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Federal Crop  
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Corporation



Product  
Administration  
and Standards  
Division

FCIC-25030 (11-2010)  
FCIC-25030-1 (07-2011)

# APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK

**2012 and Succeeding Crop Years**



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

<b>FEDERAL CROP INSURANCE HANDBOOK</b>	<b>NUMBER: 25030 (11-2010) 25030-1 (07-2011)</b>
<b>SUBJECT:  APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK 2012 AND SUCCEEDING CROP YEARS</b>	<b>OPI: Product Administration and Standards Division</b>
	<b>APPROVED:                      DATE:  /s/ Tim B. Witt 6/29/11  Deputy Administrator, Product Management</b>

**THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-ISSUED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2012 AND SUCCEEDING CROP YEARS. ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.**

**SUMMARY OF CHANGES/CONTROL CHART**

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

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

Changes for Crop Year 2012 (FCIC-25030-1):

- A. Page 2, subsection 2 B: Revised definition of “Apple Grader” by removing references to processor and packinghouse graders.
- B. Page 3, subsection 2 B: Inserted “human” in the definition of Fresh Apple Production.
- C. Page 4, subsection 3 A (1) (d): Inserted insurability requirements for fresh apples.
- D. Page 21, subsection 8 C: Revised item entries on the example appraisal worksheet to include sample apples that grade “Processing or better.” Such revision makes example worksheet entries track more closely with actual appraisal scenarios.
- E. Page 25, subsection 9 B (9): Inserted information on denied claims.
- F. Page 26, subsection 9 C 5 “Cause(s) of Damage:” Deleted information on denied claims.
- G. Page 34, subsection 9 C: Inserted instructions for determining the amount of harvested production for units of measure defined in the Apple Crop Provisions.

# APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK

## SUMMARY OF CHANGES/CONTROL CHART (Continued)

- H. Page 43, **EXHIBIT 1**: Deleted “DRAFT” from the left margin.
- I. Throughout the handbook, made syntax and format changes as needed so that this handbook tracks with RMA-approved crop handbook standards formatting.

Control Chart For: Apple Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	References	Date	Directive Number
Remove	1-4	1-2	1-4	43-44	11-2010	FCIC-25030
			21-22		11-2010	FCIC-25030
			25-26		11-2010	FCIC-25030
			33-34		11-2010	FCIC-25030
Insert	1-2	1-2	1-4	43-44	07-2011	FCIC-25030-1
			21-22		07-2011	FCIC-25030-1
			25-26		07-2011	FCIC-25030-1
			33-34		07-2011	FCIC-25030-1
Current Index	1-2	1-2	1-4	41-42 43-44	07-2011	FCIC-25030-1
			5-20		11-2010	FCIC-25030
			21-22		07-2011	FCIC-25030-1
			23-24		11-2010	FCIC-25030
			25-26		07-2011	FCIC-25030-1
			27-32		11-2010	FCIC-25030
			33-34		07-2011	FCIC-25030-1
			35-40		11-2010	FCIC-25030
					07-2011	FCIC-25030-1

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# 1. INTRODUCTION

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**THIS HANDBOOK MUST BE USED IN CONJUNCTION WITH THE LOSS ADJUSTMENT MANUAL (LAM) STANDARDS HANDBOOK FCIC-25010.**

The FCIC-issued loss adjustment standards for this crop are the official standard requirements for adjusting crop insurance losses in a uniform and timely manner. The FCIC-issued standards for this crop and crop year are in effect as of the signature date for this crop handbook located on the internet at [www.rma.usda.gov/handbooks/25000/index.html](http://www.rma.usda.gov/handbooks/25000/index.html). All Approved Insurance Providers (AIPs) will utilize these standards for both loss adjustment and loss training for the applicable crop year. These standards, which include crop appraisal methods, claims completion instructions, and form standards, supplement the general (not crop-specific) loss adjustment standards identified in the LAM.

## 2. SPECIAL INSTRUCTIONS

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

### A. DISTRIBUTION

- (1) The following is the minimum distribution of forms completed by the adjuster (and signed by the insured or insured's authorized representative) for the loss adjustment inspection:
  - (a) One legible copy to the insured.
  - (b) The original and all remaining copies as instructed by the AIP.
- (2) It is the AIP's responsibility to maintain original insurance documents relative to policyholder servicing as designated in their approved plan of operations.

### B. TERMS, ABBREVIATIONS, AND DEFINITIONS

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

<b>CIH</b>	Crop Insurance Handbook (FCIC-18010)
<b>CP</b>	Crop Provisions
<b>PAIR</b>	Pre-Acceptance Inspection Report
<b>PAW</b>	Producer's Pre-acceptance Worksheet
<b>SP</b>	Special Provisions
<b>USDA</b>	United States Department of Agriculture

(4) Definitions:

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<b>Apple Grader</b>	A person or entity acceptable to the AIP who grades appraised and/or harvested apple production for crop insurance purposes using the applicable USDA apple grading standards or other grade(s) listed in the SP. Such persons or entity may be a crop insurance loss adjuster or a licensed State/Federal grader who is a disinterested third party.
<b>Apple Production</b>	All fresh apple production and processing apple production from insurable acreage.
<b>Bin</b>	A container that contains a minimum of 875 pounds of apples or another quantity as designated in the SP.
<b>Block</b>	Trees in an orchard of a single or mixed age and density, separated by applicable practice, type, variety, or other characteristics shown in the actuarial documents.
<b>Box</b>	A container that contains 35 pounds of apples or another quantity as designated in the SP.
<b>Bushel</b>	In all states except Colorado, 42 pounds of apples. In Colorado, 40 pounds of apples.
<b>Damaged Apple Production</b>	(a) With respect to losses calculated under section 12 (of the CP) only, the percentage of fresh or processing apple production that fails to grade U.S. No. 1 Processing or better in accordance with the grade standards, due to insurable causes of loss; or  (b) With respect to losses calculated under section 14 (of the CP), the percentage of fresh apple production that fails to grade U.S. Fancy or better in accordance with the grade standards, due to an insurable cause of loss.
<b>Direct Marketing</b>	Sale of the insured (apple) crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper, buyer, or broker. Examples of direct marketing include selling through an on-farm or roadside stand, or a farmer's market, and permitting the general public to enter the field for the purpose of picking all or a portion of the crop.
<b>First Handler</b>	A person or entity who takes possession of, or purchases, the insured crop for the purpose of acting as an intermediary in the marketing/sales process.

**Fresh Apple Production**

(1) Apples:

- (a) that are sold, or could be sold, for **human** consumption without undergoing any change in its basic form, such as peeling, juicing, crushing, etc.;
- (b) from acreage that is designated as fresh apples on the acreage report;
- (c) that follow the recommended cultural practices generally in use for fresh apple acreage in the area in a manner generally recognized by agricultural experts; and
- (d) from acreage that the insured certifies, and, if requested by the AIP provides verifiable records to support, that at least 50 percent of the production from acreage reported as fresh apple acreage from each unit, was sold as fresh apples in one or more of the four most recent crop years.

(2) Acreage with production not meeting all the requirements above must be designated as processing apple production on the acreage report.

**Harvest**

The picking of mature apples from the trees or collecting mature apples from the ground. Apples collected from the ground that cannot be sold for human consumption will not be considered harvested.

**Marketable**

Apple production that is not damaged apple production.

**Mature (Apples)**

Apples defined as “mature” under the applicable grade standards.

**Natural Drop Apples**

Individual apples that drop from trees as an ordinary occurrence throughout the growing season.

**Processing Apple Production**

Apples from insurable acreage failing to meet the insurability requirements for fresh apple production that are:

- (1) Sold, or could be sold for the purposes of undergoing a change to its basic structure such as peeling, juicing, crushing, etc.; or
- (2) From acreage designated as processing apples on the acreage report.

**Type**

A category of apples as designated in the SP.

**Uninsured Damaged Apples**

Apples that fail to meet the applicable grade standards due to uninsured causes (e.g., mechanical damage, chemical damage, etc.).

**Verifiable Records**

Contemporaneous records of acreage and production provided by the insured, which may be verified by FCIC through an independent third party source, and which are used to substantiate the acreage and production that have been reported on the production report.

### **3. INSURANCE CONTRACT INFORMATION**

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

#### **A. INSURABILITY**

The following may not be a complete list of insurability requirements. Refer to the Basic Provisions, CP, and SP for a complete list.

- (1) **Insured Crop.** The crop insured will be all apples in the county for which a premium rate is provided by the actuarial table:
  - (a) In which the insured has a share;
  - (b) That are grown on tree varieties that are adapted to the area and have, in at least one of the previous four years, produced:
    - 1 10 bins of apples per acre in area A (a geographic area that includes Montana, Wyoming, Utah, New Mexico, and all states west thereof); or
    - 2 150 bushels of apples per acre in area B (a geographic area that includes all states not included in area A, except Colorado); or
    - 3 200 bushels of apples per acre in area C (Colorado).
  - (c) That are grown in an orchard that, if inspected, is considered acceptable by the AIP.
  - (d) That are grown for fresh apple production in an orchard that is certified as “fresh” and meets the policy requirements with acceptable records that verify that at least 50% of such production was sold as fresh in one or more of the four most recent crop years; or
  - (e)** That are grown for processing apple production.
- (2) **Interplanted Crops.** Apples interplanted with another perennial crop are insurable unless the AIP inspects the acreage and determines that such acreage does not meet the policy’s insurability requirements.

#### **B. PROVISIONS AND PROCEDURES NOT APPLICABLE TO CAT COVERAGE**

- (1) Optional Coverage for Quality Adjustment (herein referred to as Optional Coverage).
- (2) Refer to the CIH and LAM for other provisions and procedures not applicable to CAT.

#### **C. UNIT DIVISION**

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

## **D. CAUSES OF LOSS OR DAMAGE**

- (1) **Insured Causes of Damage.** In accordance with the Basic Provisions and in addition to the CP, insurance coverage is also provided against:
  - (a) Loss of production from insects and disease (e.g., when there is not an approved treatment or pesticide labeled for the specific pest or disease, etc.) but not damage due to insufficient or improper application of pest and disease control measures.
  - (b) Failure of the irrigation water supply, if caused by an insured peril that occurs during the insurance period (e.g., drought - well, pond, or creek goes dry due to lack of rainfall, etc.).
  - (c) Wildlife damage (insureds are expected to exercise wildlife preventive practices that are generally recognized as effective for the area, e.g., mole or mice bait for mole or mice, or deer control measures if deer are known to be a problem in the orchard, etc.).
- (2) **Excluded Causes of Loss.** Insurance coverage is **not** provided against damage or loss of production due to the insured's inability to market the apples for any reason other than actual physical damage from an insurable cause specified in the policy. For example, the AIP will not pay the insured an indemnity if the insured is unable to market due to quarantine, boycott, or refusal of any person to accept production.

## **4. GRADING AND QUALITY ADJUSTMENT**

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### **A. GENERAL INFORMATION**

- (1) **Grade Standards.** As applicable, refer to the CP and SP for applicable fresh and processing apple grade requirements. For additional grade information, refer to the USDA, Washington, or Idaho state apple grade standards internet addresses below.
  - (a) USDA Grade Standards for Fresh and Processing Apple Grades:  
[www.ams.usda.gov/standards](http://www.ams.usda.gov/standards)
  - (b) Washington State Standards for Apples:  
<http://apps.leg.wa.gov/WAC/default.aspx?cite=16-403&full=true>
  - (c) Idaho State Standards for Apples:  
<http://adm.idaho.gov/adminrules/rules/idapa02/02index.htm>
  - (d) For additional apple grade information, refer to the AIP or RMA Regional Office.
- (2) **Basic Coverage Grade Requirements.** In accordance with the CP, all damaged appraised production and harvested marketable apple production insured under basic coverage that grades at least U.S. No. 1 Processing or better is considered production to count.
- (3) **Optional Coverage for Quality Adjustment Requirements.** In accordance with the CP, if appraised or harvested fresh apple production for the block or unit, as applicable, is damaged to the extent that more than 20 percent of the apple production does not grade U.S. Fancy or other applicable grade(s) listed in the SP or better, the following adjustments to the production will apply:

- (a) Fresh apple production to count with 21 percent through 40 percent damaged apple production will be reduced 2 percent for each full percent of damage in excess of 20 percent.
- (b) Fresh apple production to count with 41 percent through 50 percent damaged apple production will be reduced 40 percent plus an additional 3 percent for each full percent of damage in excess of 40 percent.
- (c) Fresh apple production to count with 51 percent through 64 percent damaged apple production will be reduced 70 percent plus an additional 2 percent for each full percent of damage in excess of 50 percent.
- (d) Fresh apple production to count with 65 percent or more damaged apple production will not be considered production to count.

(4) **Additional Grading Requirements.** As stated in the CP, any apple production not graded or appraised prior to the earlier of the time apples are placed in storage or the date the apples are delivered to a packer, processor, or other handler, such production will not be considered damaged apple production and will be considered production to count.

- (a) For acreage and production with different (diverse) maturity stages and multiple phases of harvest/picking, determine the crop's quality from samples obtained prior to the beginning of harvest while all fruit is still on the tree.
- (b) For acreage and production where all fruit is harvested at a single time, **ONLY in rare situations when the AIP is unable to sample the fruit still on the tree**, the crop's quality may be determined from samples obtained from harvest containers still in the orchard. Sampled fruit from harvest containers must be uniform and representative of the entire acreage. If the AIP believes that fruit to be placed in harvest containers will not be conducive to obtaining representative samples, then samples must be obtained prior to the beginning of harvest while all fruit is still on the tree or the AIP may authorize the insured to leave representative sample trees unharvested for grading purposes.
- (c) Document such graded production in items 31 through 51 on the appraisal worksheet, on a Special Report, or other form as applicable. In the Remarks section of the appraisal worksheet enter: "For Grade Purposes Only" and identify source of grade information. Retain a copy of such grade information in the insured's file folder.

## **B. APPLE GRADING**

The AIP may choose to have appraised production graded (in accordance with the grade standards contained in the CP or SP) by any one of the entities listed below, as applicable. For State/Federal and Processor grade determinations, the AIP is responsible for selecting representative sample fruit from representative sample trees prior to beginning of harvest before apples are delivered to the processor/packing house, as applicable.

- (1) **Adjuster.** The adjuster can grade production using representative sample apples from the insured unit/block.

**(2) State/Federal Grader.** A licensed State/Federal apple grader can grade production using representative sample apples from the unit/orchard/suborchard/block. The AIP must follow the procedure listed below for using State/Federal grade determinations.

- (a) When the AIP sends sample apples to a licensed State/Federal grader, the AIP must clearly describe the grade information needed for crop insurance purposes. The AIP must be able to determine from the grade results, the quantity of apples that grade at least U.S. No. 1 Processing or better for Basic Coverage. The AIP must also be able to determine the quantity of apples that grade at least U.S. No. 1 Processing but less than U.S. Fancy or other grade(s) listed in the SP and the quantity of apples that grade at least U.S. Fancy or other grade(s) listed in the SP or better for Optional Coverage.
- (b) The AIP should submit the sample size (number of pounds of sample apples) required by the State/Federal grader to complete the grade and make sure all sample(s) meet the State/Federal grader requirements to ensure consistent grade determinations.
- (c) If the type and amount of fruit damage is consistent among the representative trees within the unit/block being appraised, one representative sample may be used for all trees with such damage to reduce the number of samples needed for the State/Federal grade determination. Note in the “Remarks” section of the appraisal worksheet, that only one representative sample was submitted to the State/Federal grader because the type and amount of damage was consistent within the unit/block and among the number of representative trees sampled.

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## **5. APPLE APPRAISALS**

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### **A. GENERAL INFORMATION**

- (1) All of the information in section 5 herein applies to both basic and optional coverage appraisals unless specifically stated otherwise.
- (2) Potential production for all types of inspections will be appraised in accordance with procedure specified in this handbook and the LAM.
- (3) Select the number of representative sample trees in accordance with **TABLE A**, herein. Select representative sample trees and sample fruit in accordance with subsections 5 D and 5 E, respectively.
- (4) Make separate appraisals for acreage insured as fresh or processing and for each apple type grown in the unit.

### **B. NOTICE OF DAMAGE**

Within the CP is a requirement that insureds file a “notice of damage or loss” with the AIP in the following situations:

- (1) At least 3 days prior to the date harvest should have started if the crop will not be harvested.

- (2) At least 15 days before any apple production from any unit will be sold by direct marketing. In the event of the insured's failure to give timely notice that production will be sold by direct marketing, apply an appraised amount of production to count not less than the production guarantee per acre, if such failure results in the inability of the AIP to make the required appraisal.
- (3) If the insured intends to claim an indemnity on any unit, notice must be given at least 15 days prior to the beginning of harvest, or immediately if damage is discovered during harvest so that the AIP may inspect the damaged production. The insured must not sell or dispose of the damaged crop until after the AIP has given the insured written consent to do so. If the insured fails to meet the requirements listed above and such failure results in the AIP's inability to inspect the damaged production, all such production will be considered undamaged and included as production to count.

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### C. APPRAISAL DATES

- (1) AIP representatives will set appraisal dates.
- (2) When an insured reports damage, the adjuster should make arrangements with the insured to inspect/appraise damaged apple production using either early season or near-maturity appraisals, as applicable.
  - (a) **Early season appraisals.** Make early-season appraisals when all hand and/or chemical thinning of apples has been completed, after the natural fruit-drop period (i.e., June drop period) has passed, and before apples reach harvestable maturity. If both the AIP and insured agree to an early-season appraisal and the apple crop at this stage of development has the potential to meet the applicable grade requirements, complete the early-season appraisal.

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- (b) **Near maturity appraisals.** Make near-maturity appraisals when apples are near harvestable maturity or have reached harvestable maturity, and before any apples are removed from the trees or the ground, as applicable. At this stage of development, apples must be mature enough for grading and/or quality adjustment.

### D. SELECTING REPRESENTATIVE SAMPLE TREES FOR APPRAISALS

- (1) Take not less than the number (count) of representative sample trees required in **TABLE A**.
- (2) Select representative sample trees based on:
  - (a) Total acreage and number of trees;
  - (b) Extent of variation in the amount of production or damage within the acreage and location of fruit on the tree. When variable damage causes the crop potential to be significantly different within the same unit, or when the insured wishes to destroy a portion of the unit, split the unit into **orchards/sub-orchards, as applicable**, and appraise each **one** separately;
  - (c) Percent of each variety in the acreage;
  - (d) Tree age, density, and vigor;

- (e) Acreage in the unit/block from which fruit has been picked and the extent of variation in the amount of unpicked fruit on the trees; and
- (f) Whether portions of the unit/block have been color (partially) picked.

## **E. SELECTING REPRESENTATIVE SAMPLE FRUIT**

- (1) Make all fruit counts after the natural fruit drop period, after hand/chemical thinning is completed, before any apples are removed from the trees or the ground, as applicable.
- (2) Select the total number of representative sample apples from the inside, outside, top, and bottom of all four quadrants of the representative sample tree.
- (3) Include apples that could be packed and apples that could be eliminated if graded at the processor/packing house.
- (4) An individual sample must consist of at least 10 but no more than 30 apples from different locations on the tree that reflect the average condition of apples on the unit acreage being appraised. Select the number of sample apples per tree based on tree size and the amount of fruit on the trees. To insure consistent appraisals, select the same number of sample apples (i. e., 10 fruit per tree, 20 fruit per tree, 30 fruit per tree, etc.) from each sample tree in the unit/block being appraised. If a sample tree selected does not contain a sufficient number of apples to complete the sample amount, select additional sample apples from adjacent tree(s) in the orchard of the same variety, size, age, etc. to obtain the required number of apples for the sample. Divide the sample apples into groups (as noted below) and record the number of apples in each group on the appraisal worksheet.
  - (a) **Uninsured Damage:** Includes all apples in the sample that fail to meet the applicable grade standards due to damage from uninsured causes (e.g., mechanical damage, chemical damage, etc.).
    - 1 Visually examine each representative sample apple to determine if damage was caused by something other than an insured cause of loss.
    - 2 When there is both uninsured and insured damage on the same apple (regardless of the amount of insured/uninsured damage), the apple will be considered damaged solely by uninsured causes only.

### **EXAMPLE:**

The stem end of an apple suffers insured hail damage on the top 2/3rds of the fruit. The petal end of the apple suffers spray damage (uninsured cause of loss) on the bottom 1/3rd of the fruit. As stated in subsection “2” above, the entire apple is considered damaged by uninsured causes.

- (b) **Processing or better:** For basic coverage appraisals, includes all sample apples that grade at least U.S. No. 1 Processing or better. For optional coverage appraisals, includes all sample apples that grade at least U.S. No. 1 Processing but grade less than U.S. Fancy or other grade(s) listed in the SP. Include any apples intentionally left on the tree past the normal maturity date for the variety and allowed to drop due to over-maturity or that are sprayed with a chemical ripener to accelerate abscission of the fruit.

- (c) **Fancy or better (for Optional Coverage only):** Includes all sample apples that grade at least U.S. Fancy or other grade(s) listed in the SP or better.

**F. HANDLING APPRAISAL DISCREPANCIES**

- (1) If the insured disagrees with the appraisal, make arrangements for leaving representative trees UNHARVESTED and for inspecting those trees when the apples are ready to harvest.
  - (a) The adjuster and insured should jointly determine the trees to be selected for this representative sample. Make a sketch map of the unit/block and sample trees by row number and tree count within the chosen row.
  - (b) The adjuster can also physically mark or tag trees selected for appraisals to verify exact location of sample trees on the unit/block.
  - (c) An adjuster must be present when the representative trees are harvested.
- (2) When an adjuster field grades apple production and the insured disagrees with the grade determination, the insured can request that a licensed State/Federal Grader grade the apple production at the insured’s expense. The adjuster needs to explain to the insured that if the insured requests **an additional** grade determination from the State/Federal grader, the State/Federal grade (regardless of the grade results) will be used to complete the claim. The insured will NOT be allowed to select the most favorable grade determination.
- (3) If an insured refuses to sign appraisal worksheet(s) refer to the LAM for information on unusual/controversial cases.

**6. APPRAISAL METHODS**

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**A. GENERAL INFORMATION**

- (1)** These instructions provide information on appraisal methods for:

<b>Appraisal Methods...</b>	<b>Use...</b>
Unharvested Production Appraisals	when production is damaged early in the growing season.
Harvested Production Appraisals	when production is damaged prior to or at harvest, for direct market appraisals, for conflict of interest appraisals, and for APH purposes.
(1) Representative Tree Appraisals	the gross production harvested from representative trees to calculate the appraised potential yield per acre.
(2) Harvested Acreage Appraisals	the gross production from harvested acreage as the appraisal for unharvested acreage.

- (2) When more than one apple variety is grown in the **unit/orchard/suborchard/block**, and the amount of damage varies significantly among the varieties, complete a separate appraisal worksheet for each variety with such variability.
- (3) The instructions contained herein track with the item entry instructions for the Apple Appraisal Worksheet and apply to both Basic Coverage and Optional Coverage appraisals, as applicable, unless otherwise noted.

## **B. UNHARVESTED APPRAISALS**

### (1) **Appraisal Method.**

#### (a) **Number of Apples per Sample Tree.**

- 1** Count the number of apples per sample tree that meet or exceed the applicable grade standards, apples damaged solely by insured causes, and apples damaged partially or solely by uninsured causes.
- 2** Tally the number of apples from all sample trees and divide this amount by the total number of sample trees to calculate the average number of apples per tree. If apples on a sample tree are too numerous to count individually, visually divide the sample tree into 4 equal parts (quadrants). Count the number of apples in one representative quadrant and multiply by 4 to calculate the number of fruit on the entire tree, as applicable.

#### (b) **Number of Apples per Box/Bushel.** Calculate the number of apples per box/bushel per sample tree as follows:

- 1 For early appraisals:** **Conduct** early season appraisals after all fruit thinning has been completed and before apples reach their mature size. Determine the average number of apples per box/bushel expected at time of normal harvest. The expected average fruit size can be obtained from the grower, packer, processor, extension service, etc.
- 2 For near-harvest appraisals:** **Conduct** near-harvest appraisals when fruit is near maturity or at maturity. Determine the average number of apples per box/bushel using one of the following methods (adjusters should select and use only one method per appraisal to insure consistent fruit counts).
  - i. **Method 1:** Use apple sizing rings to determine fruit size. Randomly select 10 fruit from each sample tree and measure each fruit with the ring to determine the fruit size. Determine the number of fruit per box/bushel based on the fruit size. Record the number of fruit per box/bushel on the appraisal worksheet.
  - ii. **Method 2:** Randomly select 10 apples from the sample tree, weigh them and round weight to tenths of a pound. Calculate the number of apples per box/bushel using the formula below.

**FORMULA:**

Wt. of 10 apples in lbs. to tenths  $\div$  10 = lbs./apple rounded to hundredths  
lbs./bu. or box  $\div$  lbs./apple = apples/bu. or box rounded to whole apples

**EXAMPLE:**

Weight of 10 apples is 3.5 lbs., the unit of measure is 42 lbs./bu.  
 $3.5 \text{ lbs.} \div 10 \text{ apples} = 0.35 \text{ lbs./apple}$   
 $42 \text{ lbs./bu.} \div 0.35 \text{ lbs./apple} = 120 \text{ apples/bu.}$

iii. **Other Methods.** AIPs can authorize other methods for determining the number of fruit per box/bushel, provided the method is documented in the Remarks section of the appraisal worksheet or on a Special Report.

(c) **Average Number of Apples per Box/Bushel.** Tally the number of apples per box/bushel from all individual sample trees and divide this amount by the number of sample trees to calculate the average number of apples per box/bushel.

(d) **Appraised Production to Count.** Divide the average number of apples per sample tree by the average number of apples per box/bushel and multiply this result by the number of appraised acres to calculate the gross appraised production to count.

(e) **Grading and Quality Adjustment.** Select representative sample fruit for grading/quality adjustment as described in subsection 5 E, herein. Determine the number of sample apples that meet or exceed the applicable grade standards, damaged solely by insured causes, or damaged solely by uninsured causes. Count the number of apples in each category. Document fruit counts on the appraisal worksheet.

(2) At this point on the appraisal worksheet, instructions differ for basic coverage and optional coverage appraisals. Follow subsection 2(a) instructions for basic coverage appraisals. Follow subsection 2(b) instructions for optional coverage appraisals.

(a) **Basic Coverage Appraisals.**

- 1 Divide the number of sample apples in subparagraph 1 (e) above, by the total number of apples from all samples to calculate the “% Meeting Grade.”
- 2 Multiply the gross appraised production to count by the “% Meeting Grade” factor to calculate the amount of undamaged production.

(b) **Optional Coverage Appraisals.**

- 1 Divide the number of sample apples in subparagraph 1 (e) above, by the total number of apples from all samples to calculate the “% Meeting Grade.”
- 2 Subtract the “% Meeting Grade” from 1.000 to calculate the “Actual % Damage.” Refer to **TABLE C** to convert the “Actual % Damage” to the “Quality Adjusted %.” Subtract the “Quality Adjusted %” from 1.000 to calculate the “Undamaged %.”
- 3 Multiply the gross appraised production to count by the “Undamaged %” to calculate the amount of undamaged production.

## C. **HARVESTED APPLE APPRAISALS**

- (1) **Representative Tree Appraisals.** When harvested representative tree appraisals are used, the adjuster and insured will jointly select representative sample trees that reflect the type and severity of insured crop damage in the unit/orchard/suborchard/block. The adjuster will make arrangements with the insured to do a field inspection when the insured harvests the representative sample trees. During the field inspection, the adjuster will:
  - (a) Select sample apples for grading/quality adjustment from the harvested samples as described in subsection 5 D,
  - (b) Determine the amount of appraised potential production on each sample tree, and
  - (c) Document the amount of potential appraised production and any applicable quality adjustment information on the appraisal worksheet.
- (2) **Harvested Acreage Appraisals.** Prior to harvest, estimate the potential amount of gross potential production on unharvested acreage. After harvest, compare the estimated gross potential production for unharvested acreage to the actual gross production from harvested acreage. If the unharvested potential production is comparable to the harvested production, use the average yield per acre from harvested acreage as the appraisal per acre for unharvested acreage. Use this method only when the harvested acreage can be verified as being representative of the unharvested acreage; otherwise, use another method.

## 7. **APPRAISAL DEVIATIONS AND MODIFICATIONS**

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### A. **DEVIATIONS**

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

### B. **MODIFICATIONS**

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

## 8. **APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES**

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### A. **WORKSHEET STANDARDS**

- (1) The entry items in subsection C are the minimum requirements for the Apple Appraisal Worksheet (hereafter referred to as the “Appraisal Worksheet”). All of these entry items are “Substantive,” (i.e., they are required).

- (2) Appraisal Worksheet Completion Instructions. The completion instructions for the required entry items on the appraisal worksheet in the following subsections are “Substantive,” (i.e., they are required).
- (3) The Privacy Act and Nondiscrimination statements are required statements that must be printed on the form or provided to the insured as a separate document. These statements are not shown on the example form in this exhibit. **The current Nondiscrimination and Privacy Act statements can be found on the RMA website at <http://www.rma.usda.gov/regs/required.html>.**
- (4) Refer to the DSSH for other crop insurance form requirements (e.g., font point, size, etc.).

## **B. GENERAL INFORMATION FOR WORKSHEET ENTRIES AND COMPLETION**

- (1) **As stated in the CP, any apple insured who selects Optional Coverage is also insured under Basic Coverage. For acreage insured under Optional Coverage, complete Optional Coverage Appraisal entries on the appraisal worksheet. After completion of the Optional Coverage Appraisal entries, if:**
  - (a) **Item 47 is less than 40 percent and there are no U.S. No. 1 Processing Apples in item 35(c); or,**
  - (b) **Item 47 is less than 30 percent, then**

**complete the entry items for the Optional Coverage Supplement Appraisal (refer to the item entry instructions and example appraisal worksheets, herein). The appraised production to count will be the lesser of the two appraisals.**
- (2) Separate appraisal worksheets are required for each orchard/suborchard **block** when there is more than one such **acreage designation** in the insured unit, as applicable.
- (3) Include the AIP’s name in the appraisal worksheet title if not preprinted on the appraisal worksheet.
- (4) Include the claim number on the appraisal worksheet (when required by the AIP) when a worksheet entry is not provided.

## **C. WORKSHEET ENTRIES AND COMPLETION INFORMATION**

**Verify or make the following entries:**

**Item**  
**No.**

**Information Required**

**Company Name:** AIP (i.e., company name), if not preprinted on the worksheet.

**Claim Number:** Claim number as assigned by the AIP.

## PART I - GENERAL INFORMATION

1. **Insured's Name:** Name of insured identifying EXACTLY the person (i.e., legal entity) to whom the policy is issued.
2. **Policy No.:** Insured's assigned policy number.
3. **Crop Year:** Four-digit crop year, as defined in the policy, for which the claim is filed.
4. **Unit No.:** Unit number from the Summary of Coverage after it is verified to be correct.
5. **Variety Name:** Variety name as shown in the actuarial documents. Note how many varieties are damaged by insurable causes in the unit/orchard/suborchard/block and enter variety name as follows:
  - a. When there is only one variety: Enter the variety name.
  - b. When there is more than one variety and:
    - 1 All varieties are damaged equally - Enter name of the principal variety only.
    - 2 Damage varies significantly between varieties - Complete a separate appraisal worksheet for each variety with such variability.
6. **Type:** Enter applicable type code as specified in the SP.
7. **Practice:** Three-digit code number entered exactly as specified in the actuarial documents, for the practice carried out by the insured. If "No Practice Specified," enter appropriate three-digit code number from the actuarial documents (e.g., 997).
8. **Block ID:** **As applicable**, enter the block identification symbol from a sketch map, aerial photograph, etc., after verification.
9. **Damage:**
  - a. **Cause:** Name of the insured cause(s) of loss (refer to the LAM).
  - b. **Date(s):** First three letters of the month during which MOST of the insured unit damage (including progressive damage) occurred for each inspection. Include the SPECIFIC DATE where applicable as in the case of hail damage (e.g., Apr 24, etc.).
10. **Unit Acres:** Unit acres rounded to tenths.
11. **Appraised Acres:** Number of appraised acres to tenths, for the variety listed in item 5.
12. **No. of Trees/Acre:** Total number of bearing trees per acre. **Refer to the insured's file folder, current PAW, PAIR, or addendum worksheets, as applicable to determine the number of bearing trees per acre. Also refer to the LAM for additional instructions on determining the number of trees per acre.**

13. **Total No. of Trees:** Item 11 multiplied by item 12, results in whole trees.
14. **Unit of Measure:** Place an “X” in the appropriate box indicating “Boxes” or “Bushels.” When production is in containers, field boxes, bins, etc. convert to either boxes or bushels and document conversion calculations in the “Remarks” or on a Special Report.

#### **PART II - AVERAGE NUMBER OF APPLES PER SAMPLE TREE**

15. **No. of Apples per Sample Tree:**
- a. Enter the number of apples on each sample tree, include apples that meet or exceed the applicable grade standards, apples damaged solely by insured causes, and apples solely or partially damaged by uninsured causes.
  - b. If apples on a sample tree are too numerous to count individually, visually divide the sample tree into 4 equal parts (quadrants). Count the number of apples in one representative quadrant and multiply by 4 to calculate the number of fruit on the entire tree, as applicable.
16. **Total Apples:** Total number of all sample **apples** from item 15 entries.
17. **No. of Sample Trees:** The total number of sample **trees** from item 15.
18. **Avg. No. of Apples per Sample Tree:** Item 16 divided by item 17, results rounded to tenths.

#### **PART III - AVERAGE NUMBER OF APPLES PER BOX/BUSHEL**

19. **No. of Apples per Box/Bushel per Sample Tree:** Enter the applicable number of apples per box/bushel (refer to subsection 6 B, herein).
20. **Total Apples:** Total number of **apples** in item 19.
21. **No. of Sample Trees:** Total number of sample **trees** in item 19.
22. **Avg. No. of Apples per Box/Bushel:** Item 20 divided by item 21, results rounded to tenths.

#### **PART IV - PRODUCTION TO COUNT CALCULATIONS**

23. **Avg. No. of Apples per Sample Tree:** Transfer entry from item 18.
24. **Avg. No. of Apples per Box/Bushel:** Transfer entry from item 22.
25. **No. of Boxes/Bushels per Tree:** Item 23 divided by item 24, results rounded to three-decimal places.
26. **No. of Trees per Acre:** Transfer entry from item 12.
27. **No. of Boxes/Bushels per Acre:** Make the following entries in boxes/bushels rounded to tenths. *For Optional Coverage Appraisal only*, transfer this entry to column 31 “Appraised Potential” on the Production Worksheet.

- a. When parts II through IV of the appraisal worksheet are completed (i.e., unharvested appraisals): Item 25 multiplied by item 26.
- b. When parts II through IV of the appraisal worksheet are not completed (i.e., harvested appraisals): Item 29 divided by item 11.

28. **Appraised Acres:** Transfer entry from item 11.

29. **Appraised Production to Count:** Make the following entries in boxes/bushels rounded to tenths:

- a. When parts II through IV of the appraisal worksheet are completed (i.e., unharvested appraisals): Item 27 multiplied by item 28.
- b. When parts II through IV of the appraisal worksheet are not completed (i.e., harvested appraisals): Enter the insured's actual gross harvested production and/or production delivered to the processor/packing house, as applicable. List source(s) of such production in the Remarks.

## PART V - REPRESENTATIVE SAMPLES FOR GRADING AND QUALITY ADJUSTMENT

**Basic Coverage/Optional Coverage:** Place an "X" in the appropriate box indicating "Basic Coverage" or "Optional Coverage" as selected by the insured.

30. **Sample Number:** Sample numbers are pre-printed on the appraisal worksheet.

31. **No. of Apples per Sample:** Select at least 10 representative sample apples but no more than 30 apples for grading/quality adjustment. Select the same number of sample apples (e.g., 10 sample apples per tree, or 20 sample apples per tree, etc.) from all sample trees in the unit/orchard/suborchard/block being appraised to insure consistent appraisals. Make sure sample apples selected for grading/quality adjustment are representative of the average condition of all apples in the unit/orchard/suborchard/block being appraised. If a sample tree selected does not contain a sufficient number of apples to complete the sample amount, select additional sample apples from adjacent tree(s) in the orchard of the same variety, size, age, etc., to obtain the required number of apples for the sample.

32. **Uninsured Damage:** Visually examine each sample apple to determine if solely or partially damaged by uninsured causes. Record the number of apples in each sample damaged by uninsured causes.

33. **U.S. #1 Processing or better:** Visually examine each sample apple to determine if it meets the U.S. No. 1 Processing grade requirements.

- a. **Basic Coverage Appraisals:** Record the number of apples in each sample that grade at least U.S. No. 1 Processing or better.
- b. **Optional Coverage Appraisals:** Record the number of apples in each sample that grade at least U.S. No. 1 Processing but grade less than U.S. Fancy (e.g., U.S. No. 1 (Fresh), etc., or other grade(s) listed in the SP).

34. **U.S. Fancy or better (for Optional Coverage only):** Visually examine each sample apple and determine if it grades at least U.S. Fancy or other grade(s) listed in the SP or better. Record the number of apples in each sample that grade at least U.S. Fancy or other grade(s) listed in the SP or better.
35. **Line Total:** Separately total the number of all representative sample apples in lines 31, 32, 33, and 34, as applicable.

## PART VI - APPRAISAL CALCULATIONS

**APH Yield:** The instructions in items 36 through 42 below describe how to calculate the APH Yield per Acre for the appraised acres identified in item 11 for the current crop year. This APH Yield can be used to update the insured's APH database for succeeding crop years and is not the APH Yield used to calculate the insured's guarantee for the current crop year.

36. **Appraised Production to Count:** Transfer entry from item 29 above.
37. **No. of Apples to Count:** Calculate as follows:
- a. **Basic Coverage Appraisals:** Transfer entry in item 35 (c).
  - b. **Optional Coverage Appraisals:** Item 35 (c) plus 35 (d), results in whole apples.
38. **Total No. of Apples all Samples:** Transfer entry from item 35(a).
39. **Percent Processing:** Item 37 divided by item 38, results as a percentage to two decimal places.
40. **APH Yield:** Item 36 multiplied by item 39, results rounded to tenths.
41. **Appraised Acres:** Transfer entry from item 11.
42. **APH Yield per Acre:** Item 40 divided by item 41, results rounded to tenths.

**Basic Coverage Appraisals/Optional Coverage Appraisals:** The instructions in items 43 through 51 below describe how to calculate the grading/quality adjustment factor for Basic, Optional, and Optional Coverage Supplemental appraisals, as applicable. Enter Optional Coverage and Optional Coverage Supplemental Appraisals as instructed below (refer to the item entry instructions and example appraisal worksheets below).

43. **Appraised Production to Count:** Transfer entry from item 29 above.
44. **No. Apples to Count:** Calculate as follows:
- a. **Basic Coverage Appraisals:** Item 35(b) plus item 35(c).
  - b. **Optional Coverage Appraisals:** Item 35(b) plus item 35(d).

c. **Optional Coverage Supplemental Appraisals:** Complete only as stated and required in subsection 8 B (1), above. Item 35(b) plus item 35(c) plus item 35(d).

45. **Total No. of Sample Apples:** Transfer entry from item 35(a).

46. **% Meeting Grade:** Item 44 divided by item 45, results as a percentage rounded to two decimal places.

47. **Actual % Damage for Optional Coverage Only:** 1.000 minus item 46 results as a percentage to two decimal places (e.g.,  $1.000 - 0.37 = 0.63$ ).

48. **Quality Adj.% for Optional Coverage Only:** Calculate as follows:

a. If Column 47 entry is 20 percent or less, enter “.00.”

b. If Column 47 entry is at least 21 percent but not more than 64 percent, enter the “Quality Adjusted %” from **TABLE C** (e.g., if column 47 is 0.63, then the corresponding value from **TABLE C** is 0.96).

c. If Column 47 entry is 65 percent or more: Enter “1.00.”

49. **Undamaged % for Optional coverage Only:** Make the following percentage entries as a two-place decimal.

a. **Optional Coverage Appraisals:** 1.000 minus item 48, results as a percentage to two-decimal places (e.g.,  $1.000 - 0.96 = 0.04$ ).

b. **Optional Coverage Supplemental Appraisals:** Transfer entry from item 46.

Transfer the “lesser of” the entry from item 49 for Optional Coverage Supplement Appraisal or the entry from item 49 for Optional Coverage Appraisal, to column 35 “Quality Factor” on the Production Worksheet.

50. **Undamaged Production:** Make the following entries in boxes/bushels rounded to tenths.

a. **Basic Coverage Appraisals:** Item 43 multiplied by item 46.

b. **Optional Coverage Appraisals:** Item 43 multiplied by item 49.

c. **Optional Coverage Supplemental Appraisals:** Item 43 multiplied by item 49.

51. **Appraised Production per Acre:** Item 50 divided by item 11 acres, results in boxes/bushels to tenths. **For Basic Coverage Appraisal only,** transfer entry to column 31, “Appraised Potential” on the Production Worksheet.

52. **Remarks:**

a. Use a sketch map that identifies the unit/orchard/suborchard/block boundaries and location of representative sample trees.

- b. Enter any additional pertinent information about this appraisal such as uninsured cause(s) of damage (e.g., spray burn, mechanical damage, etc.).
- c. Note the bin-to-field box or bushel ratio, weight per bushel, and any calculations used to convert production to boxes/bushels.
- d. Document the date representative samples were taken if harvest is NOT complete (i.e., worksheet and claim are to be completed at a later date).
- e. Note any differences between unit acres and appraised acres.
- f. Identify location of any damaged acreage harvested before appraisals were conducted.
- g. Explain and identify any voluntary destruction (e.g., tree removal, etc.) of any unit/orchard/suborchard/block acreage.
- h. Attach any reference materials that identify the unit/orchard/suborchard/block (i.e., aerial photographs, sketch maps, etc.).
- i. Document the circumstances of any conflict of interest appraisals.
- j. Document grade results for harvested acreage in accordance with section 14 (c) of the CP.

**The following required entries are not illustrated on the appraisal worksheet example below.**

- 53. **Adjuster's Signature, Code Number, and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insured's authorized representative) has signed. If an appraisal is performed prior to signature date, document the date of appraisal in the Remarks/Narrative section of the Appraisal Worksheet (if available); otherwise, document the appraisal date in the Narrative of the production worksheet.
- 54. **Insured's Signature and Date:** Insured's (or authorized representative's) signature and date. **BEFORE** obtaining the insured's signature, **REVIEW ALL ENTRIES** on the Appraisal Worksheet **WITH THE INSURED** or insured's authorized representative, particularly explaining codes, etc., that may not be readily understood.
- 55. **Pg \_\_\_ of \_\_\_:** Page number - (Example: Page 1 of 1, Page 2 of 2, etc.).

**(Company Name) APPLE APPRAISAL WORKSHEET**

For Information Purposes Only

Claim Number: **XXXXXX**

PART I - GENERAL INFORMATION							
1. Insured's Name <b>I. M. Insured</b>	2. Policy No.: <b>XXXXXXXX</b>	3. Crop Year: <b>YYYY</b>	4. Unit No.: <b>0001-0001BU</b>	5. Variety Name: <b>Jonathan</b>	6. Type: <b>112</b>	7. Practice: <b>997</b>	8. Block ID: <b>B-2</b>
9. Damage: Cause: <b>Freeze</b> Date: <b>Apr 24</b>	10. Unit Acres: <b>20.0</b>	11. Appraised Acre: <b>3.0</b>	12. No. of Trees/Acres: <b>100</b>	13. Total No. Trees: <b>300</b>	14. Unit of Measure: Boxes <input type="checkbox"/> Bushels <input checked="" type="checkbox"/>		

PART II - AVERAGE NUMBER OF APPLES PER SAMPLE TREE:												
15. No. of Apples per Sample Tree:							16. Total Apples	17. No. of Sample Trees	18. Avg. No. of Apples per Sample Tree (16 ÷ 17)			
<b>60</b>	<b>55</b>	<b>49</b>	<b>52</b>	<b>50</b>			<b>266</b>	<b>5</b>	<b>53.2</b>			
							÷	=				

PART III - AVERAGE NUMBER OF APPLES PER BOX/BUSHEL:												
19. No. of Apples per Box/Bushel per Sample Tree:							20. Total Apples	21. No. of Sample Trees	22. Avg. No. of Apples per Box/Bushel			
<b>72</b>	<b>68</b>	<b>74</b>	<b>66</b>	<b>70</b>			<b>350</b>	<b>5</b>	<b>70.0</b>			
							÷	=				

PART IV - PRODUCTION TO COUNT CALCULATIONS:												
23. Avg. No. of Apples per Sample Tree (from item 18)	24. Avg. No. of Apples per Box/Bushel (from item 22)	25. No. of Boxes/Bushels per Tree (23 ÷ 24)	26. No. of Trees per Acre (from item 12)	27. No. of Boxes/Bushels per Acre (25 x 26)	28. Appraised Acres (from item 11)	29. Appraised Production to Count (27 x 28)						
<b>53.2</b>	<b>70.0</b>	<b>0.760</b>	<b>100</b>	<b>76.0</b>	<b>3.0</b>	<b>228.0</b>						
÷	=	X	=	X	=							

PART V - REPRESENTATIVE SAMPLES FOR GRADING AND QUALITY ADJUSTMENT:												
Basic Coverage: <input checked="" type="checkbox"/>	30. Sample Number										35. Line Total	
Optional Coverage: <input type="checkbox"/>	1	2	3	4	5	6	7	8	9	10		
31. No. of Apples per Sample:	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>						(a) <b>150</b>	
32. Uninsured Damage:	<b>2</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>1</b>						(b) <b>10</b>	
33. Processing or better:	<b>12</b>	<b>10</b>	<b>8</b>	<b>16</b>	<b>20</b>						(c) <b>66</b>	
34. Fancy or better:											(d)	

PART VI - APPRAISAL CALCULATIONS:								
36. Appraised Production to Count (from item 29)	37. No. of Apples to Count Basic: 35(c) Optional: 35(c)+35(d)	38. Total No. of Apples all Samples (35(a))			39. Percent Processing (37 ÷ 38)	40. APH Yield (36 x 39)	41. Appraised Acres (from item 11)	42. APH Yield per Acre (40 ÷ 41)
<b>228.0</b>	<b>66</b>	<b>150</b>			<b>0.44</b>	<b>100.3</b>	<b>3.0</b>	<b>33.4</b>

43. Appraised Production to Count (from item 29)	44. No. Apples to Count Basic: 35(b) + 35(c) Optional: 35(b) + 35(d) Op Sup: 35(b)+35(c)+35(d)	45. Total No. of Sample Apples (35(a))	46. % Meeting Grade (44 ÷ 45)	47. Actual % Damage (1,000 - item 46)	48. Quality Adj. % (from TABLE C)	49. Undamaged % Optional: (1,000 - 48)	50. Undamaged Production (43 x 49)	51. Appraised Production/A. (50 ÷ 11)
<b>228.0</b>	<b>76</b>	<b>150</b>	<b>0.51</b>				<b>116.3</b>	<b>38.8</b>
Basic Coverage Appraisals:								
Optional Coverage Appraisals:								
Optional Coverage Supplement								

**PART VII - REMARKS AND SIGNATURES:**  
52 Remarks:

**Basic Coverage Appraisal Example**

This form does not illustrate all required entry items (e.g., signature, etc.).

**(Company Name) APPLE APPRAISAL WORKSHEET**  
For Information Purposes Only

Claim Number: **XXXXXX**

PART I - GENERAL INFORMATION							
1. Insured's Name <b>I. M. Insured</b>	2. Policy No.: <b>XXXXXXXX</b>	3. Crop Year: <b>YYYY</b>	4. Unit No.: <b>0002-0001BU</b>	5. Variety Name: <b>Fuji</b>	6. Type: <b>111</b>	7. Practice: <b>002</b>	8. Block ID: <b>OC-1</b>
9. Damage: Cause: <b>Hail</b> Date: <b>Aug 10</b>	10. Unit Acres: <b>25.0</b>	11. Appraised Acre: <b>4.5</b>	12. No. of Trees/Acres: <b>110</b>	13. Total No. Trees: <b>495</b>	14. Unit of Measure: Boxes <input type="checkbox"/> Bushels <input checked="" type="checkbox"/>		

PART II - AVERAGE NUMBER OF APPLES PER SAMPLE TREE:									
15. No. of Apples per Sample Tree:					16. Total Apples	17. No. of Sample Trees	18. Avg. No. of Apples per Sample Tree (16 ÷ 17)		
<b>45</b>	<b>49</b>	<b>52</b>	<b>54</b>	<b>50</b>	<b>250</b>	<b>5</b>	<b>50.0</b>		
					÷	=			

PART III - AVERAGE NUMBER OF APPLES PER BOX/BUSHEL:									
19. No. of Apples per Box/Bushel per Sample Tree:					20. Total Apples	21. No. of Sample Trees	22. Avg. No. of Apples per Box/Bushel		
<b>80</b>	<b>92</b>	<b>86</b>	<b>79</b>	<b>86</b>	<b>423</b>	<b>5</b>	<b>84.6</b>		
					÷	=			

PART IV - PRODUCTION TO COUNT CALCULATIONS:						
23. Avg. No. of Apples per Sample Tree (from item 18)	24. Avg. No. of Apples per Box/Bushel (from item 22)	25. No. of Boxes/Bushels per Tree (23 ÷ 24)	26. No. of Trees per Acre (from item 12)	27. No. of Boxes/Bushels per Acre (25 x 26)	28. Appraised Acres (from item 11)	29. Appraised Production to Count (27 x 28)
<b>50.0</b>	<b>84.6</b>	<b>0.591</b>	<b>110</b>	<b>65.0</b>	<b>4.5</b>	<b>292.5</b>
÷	=	X	=	X	=	

PART V - REPRESENTATIVE SAMPLES FOR GRADING AND QUALITY ADJUSTMENT:											
Basic Coverage: <input type="checkbox"/>	30. Sample Number										35. Line Total
Optional Coverage: <input checked="" type="checkbox"/>	1	2	3	4	5	6	7	8	9	10	
31. No. of Apples per Sample:	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>						(a) <b>150</b>
32. Uninsured Damage:	<b>1</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>2</b>						(b) <b>10</b>
33. Processing or better:	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>1</b>						(c) <b>5</b>
34. Fancy or better:	<b>20</b>	<b>20</b>	<b>18</b>	<b>25</b>	<b>12</b>						(d) <b>95</b>

PART VI - APPRAISAL CALCULATIONS:									
36. Appraised Production to Count (from item 29)	37. No. of Apples to Count Basic: 35(c) Optional: 35(c)+35(d)	38. Total No. of Apples all Samples (35(a))	39. Percent Processing (37 ÷ 38)	40. APH Yield (36 x 39)	41. Appraised Acres (from item 11)	42. APH Yield per Acre (40 ÷ 41)			
<b>APH Yield:</b>	<b>292.5</b>	<b>100</b>	<b>150</b>	<b>0.67</b>	<b>106.0</b>	<b>4.5</b>	<b>43.6</b>		
43. Appraised Production to Count (from item 29)	44. No. Apples to Count Basic: 35(b)+35(c) Optional: 35(b)+35(c) Op.Sup: 35(b)+35(c)+35(d)	45. Total No. of Sample Apples (35(a))	46. % Meeting Grade (44 ÷ 45)	47. Actual % Damage (1,000 - item 46)	48. Quality Adj. % (from TABLE C)	49. Undamaged % Optional: (1,000-48)	50. Undamaged Production (43 x 49)	51. Appraised Production/A. (50 ÷ 11)	
<b>Basic Coverage Appraisals:</b>									
<b>Optional Coverage Appraisals:</b>	<b>292.5</b>	<b>105</b>	<b>150</b>	<b>0.70</b>	<b>0.30</b>	<b>0.20</b>	<b>0.80</b>	<b>234.0</b>	<b>52.0</b>
<b>Optional Coverage Supplement</b>	<b>292.5</b>	<b>110</b>	<b>150</b>	<b>0.73</b>			<b>0.73</b>	<b>213.5</b>	<b>47.4</b>

**PART VII - REMARKS AND SIGNATURES:**  
52. Remarks:

**Unharvested Optional Coverage Supplemental Appraisal Example**

This form does not illustrate all required entry items (e.g., signature, etc.).

**(Company Name) APPLE APPRAISAL WORKSHEET**  
For Information Purposes Only

Claim Number: **XXXXXX**

PART I - GENERAL INFORMATION							
1. Insured's Name <b>I. M. Insured</b>	2. Policy No.: <b>XXXXXXX</b>	3. Crop Year: <b>YYYY</b>	4. Unit No.: <b>0002-0001BU</b>	5. Variety Name: <b>Fuji</b>	6. Type: <b>111</b>	7. Practice: <b>002</b>	8. Block ID: <b>OC-2</b>
9. Damage: Cause: <b>Hail</b> Date: <b>Aug 10</b>	10. Unit Acres: <b>25.0</b>	11. Appraised Acre: <b>6.4</b>	12. No. of Trees/Acres: <b>110</b>	13. Total No. Trees: <b>495</b>	14. Unit of Measure: Boxes <input type="checkbox"/> Bushels <input checked="" type="checkbox"/>		

PART II - AVERAGE NUMBER OF APPLES PER SAMPLE TREE:			
15. No. of Apples per Sample Tree:			
16. Total Apples		17. No. of Sample Trees	
		18. Avg. No. of Apples per Sample Tree (16 ÷ 17)	
		=	

PART III - AVERAGE NUMBER OF APPLES PER BOX/BUSHEL:			
19. No. of Apples per Box/Bushel per Sample Tree:			
20. Total Apples		21. No. of Sample Trees	
		22. Avg. No. of Apples per Box/Bushel	
		=	

PART IV - PRODUCTION TO COUNT CALCULATIONS:						
23. Avg. No. of Apples per Sample Tree (from item 18)	24. Avg. No. of Apples per Box/Bushel (from item 22)	25. No. of Boxes/Bushels per Tree (23 ÷ 24)	26. No. of Trees per Acre (from item 12)	27. No. of Boxes/Bushels per Acre (25 x 26)	28. Appraised Acres (from item 11)	29. Appraised Production to Count (27 x 28)
÷	=	X	=	X	=	
				<b>85.0</b>	<b>6.4</b>	<b>544.0</b>

PART V - REPRESENTATIVE SAMPLES FOR GRADING AND QUALITY ADJUSTMENT:											
Basic Coverage: <input type="checkbox"/>	30. Sample Number										
Optional Coverage: <input checked="" type="checkbox"/>	1	2	3	4	5	6	7	8	9	10	35. Line Total
31. No. of Apples per Sample:	30	30	30	30	30						(a) <b>150</b>
32. Uninsured Damage:	0	0	0	0	0						(b) <b>0</b>
33. Processing or better:	1	4	4	2	1						(c) <b>12</b>
34. Fancy or better:	20	20	18	25	23						(d) <b>106</b>

PART VI - APPRAISAL CALCULATIONS:							
36. Appraised Production to Count (from item 29)	37. No. of Apples to Count Basic: 35(c) Optional: 35(c)+35(d)	38. Total No. of Apples all Samples (35(a))		39. Percent Processing (37 ÷ 38)	40. APH Yield (36 x 39)	41. Appraised Acres (from item 11)	42. APH Yield per Acre (40 ÷ 41)
<b>APH Yield:</b>	<b>544.0</b>	<b>118</b>	<b>150</b>	<b>0.79</b>	<b>429.8</b>	<b>6.4</b>	<b>67.2</b>

	43. Appraised Production to Count (from item 29)	44. No. Apples to Count Basic: 35(b)+35(c) Optional: 35(b)+35(c) Op Sup: 35(b)+35(c)+35(d)	45. Total No. of Sample Apples (35(a))	46. % Meeting Grade (44 ÷ 45)	47. Actual % Damage (1,000 - item 46)	48. Quality Adj. % (from TABLE C)	49. Undamaged % Optional: (1,000-48)	50. Undamaged Production (43 x 49)	51. Appraised Production/A. (50 ÷ 11)
<b>Basic Coverage Appraisals:</b>									
<b>Optional Coverage Appraisals:</b>	<b>544.0</b>	<b>106</b>	<b>150</b>	<b>0.71</b>	<b>0.29</b>	<b>0.18</b>	<b>0.82</b>	<b>446.1</b>	<b>69.7</b>
<b>Optional Coverage Supplement</b>	<b>544.0</b>	<b>118</b>	<b>150</b>	<b>0.79</b>			<b>0.79</b>	<b>429.8</b>	<b>67.2</b>

**PART VII- REMARKS AND SIGNATURES:**  
52. Remarks:

**Harvested Optional Coverage Supplemental Appraisal Example**

This form does not illustrate all required entry items (e.g., signature, etc.).

## 9. **PRODUCTION WORKSHEET** ENTRIES AND COMPLETION PROCEDURES

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### A. **WORKSHEET** STANDARDS

- (1) The entry items in subsection 8 C are the minimum Production Worksheet requirements. All of these entry items are considered “Substantive,” (i.e., they are required).
- (2) The completion instructions for the required entry items on the Production Worksheet in the following subsections are “Substantive,” (i.e., they are required).
- (3) The Privacy Act and Nondiscrimination statements are required statements that must be printed on the form or provided as a separate document. These statements are not shown in the example form in this exhibit. **The current Nondiscrimination and Privacy Act statements can be found on the RMA website at: <http://www.rma.usda.gov/regs/required.html>.**
- (4) The DSSH requires the following certification statement on the form directly above the insured’s signature block.

I understand the certified information on this Production Worksheet will be used to determine my loss, if any, to the above unit. The insurance provider may audit and approve this information and supporting documentation. The Federal Crop Insurance Corporation, an agency of the United States, subsidizes and reinsures this crop insurance.

- (5) Refer to DSSH for other crop insurance form requirements (e.g., point size of font, etc.).

### B. **GENERAL INFORMATION FOR WORKSHEET ENTRIES AND COMPLETION INFORMATION**

- (1) The Production Worksheet is a progressive form containing all notices of damage for all preliminary and final inspections **(including “No Indemnity Due” claims)** made on a unit.
- (2) If a Production Worksheet has been prepared on a prior inspection, verify each entry and enter additional information as needed. If a change or correction is necessary, strike out all entries on the line and re-enter correct entries on a new line. The adjuster and the insured are to initial any line deletions.
- (3) Refer to the LAM for instructions regarding the following:
  - (a) Acreage report errors.
  - (b) Delayed notices and delayed claims.
  - (c) Corrected claims or fire losses (double coverage), and cases involving uninsured causes of loss, unusual situations, controversial claims, concealment, or misrepresentation.
  - (d) Claims involving a Certification Form, (when all the acreage on the unit has been appraised to be put to another use or other reasons as described in the LAM).
  - (e) “No Indemnity Due” claims (which must be verified by an APPRAISAL or NOTIFICATION from the insured that the production exceeded the guarantee).

- (4) The adjuster is responsible for determining if the insured has complied with all of their requirements under the notice and claim provisions of the policy. If they have not, the adjuster should contact the AIP.
- (5) For insured apple acreage that is harvested after it has been appraised, determine production to count in accordance with subsection 15 (b) of the Basic Provisions.
- (6) As stated in the CP, any apple production not graded prior to the earlier of the time apples are placed in storage, or the date apples are delivered to a packer, processor, or other handler will not be considered damaged apple production and will be considered production to count. For insured apple acreage that is not appraised, refer to the grading instructions in subsection C, items 56, 65, and 66 below.
- (7) As stated in subsection 14 (b) (5) (v) of the fresh fruit option in the CP, if any fresh apple production is sold as U.S. Fancy or better, all such production is included as production to count. Use such records of sold production to determine the amount of production to count for the claim. When such records of sold production are not available by the end of the insurance period, refer to the LAM for information on handling delayed claims.
- (8) Instructions labeled “**PRELIMINARY**” apply to preliminary inspections only. Instructions labeled “**FINAL**” apply to final inspections only. Instructions not labeled apply to ALL inspection.
- 9) If the AIP determines the claim is to be denied, refer to paragraph 67 K of the LAM for Production Worksheet completion instructions.

## C. WORKSHEET ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

**Item  
No.**

**Information Required**

1. **Crop/Code #:** Apples/0054.
2. **Unit #:** Unit number from the Summary of Coverage after it is verified to be correct.
3. **Location Description:** Land location that identifies the legal description, if available, and the location of the unit (e.g., section, township, and range; FSA Farm Numbers; FSA Common Land Units (CLU) and tract numbers; GPS identifications; or Grid Identifications) as applicable for the crop.
4. **Date(s) of Damage:** First three letters of the month(s) during which the determined insured damage occurred for the inspection and cause(s) of loss listed in item 5 below. If no entry in item 5 below MAKE NO ENTRY. For progressive damage, enter in chronological order the month that identifies when the majority of the insured damage occurred. Include the SPECIFIC DATE where applicable as in the case of hail damage (e.g., Aug 11, etc.). Enter additional dates of damage in the extra spaces, as needed. If more space is needed, document the additional dates of damage in the Narrative (or on a Special Report). Refer to the illustration in item 6 below.

If there is no insurable cause of loss, and a no indemnity due claim will be completed, MAKE NO ENTRY.

5. **Cause(s) of Damage:** Name of the determined insured cause(s) of damage for this crop as listed in the LAM for the date of damage listed in item 4 above for this inspection. If an insured cause(s) of damage is coded as “Other,” explain in the Narrative. Enter additional causes of damage in the extra spaces, as needed. If more space is needed, document the additional determined insured causes of damage in the Narrative or on a Special Report. Refer to the illustration in item 6 below.

\*\*\* If it is evident that no indemnity is due, enter “NO INDEMNITY DUE” across the columns in item 5 refer to the LAM for more information on no indemnity due claims.

6. **Insured Cause %:**

**PRELIMINARY:** MAKE NO ENTRY.

**FINAL:** Whole percent of damage for the insured cause of damage listed in item 5 for this inspection. Enter additional “Insured Cause %” in the extra spaces, as needed. If additional space is needed, enter the additional “Insured Cause %” in the Narrative or on a Special Report. The total of all “Insured Cause %” including those entered in the Narrative must equal 100%. If there is no insurable cause of loss, and a no indemnity due claim will be completed, MAKE NO ENTRY.

Example entries for items 4 – 6 and the Narrative, reflecting entries for multiple dates of damage, the corresponding insured causes of damage and insured cause percents:

4. Date(s) of Damage	<i>MAY</i>	<i>JUN 30</i>	<i>JUN 30</i>	<i>AUG</i>	<i>AUG</i>
5. Cause(s) of Damage	<i>Excess Moisture</i>	<i>Tornado</i>	<i>Hail</i>	<i>Drought</i>	<i>Heat</i>
6. Insured Cause %	<i>10</i>	<i>20</i>	<i>15</i>	<i>25</i>	<i>20</i>
Narrative: <i>Additional date of damage – Sep 5, cause of damage was freeze, insured cause percent = 10%.</i>					

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

**PRELIMINARY:** MAKE NO ENTRY.

**FINAL:** Unit number(s) for all non-loss units for the crop at the time of final inspection. A non-loss unit is any unit for which a Production Worksheet has not been completed. Additional non-loss units may be entered on a single Production Worksheet. If more spaces are needed for non-loss units, enter the unit numbers identified as “Non-loss Units,” in the Narrative or on an attached Special Report.

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

**PRELIMINARY:** MAKE NO ENTRY.

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

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

**PRELIMINARY:**

- a. Date the **first or second** notice of damage **or loss** was given for the unit in item 2, in the 1st or 2nd space, as applicable. Enter the complete date (MM/DD/YYYY) for each notice.
- b. A notice of damage or loss for a third preliminary inspection (if needed) requires an additional set of Production Worksheets. Enter the date of notice for a third preliminary inspection in the 1st space of item 14 on the second set of Production Worksheets.
- c. Reserve the “Final” space on the first page of the first set of Production Worksheets for the date of notice for the final inspection.
- d. If the inspection is initiated by the AIP, enter “Company Insp.” instead of the date.
- e. If the notice does not require an inspection, document as directed in the Narrative instructions.

**FINAL:** Transfer the last date (in the 1<sup>st</sup> or 2<sup>nd</sup> space from first or second set of Production Worksheets) to the FINAL space on the first page of the first set of Production Worksheets if a final inspection should be made as a result of the notice. Always enter the complete date of notice (MM/DD/YYYY) for the “FINAL” inspection in the FINAL space on the first page of the first set of Production Worksheets. For a delayed notice of loss or delayed claim, refer to the LAM.

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

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

- (3) If unable to verify the existence of a companion contract, enter “Unknown” and contact the AIP for further instructions.
- c. Refer to the LAM for further information regarding companion contracts.

## SECTION I – **DETERMINED** ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

Make separate line entries for varying:

- (1) Rate classes, types, irrigated practices, or organic practices, as applicable;
- (2) APH yields;
- (3) Appraisals;
- (4) Adjustments to appraised mature production (quality adjustment factors);
- (5) Stages or intended use(s) of acreage;
- (6) Shares (e.g., 50 percent and 75 percent shares on the same unit); or
- (7) Appraisals for damage due to hail or fire if Hail and Fire Exclusion is in effect.

16. **Field ID:** The field identification symbol from the appraisal worksheet, sketch map, or aerial photograph. Refer to the Narrative instructions.
17. **Multi-Crop Code:** The applicable two-digit code for first crop and second crop. REFER TO THE LAM FOR INSTRUCTIONS REGARDING ENTRY OF FIRST CROP AND SECOND CROP CODES.
18. **Reported Acres:** In the event of over-reported acres, handle in accordance with the individual AIP’s instructions. For under-reported acres, enter the reported acres rounded to tenths for the orchard or sub-orchard. If there are no under-reported acres, MAKE NO ENTRY. Refer to the LAM or CIH for acreage determination instructions specific to perennial crops.
19. **Determined Acres:** Refer to the LAM for definition of acceptable determined acres for perennial crops used herein. Determined acres to tenths (include “E” if estimated) for which consent is given for other use and/or:
  - a. Put to other use without consent
  - b. Abandoned;
  - c. Damaged by uninsured causes;
  - d. For which the insured failed to provide acceptable records of production; or
  - e. From which production was sold by direct marketing if the insured failed to meet the requirements contained in the CP.

Refer to the LAM for procedures and documentation requirements for estimating acres.

**FINAL:** Determined acres to tenths. Acreage breakdowns WITHIN a unit may be estimated (enter “E” in front of the acres) if a determination is impractical. ACCOUNT FOR ALL **PLANTED** ACREAGE IN THE UNIT.

20. **Interest or Share:** Insured’s interest in crop to three-decimal places as determined at the time of inspection. If shares vary on the same UNIT, use separate line entries.

21. **MAKE NO ENTRY.**

22. **Type:** Three-digit code number, entered exactly as specified on the actuarial documents for the type grown by the insured. If “No Type Specified,” is shown in the actuarial documents, enter the appropriate three-digit code number from the actuarial documents (e.g., 997). If the actuarial documents do not contain type information, **MAKE NO ENTRY.**

In counties where the actuarial documents have type codes for both fresh and processing apples, **VERIFY** that the “fresh” and “processing” established prices are “set” as shown on the actuarial documents (also check the application, contract change form, and the Summary of Coverage, if available). Also **VERIFY** which coverage is in effect for **EACH** unit/orchard/suborchard/block and the actual unit/orchard/suborchard/block management (for fresh or processing apples) as shown on the Summary of Coverage.

23.-25. **MAKE NO ENTRY.**

26. **Irr. Practice:** Three-digit code number, entered exactly as specified on the actuarial documents for the irrigated practice carried out by the insured. If “No Irrigated Practice Specified” is shown in the actuarial documents, enter the appropriate three-digit code number from the actuarial documents (e.g., 997). If actuarial documents do not contain irrigated practice information, **MAKE NO ENTRY.**

27. **MAKE NO ENTRY.**

28. **Organic Practice:** Three-digit code number, entered exactly as specified on the actuarial documents for the organic practice carried out by the insured. If “No Organic Practice Specified” is shown in the actuarial documents, enter the appropriate three-digit code number from the actuarial documents (e.g., 997). If actuarial documents do not contain organic practice information, **MAKE NO ENTRY.**

29. **Stage:**

**PRELIMINARY:** MAKE NO ENTRY.

**FINAL:** Stage abbreviation as shown below.

**STAGE**

**EXPLANATION**

“P”..... Acreage abandoned without consent, put to other use without consent, damaged solely by uninsured causes, or which the insured failed to provide records of production which are acceptable to the AIP, or from which production was sold by direct marketing if the insured failed to meet the requirements contained in the CP.

“H”..... Harvested.

“UH”..... Unharvested or put to other use with consent.

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

30. **Use of Acreage:** Enter the applicable abbreviation as follows:

<u>USE</u>	<u>EXPLANATION</u>
“Bulldozed,” etc....	Use made of acreage
“WOC” .....	Other use without consent
“SU” .....	Solely uninsured
“ABA” .....	Abandoned without consent
“H” .....	Harvested
“UH” .....	Unharvested

Verify any “Use of Acreage” entry. If the final use of the acreage was not as indicated, strike out the original line and initial it. Enter all data on a new line showing the correct “Use of Acreage.”

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

31. **Appraised Potential:** Per-acre appraisal in boxes/bushels rounded to tenths, of POTENTIAL production as follows:

- a. **For Basic Coverage Appraisals:** Transfer entry from item 51, “Appraised Production per Acre” on the appraisal worksheet.
- b. **For Optional Coverage Appraisals:** Transfer entry from item 27 “No. of Boxes/Bushels per Acre” on the appraisal worksheet.
- c. If there is no potential on UH acreage, enter “0,” (zero). Refer to paragraph 85 in the LAM for procedures for documenting “0” (zero) yield appraisals.

32a.-33. **MAKE NO ENTRY.**

34. **Production Pre QA:** Column 19 multiplied by column 31, results in boxes/bushels rounded to tenths. If no entry in column 31, MAKE NO ENTRY.

35. **Quality Factor:** Make the following percent entry as a three-place decimal (e.g., enter 4% as 0.040). If no quality adjustment, MAKE NO ENTRY.

- a. **Basic Coverage Appraisals:** MAKE NO ENTRY.
- b. **Optional Coverage Appraisals:** As applicable, transfer the **lesser of** the quality adjustment factor from the Optional Coverage Supplement Appraisal or Optional Coverage Appraisal from item 49 on the appraisal worksheet.

Under section 15 (j) of the Basic Provisions, if due to insured causes, a Federal or State agency has ordered the appraised crop or production to be destroyed, enter the factor “0.000.” Instruct the insured to complete and submit a Certification Form stating the date the crop or production WAS DESTROYED and the method of destruction (refer to item 40 and the Narrative below). Also refer to LAM paragraphs 96 J (2) and 102 A for additional information.

A copy of all supporting quality adjustment documents must be included in the insured's claim folder. Refer to the LAM for additional quality adjustment definitions, instructions, documentation, qualifications, and testing requirements. Also refer to the quality adjustment instructions in the Narrative, herein.

36. **Production Post-QA:** Column 34 multiplied by column 35 results in boxes/bushels, rounded to tenths. If no quality adjustment: Transfer entry from column 34.

37. **Unins. Causes:** Result of per acre appraisal for uninsured causes (taken from the appraisal worksheet or other documentation) multiplied by item 19, in boxes/bushels rounded to tenths. Refer to the LAM for information on how to determine uninsured cause appraisals. If no uninsured causes, MAKE NO ENTRY.

a. Hail and Fire exclusion NOT in effect.

(1) Enter the result of multiplying column 19 entry by NOT LESS than the insured's production guarantee per acre in boxes/bushels rounded to tenths for the line, (calculated by multiplying the elected coverage level percentage times the approved APH yield per acre shown on the APH form) for any "P" stage acreage. On preliminary inspections, advise the insured to keep the harvested production from any acreage damaged SOLELY by uninsured causes separate from other production.

(2) For acreage that is damaged PARTLY by uninsured causes, enter the result of multiplying the APPRAISED UNINSURED loss of production per acre, in boxes/bushels rounded to tenths, by column 19 for any such acreage.

b. Refer to the LAM when a Hail and Fire Exclusion is in effect and damage is from hail or fire.

c. Enter the result of adding uninsured cause appraisals to hail and fire exclusion appraisals.

d. For fire losses, if the insured also has other fire insurance (double coverage), refer to the LAM.

38. **Total to Count:** Column 36 plus column 37, results in boxes/bushels rounded to tenths.

39. **Total:** Total determined acres to tenths from column 19.

40. **Quality:** Check the applicable qualifying quality adjustment condition(s) affecting the unit's production (refer to the table below). Check all qualifying conditions that apply to the unit's appraised and harvested production (refer to the CP and SP).

Qualifying Quality Adjustment Conditions	
TW (Test Weight)	Dark Roast
KD (Total Defects)	Sclerotinia
Aflatoxin	Ergoty
Vomitoxin	CoFo (Commercially Objectionable Foreign Odor)
Fumonisin	Other
Garlicky	None

- a. Check “Other” if the identified injurious substances or conditions are not listed above (refer to item 35 above). For mycotoxins, also refer to item 41 below. Document in the Narrative (or on a Special Report):
- (1) Insurable causes of damage that are not associated with destruction orders as described below (e.g., excess precipitation, freeze damage, etc.).
  - (2) A description of the injurious substance or condition for which a destruction order was issued, the date the crop was destroyed and the method of destruction;
  - (3) Attach to the claim, the completed Certification Form, a copy of the destruction order issued by the Federal or State agency and (if possible) the results of the laboratory test that confirms the presence of injurious substances or conditions.
- b. Otherwise, check “None.”

41. **Mycotoxins exceed FDA, State, or other health organization maximum limits.** Check “Yes” if any mycotoxin listed in item 40 (including any identified as “Other”) exceed the Federal, State, or other health organization maximum limits; otherwise, MAKE NO ENTRY.

42. **Totals:** Total of columns 34, 36, 37 and 38, in boxes/bushels rounded to tenths, if there is an entry in the respective columns; otherwise, MAKE NO ENTRY.

#### NARRATIVE:

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

- a. If no acreage is released on the unit enter “No acreage released,” adjuster’s initials, and date.
- b. If notice of damage was given and “No Inspection” is necessary, enter the unit number(s), “No Inspection,” date, and adjuster’s initials. The insured’s signature is not required.
- c. Explain any uninsured causes, unusual, or controversial cases.
- d. If there is an appraisal in column 37 for uninsured causes due to a hail/fire exclusion, show the original hail/fire liability per acre and the hail/fire indemnity per acre.
- e. Document the actual appraisal date if an appraisal was performed prior to the adjuster’s signature date on the appraisal worksheet, and the date of the appraisal was not recorded on the appraisal worksheet.
- f. State that there is “No Other Fire Insurance” when fire damages or destroys the insured crop, and it is determined that the insured has no other fire insurance. Also refer to the LAM.
- g. Explain any errors found on the Summary of Coverage.

- h. Explain any commingled production. Refer to the LAM.
- i. Explain any entry for “Production Not to Count” in column 62 and/or any production not included in column 56 entries (e.g., harvested production from uninsured acreage that can be identified separately from the insured acreage in the unit, etc.).
- j. Explain a “No” checked in column 44.
- k. Attach a sketch map or aerial photograph to identify the total unit:
  - (1) If consent is or has been given to put part of the unit to another use;
  - (2) If uninsured causes are present; or
  - (3) For unusual or controversial cases.

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

- l. Explain any differences between date of inspection and signature dates. For an ABSENTEE insured, enter the date of the inspection AND the date of mailing the Production Worksheet for signature.
- m. When any other adjuster or supervisor accompanied the adjuster on the inspection, enter the code number of the other adjuster or supervisor and date of inspection.
- n. Explain the reason for a “No Indemnity Due” claim. “No Indemnity Due” claims are to be distributed in accordance with the AIP’s instructions.
- o. Explain any delayed notices or delayed claims as instructed in the LAM.
- p. Document any authorized estimated acres shown in column 19 as follows: “Line 3 ‘E’ acres authorized by the AIP MM/DD/YYYY.”
- q. Document the method and calculation used to determine acres for the unit. Refer to the LAM.
- r. Specify the type of insects or disease when the insured cause of loss is listed as insects or disease. Explain why control measures did not work.
- s. For production that qualifies for quality adjustment and, as applicable, for production ordered to be destroyed due to presence of injurious substances or conditions, document the following:
  - (1) Explain any “0.000” quality adjustment factor entered in columns 35 and 65 and, as applicable, the name of the Federal or State agency that ordered the destruction of the crop or production and why.
  - (2) As applicable, the date the crop was destroyed and the method of destruction. Attach to the claim the insured’s completed Certification Form, a copy of the destruction order issued by the Federal or State agency and (if applicable) the results of the laboratory test that confirms the presence of injurious substances or conditions.

- (3) As applicable, explain any deficiencies, substances, or conditions that allowed for quality adjustment, as well as any which were not allowed.
  - (4) As applicable, document calculations used to determine quality adjustment factors.
  - (5) Refer to the LAM for additional documentation requirements.
- t. Document the name and address of the charitable organization when gleaned acreage is applicable. Refer to the LAM for more information.
- u. Document any other pertinent information, including any data to support any factors used to calculate the production, etc.

## **SECTION II – DETERMINED HARVESTED PRODUCTION**

### GENERAL INFORMATION:

- (1) When all acreage has been harvested, determine total production from warehouse receipts, packer/processor receipts of delivered production and/or farm management records (refer to the LAM for farm record requirements), as applicable. Records should be verified by the adjuster and supported by written records from the first handler.
- (2) Account for ALL HARVESTED PRODUCTION (for ALL ENTITIES sharing in the crop) except production appraised BEFORE harvest and shown in Section I, herein because the quantity cannot be determined later.
- (3) For production that is sold, enter the name and address of buyer, packing house, or processor as applicable in columns “49” through “52.” For fruit otherwise disposed of, indicate method of disposition.
- (4) If additional lines are necessary, the data may be entered on a continuation sheet. If production has been commingled, refer to the LAM. USE SEPARATE LINES FOR:
  - (a) Separate storage facilities.
  - (b) Different buyers or processors - the insured must have maintained satisfactory records of ALL production.
  - (c) Varying shares; e.g., 50 percent and 75 percent shares on same unit.
  - (d) Harvested production from more than one insured practice (or type) and a separate approved APH yield has been established for each, the harvested production also must be entered on separate lines in columns “47a” through “66” by type. If production has been commingled, refer to the LAM.
- (5) If any of the insured’s harvested production records are not based on standard units of measure as defined in the CP (i.e., bins, boxes, or bushels), convert such harvested production to 35 pound boxes, 42 pound bushels, or 40 pounds bushels, as applicable. Document conversion calculations in the Production Worksheet Narrative or on a Special Report, as applicable.

- (6) Bushel/Box-Bin Equivalents - If the insured's harvested production records are based on a "Bin Count" the following applies:
- (a) In localities where a "Loose Field Box" is the standard container, use 25 loose field boxes per bin as the standard equivalent for determining the gross amount of production unless the number of loose field boxes is determined to be different than 25. In such cases, use the determined boxes per bin.
  - (b) In localities where a "Bushel" is the standard container, the number of bushels per bin is the number established by the first handler (packing house or processor).
- (7) In all localities, if the handler was NOT a packer or processor, the production will be determined by the adjuster on the basis of available records.
- (8) There will generally be no harvested production entries in columns "47a" through "66" for preliminary inspections.

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

**PRELIMINARY: MAKE NO ENTRY.**

**FINAL:**

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

**44. Damage Similar to other Farms in the Area?:**

**PRELIMINARY: MAKE NO ENTRY.**

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

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

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

**47a. Share:** RECORD ONLY VARYING SHARES on SAME unit to three decimal places.

**47b. Field ID:**

- a. If only one practice and/or type of harvested production is listed in section I, MAKE NO ENTRY.
- b. If more than one practice and/or type of harvested production is listed in section I, and a separate approved APH yield exists, indicate for each practice/type, the corresponding Field ID (from column **16**).

**48. Multi-Crop Code:** The applicable two-digit code for first crop and second crop. REFER TO THE LAM FOR INSTRUCTIONS REGARDING ENTRY OF FIRST CROP AND SECOND CROP CODES.

**49. - 52. Length or Diameter/Width/Depth/Deduction:** For harvested apple production that is sold, enter the name and address of the buyer, packing house, or processor, as applicable. For apples otherwise disposed of, indicate the method of disposition.

**53.-55. MAKE NO ENTRY.**

**56. Bu., Ton, Lbs., Cwt.:** **Make the following entries in boxes/bushels rounded to tenths.**

- a. Circle “Bu.” or enter/circle “Boxes” in column heading, as applicable. **Convert harvested production from crates, field boxes, bins, etc. to 35 pound boxes or 40/42 pound bushels, as applicable.**
- b. **For undamaged marketable production from acreage insured under basic and optional coverage: Enter the amount of undamaged marketable production that grades at least U.S. No. 1 Processing or better.**

**57.-60. MAKE NO ENTRY.**

**61. Adjusted Production:** Transfer entry from column 56.

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

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

**63. Production Pre-QA:** Column 61 minus column 62, results in boxes/bushels rounded to tenths.

**64a.-64b. MAKE NO ENTRY.**

65. **Quality Factor:** In accordance with section 14 (c) of the CP, for acreage covered by Optional Coverage only that has not been appraised, enter percent grade (refer to subsection 4 A (4), herein) as a three-place decimal.
66. **Production to Count:** Make the following entries in boxes/bushels rounded to tenths.
- If no entry in column 65: Transfer entry from column 63.
  - If there is an entry in column 65: Column 63 multiplied by column 65.
67. **Total:** Total of column 63 entries in boxes/bushels rounded to tenths. If no entry in column 62, MAKE NO ENTRY.
68. **Section II Total:** Total of column 66 entries, in boxes/bushels rounded to tenths.
69. **Section I Total:** Total of column 38 entries, in boxes/bushels rounded to tenths.
70. **Unit Total:** Item 68 plus item 69, results in boxes/bushels rounded to tenths.
71. **Allocated Prod.:** Refer to LAM paragraphs 126 C (5) and 127 for instructions for determining allocated production. Total production in boxes/bushels rounded to tenths allocated to this unit is included in sections I or II of the Production Worksheet. Document how allocated production was determined and record supporting calculations in the Narrative or on a Special Report.
72. **Total APH Prod.:** Make the following entries in boxes/bushels rounded to tenths.
- When there are entries in column 37 and/or item 71: Item 70 minus item 71, minus total of column 37.
  - When there is no entry in item 71 and column 37: Transfer entry from item 70.
- MAKE NO ENTRY when separate APH yields are maintained by type, practice, etc., within the unit.

**The following required entries are not illustrated on the Production Worksheet example below.**

73. **Insured's Signature and Date:** Insured's (or insured's authorized representative's) signature and date. BEFORE obtaining the insured's signature, REVIEW ALL ENTRIES on the Production Worksheet WITH THE INSURED or insured's authorized representative, particularly explaining codes, etc., that may not be readily understood. Final indemnity inspections should be signed on the bottom line.
74. **Adjuster's Signature, Code # and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insured's authorized representative) has signed. For an absentee insured, enter adjuster's code number ONLY. The signature and date will be entered AFTER the absentee has signed and returned the Production Worksheet. Final indemnity inspections should be signed on the bottom line.
75. **Page Numbers:**
- PRELIMINARY:** Page numbers - "1," "2," etc., at the time of inspection.
- FINAL:** Page numbers - (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

**PRODUCTION WORKSHEET**

1. Crop/Code # <i>Apples</i>	2. Unit # <b>0001-0001BU</b>	3. Location Description <i>SW1-96N-30W</i>	7. Company Agency <u><i>Any Company</i></u> <u><i>Any Agency</i></u>		8. Name of Insured <p align="center"><b><i>I. M. Insured</i></b></p>			
<i>0054</i>					9. Claim # <b>XXXXXXX</b>		11. Crop Year <b>YYYY</b>	
4. Date(s) of Damage <i>Apr 24</i>					10. Policy # <b>XXXXXXXX</b>			
5. Cause(s) of Damage <i>Freeze</i>					14. Date(s) Notice of Loss <b>MM/DD/YYYY</b>		Final <b>MM/DD/YYYY</b>	
6. Insured Cause % <i>100</i>					15. Companion Policy(s)			
12. Additional Units								
13. Est. Prod. Per Acre								

**SECTION I – DETERMINED ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS**

A. ACTUARIAL															B. POTENTIAL YIELD								
16.	17.	18.	19.	20.	21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	31.	32a. 32b.	33.	34.	35.	36.	37.	38.	
Field ID	Multi-Crop Code	Reported Acres	Determined Acres	Interest or Share	Risk	Type	Class	Sub-Class	Intended Use	Irr Practice	Cropping Practice	Organic Practice	Stage	Use of Acres	Appraised Potential	Moisture % Factor	Shell %, Factor, or Value	Production Pre QA	Quality Factor	Production Post QA	Unins. Causes	Total to Count	
<i>B-2</i>			<i>3.0</i>	<i>1.000</i>		<i>112</i>				<i>997</i>			<i>UH</i>	<i>UH</i>	<i>38.8</i>			<i>116.4</i>		<i>116.4</i>		<i>116.4</i>	
<i>B-3</i>			<i>17.0</i>	<i>1.000</i>		<i>112</i>				<i>997</i>			<i>H</i>	<i>H</i>									
39. TOTAL			<i>20.0</i>	40. Quality: TW <input type="checkbox"/> KD <input type="checkbox"/> Aflatoxin <input type="checkbox"/> Vomitoxin <input type="checkbox"/> Fumonisin <input type="checkbox"/> Garlicky <input type="checkbox"/> Dark Roast <input type="checkbox"/> Sclerotinia <input type="checkbox"/> Ergoty <input type="checkbox"/> CoFo <input type="checkbox"/> Other <input checked="" type="checkbox"/> None <input type="checkbox"/>												42. TOTALS		<i>116.4</i>		<i>116.4</i>		<i>116.4</i>	
												41. Do any mycotoxins exceed FDA, State or other health organization maximum limits? Yes <input type="checkbox"/>											

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

*Acres measured by GPS. Block B-2 not harvested.*

**SECTION II – DETERMINED HARVESTED PRODUCTION**

43. Date Harvest Completed <b>MM/DD/YYYY</b>						44. Damage similar to other farms in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>						45. Assignment of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>						46. Transfer of Right to Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					
A. MEASUREMENTS						B. GROSS PRODUCTION						C. ADJUSTMENTS TO HARVESTED PRODUCTION											
47a. 47b.	48.	49.	50.	51.	52.	53.	54.	55.	56.	57.	58a. 58b.	59a. 59b.	60a. 60b.	61.	62.	63.	64a. 64b.	65.	66.				
Share	Multi-Crop Code	Length or Diameter	Width	Depth	Deduction	Net Cubic Feet	Conversion Factor	Gross Prod	Bu., Ton Lbs. CWT	Shell/Sugar Factor	FM % Factor	Moisture % Factor	Test Wt. Factor	Adjusted Production	Prod not to Count	Production Pre-QA	Value Mkt. Price	Quality Factor	Production to Count				
		<i>Acme Applesauce Co. Anytown, State</i>							<i>1,600.0</i>					<i>1,600.0</i>		<i>1,600.0</i>			<i>1,600.0</i>				
67. TOTAL																<b>1,600.0</b>	68. Section II Total		<b>1,600.0</b>				
																69. Section I Total		<b>116.4</b>					
																70. Unit Total		<b>1,716.4</b>					
																71. Allocated Prod.							
																72. Total APH Prod.		<b>1,716.4</b>					

**BASIC COVERAGE CLAIM**

For Illustration Purposes Only

This form example does not illustrate all required entry items (e.g., signatures, etc.).

**PRODUCTION WORKSHEET**

1. Crop/Code # <i>Apples</i>		2. Unit # <b>0002-0001BU</b>		3. Location Description <i>SW1-96N-20W</i>		7. Company Agency <u><i>Any Company</i></u> <u><i>Any Agency</i></u>		8. Name of Insured <p align="center"><i>I. M. Insured</i></p>			
0054								9. Claim # <b>XXXXXXXX</b>		11. Crop Year <b>YYYY</b>	
4. Date(s) of Damage <i>Aug 10</i>								10. Policy # <b>XXXXXXXX</b>			
5. Cause(s) of Damage <i>Hail</i>								14. Date(s) Notice of Loss <i>MM/DD/YYYY</i>		Final <i>MM/DD/YYYY</i>	
6. Insured Cause % <i>100</i>								15. Companion Policy(s)			
12. Additional Units											
13. Est. Prod. Per Acre											

**SECTION I – DETERMINED ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS**

A. ACTUARIAL															B. POTENTIAL YIELD							
16.	17.	18.	19.	20.	21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	31.	32a. 32b.	33.	34.	35.	36.	37.	38.
Field ID	Multi-Crop Code	Reported Acres	Determined Acres	Interest or Share	Risk	Type	Class	Sub-Class	Intended Use	Irr Practice	Cropping Practice	Organic Practice	Stage	Use of Acres	Appraised Potential	Moisture % Factor	Shell %, Factor, or Value	Production Pre QA	Quality Factor	Production Post QA	Unins. Causes	Total to Count
<i>O-1</i>			<i>4.5</i>	<i>1.000</i>		<i>111</i>				<i>002</i>			<i>UH</i>	<i>UH</i>	<i>65.0</i>			<i>292.5</i>	<i>0.73</i>	<i>213.5</i>		<i>213.5</i>
<i>O-2</i>			<i>6.4</i>	<i>1.000</i>		<i>111</i>				<i>002</i>			<i>UH</i>	<i>UH</i>	<i>85.0</i>			<i>544.0</i>	<i>0.79</i>	<i>429.8</i>		<i>429.8</i>
<i>O-3</i>			<i>14.1</i>	<i>1.000</i>		<i>111</i>				<i>002</i>			<i>H</i>	<i>H</i>								
39. TOTAL			<b>25.0</b>	40. Quality: TW <input type="checkbox"/> KD <input type="checkbox"/> Aflatoxin <input type="checkbox"/> Vomitoxin <input type="checkbox"/> Fumonisin <input type="checkbox"/> Garlicky <input type="checkbox"/> Dark Roast <input type="checkbox"/> Sclerotinia <input type="checkbox"/> Ergoty <input type="checkbox"/> CoFo <input type="checkbox"/> Other <input checked="" type="checkbox"/> None <input type="checkbox"/>												42. TOTALS		<b>836.5</b>		<b>643.3</b>		<b>643.3</b>
												41. Do any mycotoxins exceed FDA, State or other health organization maximum limits? Yes <input type="checkbox"/>										

NARRATIVE (If more space is needed, attach a Special Report) *Acres measured by GPS. Block O-1 and O-2 not harvested. Block O-1 uninsured damage due to spray burn.*

**SECTION II – DETERMINED HARVESTED PRODUCTION**

43. Date Harvest Completed <i>MM/DD/YYYY</i>					44. Damage similar to other farms in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>					45. Assignment of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					46. Transfer of Right to Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					
A. MEASUREMENTS					B. GROSS PRODUCTION					C. ADJUSTMENTS TO HARVESTED PRODUCTION										
47a. 47b.	48.	49.	50.	51.	52.	53.	54.	55.	56.	57.	58a. 58b.	59a. 59b.	60a. 60b.	61.	62.	63.	64a. 64b.	65.	66.	
Share	Multi-Crop Code	Length or Diameter	Width	Depth	Deduc-tion	Net Cubic Feet	Conver-sion Factor	Gross Prod	Bu. Ton Lbs. CWT	Shell/ Sugar Factor	FM % Factor	Moisture % Factor	Test Wt. Factor	Adjusted Production	Prod not to Count	Production Pre-QA	Value Mkt. Price	Quality Factor	Production to Count	
		<i>Acme Fresh Apple Co. Anytown, State</i>							<i>400.0</i>					<i>400.0</i>		<i>4000</i>				<i>400.0</i>
67. TOTAL																<b>400.0</b>	68. Section II Total		<b>400.0</b>	
																69. Section I Total		<b>643.3</b>		
																70. Unit Total		<b>1,043.3</b>		
																71. Allocated Prod.				
																72. Total APH Prod.		<b>1,043.3</b>		

**OPTIONAL COVERAGE CLAIM**

For Illustration Purposes Only

This form example does not illustrate all required entry items (e.g., signatures, etc.).

## 9. REFERENCE MATERIAL

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**TABLE A - REPRESENTATIVE SAMPLE REQUIREMENTS**

Acres in Orchard or Suborchard	Number of Samples
0.1 - 10.0	The lesser of 5 trees or 5% of the number of trees.
One additional tree is required for each additional 10.0 acres (or fraction thereof) in the orchard or suborchard.	

**TABLE B - NUMBER OF TREES PER ACRE**

		DISTANCE BETWEEN ROWS (In Feet)																																	
		5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35			
5	1724	1452	1245	1089	968	871	792	726	670	622	581	545	512	484	459	436	415	396	379	363	348	335	323	311	300	290	281	272	264	256	249				
6		1210	1037	908	807	726	660	605	558	519	484	454	427	403	382	363	346	330	317	303	290	279	269	259	250	242	234	227	220	214	207				
7			889	778	691	622	566	519	479	444	415	389	366	346	328	311	296	283	271	259	249	239	230	222	215	207	201	194	189	183	178				
8				681	605	545	495	454	419	389	363	340	320	303	287	272	259	248	237	227	218	209	202	194	188	182	176	170	165	160	156				
9					538	484	440	403	372	346	323	303	285	269	255	242	230	220	210	202	194	186	179	173	167	161	156	151	147	142	138				
10						436	396	363	335	311	290	272	256	242	229	218	207	198	189	182	174	168	161	156	150	145	141	136	132	128	124				
11							360	330	305	283	264	248	233	220	208	198	189	180	172	165	158	152	147	141	137	132	128	124	120	116	113				
12								303	279	259	242	227	214	202	191	182	173	165	158	151	145	140	134	130	125	121	117	113	110	107	104				
13									258	239	223	209	197	186	176	168	160	152	146	140	134	129	124	120	116	112	108	105	102	99	96				
14										222	207	194	183	173	164	156	146	141	135	130	124	120	115	111	107	104	100	97	94	92	89				
15											194	182	171	161	153	145	138	132	126	121	116	112	108	104	100	97	94	91	88	85	83				
16												170	160	151	143	136	130	124	118	113	109	105	101	97	94	91	88	85	83	80	78				
17													151	142	135	128	122	116	111	107	102	99	95	92	88	85	83	80	78	75	73				
18														134	127	121	115	110	105	101	97	93	90	86	83	81	78	76	73	71	69				
19															121	115	109	104	100	96	92	88	85	82	79	76	74	72	69	67	66				
20																109	104	99	95	91	87	84	81	78	75	73	70	68	66	64	62				
21																	99	94	90	86	83	80	77	74	72	69	67	65	63	61	59				
22																		90	86	83	79	76	73	71	68	66	64	62	60	58	57				
23																			82	79	76	73	70	68	65	63	61	59	57	56	54				
24																				76	73	70	67	65	63	61	59	57	55	53	52				
25																					70	67	65	62	60	58	56	54	53	51	50				
26																						64	62	60	58	56	54	52	51	49	48				
27																							60	58	56	54	52	50	49	47	46				
28																								56	54	52	50	49	47	46	44				
29																									52	50	48	47	46	44	43				
30																										48	47	45	44	43	41				
31																											45	44	43	41	40				
32																												43	41	40	39				
33																													40	39	38				
34																														38	37				
35																															36				

For tree spacings not shown on the chart, multiply the distance between trees (nearest tenth foot) times the distance between rows (nearest tenth foot) and divide this result to tenths into 43,560 sq. ft. per acre (round to the nearest whole number). **EXAMPLE:** 6.5 ft. x 10.0 ft. = 65.0 sq. ft., then 43,560 ÷ 65.0 = 670 trees per acre. Refer to the LAM for additional information on how to calculate the number of trees per acre.

**TABLE C - ADJUSTMENT PERCENTAGES FOR APPLES WITH INSURED DAMAGE UNDER OPTIONAL COVERAGE**

Actual Percent Damage	Quality Adjusted Percent Damage	Actual Percent Damage (continued)	Quality Adjusted Percent Damage (continued)
0 -20	00	43	49
21	02	44	52
22	04	45	55
23	06	46	58
24	08	47	61
25	10	48	64
26	12	49	67
27	14	50	70
28	16	51	72
29	18	52	74
30	20	53	76
31	22	54	78
32	24	55	80
33	26	56	82
34	28	57	84
35	30	58	86
36	32	59	88
37	34	60	90
38	36	61	92
39	38	62	94
40	40	63	96
41	43	64	98
42	46	65-100	100

Use this table when the insured has elected Optional Coverage for Quality Adjustment to adjust appraised unharvested and appraised harvested production that is damaged and that fails to grade at least U.S. Fancy or other grade(s) listed in the SP, or better. This table does not apply to any *undamaged harvested production* that meets or exceeds the U.S. Fancy or other grade(s) listed in the SP.

On the appraisal worksheet, find item 47 “Actual % Damage.” Locate this percentage under the column labeled “Actual Percent Damage.” Identify the corresponding “Quality Adjusted Percent Damage” in the right column and transfer this entry to item 48 “Quality Adj. %.”

**EXAMPLE:** If the “Actual % Damages” is 46, use the above table to find 46 and the corresponding “Quality Adjusted % Damage” which is 58. Enter “0.46” as the “Actual % Damage” in item 47 and “0.58” as the “Quality Adjusted %” in item 48 on the appraisal worksheet.

## EXHIBIT 1

### SUPPLEMENTAL INSTRUCTIONS FOR CALCULATING PRODUCTION TO COUNT UNDER OPTIONAL COVERAGE

#### 1. INTRODUCTION

The CP state: “Notwithstanding sections 14(b)(5)(i) through (iv), if you sell any of your fresh apple production as U.S. Fancy, all such sold production will be included as production to count under this option.” Under this provision, harvested apple production that is sold as U.S. Fancy grade or other grades(s) listed in the SP or better will count as production to count and such production is not subject to the provisions in section 14(b)(5)(i) through (iv) of the CP. Any such production is not reduced. Refer to the following scenario that illustrates how to calculate production to count for Optional Coverage claims.

#### 2. SCENARIO

##### **14 (b) (5) (v) Scenario**

Unit consists of 4.0 acres of fresh Fuji apples. All 4.0 acres gross appraised at 833.3 bu. per acre with 50% actual damage (apples grading less than U.S Fancy or other grade(s) listed in the SP) which adjusts to 70% damage on the sliding scale in **TABLE C**. The net adjusted per acre appraisal was 250.0 bu. (833.3 bu. x 0.30) per acre for a total net unit appraisal of 1,000.0 bu. (250.0 bu. x 4.0 acres). Production from the 4.0 acres was harvested after the end of the insurance period and 1,350.0 bu. were sold as U.S. Fancy or better. In accordance with section 15(b) of the Basic Provisions, use 1,350.0 bu. sold production as production to count for the claim. Enter 1,350.0 bu. in column 56 of the Production Worksheet. Complete all applicable entries on the Production Worksheet (refer to the example Production Worksheet below).

# EXHIBIT 1 PRODUCTION WORKSHEET

1. Crop/Code # <i>Apples</i>	2. Unit # <i>0001-0002BU</i>	3. Location Description <i>SWI-96N-20W</i>	7. Company Agency <i>Any Company</i> <i>Any Agency</i>	8. Name of Insured <i>I. M. Insured</i>
<i>0054</i>				9. Claim # <i>XXXXXXXX</i>
4. Date(s) of Damage <i>Apr. 24</i>				11. Crop Year <i>YYYY</i>
5. Cause(s) of Damage <i>Freeze</i>				10. Policy # <i>XXXXXXXX</i>
6. Insured Cause % <i>100</i>				14. Date(s) Notice of Loss <i>MM/DD/YYYY</i>
12. Additional Units				1st <i>MM/DD/YYYY</i>
13. Est. Prod. Per Acre				2nd <i>MM/DD/YYYY</i>
				Final <i>MM/DD/YYYY</i>
				15. Companion Policy(s)

## SECTION I – DETERMINED ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

A. ACTUARIAL															B. POTENTIAL YIELD									
16.	17.	18.	19.	20.	21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	31.	32a. 32b.	33.	34.	35.	36.	37.	38.		
Field ID	Multi-Crop Code	Reported Acres	Determined Acres	Interest or Share	Risk	Type	Class	Sub-Class	Intended Use	Irr Practice	Cropping Practice	Organic Practice	Stage	Use of Acres	Appraised Potential	Moisture % Factor	Shell %, Factor, or Value	Production Pre QA	Quality Factor	Production Post QA	Unins. Causes	Total to Count		
<i>A-1</i>			<i>4.0</i>	<i>1.000</i>		<i>111</i>				<i>002</i>			<i>H</i>	<i>H</i>										
39. TOTAL			<i>4.0</i>	40. Quality: TW <input type="checkbox"/> KD <input type="checkbox"/> Aflatoxin <input type="checkbox"/> Vomitoxin <input type="checkbox"/> Fumonisin <input type="checkbox"/> Garlicky <input type="checkbox"/> Dark Roast <input type="checkbox"/> Sclerotinia <input type="checkbox"/> Ergoty <input type="checkbox"/> CoFo <input type="checkbox"/> Other <input type="checkbox"/> None <input type="checkbox"/>												42. TOTALS								
															41. Do any mycotoxins exceed FDA, State or other health organization maximum limits? Yes <input type="checkbox"/>									

NARRATIVE (If more space is needed, attach a Special Report) *Acres measured by GPS. Block A-1 appraised at 1,000 bu. net appraised production to count (see appraisal worksheet entries). Block A-1 was select harvested after such appraisal and 1,350.0 bu. sold as US Fancy. In accordance with section 15(b) of the Basic Provisions, used harvested production as production to count for the claim (column 56 entry).*

## SECTION II – DETERMINED HARVESTED PRODUCTION

43. Date Harvest Completed <i>MM/DD/YYYY</i>					44. Damage similar to other farms in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>					45. Assignment of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					46. Transfer of Right to Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>						
A. MEASUREMENTS					B. GROSS PRODUCTION					C. ADJUSTMENTS TO HARVESTED PRODUCTION											
47a. 47b.	48.	49.	50.	51.	52.	53.	54.	55.	56.	57.	58a. 58b.	59a. 59b.	60a. 60b.	61.	62.	63.	64a. 64b.	65.	66.		
Share	Multi-Crop Code	Length or Diameter	Width	Depth	Deduction	Net Cubic Feet	Conversion Factor	Gross Prod	(Bu. Ton Lbs. CWT)	Shell/Sugar Factor	FM % Factor	Moisture % Factor	Test Wt. Factor	Adjusted Production	Prod not to Count	Production Pre-QA	Value Mkt. Price	Quality Factor	Production to Count		
		<i>Acme Fresh Apple Co. Anytown, State</i>							<i>1,350.0</i>					<i>1,350.0</i>		<i>1,350.0</i>				<i>1,350.0</i>	
67. TOTAL															<i>1,350.0</i>	68. Section II Total			<i>1,350.0</i>		
															69. Section I Total						
															70. Unit Total			<i>1,350.0</i>			
															71. Allocated Prod.						
															72. Total APH Prod.			<i>1,350.0</i>			

## OPTIONAL COVERAGE CLAIM

For Illustration Purposes Only

This form example does not illustrate all required entry items (e.g., signatures, etc.).

**EXHIBIT 1**