABASE		
87	A75		87	A75	
88	A74		88	A74	
89	Z		90	A65	
90	A65		91	A81	
91	A81		92	A69	
92	A69		93	A73	
93	A73		94	Z	
94	Z		95	A25	
95	A25		96	A95	
96	A95	97	Z	97	Z
APH 557/8 = 70			APH 557/8 = 70		

**1C Example 3**

This example is for a carryover insured who has provided actual yields for crop years 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, and 1996. The base period for the 1998 crop year is the most recent 10 APH crop years. For crop year 1997, zero acres planted were reported. The 1997 APH database is duplicated for the 1998 APH database. The carryover insured has 10 actual yields in the 1998 database.

1997 APH DATABASE		RECORDS SUBMITTED 1998	1998 APH DATABASE	
87	A75		87	A75
88	A74		88	A74
89	A86		89	A86
90	A65		90	A65
91	A81		91	A81
92	A69		92	A69
93	A73		93	A73
94	A64		94	A64
95	A25		95	A25
96	A95	97 Z	96	A95
APH 707/10= 71			APH 707/10= 71	

**Contract Seed Beans, Dry Bean  
and Wrinkled Dry Peas (Seed Peas)**

- 1 SPECIAL APH INSTRUCTIONS [Also see Sec. 6 for general APH procedures].**
- 1A Calculations.** The approved APH yield is calculated and expressed as the current crop year's dollar-per-acre (\$/A) equivalent.
- 1B Separate APH Yields.** Separate approved APH yields are required for Contract Seed Beans, Dry Beans and Dry Peas, units, different "T" Yield map areas, and different Reference Year Adjustment Factor (RYAF) areas. Separate RYAF are furnished annually by the RMA RSO. These factors are specific for Contract Seed Beans, Dry Beans and Dry Peas by area and crop year.
- 1C Enter each crop years' respective RYAF** in col. 1 of the Multi-purpose Production and Yield Report Worksheet [see Sec. 6, Par. F]. If fewer than four years of production have been certified, enter the appropriate RYAF for factoring ("T" Yields) to complete a four-year database.
- 1D Enter the total dollars** received (or value of), for each crop year in Col. 2 of the worksheet (round to the nearest whole dollar). If fewer than four years of production have been certified, use the factored T-yield to complete a four year database. Do not consider a year with zero planted acres a year with actual production.
- 1E Multiply the RYAF** in col. 1 times total dollars or "T" yield, if applicable, in Col. 2, and enter the resulting product in col. 3 (round to nearest whole dollars). Transfer the factored dollar value(s) (col. 3) to Total Production Column (Col. 16 FCI-19-A[APH]) on the APH form.
- 1F Enter the planted acres** in the Acres Column (Col. 17 FCI-19-A[APH]) on the APH form for each crop year certified.
- 1G Divide factored dollars** (Col. 16) by planted acres (Col. 17) and enter resulting quotient in the Yield Column (Col. 18 FCI-19-A[APH]). (Round to nearest whole dollar.)
- 1H Total the factored average dollar values** (Col. 18) and enter the total in the Total Block (Block 19 FCI-19-A[APH]) on the APH form.
- 1I Divide the total** (Block 19) by the number of years which have yields, including "T" Yields (Col. 18). Enter the result in the Preliminary Yield Block (Block 20 FCI-19-A[APH]) as the preliminary yield in whole dollars per acre.
- 1J To express the prior year's approved yield** in current dollars-per-acre equivalent, multiply the previous year's approved APH yield (in dollars per acre) by the most recent year's RYAF.

- 1K **Any yield limitation provisions**, if applicable, apply to carryover policies. Multiply the previous year's approved APH yield (in dollars per acre) by the most recent year's RYAF and compare it to the current year's preliminary yield. If necessary, apply the percent yield limitation and enter the approved APH yield.
- 1L **For the computer printed Production and Yield Reports** for carryover policies, steps three through seven are handled on one page per unit [see following examples]. Actual dollars are entered in the column labeled "total dollars." Final factored average dollar per acre is calculated by dividing "total dollars" by "planted acres" and multiplying times the RYAF. The resulting value is entered in the column labeled "average value." Note: Round to whole dollars per acre after each arithmetic step.
- 1M **It is necessary to convert the approved APH yield** from dollars per acre (\$/A) to pounds per acre (#/A) for entry on the acreage report. Divide the approved APH yield by the contract price(s). A separate line entry is required for each contract price.

[Examples 1-3 of this exhibit do not have the applicable CURRENT CROP YEAR RYAFs. They are issued for each CURRENT CROP YEAR by the RMA RSO. CURRENT CROP YEAR RYAFs must be used when calculating approved APH yields.]

2 EXAMPLES

2A Example 1 - Multi-purpose Production and Yield Report Worksheet

Use this worksheet to determine the factored production to be entered on the APH form .

CROP YEAR	1	2	3	4	5	6
	RYAF	TOT \$	FAC \$			
1994	1.15	4307	4953			
1995	1.12	6013	6735			
1996	1.04	----	----			
1997	1.12	10667	11947			
Factored "T" Yield	*1.56	T-350	T-546			

6 CROP Dry Beans (0047)	7 SECTION 36		15 CROP YEAR	16 TOTAL PRODUCTION	17 ACRES	18 YIELD	
	PRACTICE IRR. (002)	TWNSHP 10S					
TYPE C.S.B. (062)	RANGE 10W						
UNIT NO. 00200	LAND OTHER COUNTY YES NO						
8 OTHER ENTITY (IES)  NONE			12 FSA FARM NO. 1001				
9 RECORD TYPE:  PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES DY = 1988 \$/Ac.	CROP YEAR:		19XX		*87 RYAF	F546	
			19XX	4,953.0	15.0	A320	
			13 RMA YIELD:	19XX	6,735.0	14.0	A481
				19XX			Z
				19XX	11,947.0	25.8	A463
							19 TOTAL 1820
10 PROCESSOR NUMBER/NAME  *Factored \$ Production	11 OTHER  Contract Prices .30, .40 (if available)		14 TRANSITIONAL YIELD: DY= 350 (1.56)= F546	20 (A) PRELIMINARY YIELD 455  20 (B) PRIOR YIELD		21 APPROVED APH YIELD  (For Verifier use only)	

2B **Example 2 - FCI-19A(APH) CSA (Contract Seed Beans)**

19XX DRY BEANS (047)  
PRODUCTION AND YIELD REPORT

NAME: GARDENSEED, GROWER ADDRESS: RR # 1 TOWN, ST. ZIP PHONE: (XXX)-XXX-XXXX (Columbia Basin Example)			ANY AGENT 99 ANY INSURANCE PROVIDER 999		
			CONTRACT: XX-XXX-XXXX SSN/TAX NO.: XXX-XX-XXXX		
SERVICE OFFICE: C. I. AGENT ADDRESS: 101 N. MAIN ST. TOWN, ST. ZIP COMPANY: INS. AGENCY INC.			AGENT CODE:XXXXXXX COMPANY CODE: XXXXX		
UNIT NO. - 00200			FSA FSN: XXXX		
LEGAL DESCRIPTION: W½ 36 10S 16E OTHER ENTITY: NONE PROCESSOR NUMBER/NAME: PRACTICE: IRRIGATED (002) TYPE: CONTRACT SEED (062)					
CROP YEAR	REF YEAR ADJ FACTOR	TOTAL DOLLARS	FACTORED DOLLARS	PLANTED ACRES	FACTORED AVERAGE VALUE
19XX	1.46	----	----		
19XX	1.17	----	----		
19XX	1.10	----	----		
19XX	1.15	----	----		
19XX	1.21	----	----		
19XX	1.13	----	----		F546
19XX	1.15	4307	4953	15.0	A330
19XX	1.12	6013	6735	14.0	A481
19XX	1.04	0	0	0.0	Z
SUBTOT					1357
19XX	1.12	10667	11947	25.8	A463
AREA: TOTAL OF AVERAGE YIELDS					1820
TRANSITIONAL YIELD: \$350/A					
PRIOR APPROVED APH YIELD					
X RYAF = (1.12): 488					
PRELIMINARY YIELD: 455					455
					APP. APH YIELD

NOTE: THE "T" YIELD IS 350 AND IT IS MULTIPLIED TIMES THE 1987 RYAF SINCE PUBLISHED "T" YIELDS ARE EXPRESSED IN 1987 DOLLAR EQUIVALENTS. THE "T" (350) X RYAF (1.56) RESULTING IN A FACTORED "T" YIELD OF "T" 546. THE FACTORED "T" YIELD IS THEN ENTERED FOR THE MISSING YEAR(S).

2C **Example 3 -**

1997 REFERENCE (BASE) YEAR ADJUSTMENT FACTORS

Wrinkled (seed) Dry Peas

CROP YEAR	Columbia Basin	Palouse	Blue Mts. WA/OR	Treasure Valley	Magic Valley	S.E. Idaho
84	1.27	1.25	1.03	--	1.24	1.28
85	1.27	1.21	1.03	--	1.28	1.28
86	1.28	1.19	1.03	--	1.27	1.32
*87	1.29	1.28	1.13	--	1.31	1.39
88	1.28	1.31	1.14	--	1.31	1.40
89	1.02	1.20	1.03	--	1.00	1.04
90	0.98	1.17	1.02	--	0.94	1.00
91	1.06	1.10	1.02	--	1.06	1.16
92	1.16	1.22	1.06	--	1.09	1.21
93	1.09	1.11	1.05	--	1.08	1.17
94	1.13	1.22	1.06	--	1.11	1.15
95	1.06	1.11	1.02	--	1.06	1.13
96	0.98	1.05	1.01	--	0.95	0.96
97						

Contract Seed Dry Beans

CROP YEAR	Columbia Basin	Palouse	Blue Mts. WA/OR	Treasure Valley	Magic Valley	S.E. Idaho
84	1.54	--	--	1.44	1.57	--
85	1.58	--	--	1.49	1.60	--
86	1.57	--	--	1.50	1.59	--
* 87	1.56	--	--	1.59	1.69	--
88	1.46	--	--	1.45	1.63	--
89	1.17	--	--	1.05	1.16	--
90	1.10	--	--	0.98	1.03	--
91	1.15	--	--	1.15	1.25	--
92	1.21	--	--	1.19	1.30	--
93	1.13	--	--	1.16	1.26	--
94	1.15	--	--	1.16	1.22	--
95	1.12	--	--	1.11	1.15	--
96	1.04	--	--	0.98	0.98	--
97						

\* Use also for factoring Determined Yields.

-----	Columbia Basin	-----
State - OREGON	Counties - Gilliam, Morrow	
State - WASHINGTON	Counties - Adams, Franklin, Grant	
-----	Palouse	-----
State - IDAHO	Counties - Benewah, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce	
State - WASHINGTON	Counties - Spokane, Stevens, Whitman	
-----	Blue Mts. OR/WA	-----
State - OREGON	Counties - Umatilla, Union	
State - WASHINGTON	Counties - Asotin, Columbia, Garfield, Walla Walla	
-----	Treasure Valley	-----
State - IDAHO	Counties - Ada, Canyon, Owyhee, Payette, Washington	
State - OREGON	Counties - Malheur	
-----	Magic Valley	-----
State - IDAHO	Counties - Blaine, Cassia, Elmore, Gooding, Jerome, Lincoln, Minidoka, Twin Falls	
-----	S.E. Idaho	-----
State - IDAHO	Counties - Bannock, Bingham, Bonneville, Butte, Clark, Franklin, Fremont, Jefferson, Madison, Power	

**1 PRE-ACCEPTANCE ANNUAL CROP INSPECTION****1A Sugar Beets**

When a new application for sugar beets is signed after insurable acreage is planted, an inspection is required. The agent/representative will provide the applicant's/insured's name, address, telephone number, and unit location (including legal description) to the Insurance Provider responsible for assigning inspections. Insurance Provider inspectors will forward all documents to the Insurance Provider verifier after completing the inspection.

**1B Inspections**

Inspections must be assigned to an inspector within five working days of receipt of the request but no later than 10 calendar days after the sales closing date. Arrangements must be made to prevent delaying the yield verification process. Inspectors should make appointments with the insureds so they can be present to answer any questions and provide authorized access to the unit(s) to be inspected. All production reports, completed inspection reports and supporting documentation must be received by the Insurance Provider verifier no later than 20 calendar days after the PRD. The items shown below are required and must be documented on the inspection report [see Par. C], along with any other material circumstances observed by the inspector.

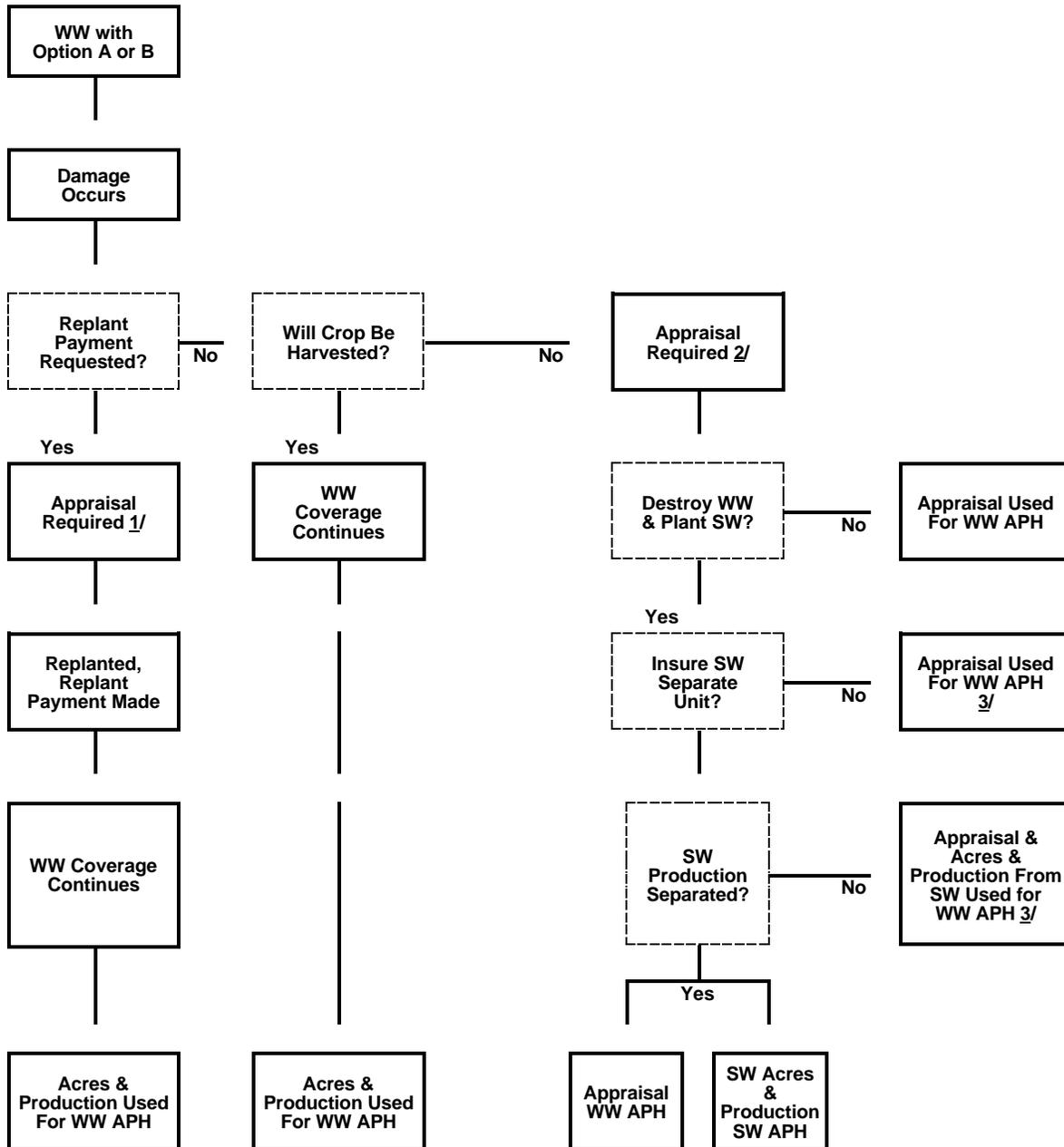
**Item No.**

- (1) Identification information - name of crop, unit number, crop year, contract number, name and address of insured.
- (2) Acreage and location - planted insurable acreage and location information, including legal description.
- (3) Crop information - overall crop condition.
- (4) Special hazards - note any hazards (flood etc.).
- (5) Management practices - document any improper farming practices (poor weed control, etc.) and comment on overall unit condition.
- (6) Recommendation - recommend acceptance, rejection, or acceptance with an RMA RSO rate and/or coverage review.
- (7) Date of inspection, signature, code number and title of person making inspection.

Distribution: Original - Insurance Provider Verifier  
First Copy - Insured's file,  
Second Copy - Inspector's option.



(NACAT → FLOW CHART - WINTER WHEAT WITH OPTION A OR B



Winter Wheat (WW)  
Spring Wheat (SW)

- 1/ Must Qualify for Replant Payment
- 2/ Appraisal for Potential Production Used for WW APH  
Option A may require additional appraisal
- 3/ If WW & SW Production Commingled,  
Also Use Acres & Production from SW for WW APH

←NACAT)

1      RESERVED

**SHELLING PERCENTAGE CHART FOR CLEAN UNSHELLED ALMONDS**

The varietal shelling percentages applicable to unshelled almonds for APH purposes are as follows:

VARIETY	AVERAGE SHELLING PERCENT
Aldrich . . . . .	60
Ballico . . . . .	55
Butte . . . . .	60
Carmel . . . . .	65
Carrion . . . . .	60
Davey . . . . .	55
Dottie Won . . . . .	50
Drake . . . . .	40
Fritz . . . . .	55
Harvey . . . . .	65
IXL . . . . .	50
Jeffries . . . . .	70
Jordanolo . . . . .	65
Le Grand . . . . .	60
Livingston . . . . .	65
Merced . . . . .	70
Milow . . . . .	65
Mission . . . . .	50
Mono . . . . .	50
Monterey . . . . .	55
Ne Plus Ultra . . . . .	65
Non Pariel . . . . .	70
Norman . . . . .	60
Padre . . . . .	55
Pearl . . . . .	55
Peerless . . . . .	45
Price . . . . .	65
Ripon . . . . .	45
Rosetta . . . . .	50
Ruby . . . . .	55
Sauret I . . . . .	65
Sauret II . . . . .	65
Solano . . . . .	65
Sonora . . . . .	70
Thompson . . . . .	70
Tokyo . . . . .	55
Valenta . . . . .	55
Woods Colony . . . . .	65

Example, you have 54,688 pounds of unshelled Norman almonds. Normans have a conversion factor of 60 percent. Multiply 54,688 times .60 and you have 32,813 pounds of shelled Norman almonds.

## 1 ENTITIES: DEFINITION, DETERMINATION, AND DOCUMENTATION

The following provides the criteria, required documentation, and proper identification numbers required to process each type of entity listed. [For data processing instructions and codes See Manual 13, Data Acceptance Handbook.]

Policies written as an individual entity require a Social Security Number (SSN) or, when applicable, an Employer Identification Number (EIN). When an EIN is applicable, the insured must be listed as a person with a Substantial Beneficial Interest (10 percent or greater interest in the policy) and his or her SSN provided. If a spouse's interest is covered by the policy, the spouse must be listed as having a Substantial Beneficial Interest (SBI) and his or her SSN provided. All persons with an SBI (joint and survivor interests) must be listed and the SSN/EIN of each SBI provided.

An EIN is required for entities that are insured as partnerships or corporations. An SSN or EIN is required for co-owners/joint operations, estates, or revocable trusts. All persons with an SBI in the entity must be listed and the SSN/EIN of each SBI provided. If no one qualifies as an SBI, at least one person's name must be listed and his or her SSN/EIN must be provided for data acceptance purposes.

### 1A Individual Entity: Individuals

- A(1) **The applicant must be competent**, of legal age (18 years of age or older) and capable to enter into a binding contract, and have the authority to fulfill the requirements of the contract. [If the applicant is less than 18 years old, see Par. E of this Sec.]
- A(2) **The applicant incurs debt** (if any) related to production, stores or markets in his or her name, receives proceeds, and files tax returns.
- A(3) **The application covers the individual's share** as a co-owner, joint operator, or an individual in a partnership, provided the co-owner, joint operator, or partnership does not have separate contracts.
- A(4) **A landlord and tenant** must have separate contracts.
- A(5) **When more than one member** of a family in the same household applies for insurance, or the applicant resides in the household of an insured, applicants must provide evidence on a signed statement indicating separate insurable shares. Not applicable in most cases to spouses. [See Par. 1B.]

### 1B Individual Entity: Spouses

- B(1) **Only one contract** is required when the insurable share is owned jointly or separately by husband and wife. This includes shares owned in community property states.
  - (1)(a) **The FSA may recognize a married couple** who shares in the same farming operation as "two" persons for the purpose of farm program limitations and require only one (contract to participate in FSA programs) to be signed by the married couple. Such married couples are considered to be an individual entity for insurance purposes.

(1)(b) If the FSA recognizes that a spouse operates a SEPARATE farming operation independently of the other spouse, each spouse may be classified as a separate individual entity for insurance purposes. If the FSA considers spouses to be operating separate farming operations, separate contracts are signed by each spouse, separate FSNs issued, etc. [also see B(3) below.]

B(2) Some married persons are sole owners of land and farm as landlords, owner-operators, or as tenants independently of their spouses. For example, if a wife separately owns land which is operated and managed by the husband as head of a family farming enterprise, only one policy is needed for the family operation and share. This is also true if such land is all or part of the land farmed by the husband as owner-operator with the proceeds deposited in either the husband's bank account or a joint bank account. Only one application in the husband's name, wife's name, or both names as co-owners is required, and either spouse may sign the insurance documents.

B(3) If a spouse operates a SEPARATE farming operation independently of the other spouse, each spouse (if they chose) may submit a separate application and insure his or her interest separately. To qualify as a separate farming operation, ALL of the following criteria must be met: separate ownership of land, separate capital, separate equipment, separate labor, separate management, and separate records maintained.

#### 1C Individual Entity: An Individual Operating as a Company

The guidelines for an individual operating as a company are identical to those for an individual. The application must be signed by the owner or authorized representative of the company. A statement from the company listing the authorized representative must be maintained in the insured's file folder.

#### 1D Individual Entity: Joint and Survivor Interests

"Joint and Survivor Interests" are applicable in "community property" states in which a husband and wife have joint and survivor interest in insurable acreage, and in states where such an interest may be created by deed. In such states, the application is completed in the name of the joint and survivor interest (e.g., "John W. Doe, James C. Smith," or whomever).

D(1) Both parties must sign the application. Exceptions: husband and wife, or when a statement is prepared and signed by both parties showing the authority of either to act as agent for the other for crop insurance purposes.

D(2) If either party dies, the contract continues, but a successor-in-interest application must be obtained. [For additional instructions concerning the effective crop year for which the successor-in-interest application must be prepared see Sec. 4, Par. C(8).]

#### 1E Individual Entity: Minors or Mental Incompetents

E(1) A minor must provide evidence that an insurable share exists, and if incompetent or not capable of entering into a binding contract a court appointed guardian or a parent must be co-sign the application.

E(2) A mental incompetent may be insured ONLY if a court appointed guardian signs the documents.

E(3) A written statement describing the farming operation and the insurable share must be provided and maintained in the insured's file folder in the service office.

- E(4) **When the minor becomes capable of entering into a binding contract** or when incompetency is dissolved, a successor-in-interest application is required. [For instructions concerning the effective crop year for which the successor-in-interest application must be prepared see Sec. 4, C(8).]
- E(5) **When a parent or court appointed guardian** co-signs the application, it must contain a statement guaranteeing payment of the annual premium.

1F **(CAT→Individual Entity: Producers Under One Tobacco Marketing Card**

Tobacco producers may insure 100 percent of the tobacco acreage for which a marketing card is issued by FSA under one policy, subject to the following conditions:

- F(1) **All shareholders** must agree to such an arrangement in writing, and none may have other tobacco on which CAT coverage is required.
- F(2) **The insured is the producer named on the application.** The applicant/named insured must have a share in the tobacco acreage covered by the marketing card.
- (2)(a) **The applicant/named insured** is responsible to furnish to the Insurance Provider a copy of the shareholder agreement, names, and Employee Identification Numbers (EIN) or Social Security Numbers (SSN) of all persons who share in the tobacco acreage covered by the marketing card. Each shareholder must be listed as an SBI even if to their actual interest in the insured entity is less than 10 percent.
- (2)(b) **The producer designated as the named insured** is responsible to apply for insurance, pay any applicable administrative fee and fulfilling all contractual requirements (e.g., file acreage reports, provide APH production reports, give notice of damage, etc.). A copy of the agreement that designates the responsible person must be placed in the insured's file.
- (2)(c) **Any indemnity payment due** will be made to the named insured under his/her SSN/EIN number. The named insured is responsible for distributing any indemnity payments to other producers sharing in the crop. ←CAT)

1G **(CAT→Individual Entity: Undivided Interests**

Landowners with an undivided interest in land may insure crops on such land under one policy subject to ALL of the following conditions:

- G(1) **The policy covers only insured crop(s)** grown on land with an undivided interest. None of the landowners may have other land on which CAT is required.
- G(2) **The total liability for each crop** insured under an undivided interest policy must not exceed \$2500.

- G(3) **The landowner designated** as the named insured is responsible to apply for insurance, pay any applicable administrative fee(s) and fulfill all contractual requirements (e.g., file acreage reports, provide APH production reports, give notice of damage, etc.). A copy of the agreement that designates the responsible person must be placed in the insured's file.
- (3)(a) **Any indemnity payment due** will be made to the named insured under his/her SSN/EIN number. The named insured is responsible for distributing any indemnity payments to other landowners sharing in the crop.
- (3)(b) **The applicant/insured** must furnish to the Insurance Provider proof that an undivided interest in the land exists, names of the landowners, and the SSN/EIN of the landowners.
- (3)(c) **All landowners** must be listed as an SBI without regard to their actual interest in the land. ←CAT)

#### 1H **Individual Entity: Competent Individuals Represented by Appointees**

If the application is signed by someone other than the individual entity, a Power of Attorney giving that person authority to sign must be maintained in the insured's file folder. The Power of Attorney must be considered to be legally executed by the state in which it was executed, and it must give the appointee the authority to sign crop insurance documents for the insured. In states that require the Power of Attorney to be acknowledged (notarized), the signatures of the individual and appointee must be notarized. In states that do not require the power of attorney to be notarized, the signatures of the individual and appointee must be witnessed and the signature of the witness obtained on the document. The FSA Power of Attorney Form is acceptable if it meets these requirements.

#### 1I **Partnerships:**

A partnership is a written or verbal (requires an EIN) contract between two or more individuals. The essential element of a partnership which distinguishes it from other forms of joint ventures is that each partner has authority to enter into contracts and bind all other members to such contracts.

- I(1) **The death, declaration of incompetence, or withdrawal of a partner** terminates the partnership, unless a written partnership agreement provides otherwise.
- I(2) **Crops to be insured under the partnership** are those in which the partnership has a share and require only one application.
- I(3) **If the entire share of the partnership** is not to be insured, an application to cover the share of an individual holding an interest in the partnership may be obtained. This application also covers any other individual interest the applicant may have.

#### 1J **Corporations:**

A corporation is a legal entity created and operating under state laws of incorporation. The corporation may insure its share as landlord, owner-operator, or tenant. An application must be signed by an officer of the corporation authorized to enter into contracts. A statement must be maintained in the insured's file folder stating where the articles of incorporation are on file. Changing officers or stockholders does not affect continuity of the contract.

#### 1K **Co-ownership/Joint Operations**

An entity composed of two or more parties who engage in a farming operation jointly; pool their resources; contribute land, labor, or machinery; share in expenses; and at the end of the year, divide the profits according to their interests. No individual is authorized to bind any other individual in any business transaction (as is possible under a partnership).

- K(1) **The application must be signed** by all parties or by the authorized representative. If an authorized representative signs, an agreement must be executed by co-owners or joint operators giving the representative authority to sign and maintained in the insured's file folder.
- K(2) **If the entire share of the entity** is not to be insured, an individual application may be obtained to cover the individual share of a co-owner or joint operator and any other individual interest the applicant may have. Such an application will not cover the share of a partnership.
- K(3) **Death or withdrawal** of one of the parties terminates the insurable interest at the end of the crop year.

1L **Estates:**

The application covers the share owned by an estate and must be signed by the authorized court-appointed officer or executor.

- L(1) **Upon settlement of the estate** and the discharge of the court-appointed officer, the contract and a new application is required to maintain insurance protection.
- L(2) **Removal or discharge** of a court-appointed officer and appointment of another does not terminate the contract.

M **Trusts:**

The application covers the trust's interest (not the beneficiaries interest). The application must be signed by the administrator or trustee appointed to administer the business affairs of the trust.

- M(1) **Irrevocable trusts** are processed using the same guidelines as individual entities.
- M(2) **Revocable trusts** require an EIN and/or SSN.

M(3) **Trusts administered by The Bureau of Indian Affairs.** Native American land is frequently held in trust by the Bureau of Indian Affairs (BIA) or Tribal governing body and leased to operators. Native American land held under trust is processed in the same manner as land held in an irrevocable trust. The name of the trust is the named insured. Often BIA trusts are referred to as allotments, identified by an allotment number (i.e., BIA Allotment Number 0006, which is the name of the trust and consequently the named insured). A separate policy is required for each allotment with different individual owners. Linkage for certain USDA farm program benefits for individual Native Americans who own parcels of an allotment are established by that trust.

If the trust agreement provides that operators of leased land purchase crop insurance, a power of attorney will be executed by the BIA granting the operator the authority to purchase crop insurance on behalf of the trust.

If the BIA trust does not have an EIN, a nine-digit number may be established as follows: the first two digits identify the state, the next three the county, and the last four the allotment number.

1N **Other Entities:** The following entities are generally assigned an EIN for tax purposes [if the entity does not have an EIN, see FCIC - M13, Data Acceptance System Handbook for data processing instructions and requirements]:

N(1) **Receiver or Liquidator.** Receivers or liquidators may insure their share. The application must be signed by the person authorized by the court to administer business of the receivership.

N(2) **Public Agencies.** State, county, or municipal offices may insure their share. The application must be signed by the person having authority to enter into a contract for the entity.

N(3) **Association, Clubs, or Tax Exempt Organizations.** To act as a representative for any principal, an entity (individual, etc.) must provide evidence of authority (preferably a power of attorney) or a signed statement indicating where such authority can be verified. If authority is by verbal agreement, a statement is required from the principal for verification. The signature of the person having authority to enter into a binding contract for the entity is required.

## 2 ENTITY VERIFICATION

### 2A Verification

When taking an application, verify that the entity is correct and documented in accordance with the entity definitions in Par. 1A-N above. Incorrect entities may result in an invalid policy (e.g., separate policies written for a husband and wife who do not qualify as two separate individual entities, or a minor who does not qualify as a separate entity from a parent.)

### 2B Questionable Entities

When there is a questionable entity, document the facts and refer it to the next line of supervision or as instructed by the Insurance Provider.

**3 ENTITIES AND DOCUMENTATION:**

ENTITY	APPLICATION	SIGNATURE(S) REQUIRED	DOCUMENTATION NEEDED	ID NUMBER
INDIVIDUAL	John C. Doe	John C. Doe	None	Individual EIN or SSN <u>1</u>
INDIVIDUAL	Northam Land Company c/o James T. Anderson	Northam Land Company By James T. Anderson, Sole Owner	None	EIN or SSN of The Owner <u>1</u>
INDIVIDUAL (Female)	Anna M. Smith (Not Mrs. John C. Smith)	Anna M. Smith (Not Mrs. John C. Smith)	None	EIN or SSN of Individual <u>1</u>
INDIVIDUAL (Joint & Survivor & Interest)	John W. Doe or Mary C. Doe	(Both must sign) John W. Doe Mary C. Doe	If they are not spouses, statements signed by both parties showing authority of one to act for the other	EIN or SSN of Individual <u>3</u>
INDIVIDUAL (Minor, Natural Guardian)	John Doe, (minor) by Fred Doe, Guardian	Fred Doe, Guardian for John Doe	Statement signed by minor and guardian showing qualifications as separate entity	EIN or SSN of Minor <u>1</u>
INDIVIDUAL (Minor Unable To Enter Into Contracts or Incompetent with Court-Appointed Guardian)	Frank W. Doe c/o John H. Doe, Guardian	John H. Doe Guardian for Frank W. Doe,	Statements signed by court-appointed guardian showing where court decree can be verified	EIN or SSN of Minor or Incompetent <u>1</u>
INDIVIDUAL (Authorized Signature)	John C. Doe c/o Richard C. Roe, Authorized Representative	John C. Doe By Richard C. Roe, Under Power of Attorney	Power of Attorney	Individual EIN or SSN of insured <u>1</u>
CO-OWNERS	James L. Smith and John A. Brown, Co-Owners	(All must sign) James L. Smith John A. Brown	None if all sign, or Power of Attorney authorizing signature	Joint Interest EIN or SSN's <u>2</u>
JOINT OPERATORS	James L. Smith and John A. Brown, Joint Operators			
CORPORATION	ABC Company, Inc. c/o Richard Roe, (Title)  First National Bank of Dallas c/o John H. Doe, (Title)	ABC Company, Inc. By Richard Roe, (Title)  First National Bank of Dallas By John H. Doe, (Title)	Statements where articles of incorporation are on file. Application must be signed by authorized officer of the Corporation.	EIN For the Corporation <u>3</u>
ESTATE	Estate of Richard Roe, Deceased, c/o John H. Doe, Executor (or Administrator)	Estate of Richard Roe, Deceased, by John H. Doe Executor (or Administrator)	Statement advising where authority can be found	Estate EIN or Deceased SSN or EIN

ENTITY	APPLICATION	SIGNATURE(S) REQUIRED	DOCUMENTATION NEEDED	ID NUMBER
TRUST  (BIA)  (Irrevocable)  (Revocable)	John H. Doe Trust, c/o Richard Roe, Trustee or Administrator	John H. Doe, Trust by Richard Roe, Trustee or Administrator	Statement advising where authority can be found	EIN for Trust Or SSN Reported for the Trust <u>4</u>
	Jones, Brown, Smith c/o Richard Roe, Trustee	Jones, Brown, Smith By Richard Roe, Trustee		EIN of Trust or SSN Reported for the Trust <u>4</u>
	(Name of Trust) BIA Trust 0016	BIA Trust 0016 by John Doe Trustee or Power of Attorney		State County BIA# Example: 01 201 0016
	Ralph R. Doe, Trust, c/o Richard Roe, Trustee or Administrator	Ralph R. Doe Trust, c/o Richard Roe, Trustee or Administrator	Statement advising where authority can be found	EIN for Trust or SSN Reported for the Trust <u>4</u>
	John H. Doe, Trust, c/o Richard Roe, Trustee or Administrator	John H. Doe, Trust, c/o Richard Roe, Trustee or Administrator	Statement advising where authority can be found	EIN for Trust or SSN Reported for the Trust <u>4</u>
RECEIVER OR LIQUIDATOR	XYZ Company c/o John H. Doe, Receiver (or Liquidator)	XYZ Company By John H. Doe, Receiver or Liquidator & Court-Appointed	Statement advising where authority can be found	EIN of Named Insured or Correspondent's EIN and/or SSN
PUBLIC AGENCY (a state, a political subdivision of a state (county or parish), or any agency thereof)	Brown County Farms c/o Richard R. Roe Farm Manager	Brown County Farms By Richard R. Roe, Farm Manager (Other Authorized Title Acceptable)	Statement advising where authority can be found	EIN if issued
	State of Ohio, Board of Aeronautics, c/o John H. Doe, Director	State of Ohio, Board of Aeronautics, By John H. Doe, Director (Other Authorized Title Acceptable)		
	Fairtown Farms c/o I.M. Boss, City Mgr.	Fairtown Farms By I.M. Boss, City Mgr. (Other Authorized Title Acceptable)		
ASSOCIATION, CLUB OTHER TAX-EXEMPT ORGANIZATION	Park and Recreation Association c/o John H. Doe, Treasurer	Park and Recreation Association By John H. Doe, Treasurer	Statement advising where authority can be found	EIN for the Organization
PARTNERSHIP (Written or Verbal)	Jones and Smith, A Partnership c/o Sam Jones	Jones and Smith, A Partnership By Sam Jones, A Partner	Statement signed by all partners certifying they are members of the partnership	Partnership EIN <u>3</u>

- 1 If EIN, individual MUST be listed as SBI and SSN provided
- 2 All ENTITIES/PERSONS insured must be listed as SBI and EIN or SSN provided
- 3 SSN of any individual holding a 10% or more interest; EIN if not individual.
- 4 SSN or EIN of ALL BENEFICIARIES

**IRRIGATED PRACTICE GUIDELINES****1 IRRIGATED PRACTICE GUIDELINES**

The following guidelines are provided to enable insureds to properly report acreage to be insured under the irrigated practice in order to receive maximum protection under their crop insurance contract. It is very important that these guidelines be utilized to document whether, at the time insurance attaches, there is REASONABLE PROBABILITY of receiving adequate water to carry out a good irrigation practice for the acreage reported under the irrigated practice.

**1A Definitions**

The following definitions are provided to facilitate a uniform understanding of the standards and guidelines for the irrigated practice.

A(1) **Acreage Insurable under the Irrigated Practice** - Insurable acreage for which the insured can demonstrate, to the insurer's satisfaction, that adequate facilities and water existed, at the time insurance attached\*, to carry out a good irrigation practice for the insured crop.

\* The insured is responsible for demonstrating that, at the time insurance attached, there was a REASONABLE PROBABILITY of receiving adequate water to carry out a good irrigation practice on acreage insured under the irrigated practice.

A(2) **Reasonable Probability of Receiving Adequate Water** to carry out a good irrigation practice - A determination that it is fair, proper, and suitable to conclude that there is more evidence for than against receiving adequate water to carry out a good irrigation practice.

A(3) **Adequacy of Water**. The determination of the adequacy of water will be based upon (1) the water available (at the time insurance attaches) from the irrigation water supply, soil moisture levels, and snowpack storage levels; AND (2) supplementary precipitation which would normally be received, after insurance attaches. Consideration will also be given to the legal entitlement or rights to water.

A(4) **Good Irrigation Practice**. Application of adequate water in an acceptable manner, at the proper times to allow production of a normal crop which is often identified as the approved Actual Production History (APH) yield for crops under APH.

A(5) **Irrigation Water Supply**. The water source and means for supplying irrigation water, without regard to the equipment or facilities. This includes the water source AND dams, canals, ditches, pipelines, etc., which contain the water for movement from the source to the acreage and (1) are not under the control of the insured or (2) routinely deliver water to acreage in addition to that which is owned or operated by the insured. It DOES NOT INCLUDE any irrigation equipment or facilities.

- A(6) **Irrigation Equipment and Facilities.** The physical resources, other than water, used to regulate the flow of water from a water source to the acreage. This includes pumps, valves, sprinkler heads, and other control devices. It also includes pipes or pipelines which (1) are under the control of the insured or (2) routinely deliver water only to acreage which is owned or operated by the insured. A center pivot system is considered irrigation equipment and facilities.
- A(7) **Adequacy of Irrigation Facilities.** Irrigation facilities are considered adequate if it is determined that, at the time insurance attaches, they will be available and usable at the times needed and have the capacity to timely deliver water in sufficient quantities to carry out a good irrigation practice for the acreage insured under the irrigated practice.
- A(8) **Water Source.** The source from which water is made available. This includes wells, lakes, reservoirs, streams, aquifers, etc.

**B Reporting Requirements under Irrigated Practice**

- B(1) **Failure of acreage** to qualify for insurance under the irrigated practice will result in such acreage being insured under a practice other than irrigated. If no other appropriate practice is available for the acreage, insurance will not be considered to have attached on the acreage.
- B(2) **Failure to carry out a GOOD IRRIGATION PRACTICE** on acreage properly insured under the irrigated practice will result in an appraisal for uninsured causes against such acreage, unless the failure was caused by unavoidable failure of the irrigation water supply after insurance attached.
- B(3) **Insureds are expected to give irrigation priority** to acreage properly insured under the irrigated practice in a manner which will result in the least indemnification of the crops involved, and to advise the insurer of any anticipated diversion of water from acreage insured under the irrigated practice.
- B(4) **For loss purposes,** insureds are required to keep their production records separate for acreage insured under the irrigated practice, acreage insured under a practice other than irrigated (or with no practice applicable), and uninsured acreage.
- B(5) **Insureds are expected to be prepared** to provide documentation of the factors which were considered in reporting acreage to be insured under the irrigated practice.
- B(6) **Factors to consider in determining acreage** to be reported and insured under an irrigated practice include, but are not limited to:
- (6)(a) Water source history, trends, and forecasting reliability
  - (6)(b) Supplemental water supply availability and usage (including return flow)
  - (6)(c) Pumping plant efficiency and capacity
  - (6)(d) Water distribution uniformity; and flexibility of the system or district
  - (6)(e) Water requirements (amount and timing) of all crops to be irrigated
  - (6)(f) Water rights (primary, secondary, urban versus agricultural use, etc.)
  - (6)(g) Contingency plans available to handle water shortages
  - (6)(h) Acres to be irrigated, amount of water to be applied, and expected yield

- (6)(l) Ownership of water (state or federal versus landowner)
- (6)(j) Use of meters and other measuring devices or methods
- (6)(k) Soil types, soil moisture levels, and pre-plant irrigation needs
- (6)(l) Water conserving methods, devices, and plans utilized
- (6)(m) Past crop planting history, trends, and recommended local practices
- (6)(n) Prudent activities and practices utilized by non-insured producers
- (6)(o) Irrigation water supply (both quantity and quality) and facilities
- (6)(p) Recommendations from Extension Service, National Resource Conservation Service (NRCS), and other recognized expert sources regarding irrigation and crop production
- (6)(q) Information the insured knew (or should have known), and when the insured knew (or should have known) such information

The Insurance Provider will use the above, and any other appropriate factors necessary, to verify whether acreage was properly reported under the irrigated practice. Insureds who need assistance in determining the proper acreage to report for insurance under an irrigated practice should contact their crop insurance agent for information and assistance.

1            RESERVED

**1 YIELD DETERMINATIONS FOR COMBINED OR DIVIDED PRACTICES, TYPES, VARIETIES (P/T/V), OR "T" YIELD MAP AREAS (TMA)**

This procedure applies to both Category B and C crops when P/T/V or TMA's requiring separate APH yields change. If all requirements for acceptable production reports are met, current crop year production reports are acceptable if filed either according to current or the previous crop year's separate APH yield requirements. For subsequent crop years, insureds must file production reports according to the applicable P/T/V/TMA. The initial year P/T/V or TMA's are combined or divided, yield limitation provisions do not apply. The procedure must be applied for each P/T/V/TMA by unit. If P/T/V change on the same crop the same crop year (i.e., Winter and Spring Wheat types; Summerfallow Practice, Continuous Cropping Practice, General Practice, etc.) types should be combined/divided prior to combining/dividing practices.

**1A Combining APH Databases**

When more than one P/T/V/TMA requiring separate APH yields has been combined into a P/T/V or TMA requiring a separate APH yield, use the following instructions.

A(1) **If a single database** (one P/T/V or TMA reported) CONTAINS ACTUAL OR ASSIGNED YIELD(S) use the following procedure. [See Example 1].

**Step 1** Complete the most recent year (1997 for most crops) in the database by using the current production report(s) filed for the most recent APH crop year. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, use the assigned yield. If insurable acreage was planted on more than one P/T/V or TMA, use a simple average of the prior approved APH yields for the applicable P/T/V's or TMA times .75. If separate production reports are filed according to the previous (policy) year's requirements (more than one P/T/V or TMA): 1) combine the acres and production into the applicable P/T/V or TMA [See instructions for A.2. Step 2]; 2) if zero planted, enter "Z" in the yield column when sufficient space exists in the database. Zero-planted acres are used to indicate that continuity of records are maintained.

**Step 2** Retain all actual and assigned yields and acres.

**Step 3** Remove "T" Yields in the database and if less than 4-years of actual and/or assigned yields, enter the applicable variable "T" Yield (by P/T/V/TMA) to establish a 4-year database. If a "T" Yield is not established, an RMA RSO Determined Yield will be necessary.

**Step 4** Calculate the approved APH yield using the applicable Category B or C procedure.

A(2) **If more than one database** (more than one P/T/V or TMA was reported which has been combined into a single APH yield) CONTAINS ACTUAL AND/OR ASSIGNED YIELDS, use this procedure [see Example 2].

**Step 1** Complete the most recent crop year (1997 for most crops) in the database by using the current production reports filed for the previous (policy) year. If separate production reports are filed according to the previous (policy) year's requirements (more than one P/T/V or TMA), combine the acres and production from the separate production reports. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, use the assigned yield. If insurable acreage was planted on more than one P/T/V or TMA, use a simple average of the prior approved APH yields for the applicable P/T/V's or TMA times .75.

**Step 2** Combine the total production (Col. 16) and actual acres (Col. 17) for each APH crop year (for the yields that are being combined). For APH crop years with assigned yields, multiply the planted acres times the assigned yield to establish a production amount and handle in the same manner as a year with actual yields. Divide the combined production by the combined acres for corresponding crop years. Next, enter the combined total production, acres and average yields in the current crop year's database. For crop years in which no acres have been planted, enter "Z" in the yield column if sufficient space exists in the database. Zero-planted acres are used to indicate that continuity of records are maintained for the P/T/V's or TMA being combined.

**Step 3** If less than 4-years of actual and assigned yields, enter the applicable variable "T" Yield (by P/T/V/TMA ) in the yield column (Col. 18) to establish a 4-year database. If no "T" Yield established, an RMA RSO Determined Yield is necessary.

**Step 4** Calculate the approved APH yield using the applicable Category B or C current procedure.

#### 1B **Dividing APH Databases**

If a P/T/V or TMA that required a separate APH Yield is divided into more than one P/T/V or TMA requiring separate APH yields, use the following procedure. The insured may recertify all prior production and acreage history according to the new actuarial structure [otherwise, steps one and two apply]. [See Example 3.]

B(1) **If production cannot be apportioned** according to distribution of acres (by crop year) to P/T/V/TMA requiring separate APH yields, the acreage and production is charged to the P/T/V or TMA that normally yields the highest (i.e., if non-irrigated practice divided into summerfallow and continuous cropping....charge to the summerfallow practice). [See Example 3.]

(1)(a) For the higher yielding P/T/V or TMA:

**Step 1** Complete the most recent year (1997 for most crops) in the database by using the current production reports filed for the previous (policy) year. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, enter the assigned yield. For zero-planted, enter "Z" in the yield column if sufficient space exists in the database. Zero-planted acres are used to indicate that continuity of records are maintained.

**Step 2** Retain actual and assigned yields and acres entered in the database.

**Step 3** Remove "T" Yields in a database, and if less than a 4-years of actual and assigned yields, replace them with the applicable variable "T" Yield (by P/T/V or TMA ) to establish a 4-year database. If no "T" Yield has been established, an RMA RSO Determined Yield is necessary.

**Step 4** Calculate the approved APH yield normally using applicable Category B or C procedure.

(1)(b) For the lower yielding P/T/V or TMA:

**Step 1** If acceptable production report(s) are not filed for the most recent (policy) year (and insurable acreage was planted) for the purpose of establishing the APH yield, enter the assigned yield (for each P/T/V or TMA).

**Step 2** Complete the 4-year database with the applicable variable "T" Yield (by P/T/V or TMA).

**Step 3** Calculate the approved APH yield following the applicable Category B or C procedure.

B(2) **If production can be apportioned** according to distribution of acres (by crop year) to P/T/V or TMA requiring separate APH yields, use the following procedure [see Example 4]. The commingled production worksheet may be used to apportion production when acreage is available for the P/T/V/TMA requiring separate yields.

**Step 1** Complete the most recent year (1997 for most crops) in the database by using the current production reports filed for the previous (policy) year. Acceptable production report(s) MUST have been filed according to P/T/V/TMA requiring separate APH yields for the current crop year. All prior crop years having actual or assigned yields must have been apportioned and reported according to applicable P/T/V/TMA's for the current crop year.

**Step 2** Enter the actual and assigned yields and acres entered in the database.

**Step 3** Remove "T" Yields if at least 4-years of acceptable records have been provided. If less than 4-years of acceptable records are available, enter the applicable variable "T" Yield to establish a 4-year database. If no "T" Yield has been established, an RMA RSO Determined Yield is necessary.

**Step 4** Calculate the approved APH yield according to applicable Category B or C procedure.

C **No Actual or Assigned Yields**

If there are no actual or assigned yields in the databases being combined or divided:

**Step 1** Complete the most recent year (1997) for most crops) in the database by using the current production reports filed for the previous (policy) year. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, enter the assigned yield. For zero-planted, enter "Z" in the yield column if sufficient space exists in the database. Zero-planted acres are used to indicate that continuity of records are maintained. Complete the most recent crop year in the database by using the current crop year's production report following the applicable procedure for combining or dividing P/T/V/TMA's. If acceptable production report(s) are not filed and the insured has previously provided actual and/or assigned yields use the assigned yield procedure in this exhibit.

**Step 2** Complete the 4-year database with the current "T" Yield (by P/T/V/TMA). If no "T" Yield has been established, an RMA RSO Determined Yield will be necessary.

**Step 3** Calculate the approved APH yield using applicable Category B or C procedure.

**2 EXAMPLES**

Example 1 and 2 illustrate establishing a database when NI Following Another Crop (FAC) and NI Not Following Another Crop (NFAC) have been combined into a non-irrigated (NI) practice. For this example the NIFAC database is converted to the new practice.

**2A Example 1**

For the previous (policy) year, a single database, FAC, contained actual or assigned yields. The current "T" Yield for NI is 17.

1997 UNIT 00100 NI FAC			
YEAR	PROD.	ACRES	YIELD
91			
92	2200	55.0	A40
93		0.0	Z
94		40.5	P12
95	2520	60.0	A42
96	1210	50.0	A20

1998 UNIT 00100 NI				
YEAR	PROD.	ACRES	YIELD	Step
91				Step 3
92	2200	55.0	A40	Step 2
93		0.0	Z	Step 2
94		40.5	P12	Step 2
95	2520	60.0	A42	Step 2
96	1210	50.0	A20	Step 2
<b>97</b>	<b>5760</b>	<b>120.0</b>	<b>A48</b>	<b>Step 1</b>
		Total	162/5=32	Step 4
		APH	32	

2B **Example 2**

The following example illustrates combining non-irrigated (NI) Following Another Crop (FAC) and NI Not Following Another Crop (NFAC) databases containing actual yields into a single NI database. The databases below are considered the previous (policy) year's databases.

1997 UNIT 00100 NI FAC			
YEAR	PROD.	ACRES	YIELD
92			N13
93			N13
94	1200	60.0	A20
95		0.0	Z
96	880	40.0	A22

1997 UNIT 00100 NI NFAC			
YEAR	PROD.	ACRES	YIELD
92			
93			T17
94	2880	90.0	A32
95	1680	60.0	A28
96	1920	80.0	A24

Step 1: The current production report (1998) indicates for the 1997 crop year: NI NFAC practice with 3000 bu. production, 100.0 actual acres and a 30 bu. average yield.

Step 2: Actual acres and production are combined.

Year	<b>4080</b>	<b>150.0</b>
94	(1200[FAC] + 2880[NFAC]) / (60.0[FAC] + 90.0[NFAC]) = <b>27</b>	
	<b>1680</b>	<b>60.0</b>
95	(0[FAC] + 1680[NFAC]) / (0.0[FAC] + 60.0[NFAC]) = <b>28</b>	
	<b>2800</b>	<b>120.0</b>
96	(880[FAC] + 1920[NFAC]) / (40.0[FAC] + 80.0[NFAC]) = <b>23</b>	

**1998 Non-Irrigated Database (00100)**

Step	YEAR	PROD.	ACRES	YIELD
Step 2	94	4080	150.0	A27
Step 2	95	1680	60.0	A28
Step 2	96	2800	120.0	A23
<b>Step 1</b>	<b>97</b>	<b>3000</b>	<b>100.0</b>	<b>A30</b>
Step 3			Total	108/4=27
			APH	27

2C **Example 3**

In this example, the Non-Irrigated yield has been divided into SF and CC practices. The insured did not recertify production which was previously reported as Non-Irrigated. The commingled production worksheet cannot be used to apportion production because the insured did not have separate records of acres by practice. The current production report was submitted on a Non-Irrigated basis. The actual acres and production are charged to the higher yielding SF practice.

1997 UNIT 00100 NI			
YEAR	PROD.	ACRES	YIELD
91	8800	200.0	A44
92		0.0	Z
93		100.0	P32
94	10080	210.0	A48
95	8000	200.0	A40
96	4800	240.0	A20

1998 UNIT 00100 SF				
YEAR	PROD.	ACRES	YIELD	Step
91	8800	200.0	A44	Step 2
92		0.0	Z	Step 2
93		100.0	P32	Step 2
94	10080	210.0	A48	Step 2
95	8000	200.0	A40	Step 2
96	4800	240.0	A20	Step 2
<b>97</b>	<b>4400</b>	<b>80.0</b>	<b>A55</b>	<b>Step 1</b>
			Total	239/6=40
			APH	40

**Example 3 (CC)**

The CC (00100) database is established using the variable "T" Yield for the CC practice and the assigned yield for 1995. The variable "T" Yield percentage (100%) is based on the number of years of actual and assigned yields contained in the reference (6) database for the SF Practice. If acceptable records had not been submitted for planted insurable acreage for the 1997 crop year the assigned yield would have been used.

1998 Unit 00100 CC			
YEAR	PROD.	ACRES	YIELD
92			C38
93			C38
94			C38
95			P32
96		0.0	Z
97		0.0	Z
		Total	146/4=37
		APH	37

2D **Example 4**

In this example the Non-Irrigated yield has been divided into SF and CC practices. The insured apportioned production by CC and SF practice which was previously reported as Non-Irrigated. Current crop year production reports were also submitted for CC and SF practices.

1997 UNIT 00100 NI			
YEAR	PROD.	ACRES	YIELD
91	8800	200.0	A44
92		0.0	Z
93		100.0	P32
94	10080	210.0	A48
95	8000	200.0	A40
96	4800	240.0	A20

1998 UNIT 00100 SF				
YEAR	PROD.	ACRES	YIELD	Step
91	4160	80.0	A44	Step 2
92		0.0	Z	Step 2
93		100.0	P32	Step 2
94	5500	100.0	A55	Step 2
95	2880	60.0	A48	Step 2
96	4200	140.0	A30	Step 2
<b>97</b>	<b>4400</b>	<b>80.0</b>	<b>A55</b>	<b>Step 1</b>
Total			272/6=45	Step 3
APH			45	

1998 Unit 00100 CC				
YEAR	PROD.	ACRES	YIELD	Step
91	4640	120.0	A39	Step 2
92		0.0	Z	Step 2
93		0.0	Z	Step 2
94	4580	110.0	A42	Step 2
95	5120	140.0	A37	Step 2
96	600	100.0	A6	Step 2
<b>97</b>		<b>0.0</b>	<b>Z</b>	<b>Step 1</b>
Total			124/4=31	Step 3
APH			31	

**ADDED LAND AND ADDED PRACTICE/TYPE/VARIETY (P/T/V) PROVISIONS FOR CATEGORY B CROPS****1A Definition**

A(1) **Added Land.** Added land is land on which the insured has not actively engaged in farming for a share of the crop's production on a unit for more than two APH crop years.

Units contained in the farming operation on which the crop has been produced more than two APH crop years do not qualify for added land procedures; however, when a P/T/V indicated on the actuarial table has NOT been produced for more than two APH crop years on a unit, the P/T/V qualifies for added P/T/V procedures.

A(2) **Added P/T/V.** An added P/T/V is a P/T/V of the insured crop as identified on the actuarial document that requires a separate APH yield, and for which the insured has NOT been actively engaged in farming for a share of the P/T/V's production on the UNIT for more than two APH crop years.

**1B Documentation and Verification**

B(1) **Documentation.** When using procedures for added land/P/T/V the first year, the insured must certify ALL crop years (if any) that the crop/P/T/V was produced on the unit to qualify. If use of the procedures is requested via a production report, the years the crop was produced (if any) must be indicated in Item 11 of the FCI-19-A (comparable item on other FCIC approved APH forms). If acreage is indicated on the acreage report that may qualify for added land/P/T/V procedures, the Insurance Provider has the option of contacting the insured, explaining the requirements, and then calculating the approved APH yield using the applicable procedures.

B(2) **Agent/Representative Responsibilities.** For added land/P/T/V without records that is added as a separate unit, or is added to an existing unit and a separate APH yield (database) is required, the agent/representative must complete items 6-14 of the FCIC-19-A (comparable items for other FCIC approved APH forms). APH yields must be calculated using applicable added land/P/T/V procedures and entered in the preliminary yield block. (The verifier enters the approved APH yield in the approved yield block.)

B(3) **Verification.** Verification by the Insurance Provider that the insured met the "Added Land/P/T/V" APH crop year requirements defined above is required prior to payment of a claim for indemnity or when policies are selected for APH reviews. If such acreage does not meet the requirements, the APH yield must be recalculated and corrected as required by APH review tolerances.

**1C Yield Determination Procedures**

C(1) **Added Irrigated Practice.** For insureds qualifying for an added Irrigated practice, the approved APH yield for the Irrigated practice ONLY may be determined by using either the Underwriting Guidelines for Determined Irrigated Yields [Par 3] of this Exhibit or the procedure outlined below for Special "T" Yields.

- C(2) **Special "T" Yields.** Special "T" Yields are determined when less than four years of actual /assigned yield are provided for:
- (2)(a) Added land that is added as a SEPARATE unit or added to an existing unit when a separate APH yield (database) is required unless the added land/P/T/V is assigned a high-risk "T" Yield or classified by NCS [see Par. 1E for high-risk "T" Yield and NCS instructions].
  - (2)(b) An added P/T/V when the P/T/V is listed on the actuarial document and it has a published "T" Yield. [For the SF practice for Wheat, Barley, Malting Barley, and Oats, if a CC practice has been carried out on the same unit, see Sec. 6, J(13)(h)3 for additional instructions.]
- C(3) **Special "T" Yield Calculation.** Special "T" Yields are calculated using a percentage of the applicable "T" Yield for the added land/P/T/V based on the number of actual and/or assigned yields (APH crop years of records) in the database of a reference unit/P/T/V.
- (3)(a) **Reference Database.** The reference database for added P/T/V or land added as a separate unit is the database with the most APH crop years of actual and/or assigned yield(s) regardless of P/T/V.
  - (3)(b) **Separate Database.** The reference database for land added to an existing unit which requires a separate database is the database in the SAME UNIT with the most APH crop years of actual and/or assigned yields regardless of P/T/V.

Note: Special "T" Yield procedures do not apply if the reference unit/P/T/V database contains fewer or an equal number of actual and/or assigned yields than the added land/P/T/V.

(3)(c) **Special "T" Yield type descriptors:**

- 1 "C" indicates added practice.
- 2 "L" indicates added land.

Special "T" Yields/initial approved APH yields are calculated as indicated in Column 3 of the following chart:

**SPECIAL "T" YIELD/APH YIELD CALCULATION**

<b>If ADDED LAND/P/T/V HAS:</b>	<b>AND REFERENCE DATABASE HAS:</b>	<b>INITIAL APPROVED APH YIELD 1/ IS:</b>
No production reports	1 actual/assigned yield	Average of 4 80% "T" Yields
	2 actual/assigned yields	Average of 4 90% "T" Yields
	3 or more actual/assigned yields	Average of 4 100% "T" Yields
1 actual/assigned yield	1 actual/assigned yield (Special "T" Yield NOT applicable [NA])	Average of 1 actual/assigned yield and 3 80% "T" Yields
	2 actual/assigned yields	Average of 1 actual/assigned yield and 3 90% "T" Yields
	3 or more actual/assigned yields	Average of 1 actual/assigned yield and 3 100% "T" Yields
2 actual/assigned yields	1 or 2 actual assigned/yields (Special "T" Yield NA)	Average of 2 actual/assigned yields and 2 90% "T" Yields
	3 or more actual/assigned yields	Average of 2 actual/assigned yields and 2 100% "T" Yields
3 or more actual/assigned yields	(Special "T" Yield NA)	Average of 3 actual/assigned yields and 1 100% "T" Yield

1/ For subsequent crop years, the same "T" Yield percentage is retained until the added land/P/T/V's database contains an equal or greater number of actual and/or assigned yields. Then the variable "T" Yield and corresponding yield type descriptor for number of actual/assigned yields are used.

**EXAMPLE: Two Years of Reference Database Records and No Added Land Records:**

**Separate Database Without Records (Added Land)**

INITIAL YEAR	YEAR 2	YEAR 3	YEAR 4
L90	L90	N90	T100
L90	L90	N90	A110
L90	L90	A110	A120
L90	A110	A120	A50

**EXAMPLE: Two Years of Reference Database Records and One Year Added Land Records:**

**Separate Database with 1 Actual Yield (Added P/T/V)**

INITIAL YEAR	YEAR 2	YEAR 3	YEAR 4
C90	N90	T100	A105
C90	N90	A105	A110
C90	A105	A110	A120
A150	A110	A120	A50

1D **Added Land Added to an Existing Unit**

D(1) **Added Land WITHOUT Records** Added To An Existing Unit.

"Existing unit" for acreage comparison purposes, for new insureds (who provide APH yield history) and carryover insureds are established according to the previous year's (1997 farming operation. Cropland acres added to each unit (basic or optional) for the 1998 crop year are compared to ALL cropland acres contained in the same unit for the 1997 crop year.

**ADDED LAND WITHOUT RECORDS ADDED TO AN EXISTING UNIT**

HIGH-RISK "T" YIELD, DIFFERENT "T" YIELD MAP AREA, OR NCS?	ADDED ACREAGE <u>1/</u> COMPRISES:	FARMED <u>3</u> OF LAST 5 YEARS?	"T" YIELD COMPARED TO <u>2/</u> EXISTING UNIT?	INITIAL APH YIELD (BY P/T/V) IS:
YES	NA (not applicable)	NA	NA	Determined from a separate database [See Par. 1E]
NO	<70% of the existing unit's acreage	NA	NA	That of the existing unit. A separate database is NOT required.
	70-250% of the existing unit's acreage	N/A	YES. If the "T" Yield is $\geq$ than 80% of the existing unit's "T" Yield then:	
	> 250 % of the existing unit's acreage.	YES <u>3/</u>	YES <u>3/</u>	A percentage of the applicable "T" Yield (Special "T" Yield) based on the years of actual/ assigned yields contained in a reference database. A separate database is required.  See <u>3/</u> next page.

1/ Cropland acreage (FSA agricultural use acreage devoted to the production of annual and perennial crops including fallow acreage), NOT acreage planted to the crop or program payment acreage.

Acreage Comparison Example: The unit contained FSN #1, #2 and #3 for the 1997 crop year. The FSN's contained 300, 200, and 150 cropland acres respectively (650 acres total). For 1998, the insured loses the lease for farm #3 and adds farm FSN # 4 which contains 300 cropland acres. The comparison is  $300 \div 650 = .46$  (a 46 percent increase). [See Example 1, Acreage Percentage.]

2/ "T" Yield Comparison. Compare the "T" Yield(s) of the added land (by P/T/V) to the appropriate "T" Yield (for the same P/T/V) of the existing unit. Establish a percentage by dividing the added land's "T" Yield (by P/T/V) by the existing unit's "T" Yield (for the same P/T/V).

- 3/ Databases may be combined with verifier approval. Written authorization may be requested from the Insurance Provider (verifier) to use the existing unit's approved APH yield and combine the APH database for the added land with the existing unit subject to the following conditions:
- (1) The added land must NOT be assigned a high-risk "T" Yield, located in a different "T" Yield map area, or classified by NCS.
  - (2) If the added acreage comprises 70-250 percent of the existing unit's acreage, the added land's "T" Yield must be equal to or greater than 80 percent of the existing unit's "T" Yield.
  - (3) If the added acreage comprises more than 250 percent of the existing unit's acreage, it must have been farmed for at least three of the five most recent years and the added land's "T" Yield must be equal to or greater than 80 percent of the existing unit's "T" Yield.
  - (4) The request, must be received by the verifier no later than 20 calendar days after the production reporting date for the crop.

If approved by the Insurance Provider verifier, the authorization is for the initial and succeeding crop years (a written agreement issued by the RMA RSO is not required).

D(2) **Added Land WITH Records** Added To An Existing Unit. For added land WITH acceptable records that is added to an existing unit, use the following chart (procedures).

**ADDED LAND WITH RECORDS ADDED TO AN EXISTING UNIT**

HIGH-RISK "T" YIELD, DIFFERENT "T" YIELD MAP AREA, OR NCS?	ADDED ACREAGE <sup>1/</sup> COMPRISES:	FARMED 3 OF LAST 5 YEARS?	"T" YIELD COMPARED TO EXISTING UNIT?	APPROVED APH YIELD (BY P/T/V) IS:
YES	NA (not applicable)	NA	NA	Determined from a separate database [See Par. 1E]
NO	< 70% of the existing unit's acreage	NA	NA	Combine existing unit's and added land's production histories. A separate database is NOT required.
	≥ 70% of the existing unit's acreage	NA	YES. If "T" Yield is ≥ than 80% of the existing unit's "T" Yield then:	
			YES. If "T" Yield is < than 80% of the existing unit's "T" Yield then:	Determined from a separate database using an average of the added land's production history and if < 4 years records, Special "T" Yields, see Par. 1C(2).

<sup>1/</sup> Cropland acreage (FSA agricultural use acreage devoted to the production of annual and perennial crops including fallow acreage), NOT acreage planted to the crop or program payment acreage.

1E **Added Land/P/T/V With High-Risk "T" Yields**, Located in a Different "T" Yield Map Area, or Classified by NCS. For added land/P/T/V assigned a high-risk "T" Yield, located in a different "T" Yield map area, or classified by NCS use the following chart (procedures).

**ADDED LAND WITH: HIGH-RISK "T" YIELDS,  
DIFFERENT "T" YIELD MAP AREA, OR NCS CLASSIFICATION**

<b>SITUATION:</b>	<b>IF ADDED LAND HAS: <u>1/</u></b>	<b>INITIAL APH YIELD BY P/T/V FOR THE ADDED LAND IS:</b>
Assigned a high-risk "T" Yield	0-3 actual/assigned yields	Calculated using a separate 4-year database. The APH yield is the average of the actual/assigned yield(s) (if any) and the high-risk "T" yield(s). Special "T" Yields are NOT used.
	4 or more actual/assigned yields	Calculated by combining the existing unit's and the added land's production histories. A separate database is not required.
Located in a different "T" Yield map area than the existing unit	0-3 actual/assigned yields	Calculated using a separate 4-year database. The APH yield is the average of the actual/assigned yield(s) (if any) and SPECIAL "T" Yield(s).
	4 or more actual/assigned yields	The average of the actual/assigned yields. A separate database is required.
Classified by NCS (rate only)	0 actual/assigned yields	Calculated using a separate database. The APH yield is the average of 4 65% "T" Yields.
	1-3 actual/assigned yields	Calculated from a separate 4-year database. APH yield is the average of the actual/assigned yield(s) and VARIABLE "T" Yield(s) based on the years of actual/assigned yields for the added land.
Classified by NCS (adjusted yields)	0 actual/assigned yields	Calculated from a separate database. The APH yield is the average of 4 NCS "T" Yields. <u>1/</u>
	1-3 actual/assigned yields	Calculated from a separate 4-year database. APH yield is the average of the actual/assigned yield(s)* and the NCS "T" Yield(s). <u>2/</u>

\* Assigned Yield adjusted for NCS.

1/ Records obtained from a person sharing in the crop, and/or assigned yields provided in APH crop years subsequent to qualifying for added land.

2/ The approved APH yield is the lower of the APH yield or the APH yield calculated using NCS procedures.

1F **Combining or Dividing Added Units/P/T/V**

F(1) **If units containing added land/P/T/V** are combined or divided in subsequent crop years. [See Exhibit 15 for instructions.]

F(2) **If P/T/V's are combined or divided** (on the actuarial document) in subsequent (policy) crop years. [See Exhibit 35 for instructions.]

2 **EXAMPLES**2A **Example 1:**

Acreage Percentage  
For Land Added To An Existing Unit

The grower's farming operation, for the prior crop year consisted of three farms that were three separate units.

Farm A -- 300 FSA cropland acres (unit 00100)  
Farm B -- 200 FSA cropland acres (unit 00201)  
Farm C -- 100 FSA cropland acres (unit 00202)

For current year:

Farm A - Share rents another tract of land (same landlord) that has 200 FSA cropland acres which is a 66% increase. The added land is not located in a high-risk "T" Yield map area, different "T" Yield map area, or classified by NCS. The added land will have the same yield as the existing land.  $200 \div 300 = .66$

Farm B - No change.

Farm C - Buys another piece of land that has 250 FSA cropland acres which is a 250% increase. The acreage is not located in a high-risk, "T" Yield map area, different "T" Yield map area, or classified by NCS, and has been farmed all five of the last five (policy) crop years. The "T" Yield for the existing unit is 45 bushels. The "T" Yield for the added land is 45 bushels. The added land's "T" yield is 100 percent of the existing unit's "T" Yield ( $45 \div 45$ ). Therefore, the added land's APH yield is the existing unit's approved APH yield by P/T/V.

2B **Example 2:**

**ADDED LAND WITH RECORDS  
COMBINED WITH AN EXISTING UNIT**

The following example illustrates combining an existing unit's database and added land with a database into a single unit database. Both databases contain actual and/or assigned yields. The insured share-rented another farm (FSA FSN) from the same landlord who was insured the previous (policy) crop year and who has an established database.

Previous (Policy) Crop Year Databases (1997)

ADDED LAND  
LANDLORD A

1997 UNIT 00100 NI FAC			
YEAR	PROD.	ACRES	YIELD
92			N15
93			N15
94	1200	60.0	A20
95		0.0	Z
96	880	40.0	A22

EXISTING UNIT  
LANDLORD A

1997 UNIT 00100 NI FAC			
YEAR	PROD.	ACRES	YIELD
92			
93			T19
94	2880	90.0	A32
95	1680	60.0	A28
96	1920	80.0	A24

Step 1: The 1998 production report indicates for the 1997 crop year: NI NFAC practice with 3000 bu. production, 100.0 actual acres and a 30 bu. average yield.

Step 2: Actual acres and production are combined.

$$\begin{array}{l}
 \text{Year} \quad \quad \quad \mathbf{4080} \quad \quad \quad \mathbf{150.0} \\
 94 \quad (1200[\text{Bu}] + 2880[\text{Bu}]) \div (60.0[\text{acres}] + 90.0[\text{acres}]) = \mathbf{27} \\
 \quad \quad \quad \mathbf{1680} \quad \quad \quad \mathbf{60.0} \\
 95 \quad ( \quad 0[\text{Bu}] + 1680[\text{Bu}]) \div ( 0.0[\text{acres}] + 60.0[\text{acres}]) = \mathbf{28} \\
 \quad \quad \quad \mathbf{2800} \quad \quad \quad \mathbf{120.0} \\
 96 \quad ( 880[\text{Bu}] + 1920[\text{Bu}]) \div (40.0[\text{acres}] + 80.0[\text{acres}]) = \mathbf{23}
 \end{array}$$

Step 3: Since four years of actual yields are available, "T" Yields are not used in the database.

1998 UNIT 00100 NI FAC				
Step	YEAR	PROD.	ACRES	YIELD
Step 2	94	4080	150.0	A27
Step 2	95	1680	60.0	A28
Step 2	96	2800	120.0	A23
<b>Step 1</b>	<b>97</b>	<b>3000</b>	<b>100.0</b>	<b>A30</b>
Step 4			Total	108/4=27
			APH	27

Step 4: The actual yields are totaled and divided by four to determine the preliminary and approved APH yield.

2C **Example 3:**

**SUBSEQUENT CROP YEARS**

The following example illustrates establishing a current database for an existing unit which contained added land the previous (policy) crop year. One database contained "T" yields and one database contained actual and assigned yields. The added land exceeded 250 percent (same "T" Yield Map Area) and a request to combine the databases was not made.

Previous (Policy) Crop Year Databases (1997)

ADDED LAND LANDLORD A				EXISTING UNIT LANDLORD A			
1997 UNIT 00100 NI FAC				1997 UNIT 00100 NI FAC			
YEAR	PROD.	ACRES	YIELD	YEAR	PROD.	ACRES	YIELD
92	2200	55.0	A40	92			
93		0.0	Z	93			L17
94		40.5	P15	94			L17
95	2520	60.0	A42	95			L17
96	1210	50.0	A20	96			L17
		Total	117/4=29			Total	68/4=17
		APH	29			APH	17

For the current crop year, the Insurance Provider authorized a single database and the insured reported 120 acres and 5760 bushels of production from both locations on a combined production report.

Current (Policy) Crop Year  
Combined Database

1998 UNIT 00100 NI FAC				
YEAR	PROD.	ACRES	YIELD	STEP
92	2200	55.0	A40	Step 2
93		0.0	Z	Step 2
94		40.5	P15	Step 2
95	2520	60.0	A42	Step 2
96	1210	50.0	A20	Step 2
<b>97</b>	<b>5760</b>	<b>120.0</b>	<b>A48</b>	<b>Step 1</b>
		Total	165/5=33	
		APH	33	Step 4

**3 UNDERWRITING GUIDELINES FOR DETERMINED IRRIGATED YIELDS**

Not applicable to acreage assigned high-risk "T" Yields or NCS classifications (including producer classifications).

**3A Qualifying for Determined Irrigated (IRR) Yields**

The RMA RSO/Insurance Provider may approve an underwriting determined yield for an irrigated practice the **FIRST TIME** the irrigated practice qualifies as an added practice ON A UNIT provided:

- A(1) **A Non-Irrigated (NI) practice** has been carried out on the crop and acceptable production reports have been provided for the NI practice, and;
- A(2) **The NI practice for the same unit** (farm/legal description/location if the Irrigated unit is a separate optional unit) has a higher APH yield than the yield available for the IRR practice using special "T" Yield procedures that apply for the added IRR practice when no IRR records are available for the unit.

**3B Request Requirements**

- B(1) **Request Deadlines.** A written request for a determined IRR yield must be received by the verifier within 20 calendar days after the production reporting date.
- B(2) **Records Are Required.** Copies of the production reports for the most recent crop year must be provided to the verifier. Legal descriptions of the unit(s) for which the determined yield for the IRR practice is being requested must also be provided.
- B(3) **Irrigation System Documentation.** Documentation must indicate the irrigation facilities and water supply are adequate to meet a good irrigation practice for the acreage of the crop to be insured under the IRR practice.

**3C Underwriting Guidelines for Establishing Determined Irrigated Yields**

- C(1) **Determine A "T" Yield Reference Factor.** Determine the location where the IRR practice will be carried out. Determine the approved APH yield for the NI practice applicable to the same unit. This is the reference unit. Divide the approved NI APH yield by the applicable NI "T" Yield and determine a reference factor (to two decimal places).

If the reference unit contains more than one NI yield, calculate a reference factor for each NI yield and then determine a simple average reference factor.

The maximum reference factor allowed is determined by the number of years of actual yields contained in the reference unit's NI database:

- (1)(a) 1.20 if one or two years,
- (1)(b) 1.30 if three years, and
- (1)(c) 1.40 if four or more years.

Example 1: The reference unit's (00100, N1/2 Sec. 15), NI practice approved APH Yield is 350 lbs. The NI 100 percent "T" Yield is 320 lbs.  $350/320 = 1.10$

- C(2) **Compute The Factored Irrigated "T" Yield.** Multiply the "T" Yield reference factor [determined in 3C(1) above] times the 100 percent "T" Yield for the IRR practice for the reference unit. The factored Irrigated "T" Yield may not exceed the maximum irrigated "T" Yield indicated on the applicable actuarial document.

Example 1 continued: An IRR practice is added to N1/2 Sec. 15 (it becomes part of unit 00102) and the 100 percent "T" Yield is 400 lbs. The factored IRR "T" Yield for the IRR practice is 1.10 [determined in 3C(1) above] x 400 (the 100 percent IRR "T" Yield) = 440 lbs.

- C(3) **Select An Existing Irrigated Yield.** If any IRR records have been provided, select the approved APH yield for the unit (basic or optional) containing records for the IRR practice that is physically located nearest to the reference unit. If more than one unit with IRR records are located an equal distance from the reference unit, use the IRR unit with the most years of records.
- C(4) **Assign The Determined Irrigated Yield.** If IRR records have been provided, the determined IRR yield is the higher of the approved APH yield for the NI practice or the factored IRR "T" Yield for the reference unit, not to exceed the IRR yield [determined in 3C(3)]. If NO IRR records have been provided, the determined Irrigated yield is the higher of the approved APH yield for the NI practice on the reference unit or the factored IRR "T" Yield [determined in 3C(2)].

Example 1 continued: The nearest unit's approved APH yield that has records for the IRR practice is 480 lbs. The Determined IRR Yield is the factored IRR "T" Yield of 440 lbs. [as determined in C(2) above] (it is higher than the approved APH NI yield of 350 lbs.) Compare the Determined Irrigated Yield (440 lbs.) to the added practice Special "T" Yield (400 lbs. 100% of IRR "T" Yield) [calculated according to Par. 3C(3)] and use whichever is higher.

Example 2: The NI approved APH yield for the reference unit (0100) is 380 lbs. The factored IRR "T" Yield is 504 lbs.  $380/300$  (100% NI "T" Yield) = 1.20 (1.27 limited to 1.20 because two years of actual yields were provided) x 420 (100% IRR "T" Yield).

The factored IRR "T" Yield (504 lbs.) is compared to the approved APH IRR yield (480 lbs.) for the nearest unit (00200) on which irrigated records are available. In this example, the determined IRR Yield is limited to 480 lbs.

Compare the Determined Irrigated Yield (limited to 480 lbs.) to the added practice Special "T" Yield (420 lbs.) [calculated according to Par. 1C(3)] and use whichever is higher as the approved APH yield.

### 3D **Documenting the Determined Irrigated Yield**

Four determined IRR yields are entered in the yield column of the APH form preceded by the yield descriptor "C". For subsequent crop years, the determined IRR "T" Yield is used to complete the 4-year database until four years of actual and/or assigned yields are available. The request for the determined IRR yield, supporting documentation, and determined IRR yield calculations must be retained and provided if the policy is selected for an Insurance Provider APH field review or FCIC compliance review.

**NEW PRODUCERS****1 QUALIFYING AS A NEW PRODUCER**

## PROVISIONS FOR CATEGORY B CROPS

[See Sec. 3 for definition.] Actively engaged in farming for a share of an insured crop's production is hereafter referred to as "produced the crop."

Examples: The insured started farming in 1996 and produced the insured crop in 1996 and 1997. In this instance, the insured qualifies as a New Producer but must provide production reports for the insured crop for the 1996 and 1997 crop years to use the 100 percent "T" Yield in the APH yield calculation. If the insured had also produced the insured crop prior to the 1996 crop year, the insured would not qualify as a New Producer.

Insureds who have produced the insured crop for more than two APH crop years in other county(ies) qualify as a New Producer of the insured crop if they have not produced the insured crop in a county for more than two crop years.

1A **If the New Producer has not produced the insured crop** in the county, the insured is not required to certify actual yields.

A(1) **Initial Year.** The applicable 100 percent "T" Yield is the approved APH yield the initial year of insurance [see Par. 4 for an example], or

A(2) **If sharing in the insured crop** for the current crop year with another person(s), New Producers may file acceptable production reports by the PRD based on acreage and production records obtained from the other person(s). If so Standard APH procedures apply [see Sec. 10, E].

1B **New producers who have produced the insured crop** for one or two crop years are required to provide production reports (on land contained in the current farming operation) for such crop years.

B(1) **When such production reports are filed,** verifiers use a combination of actual yields and 100 percent of the applicable "T" Yield to calculate the approved APH yield until four years of actual and/or assigned yields are provided [see Par. 4].

B(2) **If the required production reports are not filed,** establish the approved APH yield using:

(2)(a) **65 percent of the "T" Yield** if no production reports are provided [see Sec. 6, Par. C(1)].

(2)(b) **one actual yield and three 80 percent "T" Yields** if only the most recent crop year is provided and the insured has produced the insured crop two years [see Sec. 6, Par. C(2)(a)1].

1C **Formation of New Entities.** Formation of a new entity (corporation, partnership, trust, etc.) comprised of one or more individuals does not automatically qualify the entity as a new producer. Although the entity may not have records as such, individuals comprising the entity may have produced the insured crop in the county during the base period. If the individuals have produced the insured crop for two crop years or less, the entity may qualify as a new producer. If production reports are filed for these crop year(s) for the insured crop on land that is operated by the new entity, the approved APH yield is calculated using the actual yields and 100 percent of the applicable "T" Yield.

1D **Dissolution of Entities.** Dissolution of an entity (corporation, partnership, trust, etc.) comprised of one or more individuals does not automatically qualify the individual(s) previously involved in the entity as new producers. It is necessary to determine how many crop years the previous entity produced the insured crop in the county during the base period. If the previous entity produced the crop for two crop years or less and production reports are filed for these crop years on land that is now operated by the individual, the approved APH yield is calculated using actual yields and 100 percent "T" Yields.

## 2 SITUATIONS FOR WHICH RMA YIELD DETERMINATIONS MAY BE REQUESTED

2A **Insureds (individuals or entities) who have produced the insured crop for more than two crop years** in the county do not qualify as new producers. However, if records ARE NOT available for ANY of the land in the insured's current operation, APH procedure may limit the approved APH yield to less than 100 percent of the "T" Yield unless a yield is requested from the RMA RSO for the following situations.

A(1) **The insured produced the crop on a farming operation** for more than two crop years, stopped farming ALL land in that farming operation, and is producing the crop on entirely different land.

NOTE: If an insured produced the crop in a county, stopped farming in that county and begins farming in another county, that insured qualifies as a new producer. However, if past production history (from the county with records) indicates average yields that are consistently greater than 100 percent of the applicable "T" yield, the insured may request an RMA RSO yield determination.

A(2) **Change of entity.** A new entity has been created and production records are not available on ANY land in the new entity's farming operation; however, individual(s) that comprise the new entity have produced the crop for more than two crop years on other land.

A(3) **An entity has been dissolved** and production records are not available on ANY land in the individual's current farming operation; however, the individual as a member of the former entity has produced the crop for more than two crop years on other land.

2B **Request Requirements.** To be considered by the RMA RSO, all requests for approved APH yields must be signed by the production reporting date and received in the RMA RSO no later than 20 calendar days after the production reporting date. The request must include the records of acreage and production (with legal descriptions) available from the land on which the insured crop was produced, and the legal descriptions of all land the insured currently operates for which approved APH yields are being requested.

2C **Yield Guidelines.** RMA RSO approved APH yields are based on soil productivity of the land in the current operation and the management ability demonstrated by the actual yields submitted. They are generally limited to 65-100 percent of the applicable "T" Yield. RMA RSO approved APH yields are issued on APH forms containing four Individual Determined Yields identified by the yield type descriptor "F." APH forms containing RMA RSO approved APH yields may be updated and approved in subsequent crop years by the Insurance Provider.

**3 DOCUMENTATION OF NEW PRODUCER STATUS**

New producers must request approved APH yields by completing and signing APH forms and certifying [in block 11 "Other" of the APH form] the crop years they have produced the insured crop. Requests for use of New Producer procedures must be made by the PRD. Separate four-year databases must be established for each unit (by P/T/V) and/or for each "T" Yield map area. Verification of "New Producer" status is required prior to payment of a claim for indemnity and for policies selected for APH reviews. In some instances, the producer's status may be verified by contacting the applicable FSA office or by using FCIC's experience listings.

**4 EXAMPLE - NEW PRODUCERS WITHOUT PRODUCTION RECORDS**

In this example database, the insured started to farm for the current crop year and records are not available from another producer. In this case, the approved APH yield is 100 percent of the applicable "T" Yield.

Current Year	Year 2	Year 3	Year 4
I100	I100	I100	I100
I100	I100	I100	I100
I100	I100	A110	A110
I100	A110	A120	A120
			Z

**5 EXAMPLE - NEW PRODUCER WITH PRODUCTION RECORDS**

In this example database, the insured has been farming for two years and produced the insured crop for two crop years. Production reports were filed containing actual yields for the two crop years. The "current year" is the initial crop year the insured qualified as a new producer. The I yield descriptor is retained in an individual database containing "T" Yields until the database contains three years of actual/assigned yields.

Current Year	Year 2	Year 3	Year 4
I100	T100	T100	A40
I100	A40	A40	A140
A40	A140	A140	A110
A140	A110	A110	Z
		Z	A138

**6 EXAMPLE - Pilot County "T" Yield New Producer**

In this example database, the insured is a new producer in a pilot county "T" Yield county and has not produced the crop. [See Sec. 6, C(4).] The "current year" is the initial crop year the insured qualified as a new producer. The H yield descriptor is retained in an individual database containing "T" Yields until the database contains four years of actual/assigned yields.

Current Year	Year 2	Year 3	Year 4
H110	H110	H110	H110
H110	H110	H110	A130
H110	H110	A130	A90
H110	A130	A90	Z
		Z	A140

7      RESERVED

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