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Risk  
Management  
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Product  
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FCIC 18010-01

FCIC 18010 (06-2011)

FCIC 18010-01 (08-2011)

FCIC 18010-02 (06-2012)

FCIC 18010-03 (02-2013)

# 2013 CROP INSURANCE HANDBOOK (CIH)

Underwriting and Actual Production History (APH)  
Standards for FCIC Programs Administered under  
the Common Crop Insurance Policy Basic  
Provisions and APH Administrative Regulations.



U.S. DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C. 20250

<b>FEDERAL CROP INSURANCE CORPORATION DIRECTIVE</b>	<b>NUMBER:</b> <b>18010-03 (02-2013)</b> <b>18010-02 (06-2012)</b> <b>18010-01 (08-2011)</b> <b>18010 (06-2011)</b>
<b>SUBJECT:</b>  <b>AMENDMENTS TO THE FCIC 18010 CROP INSURANCE HANDBOOK (CIH) FOR THE 2013 AND SUCCEEDING CROP YEARS</b>	<b>DATE:</b> February 11, 2013
	<b>OPI:</b>  Product Administration and Standards Division
	<b>APPROVED:</b>  <p style="text-align: center;"><i>/s/ Tim B. Witt</i></p> Deputy Administrator, Product Management

**THIS HANDBOOK CONTAINS THE OFFICIAL FCIC APPROVED UNDERWRITING STANDARDS FOR POLICIES ADMINISTERED UNDER THE COMMON CROP INSURANCE POLICY BASIC PROVISIONS AND THE ACTUAL PRODUCTION HISTORY ADMINISTRATIVE REGULATION FOR 2013 AND SUCCEEDING CROP YEARS.**

**Effective Date.** Amendment 18010-03 provides procedure incorporating the 2014 Florida Citrus Crop Provisions, these procedures are in effect for 2014 and subsequent crop years.

**Series Replaced.** The FCIC amendments dated February 2013 replaces the following issuances:

1     **Handbooks:** FCIC 18010-02 (06-2012); FCIC 18010-1 (08-2011); FCIC 18010 (06-2011)

2     **Valdosta Regional Office Informational Memorandum:**

Procedures for Completing the Producer's Pre-Acceptance Worksheet for Florida Citrus Fruit Crops dated February 24, 2012.

## 20 OTHER COVERAGE PLANS

The BP provides coverage for multiple plans of insurance. This section provides additional procedure for other regulatory plans of insurance covered by the BP, which includes Dollar Amount of Insurance (DO), Yield Based Dollar Amount of Insurance (YDO), and Pecan Revenue (PRV).

Other plans of insurance, Group Risk Plan (GRP) and Group Risk Income Protection (GRIP), with separate Basic Provisions (**GRP-BP and GRIP-BP**), are also covered in this section as they relate to the BP. **See the GRP Insurance Standards Handbook and GRIP Underwriting Rules for procedural requirements.**

### A Dollar Plans of Insurance, Category D.

Dollar Plans of insurance provide for certain crops, protection against declining value due to damage that causes a yield shortfall. The amount of insurance is based on the cost of growing a crop in a specific area. A loss occurs when an annual crop value is less than the amount of insurance due to a production loss.

This plan offers the insured the opportunity to select one of several dollar amounts of insurance. Maps, included in the actuarial documents, may be used to determine the coverage options and premium rates.

- (1) **Dollar Plan Category D crops include:** Citrus (Florida), Citrus Trees (Texas), Forage Seeding, Hybrid Seed Corn, Hybrid Sorghum Seed, Macadamia Trees, Peppers, Raisins, Sweet Corn (Fresh Market), Tomatoes (Fresh Market - Dollar Plan) and Nursery (**Field Grown and Container**).
- (2) **Production Reports.** The guarantee for the Dollar Plan of insurance is established by the insured's election of a percentage of the maximum dollar amount provided in the actuarial document; accordingly, there are no **underwriting** requirements for production reports to qualify for OUs with the exception of raisins.
  - (a) **Raisins may be divided** into more than one OU if, for each proposed OU:
    - 1 The insured maintains written, verifiable records (tray counts are acceptable) of raisin production for at least the previous crop year; and
    - 2 The acreage of insured raisins is located on non-contiguous land.
  - (b) **Although production records are not required** to establish the insurance guarantee, they may be necessary for loss purposes. Refer to the applicable loss **adjustment directives**.

(3) **Producer’s Pre-Acceptance Worksheet (PAW).** The PAW is an insured’s self-certification of the planting and other conditions of the perennial crop used by the AIP to determine insurability and other requirements in accordance with the policy. Florida **Citrus Fruit is the only Dollar** Plan crop which requires a PAW.

(a) **PAW Requirements.** **The insured must complete and submit a PAW every year by the ARD.** If not, the AIP must:

- 1 Obtain the required information from the insured;
- 2 Conduct a PAIR to determine the required information; or
- 3 Deny coverage for the applicable crop year.

The AIP representative may assist the insured with completion of the PAW.

(b) **PAW Completion Instructions.** A PAW is required for each unit.

ELEMENT	REQUIRED INFORMATION:
<b>POLICY NO.</b>	Policy number to which the acreage pertains.
<b>INSURED’S NAME, ADDRESS, TELEPHONE No.</b>	Name, address, and phone number of the insured.
<b>LEGAL DESCRIPTION</b>	Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable. This may include GPS coordinates or other land identification.  If additional space is needed, attach a supplemental sheet.  FSA Farm/Tract/Field number is optional unless:  Units are based on FSA FN, then the FSA FN is required.
<b>CROP YEAR</b>	Enter the appropriate year for the production.
<b>COUNTY</b>	Enter the county for which the acreage pertains.

ELEMENT	REQUIRED INFORMATION
<b>BLOCK NUMBER</b>	<p>Enter the block number.</p> <p>When reporting by block, show the block numbers to three places (i.e., 001).</p> <p>If separate information is available by individual block, separate line entries may be made on the PAW.</p> <p>Reporting by block number is required for each homogenous planting pattern of the citrus fruit group.</p> <p>Prepare a sketch map or provide an aerial map identifying the location of each block. Designate a unique number for each block reported. Enter these numbers along with the block number in the block number column. Complete the items applicable to the crop for each block.</p>
<b>UNIT NUMBER</b>	<p>Enter the appropriate unit number. Bus and OUs are allowable as provided by the Florida Citrus Fruit CP.</p> <p>Unit Numbering example: 0001-0001OU</p>
<b>MONTH/YEAR PLANTED</b>	<p>Enter the month and year the trees were planted.</p>
<b>MONTH/YEAR TOPWORKED OR BUCKHORNED</b>	<p>Enter the month and year of topworking or buckhorning that occurred within last five policy years, if applicable; otherwise, enter N/A.</p>
<b>CITRUS FRUIT GROUP</b>	<p>Identify commodity, group, subclass, and/or intended use as listed in the actuarial document(s).</p>
<b>NUMBER OF TREES</b>	<p>Enter the number of insurable trees that make up the block.</p>
<b>TREE SPACING</b>	<p>Average tree spacing (in feet) and/or pattern within this block (example 25 X 20).</p> <p>Example: If trees are being interplanted as a part of a tree replacement program and the in-row spacing changes to 12.5, update the tree spacing to 12.5 ft. X 20 ft.</p>

ELEMENT	REQUIRED INFORMATION
<p><b>PLANTING PATTERN</b></p>	<p>Designate the applicable planting pattern by entering one of the following:</p> <p>“S” for Square Planting Pattern;                      “B” for Hedgerow or Border Planting Pattern;                      “Q” for Quincunx Planting Pattern;                      “H” for Hexagonal Planting Pattern;                      “D” for Double Row Planting Pattern; or                      “O” for Other Planting Pattern</p>
<p><b>DENSITY</b></p>	<p>Calculate the plant density (number of trees per acre) as follows:</p> <p>Number of square feet per acre ÷ number of square feet per tree (based on the current planting pattern).</p> <p>*There are 43,560 square feet per acre.</p> <p>Example: Based on a tree spacing of 20 X 20, the number of square feet per tree = 400 square ft., the number of trees per acre is calculated as 43,560 square ft. per acre ÷ 400 square ft. per tree = 109 trees per acre.</p> <p>Or, if trees are being interplanted as a part of a tree replacement program and the spacing changes to 10 X 20 = 200 sq. ft., per tree, the correct density becomes 43,560 sq. ft. per acre ÷ 200 sq. ft. = 218 trees per acre.</p>
<p><b>ACRES IN BLOCK</b></p>	<p>Number of original planted acres, rounded to tenths.</p>
<p><b>PERCENT STAND</b></p>	<p>The insured must calculate the percent stand from the most recent planting pattern and planted acres (not to exceed 100% of field acres).</p> <p>Calculate the percent stand by dividing the number of insurable trees by the product of density multiplied by original acres.</p> <p><b>Example:</b> 10 acres were initially planted in an 18 x 20 planting pattern with 121 trees per acre. The insured reports 975 trees; the percent stand would be 80 percent [968 trees / (121 trees/acre x 10 acres)].</p> <p>The percent stand column would display 80% stand and in the acres column there would be 10 acres. The Acreage Report would reflect 8.0 insurable acres due to the removal of 2.0 acres of trees.</p>

ELEMENT	REQUIRED INFORMATION
<p><b>ORGANIC PRACTICE</b></p>	<p>Designate if the block is:</p> <p>(a) Certified organic; or</p> <p>(b) Acreage transitioning to organic.</p>
<p><b>INSURABLE OR UNINSURABLE</b></p>	<p>Designate whether the block has met the insurability requirements. Refer to the policy provisions, the actuarial document(s), and this procedure for determining insurable and uninsurable acreage. Uninsurable trees are to be excluded before determination.</p> <p><b>Example:</b> Acreage must be reported as uninsurable when minimum age requirements are not met.</p> <p>Each homogenous planting pattern is reported as a plot. A homogenous planting pattern of a citrus fruit group may consist of different tree age classes (i.e., 5 years, 6 to 8 years, or 9 years and above).</p> <p>(a) For age classes within the plot that cannot be separately plotted (subplots), use the age class with the greatest percentage of insurable trees in the plot to determine the amount of insurance.</p> <p>(b) If the age classes within the plot can be separately plotted, the insurable acreage and amount of insurance are determined for each age class and reported on that basis.</p>
<p><b>TOTALS (FOR ACRES IN BLOCK AND NUMBER OF TREES)</b></p>	<p>This is the last row in the table on the form, used to enter the summation of the total acres in block and total number of trees.</p>

The following questions are to be completed by the insured with the assistance of the AIP representative.

ELEMENT	REQUIRED INFORMATION
<p><b>DATE OF LAST INSPECTION</b></p>	<p>Provide the date when the last inspection of the unit was performed.</p>
<p><b>HAS THE DOLLAR AMOUNT OF INSURANCE FOR THE INSURED CROP BEEN PREVIOUSLY ADJUSTED DUE TO A REDUCTION OF THE CROP'S PRODUCTION POTENTIAL?</b></p>	<p>If an AIP or RMA has previously adjusted the dollar amount of insurance for the insured crop due to a reduction of the crop's production potential which resulting in a comparable loss in yield in one or more of the last five years, the insured must identify the year and answer "YES", and provide all applicable Acreage Reports reflecting these reductions and/or adjustments.</p> <p><b>Note:</b> AIPs may use PHTS for prior year Acreage Reports.</p>
<p><b>HAS AN ADJUSTMENT BEEN APPLIED TO THE CROP'S INSURABLE ACRES RESULTING IN A COMPARABLE REDUCTION IN YIELD?</b></p>	<p>If an adjustment has been applied to the crop's insurable acres by an AIP and/or RMA resulted in a comparable reduction in yield in one or more of the last five years, the insured must identify the year and answer "YES", and provide all applicable Acreage Reports reflecting these reductions and/or adjustments.</p> <p><b>Note:</b> AIPs may use PHTS for prior year Acreage Reports.</p>
<p><b>HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO THE TREES THAT WILL REDUCE THE INSURED CROP'S PRODUCTION?</b></p>	<p>If any damage (i.e., disease, hail, freeze) has occurred that will reduce the crop's production by more than 10 percent relative to when the last PAIR was performed, or when the last liability reduction was made (e.g., loss of canopy which was previously reduced at the time of loss and/or by RO Determination) the insured must answer "YES". If requested by the AIP and/or the RO, hard copy records of acreage and production are required. These records may be necessary to assess the productive capability of the grove.</p>
<p><b>HAVE CULTURAL PRACTICES OR PRODUCTION METHODS (E.G. HEAVY PRUNING, TRANSITIONING TO ORGANIC) BEEN PERFORMED THAT WILL REDUCE THE INSURED CROP'S PRODUCTION?</b></p>	<p>If changes in cultural practices or production methods (e.g., heavy pruning, transitioning to organic, etc.) have been performed that will reduce the crop's production by more than 10 percent relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination), the insured must answer "YES". If requested by the AIP and/or the RO, hard copy records of acreage and production are required. These records may be necessary to assess the productive capability of the grove.</p>

ELEMENT	REQUIRED INFORMATION
<p><b>HAVE TREES BEEN REMOVED, BUCKHORNED, TOPWORKED OR REPLACED WITH UNINSURABLE TREES RESULTING IN A CHANGE OF THE ORIGINAL PLANT STAND FOR ANY REPORTED INSURABLE ACREAGE</b></p>	<p>If trees have been removed, buckhorned, topworked or replaced with uninsurable trees resulting in a change of more than 10 percent of the original plant stand for any reported insurable acreage or relative to when the last PAIR was performed or when the last liability reduction was made (e.g. loss determination), the insured must answer "YES". If requested by the AIP or the RO, hard copy records of acreage and production are required. These records are sometimes necessary to assess the productive capability of the grove.</p>
<p><b>ESTIMATED PRODUCTION, BOXES</b></p>	<p>By block, enter an estimate of the expected production for the acreage. Acreage with a potential of less than 100 boxes may be excluded from insurance.</p> <p>If the land is excluded, it is considered not insured; if it is insured, it is considered to have produced 100 boxes per acre (see Sec. 6(c) &amp; (d) of the Florida Citrus Fruit CP).</p>

(c) **Block Map.** A block map of the acreage must be prepared by the insured in addition to the PAW.

- 1 A block map is required from all new insureds.
- 2 Carryover insureds must update the block map in subsequent crop years when changes occur to the grove, such as significant interplantings, tree removal/replacement, topworking, etc.
- 3 Significant interplantings, uninsurable trees, and trees of differing ages and tree spacing must be recorded in order to determine the appropriate amount of insurance and insurable acreage.
- 4 The insured may use GPS technology in conjunction with satellite imagery or aerial photos which clearly identify roads and field boundaries. The information contained on the block map may be overlaid on a digital photo, where the insured may identify roads, field boundaries, plot locations and plot numbers.

(4) **PAIR.** The following Category D crops may require a PAIR: Florida Citrus Fruit and Macadamia Tree:

(a) PAIR Deadline.

1 Completion Deadline. The PAIR must be completed within 60 calendar days after the ARD.

**Exception:** For Macadamia Tree applications filed after January 1 (of the initial crop year), see Sec. 20A(4)(c)2.

2 Extensions of Deadlines. When an AIP expects that PAIRs cannot be completed within the established deadline, they must notify the RO in writing to request an extension of the PAIR deadline. The request must include the reason for the extension (e.g., volume of policies requiring a PAIR, access to production records, etc.). The RO will establish a revised deadline based upon the information provided with the AIPs request.

(b) Florida Citrus Fruit PAIR.

1 The AIP must complete a PAIR and request an RO Determined Yield when any of the following triggers are met:

a When any damage (i.e., disease, hail, freeze) has occurred that will reduce the insured crop's production by 15 percent or more (after accounting for acreage reduction [see Sec. 20A(6)]) relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination).

**Example:** A 100-acre grove was established in 1994. In 2008, a claim for tree loss due to freeze resulted in a reduction of 20 acres, leaving 80 insurable acres. On the 2012 PAW, the insured acknowledged damage to those 80 acres of trees as a result of tree disease. The damage resulted in a reduction of crop production potential by 15 percent or more of the 2008 tree stand (the last time a PAIR was performed); therefore a new PAIR is required and an RO Determined Yield must be requested. If a reduction of more than 10 percent in crop production potential [see Sec. 20A6(d)] is due to tree removal alone, the AIP will reduce the acreage based on the original planting pattern following the acreage determination procedure [see Sec. 20A(6)] without the requirement for an RO Determined Yield request.

b When production methods or cultural practices have reduced production by 15 percent or more relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination).

**Example:** To assess the reduction in production determine if the average canopy damage across the grove is either: 1) 15 percent or greater or 2) greater than or equal to one-sixth of the canopy volume.

**Exception:** If an acreage reduction is required as a result of procedure performed in Para. 1a - 1b above, AIPs must adjust the insureds acreage and determine if the adjustment [see Sec. 20A(6)(c)-(d)] requires an RO Determined Yield request. After the acreage reduction, if:

- (a) The AIP determines the crop production will be reduced by 9 percent or less, the PAW should be annotated by the AIP [see Sec. 20A(4)(b)6], and no adjustment should be made;
- (b) The AIP determines the crop production will be reduced by 10-14 percent, the acreage must be adjusted by the AIP and a RO Determined Yield request is not required; or
- (c) The AIP determines the crop production will be reduced by 15 percent or more, the AIP must submit an RO Determined Yield request.

2 The AIP must complete a PAIR and complete any warranted acreage adjustments, but no RO Determined Yield request is required in the following situations:

- a When trees have been removed or replaced with uninsurable trees, resulting in a change of 15 percent or more of the plant stand for any reported insurable acreage relative to when the last PAIR was performed or when the last liability reduction was made (e.g. loss determination);
- b For added land units (land not previously in the operation) that will increase the insured's acreage by 15 percent or more from the previous crop year;
- c For carryover policies when the insured transfers to a different AIP, unless the PAIR is provided by the ceding AIP;
- d When spot checks are completed;

e For new insureds; or

f When requested by RMA.

**Exception:** Effective only for the 2014 Crop Year, AIPs are not required to complete PAIRs for carryover insureds if they are only required as a result of new applications due to changes in the insured crop/type with the new Florida Citrus Fruit policy.

3 PAIR requiring an RO Determined Yield request. If the AIP has adjusted the insured's insurable acres and determines that a reduction in the crop's production potential of 15 percent or more on the remaining acres still exists [see Sec. 20A(6)] (e.g., due to canopy damage that can be remediated through severe pruning or other cultural measures), an RO Determined Yield request is required and a reduction in the applicable amount of insurance may be required [see Sec. 20A(4)(b)5 and Sec. 20A(8)(b)].

4 Previous adjustment(s) to the dollar amount of insurance. When the insured crop's dollar amount of insurance was previously adjusted due to a reduction of the crop's production potential and/or an adjustment to the crop's insurable acres which resulted in a comparable loss in yield [see Sec. 20A(8)] in one or more of the last five years, the AIP and/or RMA are required to review the adjustment(s) and/or reduction(s), and AIPs must carry forward the applicable reductions to the crop's dollar amount of insurance on the current Acreage Report [see Sec. 20A(8)], unless an increase to the dollar amount of insurance has been provided by the RO [see Sec. 20A(8)] or further reduction has occurred which results in an additional RO Determined Yield.

5 Acreage reports cannot be processed until:

a AIP completes review of documentation;

b AIP initials corrections found during review of a Florida Citrus PAIR (if applicable) on the PAW; and

c Any insurability determinations, including RO Determined Yields, are completed.

6 PAIR Completion Instructions. The AIP will conduct the PAIR. The person completing the inspection must possess training equivalent to that of a loss adjuster.

ELEMENT	REQUIRED INFORMATION
<b>COUNTY AND POLICY NUMBER</b>	County and policy number to which the acreage pertains.
<b>INSURED'S NAME , ADDRESS, PHONE NUMBER</b>	Insured's name, address, phone number.
<b>LEGAL DESCRIPTION</b>	Enter the section, township, and range, or other descriptions for land if rectangular survey is not applicable. This may include GPS coordinates or other land identification.
<b>NAME OF OWNER</b>	Enter the names of other owners with an insurable share in the crop acreage (not SBIs). If none, enter "NONE".
<b>NAME OF OPERATOR</b>	Enter the name of the operator(s).
<b>CROP YEAR</b>	Enter the appropriate year.
<b>MONTH/YEAR PLANTED</b>	Enter the month and year the trees were planted
<b>MONTH/YEAR TOPWORKED OR BUCKHORNED</b>	Enter the month and year of topworking or buckhorning, if applicable, and enter the comment "topworked" or "buckhorned" for trees topworked or buckhorned within the last five policy crop years.
<b>PLANTING PATTERN</b>	Designate the applicable planting pattern by entering one of the following: "S" for Square Planting Pattern; "B" for Hedgerow or Border Planting Pattern; "Q" for Quincunx Planting Pattern; "H" for Hexagonal Planting Pattern; "D" for Double Row Planting Pattern; or "O" for Other Planting Pattern
<b>CITRUS FRUIT GROUP</b>	Identify commodity, group, subclass, and/or intended use as listed in the actuarial document(s).
<b>UNIT NUMBER</b>	Enter the appropriate Unit Number. BUs and OUs are allowable as defined in the Florida Citrus Fruit CP.  Unit Numbering example: 0001-0001OU

ELEMENT	REQUIRED INFORMATION
<b>BLOCK NUMBER</b>	<p>By line, enter the block number as identified on the block map.</p> <p>Separate block numbers are required for each citrus fruit group within the insured crop and homogenous planting pattern of the citrus fruit group.</p> <p>A homogenous planting pattern of a variety may or may not consist of different tree age classes (i.e., 5 years, 6-8 years, or 9 years and above).</p> <p>For age classes within the block that cannot be separately plotted (subplots), use the age class with the greatest percentage of insurable trees in the block to determine the amount of insurance.</p> <p>If the age classes within the block can be separately plotted (drawn out), the insurable acreage and amount of insurance are determined for each age class and reported on that basis.</p>
<b>ACRES IN BLOCK</b>	<p>Enter the block acres (insurable and uninsurable), rounded to the nearest tenth.</p> <p>For a block with percent stand of less than 90%, reduce the acreage by multiplying the total land acreage by the percent stand.</p> <p><b>Example:</b> For a 10-acre block (after exclusion of canals or grove service roads) with a 74% plant stand, the insurable acreage is 7.4 acres.</p> <p>Drainage ditches and/or canals outside the planting pattern are not considered insurable acres.</p>
<b>TREE SPACING</b>	<p>Enter the average tree spacing, in whole feet, for the block. If there is a wide variation in spacing, enter "varying" and explain in "REMARKS".</p>
<b>NUMBER OF TREES</b>	<p>Verify number of trees reported on the PAW and/or determine accurate count.</p>
<b>MONTH AND YEAR OF SET OUT</b>	<p>Enter the month and year of set out for the age class (i.e., 5 years, 6-8 years, or 9 years and above) with the greatest percentage of insurable trees in the block.</p>

ELEMENT	REQUIRED INFORMATION
<p><b>TREE AGE IN YEARS</b></p>	<p>Enter the tree age class with the greatest percentage of insurable trees in the block (i.e., 5 years, 6-8 years, or 9 years and above). Insurability of trees and the number of insurable acres must be determined prior to determining age tree class of the block for calculating the amount of insurance (see "Acres in Block" to determine the number of insurable acres).</p> <p>Age of the block is calculated as follows:</p> <p>X = Policy's Crop Year                      Y = Set-Out/Grafted year                      Formula: (X-Y) = Age/Leaf Year</p> <p>Set out/graft year is influenced by the month of planting.</p> <p><u>a</u> The set out/graft year will be the actual calendar year for acreage planted, if set out/graft occurs:</p> <ul style="list-style-type: none"> <li><u>i</u> Between January 1 and April 30, 2012 and prior calendar years; or</li> <li><u>ii</u> <b>Between January 1 and April 15 of 2013 and subsequent calendar years.</b></li> </ul> <p><b>Example 1:</b> A grove planted in March 2006 is insured on April 30, 2011 for the 2012 crop year (bloom is set in 2011). Crop year =2012 and set out year = 2006. The age/leaf year is:</p> <p style="text-align: center;">2012-2006= <b>6 Age/Leaf Year</b></p> <p><u>b</u> The set out/graft year shall be the year following the calendar year in which set out actually occurred, if set out/graft occurs</p> <ul style="list-style-type: none"> <li><u>i</u> Between May 1 and December 31 of 2012 and prior calendar years; or</li> <li><u>ii</u> <b>Between April 16 and December 31 of 2013 and subsequent calendar years.</b></li> </ul> <p><b>Example 2:</b> A grove planted in October 1998 is insured on May 1, 2011 for the 2012 crop year (bloom is set in 2011). Crop year = 2011 and Set out year = 1999. The age/leaf year is:</p> <p style="text-align: center;">2011-1999=<b>12 Age/Leaf Year</b></p> <p>Per line entry, evaluate and document the insurability of the trees. If the block contains trees that are damaged, subdivide the block and use separate lines for insurable and uninsurable acreage.</p>

ELEMENT	REQUIRED INFORMATION
<b>INSURABLE CONDITION</b>	Per line entry, evaluate and document the insurability of the trees. If the block contains trees that are damaged, subdivide the block and use separate lines for insurable and uninsurable acreage.
<b>ESTIMATED PRODUCTION BOXES</b>	<p>By block, enter an estimate of the expected production for the acreage. Acreage with a potential of less than 100 boxes may be excluded from insurance by the insured.</p> <p>If the land is excluded, it is considered not insured; if it is insured, it is considered to have produced 100 boxes per acre (see Sec. 6(c) &amp; (d) of the Florida Citrus Fruit CP).</p>
<b>TREE CONDITION</b>	<p>Determine tree condition and enter "excellent," "good," "average," "fair," "poor," or "other," as appropriate.</p> <p>If the trees are suffering from disease, insect damage, or a physiological disorder, explain in "REMARKS".</p>
<b>TOTALS</b>	Enter the totals from each column of <b>Acres in Block and Number of Trees.</b>
<b>**EXCLUDED ACREAGE</b>	Identify acreage which is uninsurable due to policy requirements such as trees not meeting age/leaf year requirement. Leave unit column blank and enter "excluded" in column for such acreage.
<b>HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO THE TREES THAT WILL REDUCE THE INSURED CROP'S PRODUCTION?</b>	<p>When any damage (i.e., disease, hail, freeze) has occurred that will reduce the insured crop's production by 15 percent or more (after accounting for acreage reduction [see Sec. 20A(6)]) relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination), note the blocks where damage has occurred which may affect yields for the current crop year.</p> <p>If damage is noted, explain in detail, noting the month/year of damage.</p>
<b>HAVE CULTURAL PRACTICES OR PRODUCTION METHODS (E.G., BUCKHORNING, TRANSITIONING TO ORGANIC) BEEN PERFORMED THAT WILL REDUCE THE INSURED CROP'S PRODUCTION?</b>	<p>When production methods would reduce production relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination) from the previous year(s) by 15 percent or more (after accounting for acreage reduction [see Sec. 20A(6)]); or</p> <p>When cultural practices have been performed that will reduce the crop production by 15 percent or more (after accounting for acreage reduction [see Sec. 20A(6)]) of the planting pattern and/or the previous crop year(s) relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination);</p> <p>Note the blocks where these practices or production methods have been performed which may affect yields for the current crop year, noting the month/year of when the practice or production method was performed.</p>

ELEMENT	REQUIRED INFORMATION
<p><b>HAS THE DOLLAR AMOUNT OF INSURANCE FOR THE INSURED CROP BEEN PREVIOUSLY ADJUSTED DUE TO A REDUCTION OF THE CROP'S PRODUCTION POTENTIAL?</b></p>	<p>If applicable, review the submitted Acreage Report(s) to either verify the reduction has been performed for the current crop year or maintained from the previous crop years [see Sec. 20A(8)].</p> <p>Also, if necessary, note the condition of blocks where adjustments to the dollar amount of insurance have been previously performed, such as damage, nature of the tree stand, tree spacing variations, new set out or grafting dates, unusual conditions, and any reasons for non-insurability and/or any reasons for an increase to the dollar amount of insurance.</p>
<p><b>HAS AN ADJUSTMENT BEEN APPLIED TO THE CROP'S INSURABLE ACRES WHICH RESULTED IN A COMPARABLE REDUCTION IN YIELD?</b></p>	<p>If applicable, review the insured's submitted Acreage Report(s) to either verify the reduction has been submitted or maintained.</p> <p>Also, if necessary, note the condition of blocks where adjustments to the dollar amount of insurance have been previously performed, such as damage, nature of the tree stand, tree spacing variations, new set-out or grafting dates, unusual conditions, and any reasons for non-insurability and/or any reasons for an increase to the dollar amount of insurance.</p>
<p><b>HAVE TREES BEEN REMOVED, BUCKHORNED, TOPWORKED OR REPLACED WITH UNINSURABLE TREES RESULTING IN A CHANGE OF THE ORIGINAL PLANT STAND FOR ANY REPORTED INSURABLE ACREAGE?</b></p>	<p>When trees have been removed, buckhorned, topworked or replaced with uninsurable trees, resulting in a change of 15 percent or more of the plant stand for any reported insurable acreage relative to when the last PAIR was performed or when the last liability reduction was made (e.g. loss determination), note the blocks where this has occurred for the current crop year.</p> <p>Explain in detail, noting the month/year of the changes.</p>
<p><b>BLOCK MAP</b></p>	<p>Verify the insured's block map and correct it if necessary.</p> <ol style="list-style-type: none"> <li>1. Identify highways and other significant landmarks that can be used to help identify groves' locations.</li> <li>2. Outline citrus block locations and identify block by block number.</li> <li>3. Draw blocks in actual shapes and as close to scale as possible. Indicate which acreage has been excluded from coverage by labeling as "excluded."</li> <li>4. Outline land ownership boundaries in red within each section involved. Indicate land ownership across section lines with tie bars.</li> </ol>

ELEMENT	REQUIRED INFORMATION
<p><b>FRESH FRUIT RECORDS VERIFICATION</b></p>	<p>For fruit insured as fresh, unless otherwise provided in the Special Provisions, verify the insured has:</p> <p>(a) fresh fruit sales records from one of the previous three crop years; or</p> <p>(b) a current year fresh fruit marketing contract for acreage new to the operation or in the initial year of fresh fruit production.</p>
<p><b>PAW VERIFICATION</b></p>	<p>Verify the insured's PAW and correct if necessary. If corrections are made, the AIP is responsible for initialing and notating the corrections on the PAW.</p> <p>The AIP is also responsible for obtaining the insured signature which ensures that the insured is aware of the corrections to their PAW certification.</p>
<p><b>WEED CONTROL MEASURES</b></p>	<p>Describe weed control measures used for the unit. Include a description of the orchard.</p>
<p><b>FERTILIZATION PROGRAM</b></p>	<p>Describe the fertilization program used for the unit. Include the insured's method of monitoring soil fertility, e.g., soil analysis, foliar analysis, or both</p>
<p><b>INSECT CONTROL MEASURES</b></p>	<p>Describe in detail insect control measures used (i.e., integrated pest management/calendar spray program):</p> <p>Evidence of disease/insects (check one):</p> <p>___rare ___moderate ___severe"</p>
<p><b>TREE REPLACEMENT PROGRAM</b></p>	<p>If applicable, indicate if a tree replacement program is being carried out. Also if applicable, indicate if fumigation is being used in the replacement program.</p>
<p><b>CROPS GROWN PRIMARILY FOR</b></p>	<p>Indicate what crops by unit are grown primarily for:</p> <p>___Fresh Market ___Processor ___Juice Market</p>
<p><b>UNIT POTENTIAL</b></p>	<p>Determine the current unit potential:</p> <p>___Stable ___Declining ___Increasing (Check one)</p>

ELEMENT	REQUIRED INFORMATION
<b>IRRIGATION WATER SOURCE</b>	<p>Describe in detail the irrigation water source:</p> <p>Surface: ___percentage of total supply</p> <p>Irrigation district name;</p> <p>Allocation last year: ___percentage of normal</p> <p>Expected allocation this year; ___percentage of normal</p> <p>Irrigation Well(s): ___percentage of normal</p> <p>How many wells? ____</p> <p>Total gallons per minute? ___GPM</p> <p>Water obtained through water transfer: ___acre feet per acre”</p>
<b>TREE VIGOR</b>	<p>Indicate if the trees have sufficient vigor to produce the dollar amount of insurance computed for this unit.</p> <p>Indicate if the Plant Vigor is:</p> <p>___ Good ___ Average ___ Poor</p>
<b>AERIAL PHOTO(S)/MAP(S)</b>	<p>Attach any applicable aerial photo(s)/map(s) to the inspection report.</p>
<b>FLOOD HAZARDS</b>	<p>Enter Yes or No. If applicable, please explain if the unit is subject to above normal flood hazards</p>
<b>SOIL LIMITATIONS</b>	<p>Enter Yes or No. If applicable explain soil limitations present, e.g., slope, depth, drainage, Ph, saline/alkai, toxicity.</p>
<b>PERCENT STAND BLOCK</b>	<p>Determine the percent stand by block. See 20A(6)(c).</p>
<b>PRIOR RECORD</b>	<p>Determine whether the current observed conditions reconcile to prior record the unit and/or acreage.</p>
<b>MEASURED/DETERMINED ACREAGE AND METHOD OF MEASUREMENT (INSURABLE)</b>	<p>Enter the measured or determined acres of the unit, the total acreage of the unit that is insurable.</p>
<b>MEASURED/DETERMINED ACREAGE AND METHOD OF MEASUREMENT (INSURABLE AND UNINSURABLE)</b>	<p>Enter the measured or determined acres of the unit, the total acreage of the unit that is insurable (and uninsurable), and the method of measurement used.</p>

ELEMENT	REQUIRED INFORMATION
INSPECTOR EVALUATION	<p>Please provide your evaluation of the management of the operation. Indicated if the operation was:</p> <p>___Above Average ___Average ___Below Average (check one)</p> <p>Additionally, the AIP should enter notes pertinent to the grove inspection such as nature and degree of damage, nature of the tree stand, tree spacing variations, new set-out or grafting dates, unusual conditions, and any reasons for non-insurability.</p> <p>If more space is needed, enter additional information on a Statement of Facts and attach it to the inspection report.</p>
ACTION RECOMMENDED	<p>For the unit, please indicate the action recommended. Such as,</p> <p>___ Acceptance</p> <p>___ RMA RO Determined Yield Request</p> <p>___ Rejection</p>

7 RO Determined Yield Request. An RO Determined Yield Request for Florida Citrus must include:

- a The PAW, in addition to the block map (color satellite imagery, if available);
- b The acreage report;
- c A current PAIR;
- d Color photos representative of the condition of the grove or sub-grove(s);
- e If not already documented on the PAIR, a narrative providing details addressing:
  - i. The health or condition of trees in the grove or sub-grove(s);
  - ii. The causes (insured or uninsured) and estimated dates of the tree canopy damage or change in cultural practice;
  - iii. The expected production of the grove (i.e., more specific than indicating that production will exceed the 100 boxes threshold for acreage exclusion); and

- f Any additional supporting documentation (e.g., letters from agricultural experts, lab reports, etc.) that may be useful in aiding the RO in determining the appropriate amount of insurance on which the premium and any indemnity will be based.

Include prior year Acreage Report if request is for a policy where additional damage has occurred since the last liability and/or acreage adjustment.

**Exception:** For Florida Citrus Fruit an RO Determined Yield request will still be accepted when the request results in a lower dollar amount of insurance.

(c) Macadamia Orchard PAIR.

The AIP must inspect all acreage and complete a Macadamia Tree PAIR and plat map for all acreage listed on the acreage report (insurable and uninsurable).

- 1 PAIRs may be initiated at the AIP's discretion; however, inspection must be performed:
- a For all new applicants;
  - b For new added land units (land not previously in the operation);
  - c When any acreage is added under an existing policy (new acreage not previously in the operation meeting insurability); or
  - d The year following any substantial damage.

PAIRs involving applications filed after January 1 (of the initial crop year) must be completed prior to processing the application. If accepted, the application must be processed before the tenth day following the applicant's signature. If the application is accepted after January 1, insurance against excess wind will attach (for insurable acreage) on the tenth day.

- 3 If the AIP finds unreported acreage during the insurance period that has not been damaged by an insured peril, the AIP must prepare a revised acreage report that includes all unreported insurable acreage not entered on the original acreage report.
- 4 Completion Instructions. The AIP will conduct the PAIR/CAW. The person completing the inspection must possess training equivalent to that of a loss adjuster.

ELEMENT	REQUIRED INFORMATION
<b>NAME, MAILING ADDRESS, AND PHONE NUMBER OF APPLICANT</b>	Complete the appropriate information that corresponds with the insured
<b>WAS ACREAGE REPORT VERIFIED</b>	Answer "Yes" or "No". If "No" explain why in the "REMARKS".
<b>ARE OTHER MACADAMIA ORCHARDS OWNED OR OPERATED BY THE APPLICANT OR INSURED?</b>	<p>Answer "Yes" or "No"</p> <p>If "Yes", note the condition of the other Macadamia Orchards owned or operated by the insured.</p> <p>In addition, note the physical location of where the orchard is located.</p> <p>If necessary, enter additional comments in "REMARKS."</p>
<b>IS ORCHARD MANAGED BY OWNER?</b>	<p>Check "Yes" or "No".</p> <p>If "No", enter manager's name, address, and telephone number.</p>
<b>IS ORCHARD LOCATED IN AN ESTABLISHED MACADAMIA AREA?</b>	<p>Answer "Yes" or "No"</p> <p>If "No", explain the general growing conditions and where the orchard is physically located.</p> <p>If additional space is needed, enter additional comments in "REMARKS."</p>
<b>UNIT NUMBER</b>	Enter unit number from the Summary of Coverage after it is verified to be correct.
<b>VARIETY</b>	Appropriate variety name.
<b>ACRES IN PLOT</b>	Number of acres in plot, rounded to tenths.
<b>TREE SPACING</b>	Spacing in feet (e.g., 15 x 15). If spacing varies, enter "varying" and explain in "REMARKS."
<b>TREE COUNT</b>	Enter total number of trees on the plot acreage. Enter an estimate (identify as "Est") if accurate determination is impractical

ELEMENT	REQUIRED INFORMATION
<p><b>MONTH &amp; YEAR SET</b></p>	<p>Enter the month and year of:</p> <ul style="list-style-type: none"> <li>a. Original planting, or</li> <li>b. Replacement, if more than 10 percent of the trees on any unit have been replanted in the previous 5 years.</li> </ul>
<p><b>TREE CONDITION</b></p>	<p>Enter “acceptable” or “unacceptable” as applicable.</p> <p>Explain any “unacceptable” tree conditions in “REMARKS.”</p>
<p><b>RATE AREA</b></p>	<p>The correct rate class from the AD. Verify with the Summary of Coverage, and if the rate class is found to be incorrect, revise according to AIP instructions [see the LAM].</p>
<p><b>WEED CONTROL MEASURES</b></p>	<p>Enter one of the following:</p> <ul style="list-style-type: none"> <li>a. “<b>CWC</b>” Chemical Weed Control;</li> <li>b. “<b>W/O CWC</b>” Weed Control Without Chemicals,</li> <li>c. “<b>None</b>” No Weed Control.</li> </ul>
<p><b>**EXCLUDED ACREAGE</b></p>	<p>Identify acreage which is uninsurable due to policy requirements such as trees not meeting age/leaf year requirement. Leave unit column (1) blank and enter "Excluded" in column (11) for such acreage.</p>
<p><b>RESULT OF INSPECTION CHECK “A” OR CHECK “B”</b></p>	<p><b>Check “A” if:</b> There are no indications of a change in the data reported</p> <p><b>Check “B” if:</b> There are changes needed. Enter “A Revised Acreage Report”</p>

REQUIRED ELEMENTS	REQUIRED INFORMATION
<p style="text-align: center;"><b>REMARKS</b></p>	<p>Note any of the following:</p> <ul style="list-style-type: none"> <li>a. The number of trees in the original planting pattern.</li> <li>b. If more than 10 percent of the trees on any unit have been replaced, enter the total number of trees per acre in new pattern, and the total number of new trees set out with the appropriate dates.</li> <li>c. If any insurable tree acreage is set out in a new pattern (intersets), enter the number of trees per acre in a new pattern, and the total number of new trees set out with the appropriate dates.</li> <li>d. Any unusual conditions in the orchard or local growing area.</li> <li>e. Variations in tree spacing within an orchard.</li> <li>f. Any reasons for not recommending insurance coverage.</li> </ul> <p>If more space is needed, enter additional information on a Statement of Facts form and attach it to the inspection report.</p>
<p style="text-align: center;"><b>IS APPLICATION/ACREAGE REPORT RECOMMENDED FOR ACCEPTANCE</b></p>	<p>Check "Yes" or "No" box, as applicable.</p>
<p style="text-align: center;"><b>ORCHARD INSPECTOR'S SIGNATURE</b></p>	<p>Inspector signs report.</p>
<p style="text-align: center;"><b>DATE</b></p>	<p>Inspector enters date of report (MM/DD/YYYY).</p>

(5) **Age or Leaf Year Determinations.** Leaf Year is the policy crop year that is designated by the calendar year following the year in which bloom is normally set. The following Category D crops require additional or special procedure for age or leaf year determinations: Florida Citrus, Macadamia Tree and Texas Citrus Tree:

(a) Florida Citrus Fruit. The age/leaf of a tree is calculated as follows:

X = Policy's Crop Year

Y = Set-Out/Grafted year

Formula:  $(X - Y) = \text{Age/Leaf Year}$

- 1 Policy Crop Year: The policy crop year is designated by the calendar year following the year in which bloom is normally set.
- 2 Set Out/Graft Year: Set out/graft year is determined by the month of planting.
- a The set out/graft year will be the actual calendar year for acreage planted, if set out/graft occurs:
- i Between January 1 and April 30, 2012 and prior calendar years; or
- ii Between January 1 and April 15 of 2013 and subsequent calendar years.
- Example 1:** A grove planted in March 2006 is insured on May 1, 2011 for the 2012 crop year (bloom is set in 2011). Crop year = 2012 and set out year = 2006. The age/leaf year is:  
**2012-2006= 6 Age/Leaf Year**
- b The set out/graft year shall be the year following the calendar year in which set out actually occurred, if set out/graft occurs
- i Between May 1 and December 31 of 2012 and prior calendar years; or
- ii Between April 16 and December 31 of 2013 and subsequent calendar years.
- Example 2:** A grove planted in October 1998 is insured on May 1, 2011 for the 2012 crop year (bloom is set in 2011). Crop year = 2011 and Set out year = 1999. The age/leaf year is:  
**2011-1999=12 Age/Leaf Year**

- (b) For Macadamia Trees: Age is defined as the number of complete 12-month periods that have elapsed since the month the trees were set out or were recently grafted, whichever is later. An age determination will be made for each unit, or portion thereof, as of January 1 of each crop year.

Crop year is defined as a period beginning with the date insurance attaches extending through December 31 of the same calendar year. The crop year is designated by the year in which insurance attaches.

1 Macadamia Trees Age/Leaf Formula:

X= Policy Crop Year

Y= Set Out/Graft Year

$$(X - Y) - 1 = \text{Age/Leaf Year}$$

- 2 The Twelve Month Period: The 12- month period is defined as the actual 12-months that have passed since the crop was set out/grafted. To be insurable in crop year 2011 they must have been set out prior to January 1, 2010.

**Example:** Acreage planted in April 2005. Insurance begins on January 1, 2011. Crop year = 2011 and Set out year = 2005. The age/leaf year is:

$$(2011 - 2005) - 1 = \text{5 Age/Leaf Year}$$

For the 2011 crop year, the 12-month period would be determined as follows:

SET OUT/GRAFTED	12 MO. PERIOD	CROP YEAR	AGE
April 2005	Jan. 1, 2007	2007	0
	Jan. 1, 2008	2008	1
	Jan. 1, 2009	2009	2
	Jan. 1, 2010	2010	3
	Jan. 1, 2011	2011	4
	Jan. 1, 2012	2012	5

3 See Sec. 16C(2)(c) for Macadamia Nut example.

- (6) **Acreage Determinations.** Florida Citrus Fruit acreage measurements will be based on land acres as provided in Sec. 16B. In addition to these acreage measurements, Florida Citrus Fruit requires the following additional procedures for acreage determinations:

- (a) Land Acreage Not Exceeded. The insured acreage cannot exceed the physical amount of land acreage. If an insured interplants two citrus crops, the acreage will be prorated according to the percentage of the insurable land acres occupied by the crops interplanted.

**Example:** An insured has 10 acres of grapefruit planted at a spacing of 30 feet x 30 feet, and decides to interplant with early oranges. Orange trees are interplanted between the grapefruit trees within the row. The tree spacing has been changed to 30 feet x 15 feet, but there is no increase in the acreage. There is a 5-acre unit of early oranges and a 5-acre unit of grapefruit, NOT 10 acres of each.

The same instructions apply if more than one citrus fruit is planted on the same acreage; e.g., 10 acres of early and mid-season oranges (50 - 50mix) does not represent 10 acres of early oranges and 10 acres of mid-season oranges.

- (b) Non-Cropland. Non-cropland, including drainage ditches and/or canals outside of the planting pattern, must not be included as insurable acreage.
- (c) Percent Stand. Florida Citrus Fruit require adjustments to insurable acreage when the percent stand is less than 90 percent. AIPs must first determine the number of insurable acres, followed by any percent stand adjustments to the insurable acres.
  - 1 When the original planting pattern is changed due to replanting trees in a higher density planting pattern, an average planting pattern should be calculated for the purpose of calculating percent stand [see Exh. 20F].
  - 2 When a stand reduction of more than 10 percent has not been reported and is discovered after insurance has attached, refer to section 6(g) of the BP and Sec. 20A(8)(b) of the CIH for instructions on reducing the amount of insurance.
  - 3 The AIP may increase the acreage, without RO approval, when previously reduced acreage is increased due to replanting of previously missing trees that have reached insurability.

- (d) Acreage Adjustments. After acreage has been determined, plots/sub-plots containing dead, damaged, missing, or uninsurable trees exceeding more than 10 percent of the original planting pattern must have the acreage reduced following the percent stand reduction procedures provided in the SP. Only trees that meet the insurability requirements contained in the CP and the SP are to be counted for comparison with the original planting pattern when determining the percent stand.

**Example:** The insured has 10 acres of citrus with an original planting pattern of 12 ft x 24 ft (151 trees per acre). The insured reports 1270 trees (of an original planting of 1510 trees) on the PAW. The percent stand is calculated to be 84 percent (1270 divided by 1510). The insurable acreage will be adjusted to 8.4 acres on the acreage report (10 acres multiplied by 0.84). [See also Exh. 20F for additional examples].

- (e) Block. For the purposes of determining the amount of insurance, the age class for the block/sub-block must be determined within a unit on a block basis. A block is a homogenous planting pattern of a citrus crop that may or may not consist of different tree age classes (5 years, 6-8 years, or 9 years and above).

- 1 If a specific block can be identified for any of the age classes identified above, that age class must be separately reported to determine the insurance guarantee and insurable acreage.

If age classes within a block can be separately plotted (drawn out), the insurable acreage and amount of insurance are determined for each age class and reported on that basis.

- 2 If a block/sub-block is inseparable by age class, use the age class within the block/sub-block with the greatest percentage of insurable trees to determine the insurance guarantee. Only trees that meet the insurability requirements contained in the CP and the SP are to be counted as part of the corresponding age class for determining the greatest percentage when assigning the appropriate age class for insurance guarantee.

**Example:** A producer has a grove of grapefruit trees. Separate plots, by age class, cannot be determined. The 9-year or older trees represent the largest percentage in the plot; therefore, the grove will be insured as 9-year-old trees.

- 3 The unit may consist of several plots of the same citrus crop. Each unit and each block (sub-block) within a unit must be separately listed, and the amount of insurance and insurability determined accordingly.

(7) **Excluded Acreage.**

The reference to “Excluded Acreage” refers to any acreage in a grove that does not meet the conditions of insurability based on grove age or production or any acreage that according to policy the insured may elect to exclude. The following Category D crops require special or additional procedure for excluded acreage:

- (a) **Florida Citrus Fruit.** Prior to the date insurance attaches, with AIP approval, the insured may elect to insure or exclude from insurance any insurable citrus acreage that has a potential production of less than 100 boxes per acre. If the insured elects to:

- 1 Insure such acreage; the potential production will be 100 boxes per acre when determining the amount of loss.
- 2 Exclude such acreage (the acreage is disregarded for all purposes), the acreage adjustment should be done prior to determining the potential production of the acreage, to reflect percent stand on the insured acreage.

**Example:** A 100-acre unit of X citrus fruit group has a 95 percent stand and a 9,000-box potential.

The average potential production is 90 boxes per acre and the insured may elect to exclude the acreage from coverage.

However, if the same 100-acre unit has a 75 percent stand and a 9,000-box potential, the insurable acreage will be 75 acres (100 acres x 0.75 = 75 acres) and the average potential production will be 120 boxes (9,000-box potential ÷ 75 acre = 120 boxes/acre).

The acreage cannot be excluded from coverage.

- (b) **Macadamia Tree.**

- 1 Macadamia Trees are subject to exclusion from coverage when:
  - a Orchard practices listed on the actuarial documents are not carried out.
  - b Macadamia trees are maintained or set out for experimental purposes.
  - c An incomplete PAIR is completed for an insurance application).
  - d When Macadamia Trees are grafted onto existing rootstock or nursery stock within the one-year period prior to the date insurance attaches.

- 2 Identify and explain any uninsured acreage in the “REMARKS” section of the acreage report.
- 3 Excluded acreage. The AIP may exclude from insurance or limit the amount of insurance on any acreage which was not insured the previous crop year.

Any excluded acreage must be noted as excluded acreage on the block map and the PAIR.

(c) Tomatoes – Fresh Market Dollar Plan.

- 1 The AIP must determine through the insured whether all acreage within the field is planted or if there are any areas of the field that are not planted such as unplanted headlands, field roads, and/or other areas not part of the planting pattern used for spraying and care of the crop, because unplanted acreage is not insurable.
- 2 Based on the Fresh Market Tomato CP, when the insured reports row widths greater than 6 feet, AIPs must determine the insurable acreage using the following method:
  - a Divide 6 by the reported row width (i.e., reported 8-foot row width)  $6 \div 8 = .750$  factor; and
  - b Multiply the reported field acres by the factor to establish the insurable acreage that will be entered on the acreage report (i.e., reported 20.0 acres within the field multiplied by the factor  $.750 = 15.0$  insurable acres)..

(8) Liability Adjustment Determinations.

- (a) Florida Citrus Fruit requires an adjustment to the dollar amount of insurance consistent with section 3(d) of the Crop Provisions when a reduction of the crop’s production potential and/or an adjustment to the crop’s insurable acres [see Sec. 20A(4)(b)] results in a comparable loss in yield.
  - 1 Reducing the Dollar Amount of Insurance. As a result of the loss in yield, an RO Determined Yield must be requested in order to reduce the amount of insurance and a Guarantee Adjustment Factor assigned by the RO; the AIP must multiply the Guarantee Adjustment Factor by the Reference Maximum Dollar Amount. Any unit (grove or sub-grove) that has had a reduction to the dollar amount of insurance must be reported to PASS with the Guarantee Adjustment Type Code of “D”.

**Example:** An 80-acre unit of Citrus Fruit has sustained significant damage since the last PAIR was conducted due to successive winter freeze events.

After acreage reduction has been performed on 60 acres of the reported 80 acres due to tree removal as a result of the winter freeze events, the remaining acreage resulted in a reduced average canopy volume across the unit of 25% and a comparable loss in yield. The reduced productive capacity and the loss in yield triggered an RO Determined Yield.

- 2 **Maintaining the Dollar Amount of Insurance Reduction.** If the dollar amount of insurance for the insured crop has been previously adjusted due to a reduction of the crop's production potential which resulted in a comparable loss in yield, and submitted to PASS with the Guarantee Adjustment Type Code of "D", this reduction is required to be maintained until an increase to the dollar amount of insurance has been requested and provided by the RO.

Any unit (grove or sub-grove) that has previously received a reduction to the dollar amount of insurance and has not requested an increase to the dollar amount of insurance as a result of the previous reduction must be reported to PASS with the Guarantee Adjustment Type Code of "D".

- 3 **Increasing the Dollar Amount of Insurance.** An RO Determined Yield must be requested in order to increase the previously reduced dollar amount of insurance on any unit (grove or sub-grove) that has had a reduction to the dollar amount of insurance and been reported to PASS with the Guarantee Adjustment Type Code of "D".

- (b) **Macadamia Trees** require a liability adjustment if the percent stand is 90 percent or less. If the stand is less than 90 percent, based on the original planting pattern, the dollar amount of insurance will be reduced by 1 percent for each percent less than 90 percent.

**Example:** The insured selects \$1,000, and the remaining stand is 85 percent of the original stand. The amount of insurance on which the premium and any indemnity will be based is \$950 (\$1,000 multiplied by 0.95).

- (9) **Additional Records Requirements for Florida Citrus Fruit.** When records are required, they must indicate the location, citrus fruit commodity and group.
- (a) **For Juice Fruit:** Acceptable records include trip tickets, processing records (load certificate summary from processing facilities and Citranet summaries), and test house inspection certificates from processing and re-grading facilities.

(b) **For Fresh Fruit:** Unless otherwise provided in the Special Provisions, when a PAIR is required or if requested by the AIP or RMA:

- 1 Acceptable fresh fruit sales records must be provided upon request from at least one of the previous three crop years; or
- 2 A current year fresh fruit marketing contract must be provided for fresh fruit acreage new to the operation or for acreage in the initial year of fresh fruit production.

Acceptable records include trip tickets, run sheets, pack-out statements or year-end settlement sheets that indicate, by citrus fruit commodity/group, the number of standard (1<sup>3</sup>/<sub>5</sub> bu.) size boxes packed or the net weight of the packed fruit.

**Exception:** If production is marketed directly to consumers [see Section 14D(6)(a)] and daily sales records along with other receipts verifying the income from the sale of the crop are used as supporting documentation [see Section 14D(6)(d)], the receipts submitted must indicate the crop, the minimum production sold as fresh, the date the production was sold, the amount of production sold in the applicable unit of measure, and the price.

**Exception:** Pre-Harvest appraisals (see Section 14F) alone are not an acceptable production record for Fresh Citrus Fruit production.

(c) **Florida Citrus Fruit Commodities.** As provided in PM Bulletin 12-063 for the 2014 crop year, carryover insureds are required to complete a new application if the types insurable under their current policy will become insurable under two separate policies due to changes to the crop names.

These carryover insureds are required to complete a PAW by the April 15, 2013 ARD.

AIPs must follow the following actions to convert the applicable policies for acreage insured under the Florida Citrus Crop Provisions.

- 1 Instructions for transitioning to the revised policy structure of the Florida Citrus Fruit Crop Provisions.

IF a producer has a 2013 crop policy for...	THEN for 2014 ...
<p>Citrus I – Early and mid- season oranges;</p> <p>Citrus II – Late oranges juice;</p> <p>Citrus III – Grapefruit for which freeze damage will be adjusted on a juice basis;</p> <p>Citrus V – Murcott Honey Oranges (also known as Honey Tangerines) and Temple Oranges; or</p> <p>Citrus VIII – Navel Oranges</p>	<p>Policy cancellation and reissuance is not required. Policy documents (e.g., acreage report and any subsequent policy documents) issued after the policy provisions were released must include the new Citrus Fruit Group and Citrus Fruit Commodity name.</p>
<p>Citrus IV – Tangelos and Tangerines</p> <p>Citrus VI – Lemons and Limes</p> <p>Citrus VII - Grapefruit for which freeze damage will be adjusted on a fresh fruit basis, and late oranges fresh</p>	<p>The AIP must cancel their respective policy and provide written notification to the producer(s) of the commodity name change requiring policy cancellation. This notice must include a statement that to continue coverage, the producer must submit a new application to their agent by the April 15, 2013 sales closing date.</p>

2 Conversion chart for determining the new citrus fruit commodity names based on the old citrus fruit crop names.

Citrus Fruit Crop Names 2013 and Prior	Citrus Fruit Commodity Names beginning in 2014
<p><b>Citrus I</b></p> <p>Early and mid-season oranges</p>	<p>Oranges</p>
<p><b>Citrus II</b></p> <p>Late oranges juice</p>	<p>Oranges</p>
<p><b>Citrus III</b></p> <p>Grapefruit that will be adjusted for freeze damage on a juice basis</p>	<p>Grapefruit</p>
<p><b>Citrus IV</b></p> <p>Tangelos and tangerines</p>	<p>Tangelos</p>
	<p>Mandarins/Tangerines</p>

Citrus Fruit Crop Names 2013 and Prior	Citrus Fruit Commodity Names beginning in 2014
<p><b>Citrus V</b></p> <p>Murcott Honey oranges (also known as honey tangerines) and temple oranges</p>	<p>Tangors</p>
<p><b>Citrus VI</b></p> <p>Lemons and Limes</p>	<p>Lemons</p>
	<p>Limes</p>
<p><b>Citrus VII</b></p> <p>Grapefruit that will be adjusted for freeze damage on a juice basis and a late oranges fresh</p>	<p>Grapefruit</p>
	<p>Oranges</p>
<p><b>Citrus VIII</b></p> <p>Navel Oranges</p>	<p>Oranges</p>
<p><b>Citrus IX</b></p> <p>Any other citrus fruit crop designated in the special provisions fruit crop designated in the special provisions</p>	<p>Any other citrus fruit commodity designated in the actuarial documents</p>

**B Hybrid Seed Corn or Hybrid Sorghum Seed.**

Hybrid Seed Corn or Hybrid Sorghum Seed is a Yield Based Dollar Amount of Insurance that is grown under contract a Seed Company. **If there are multiple contracts with different seed companies, a** separate policy is allowed for acreage grown under contract with each different seed company. Coverage is provided only for acreage grown under a contract executed with a seed company by the ARD.

- (1) **Different coverage levels** may be selected on each separate policy. However, payments of losses must be made accordingly and coordinated between policies/AIPs.
- (2) **Units.** Unit division is determined as follows:
  - (a) Contracts specifying production or production and acres. There will be no more than one BU for all production contracted under each processor contract. For example, if an insured has three contracts with the same processor, the insured is eligible for three BU. OUs are not applicable.
  - (b) Contracts stating acreage. Acreage that would otherwise be one BU may be divided into OUs provided OU qualifications are met (e.g., acreage located in separate, legally identifiable sections, etc.). **[See Sec. 10].**

**Exception:** OUs by IRR and NI practices are not applicable to Hybrid Sorghum Seed.

- (3) **County Yields for Hybrid Seeds.** Yields are established by county and used to calculate the amount of insurance. The Hybrid Seed Yield that applies at each coverage level is in the actuarial documents. The insured may elect a coverage level (associated yield), as well as a price election.
- (4) **Amount of Insurance.** The amount of insurance is the County Yield minus the minimum contract payment (in bushels) provided by the seed company times the price election. The amount of insurance for hybrid seed approximates the dollar value of insurance of corn or sorghum planted for grain. However, the basis of insurance for hybrid seed is female acres. Acreage planted to the male inbred line is not insurable.

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

2 Acreage meeting age and production minimums.

For acreage that is in at least the 5<sup>th</sup> growing season after top work and has produced 600 pounds or more of pecans in-shell per acre in at least one of the four most recent crop years :

Report all years since meeting or exceeding the 600 pound minimum on the SRH; may not require two year increments the initial year. [See also Para. D(9)(c)2 a] above.

3 Acreage meeting the above added acreage requirements [1 or 2] cannot be added in the second year of the coverage module. Reporting of production for the first year of the module is delayed until the end of the second year, if reported it cannot be submitted to FCIC through DAS. It must be delayed until gross sales and acreage for Pecan Revenue are reported under the next two-year module for the county.

4 [See also Para. D(5)(b) above for PAIR requirements.]

- (10) **Acceptable Records.** Settlement sheets, sales receipts, and final or year-end statements from a processor must indicate the weight of pecans harvested in pounds (in-shell basis rounded to the nearest whole pound) by variety excluding foreign material and the in-shell price received per pound (in dollars and cents). If in-shell is not shown, documentation must be obtained or documentation must contain information to determine the in-shell price (e.g. in-shell price may be shown as the fixed price; shelling percentage may be shown). When all pecans have not been marketed, the pounds of pecans in storage must be reported and the average in-shell market price for the week the pecans were harvested will be used to determine the harvested value.

[See Sec. 14D(6)] for acceptable pick records, and use of pre-harvest appraisal for direct market sales. If direct market is allowed by the SP or by WA, review for any required adjustments in determining market price. For Pecan Revenue purposes any reference to yield or production includes price and revenue.

- (11) **Acreage Determination for Native Pecans With No Established Planting Pattern.** To calculate acreage for Native Pecan Trees [no established planting pattern (see Exh.16N)], use the formula below:

A= Acres

N= Number of trees in the orchard

Formula:  $N \div 14 = A$

**Example:**  $31 \div 14 = 2.214$  rounded to 2.2 acres

**Note:** 14 trees per acre is used as the standard number of trees per acre, not to exceed the physical number of acres.